

Your First Stop for Supply Chain Information

15 Negotiation Pitfalls – and How to Avoid Them

It's Easy to Let Personality and Emotion Get in the Way of Getting the Best Deal

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Negotiating skills remain a critical capability for procurement and sourcing managers – an area that seems not to get as much focus today as it did in years past.

Below is a list of 15 common negotiating pitfalls – and some tips on how to avoid them.

Failure to be assertive due to fear of conflict, shyness, or lack of confidence: Commitment to the process is a necessary requirement. Failure to assert your position forces the other negotiator to contend until resistance is met, often making the situation worse.

Contentiously defending particular solutions, rather than basic interests: Apply a strict policy of firmly defending your basic interests (the ends), but remain flexible about the solutions to achieve these interests (the means).

Mixing contentious behavior with problem solving: This will kill the problem-solving effort and erode trust. Separate necessary contentious exchanges by assigning them to one person ("bad cop"), while a "good cop" works on problem solving, or schedule separate meetings for the contentious issues if you are negotiating alone.

Using threats: If threats are necessary to curtail the opponent's contentious behavior, use deterrent threats ("I cannot agree to...") to clearly state your position and interests.

Believing negotiation power comes solely from superior force or resources: Negotiation power actually comes from skills, knowledge, strong relationships, developing good alternatives, an ability to Negotiating skills are inherently intertwined with personality and emotions. The majority of these pitfalls involve situations where the negotiator lets emotional factors get in the way of working a deal that is best for the company.

build elegant solutions, legitimacy (having "right" on your side, or being able to frame it that way), and commitment to interests and the negotiating process.

Announcing "negative" commitments: In order to be credible, each commitment must be executed. It is illogical to harm one's own interests simply to hurt the other party. These types of statements are often made under stress and are caused by negative emotions. Learn to sense your own emotions, and stop, look and listen, alter, or avoid is the advice.

Viewing negotiations as psychological war- fare: While negotiation has a strong psychological component, viewing it as a war is detrimental to achieving the integrative potential in most negotiation situations. The advice: communicate clearly, develop listening skills, and keep your own words and actions telling a clear and consistent message.

Burrowing into details without an overarching agreement: Without a foundation and a plan

15 Negotiation Pitfalls – and How to Avoid Them (Con't)

on how to address the various issues, a negotiation can quickly bog down if details are not immediately addressed.

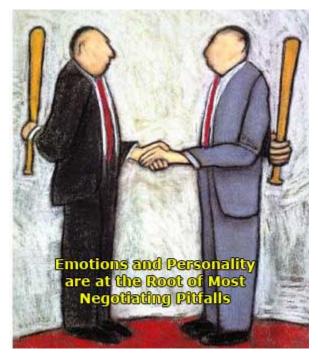
Being unwilling to set or adhere to the preestablished limit: Generally this problem arises from inadequate preparation (failure to establish this limit in advance) or misreading how much an issue or item really is worth in sacrifice.

Failing to commit to agreement when conditions are met: If you are prone to feel that things could "always be a little better," or that you've "left something on the table," trust your plan. If not, then something else may be wrong, so think about it and decide tomorrow.

Taking an over-aggressive stance early in a negotiation: This turns-off the opposing negotiator, so, if you are prone to this, let others open negotiations or practice "toning down" your opening positions and statements.

Getting distracted by the opposing negotiator's personality and behavior: Stay focused on the opponent's interests. If the opponent's behavior becomes so distracting that negotiations are disrupted, however, ask for a break, then take him or her aside and address the behavior clearly and firmly.

Closing yourself off to any attempt to be persuaded by the other side: Refusing to be affected by statements from the opposing side is a classic "rookie" error. If the argument is valid it should be addressed; if not, it can be rebutted.



Failing to seek information about the other side's needs and wants: Even experienced negotiators often fail to really understand the other side's interests. You should ask questions and keep communicating, even if you're not agreeing.

Bluffing or lying without the strategic advantage to carry through: If a negotiator is caught actively lying, trust is immediately lost and negotiations can grind to a halt.. Due to the risks, as well as the ethical issues, lying should be eliminated from negotiating strategies.

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