

STRENGTH 5: TARGET ORIENTATION AND PROCESS KNOWLEDGE

One of the main success factors for the Master Negotiator is his unconditional orientation towards his own objectives, but also his partner's.



By neglecting his own objectives, he will hardly achieve them. Ignoring opposing objectives will leave his negotiation partner little reason to come to an agreement.

Preparing well also means being aware of one's own aims and the partner's presumed objectives and interests by asking very specific questions:

- What do I *really* want?
- How much of this do I really have to achieve?
- Which parts could I abandon the easiest?
- Why do I want exactly that outcome?
- What personal, organisational and other interests are involved?

Already, by briefly considering possible principles, character of the negotiation partner and viability of expectations, a lot of time and effort will be saved later on.

However, the most important homework is specifying one's objective. You must be very clear on what you really need to exit the negotiation with. When formulating objectives, one has to be clear about its main tasks:

- The objective determines the journey
- Time efficiency
- Offers can only be rated by reference to objectives

- The aim legitimises the negotiation process
- Competency requirements become clear
- Clarity of objectives fosters the creation of options

It is useful to formulate a rather limited negotiation objective and build in “alarms bells” that force you to stop the negotiation and reconsider your situation, given certain outcomes. But be careful. If you limit yourself too much, you might find it hard to develop creative solutions with the little development space left.



Goal Setting and Attainment

As an advisor and “ghost negotiator”, it is my task in preparations to come up with ideas and analyse strategies. Sometimes, time is rather limited and I only meet negotiators on the day of the negotiation round.

After getting a first overview of the strategy, I generally like to put forward a very simple question: “What is the specific aim of this upcoming round?” It is startling that in 7 out of 10 cases, I do not get a satisfactory answer, but something along the lines of “I want to get out of this as much as I can” or “I am not sure what I can abandon. I want to see first what the other side is offering.” Naturally, problems are bound to happen.

If one does not know what port one is steering for, no wind is favourable to him.



Lucius A. Seneca
5 BC- AD 65

Even if objectives were set initially, one sometimes loses sight of them in arduous, lengthy proceedings. However, objectives determine the success of the negotiation. The negotiation is not meant to be an end in itself; working on objectives is the central element in the preparation.

At first sight, flexibility in the negotiation and the consideration of the negotiation partner's wishes seem to contradict the attainment of one's goals. Often, this contradiction can be solved by uncovering the hidden interests behind the stated positions.³¹ In order to stay flexible, it is crucial to know one's *own* interests and motivation and be able to prioritise.

An experiment proves the dependence of the outcome on the formulation of the objective³²:

In a classic buy-sell transaction, the negotiators were given a specific objective. Reaching that objective meant being able to continue and go to a "bonus round".

The first group was given the objective of \$2.10 to continue. The second group was given \$6.10 as the objective to be able to con-



³¹ For the distinction see above *Interest: the lighthouse in the negotiation*

³² Sydney SIEGEL and Lawrence FOURAKER "The Effect of Level of Aspiration on Differential Payoff"

tinue. Both groups were given the same minimum price (walk-away point) and both groups thought the objective was realistically achievable. Why else would there be a bonus round?

A look into the results is most revealing: The group with the higher qualification objection achieved an average of \$ 6.25 whereas the second group only bargained for an average \$ 3.35!

The sales price was doubled with identical conditions apart from the given objectives!

Objective formulation



Saint-Exupery

If you want to build a ship, don't drum up people to collect wood together and don't assign them tasks and work, but rather teach them to long for the endless immensity of the sea.

Objectives are motivations and yardsticks of all actions. The more realistic, clear and unambiguous one's objectives are, the more likely their achievement.

How can objectives be prepared so they offer enough orientation in the heat of the battle, but still are not excessively limiting? At each beginning there is at least a vague idea, a vision of the desired solution. This starting point might be verbally expressed by simply stating: "We want the highest possible selling price."

This is where the actual defining work for the objective begins. A useful objective has to be worded specifically and needs to have clear reasoning, stating the motivation for this objective.

A useful formula to set a goal is the SMART formula:

- Specific
- Measurable
- Achievable
- Realistic
- Time-based

Specific



I aspire to achieve a good result!

That is certainly an interesting, desirable goal. However, it will not help you to evaluate the last-minute counteroffer of your 3rd biggest customer who increased the sales volume by 20%, and turned shipping and handling charges and risk over to your company.

You need to be as specific as possible!

Measurable



My goal is to increase turnover considerably and have a good relationship with my client!

How much is a “considerable” increase? What is a “good” relationship? Where is the line, after which you will not accept your customer’s demand?

Achievable

I want everything, immediately.



Sure! Who doesn't? But is this a realistic and achievable goal? Put yourself in your partner's shoes. Would *you* agree making these concessions? Sometimes the belief that "the sky is the limit" clouds our judgement. Facts will not disappear, no matter how much we wish for it to happen.

I am an optimistic person. As a mediator, I find it very enjoyable to enable results that nobody even considered before. But I can only inspire a solution if the steps towards it are realistic for the parties.

It helps to dismantle the problem into smaller steps. This way it also becomes clearer what the direction of the concrete negotiation phase is.

Let us regard an exemplary wage negotiation:



Sabine has been a hardworking and appreciated employee for the last three years who manages entrusted tasks diligently and thoroughly. She is preparing her arguments for the next wage negotiation: the projects she has realised, the accomplishments she has achieved for the company, the ideas she has contributed, the additional training she has completed. She thinks that a wage rise of 8% would be justified.

In the meeting, she presents her arguments in convincing order. What happens? Her boss listens, nods every now and then and eventually tells her that he is not authorised to do that. He finishes with the remark that she "has to find another approach" and sends her out while picking up the phone.

What can she do now? Should she have structured her argumentation differently? Should she have more strongly demanded her rise? Frustrated, she talks to her friend from HR.

Her friend confirms her suspicions: Her boss was not *able* to