

Negotiations: Know bargaining range and resistance points

EDITOR'S NOTE: This is Part Two of a multipart property management series.

There's a wonderful folk saying that I especially find applicable to negotiations: *Who is without knowledge? He who asks no questions!* What do skilled negotiators do that average negotiators do not? First, they ask *twice* as many questions as average negotiators ask. Their questions have purpose: to elicit real information, especially about the reasons behind positions taken by the other party. They focus more on receiving as opposed to delivering information by asking many questions, seeking understanding and listening intently. And, most important, they seek to establish open communication by setting a friendly and personal tone, if the situation favors this. Rapport building is absolutely the most important aspect of the negotiation process.

■ **Key study.** A very interesting study by Rackham and Carlisle shows that skilled negotiators spend 38.5 percent of their time acquiring and clarifying information – as compared with just fewer than 18 percent for these activities by average negotiators. Another study found that *“listening skills”* ranked as one of the top three traits of the best negotiators. The other top-rated skills? Willingness to prepare (rated No. 1), knowledge of the subject matter being negotiated and ability to think



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■ **Now the question:** Do we know our own bargaining range and resistance points? We cannot know when to say “yes” and when to say “no” without knowing what we are trying to achieve. In other words, do we know our walk away point, our target and have our opening demand clearly in mind? Have we thought ahead about our bargaining range, the concessions we are willing to make and the reasons for those concessions? If yes, we are unlikely to get caught up in the heat of the negotiation and to give up things that we will regret later. Planning our concessions will help us keep our target more firmly in mind and will better enable us to achieve it. We also will be more credible in the positions we take, even when we are making concessions, if those positions are supported by reasons that relate to specific

clearly under pressure (tied for No. 2), and ability to express one's thoughts (tied with “listening skills” for No. 3.) Reference: G. Richard Shell, *“Bargaining for Advantage.”* New York: Penguin Books, 2006, Pages 148-149.

aspects of the negotiation.

Now, assume that the opposing negotiator will be as well prepared as you are. Anticipate what the other side's bargaining range and walk away and resistance points will be based on the information available. Focus intently on what is being said and what is *not* being said at every stage of the negotiation. Seek diligently to understand their options, their strengths and weaknesses. Put yourself in their shoes; see it from their perspective. What do they want from this negotiation? What is driving them? Look for signs of neediness in their words and actions. Effective negotiators actively look for and understand the difference between the word *“want,”* which is something to work for, strive for and plan for, but it is never, ever confused with *“need.”* In other words, appearing to *“need”* something too much may weaken your negotiating position.

■ **Key point.** Take extra precaution in your preparation to clearly identify and separate your wants from your neediness. Remember, neediness is a killer in a negotiation. Think of it this way: It is very difficult to appear calm, cool and collected when you are practically screaming *“neediness.”* Not only is it unsettling by itself but also it serves as a clear indicator of weakness in your position. (Stay tuned for Part Three!)▲