

# SIGMA

## Leadership Series



# Great Leaders Negotiate



## GREAT LEADERS NEGOTIATE

“ Let us never negotiate out of fear, but let us never fear to negotiate.

– Gale Anne Hurd

Negotiation is one of the most used but least trained leadership skills. It is the ability to work with another party (or parties) to decide on outcomes that further the interests of the organization, and when possible, also further the interests of opposing groups. Experts suggest that we spend nearly 50% of our day negotiating.<sup>1</sup> However, despite ample practice, polls show that 40% of adults in the United States don't feel confident in their ability to negotiate,<sup>2</sup> largely because they lack the skills or confidence, or because they are unable to decipher when it is an appropriate time to negotiate.<sup>3</sup>

But why does negotiation matter? This is an important skill for leaders because it allows them to guide mutually-beneficial decision-making. Having strong negotiation skills means that a leader will be able to defend and achieve goals, act in the best interests of others (i.e., their organization, team, or employees), and maintain positive relationships through difficult conversations. Overall, negotiation allows leaders to drive productivity and optimize results. It's never too early to begin developing these skills.

In assessing your ability to negotiate, ask yourself the following questions:

- Do I enter conversations and decisions with a goal in mind?
- How strong is my persuasive ability?
- Am I able to process new information quickly and change my strategy on the fly?
- Can I understand other perspectives and find solutions that meet everyone's needs?
- Am I able to maintain a calm and composed presence during difficult conversations?

### Improve Your Ability to Negotiate

**Reframe the discussion:** In a proper negotiation there is no “winner” and “loser.” Some people face a mental barrier to negotiation because they struggle to be assertive or to ask for what they want. But negotiation doesn't have to be a zero-sum game; the goal is not to win but to find a solution that makes both parties happy. The next time you find yourself in a negotiation, try reframing the discussion in this way. Remember that you are not two opposing parties, you are on the same team, and the goal is not to win, it is to find the best solution for everyone.

**Process internally:** One important component of negotiation is the ability to process internally. **Internal processors** take time to think about what they are hearing and develop a response. They usually do not speak until their opinion or decision is fully formulated. **External processors**, on the other hand, can be quick to reply and talk through their thoughts. They begin responding before their opinion is fully formulated but will often reach a decision along the way. During a negotiation, it is important to process internally to ensure your message is communicated clearly without giving too much away. If you are more naturally inclined to process externally, challenge yourself to pause, think, and formulate a strategy for your response before you reply.

**Practice your “poker face”:** In addition to processing thoughts internally, it is important to process emotions internally as well. Try to avoid sending cues when you feel alarmed at a proposition or thrilled that the discussion is going your way. Instead, give yourself some time to think or process in moments when you may become overwhelmed. In general, negotiations benefit from both parties staying calm and collected because it allows everyone to be objective and flexible. Work on your patience, try to remain poised, and practice your poker face when the negotiation is really pushing your limits.

## Start Doing These 3 Things Now to Become a Better Negotiator

The following steps can help you become better at negotiating:

1. **Know Your Priorities.** In addition to knowing what you “want,” it will be helpful to know your priorities. Take some time to think through what components of the decision are important to you, and how much weight each bears. In a negotiation, you may not get your ideal solution, so you need to know where you are willing to compromise.
2. **Share Your Priorities.** When you begin a negotiation, set aside some time for both parties to share their priorities. Listen to one another’s perspectives and understand the context within which the negotiation is happening. This will build trust and help you frame the discussion as a mutual effort to find the best solution for everyone.
3. **Ask Questions.** In a negotiation, the person asking questions has control over the conversation. Before you enter a discussion, prepare a few questions that will help you get the information you need. Apart from asking questions, you can also ask for what you want. As the saying goes, you miss 100% of the shots you don’t take. Don’t be afraid to make the first offer (at or above your target). This will create an anchor for the negotiation and make it more likely that the outcome will be near your goal.

## Resources



[3 steps to getting what you want in a negotiation](#)



[6 Tactics to Help You Become a Better Negotiator](#)



Develop your ability to become an inspirational role model by taking advantage of [SIGMA's coaching services](#).

Contact SIGMA for coaching on developing your skills as a leader.

SIGMA Assessment Systems, Inc.

Email: [support@SigmaHR.com](mailto:support@SigmaHR.com)

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## References

<sup>1</sup> Romo, A. (July 19, 2018). Five Tips to Become a More Successful Negotiator. *Forbes*. Retrieved from <https://www.forbes.com/sites/forbescommunicationscouncil/2018/07/19/five-tips-to-become-a-more-successful-negotiator/?sh=4bff96787961>.

<sup>2</sup> Procurement Tactics. (2022). Negotiation Statistics 2022 – 29: Interesting Figures that Will Surprise You. *Procurement Tactics*. Retrieved from <https://procurementtactics.com/negotiation-statistics/#:~:text=Salary%20negotiation%20statistics&text=Out%20of%20the%2057%25%20who,uncomfortable%20asking%20for%20a%20raise>.

<sup>3</sup> AMSTATNEWS. (February 1, 2022). Skills and Strategies for Successful Negotiation. *AMSTATNEWS*. Retrieved from <https://magazine.amstat.org/blog/2021/02/01/successful-negotiation/>.