

Tune Up Your Negotiation Skills



The Association of Shareholder-Owned Electric Companies

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Planning is the Key

- Focus on the relationship
- Facts and terms are overrated
- Winning!! ??????
- Look for win/win
- Build up your BATNA
- Maximize your bargaining power

Focus on the Relationship



A Sales Philosophy

Focus on the Relationship



SHOWING Respect

Winston Churchill's thoughts on the subject

- You will never prove them wrong
 - ADMIT TO YOUR MISTAKES!!!!!!
- "My child choked on a chicken bone"
- If they are defensive you may be offensive.

Making a Connection



World's Greatest Car Salesman

- Why do people like each other?

Facts and Terms are Overrated



It's Not All About Terms

Ever heard anyone say this?

“Negotiation is an inefficient waste of time. Can't we quit messing around and get to the bottom line?”

Facts and Terms are Overrated



The Facts Don't Matter.....

If No One Believes You

- The **FACTS** don't matter!
 - Politics
 - Marketing vs. Finance
- Literally a matter of life and death.

Facts and Terms are Overrated



It's Not All About Terms

- Winner's curse– Movie contract
- Typical car buying vs. Saturn
- Which of the following provides more satisfaction?
 - A) a **bad** deal mistakenly considered to be a **good** deal.
 - B) a **good** deal mistakenly considered to be a **bad** deal.

Winning!!!!



What Matters the Most

Which of these factors are most highly correlated with successful negotiation outcomes?

- Bargaining power
- Aspiration level
- Skill of the negotiator

Raise Your Aspirations



Factors Restraining High Aspirations

- Fear of offending
- The satisfaction trap
- It's more work
- Skilled negotiators without power lowered their aspirations.
 - The smartest guy in the room!

Look for Win/Win Opportunities



Win/Win is an Attitude

- 62% buy into the fixed pie fallacy.
- Increase the “value” on both sides.

Build Up Your BATNA



Build Up Your BATNA

- Develop a positive “NO.”
- Southwest Airlines: The King of “No!”
 - No food
 - No choice of planes
 - No assigned seats
 - No extra baggage
 - No First Class
 - No shared reservation system
- Why they need a Sales Manager
- Failure to say “no” leads to disaster

Bargaining Power



Managing Bargaining Power

- Don't underestimate your power.
- Skilled negotiators without power lower their aspirations.
- Don't dwell on your weaknesses.



Putting Our Plan Into Action

- 1. Focus on the relationship.
(Respect – Avoid Conflict – Liking)**
- 2. Facts and terms are overrated**
- 3. Raise your aspirations**
- 4. Look for win/win opportunities.**
- 5. Build your BATNA**
- 6. Build your bargaining power.
(You have more power than you think you do)**



Thank You

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Additional Training Opportunities

Andrew L. Urich

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Become more successful by building a personal brand image
- ***Critical Thinking***
Keys to decision making, innovation and value creation
- ***Ethics Awareness***
Managing for an ethical workplace



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