10 Negotiating Mistakes You Don't Know You’re Making



Most people negotiate based on instinct and experience, not taking the time to consider their negotiating behaviour. Here are 10 negotiating mistakes which you may not even know you’re making:

1. Leaving no time to prepare

My boss has said to me, ‘Some of the best deals I’ve done are the deals that I haven’t done.’ He takes the time to know what a good deal and bad deal looks like. If you don’t leave yourself enough time to think about what you want to get out of a negotiation and what the other party wants, you could find yourself wasting a lot of time trying to get a deal that was never going to happen. You also may not understand what an optimal deal looks like or if you've agreed to a poor one.

2. Having an inflexible strategy

Negotiations take twists and turns. New information and assumptions will inevitably impact your preparation and strategy. It’s OK, and it’s all part of the fun. Remember the kids’ song about a bear hunt? Goin' on a bear hunt… Uh oh! It's a wide river. Can't go over it. Can't go under it. Can't go through it. Got to swim across it.

Be ready to formulate plan B, C and D to overcome the obstacles.

3. Talking too much

You might like the sound of your own voice, but in a negotiation you need to listen more than speak. Listen and find out: what's important to the other party, where they are flexible and what constraints they have. With this understanding you'll have a much greater chance of reaching agreements that work for both parties.

4. "That's my final offer!"

Don't say it! These words will back the other party into a "deal or no deal" position. Negotiation is a trading process so it is never a bad thing when a counter offer is made. You then have a great opportunity to build a more valuable outcome for both parties. Also, if you are bluffing and they call you on it, you will then have to make a movement and lose credibility in the process.

5. Taking negotiations personally

I have seen some brilliant people walk away from great deals because their emotions were involved, and later lament it. Stay objective even if the other party is acting like a goose. Try and look past the bad behaviour to understand what they are actually asking for. It is possible that their reasonable demands are hidden behind unreasonable behaviour.
Remember as well, negotiation is a game where you win some and you lose some.

6. Being worried about the other party getting a good deal

If you're going to skin a cat, you don't leave it in the house.
Most commercial negotiations are not transactional. It is good that the other party is getting a good deal as the agreement will likely deliver and work in practice. If the deal is at bare bones for the other party, it will be reluctantly implemented with potential low quality and service implications.

7. Being physically dominating

Destabilising the other party by sitting close, table thumping, sitting in a bigger chair, positioning them with the sun in their eyes, aggressive tone and manner are ill-advised. If the other party is intimidated there is a great chance they will close up, which is the last thing you want the other party to do in a negotiation.

8. Pickpocketing

The deal is agreed and you deliberately ask for a scope change or late payment. This is an

infuriating situation for the other side. Make sure you agree on what's been agreed.

9. Taking a vow of silence

If you take a vow of silence and disclose little or no information to the other party, you're asking them to guess what you want. Have you ever gone to a restaurant when the waiter asks for your order and answered, 'Take a guess'? Chances are you're not going to get the steak you wanted, nor will you get exactly what you want in a commercial negotiation by taking a vow of silence.

10. Negotiating too close to a deadline

The best time to negotiate with car sales people is at the end of the month or better yet, at the end of the quarter. They are remunerated by hitting revenue targets that close each month. You will be able to put them under time pressure and get a better deal.

In your negotiations keep some time up your sleeve so you are not so desperate to make a deal.

About the author: Tyler is the General Manager of Sales and Marketing and a Partner at Scotwork Australia. Scotwork has specialised in negotiation skills training and consultancy for over 40 years.