'Anyone who negotiates anything, should have a copy on their desk,' Michael Ogilvie, Senior Partner, OBC The Accountants



How to get a winning result from persuasive negotiations

DEREK ARDEN

Praise for Win Win

'I have worked with Derek for 25 years; as a competitor and then as a provider of training to businesses for which I have had responsibility. His observations on behaviours and outcomes are perceptive: they encourage a different way of thinking and lead to much more effective outcomes.' Steve Pateman, Head of UK Banking, Santander UK

'I wish I could get all the lawyers in our worldwide practice to read this book.' *Peter Hirst, Senior Partner, Clyde & Co Lawyers*

'An expert's guide to a difficult business subject. All our MBA students have access to Derek's programme and all business leaders should read this.' Professor Andy Adcroft, Leader, Surrey University Business School MBA programme

'I have worked with Derek for almost 5 years and there's nothing he does not know about negotiation. This book should be on every CEO's bookshelf!' Laura Sercombe, CEO, Challengers

'For the past 30 years I have listened to many negotiation experts. Although many have great ideas and strategies, nobody has as much real-life, practical advice, based on real world experience as Derek Arden.' Patricia Fripp, first female President of The National Speakers Association (USA)

'Derek has incorporated all the gems of his excellent material on this vital subject into this book. A must for all negotiators, whatever their level of experience.' Michael Williams, Chairman, Sovereign Business Integration Group Plc

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Ask the right questions

In this chapter you will learn:

- Why asking good questions is so important when negotiating.
- How to phrase really good questions.
- Types of questions you might ask.
- Why it is good to be curious.
- How to keep digging.
- What to do after you have asked a question.

Why asking good questions is so important when negotiating

Questions are vital to the negotiation process. Everybody has different views about the issues they are negotiating, especially given our different and varied opinions and goals.

So, therefore, in a negotiating situation, asking good or great questions will enable you to discover as much about the other side's position, views and thinking as possible from their answers.

The ability to ask high-quality questions and then accurately listen with all your senses to the response is an essential skill.

High-quality questions take careful preparation. Usually it is difficult to ask well-constructed tough questions in a gentle non-offensive way under pressure and without preparation. High-quality questions seek out the answer you need to hear in order to determine the truth and the facts on which to base your next steps and eventual decision making.

Observing the answers to these well-prepared questions means listening carefully, watching the accompanying body language for congruence and noticing what is not said.

The use of high-quality questions in a negotiation is vital to getting the right answers to make informed decisions.

Yet, many negotiators ask poor questions and therefore get poor answers.

T!P TOP TIP!

The quality of the questions you ask determines the quality of the answers you get.

This chapter will show you how to ask really good questions and to listen to the meaning of the answers you get.

Asking enables you to get to the real issues. In negotiating, people who really want to get their own way will not always tell you the truth. They might lie, they might withhold information and they might leave out important information.

To make good decisions, decisions that will take us towards our goals, we must have all the facts. Decisions that are made on only half the facts are poor decisions. We need to be as close to 100 per cent of the facts as possible before we make decisions. This includes before deciding or changing our best position, target position, walk away position and alternative position.

Often, you can see in the news where poor decisions have been made and clearly the big questions have not been asked.

When Lloyds TSB took over HBOS, the directors made their decision within 12 hours. How could they have had time to ask the right questions and receive answers that could have been verified? Often, in negotiations, one side puts pressure on the other side to dispense with due diligence.

In my experience of 33 years in financial services, this should be strongly resisted to ensure that the right decisions are made.

Questions are still being asked now how this could have happened.

Some people are afraid to ask, afraid to embarrass the other person, afraid to embarrass themselves or just afraid of the answer they might get. However when business people do not ask the right questions, then they might deserve what they get, if they get a poor deal.

Of course the bigger the company, the bigger the consequences are for not asking the right questions. The directors are running the company for the benefit of the shareholders, the people who put their money into the company for a return. This is a very responsible position, a position that carries a great deal of responsibility: to ask the right questions and make judgements on the right answers, or the answers that are as near to right as possible.

As a negotiator you must learn to ask questions in a nice way.

T!P TOP TIP!

Ask difficult questions in a soft tone of voice; ask easy questions with a strong tone of voice.

Appearing on BBC Radio London recently, I was accused by the presenter of being too nice to be a good negotiator. I explained that the most powerful questions could be asked softly. This appeared wasted on the presenter, who wanted to make a point that he thought to be a good negotiator you had to sound tough. You do not, if you ask high-quality questions and probe.

If you do not ask, you do not get

Many people have been brought up by parents being told to ask, and ask politely. The same applies to asking business questions. Asking questions does not mean asking them in an aggressive way, as we might see in a television courtroom drama. All questions, no matter how difficult, can be asked nicely.

Do not assume - ASK

Human nature often dictates that we think that others are coming from the same position as us. This can be a big mistake, which is why

assuming information is also a big mistake. In my experience, average negotiators often assume answers to questions, rather than asking the other side. Even if you are fairly sure of the answer, it can be beneficial to hear the answer from the other side.

Here is a great way to remember not to assume or make assumptions. The first three letters of the word assume are ass.

Then write down the word assume – ass u me – and remind yourself periodically that assume will make an ass out of <u>u</u> and <u>me!</u>

TIP TOP TIP!

If there is any doubt where the other side is coming from, ask. Do not assume anything.

As we know, information is power in any negotiating situation. You could use ASK as an mnemonic:

- A always
- S seeking
- K knowledge

How to phrase really good questions

So, now you know the importance of asking questions, let us focus on what questions to ask. Phrasing really good questions is a skill that anyone can do but it takes preparation, thought and practice. I keep a notebook with me to write down questions as they come to me when I am reflecting on a negotiating situation.

Ask yourself:

- What am I trying to achieve?
- What is the best order in which to ask these questions?
- Are they good, high-quality questions, which will get me to where I want to go?
- Do they help me discover where the other side is coming from?

PHRASING OUESTIONS - ACTION POINTS

- 1. Find the goal work out want you want to find out from the answer to the question.
- 2. Be brief and to the point phrase your question as concisely as possible.
- 3. Ask only one question at a time if you ask several questions at once, the person answering can forget, feel confused or, even worse, dodge a hard question.

Types of questions you might ask

Closed questions

Closed questions are those that give you a yes or no answer. Careful use of them should be employed. The danger is that a closed question can allow the other person to avoid the real question, because they are not under any obligation to elaborate further.

Examples of good closed questions:

- So, is there anything else you need to know before we go ahead with the contract?
- Can you state categorically that you have not agreed to anything cheaper than this?
- Shall we get the contract drawn up?
- Should we write down in draft what we have agreed, photocopy it and sign it before we let the lawyers draft the full documents?

Examples of poor closed questions:

- Is our price too expensive?
- · Are you in a hurry?
- Do you need an answer tonight?
- Do you have a better price?