

Preparation and planning

In the first century, Cicero, the Roman philosopher and lawyer, wrote: "Ex praeparato, nil desperandum" - preparation reduces trouble. And his adage is still relevant today, because the more thoroughly a negotiation is prepared beforehand, the more likely it is possible to anticipate trouble that might influence a successful outcome.

Experienced negotiators prepare by setting realistic objectives, and thinking about flexible scenarios toward different solutions. We used the word scenario because a negotiation is never a script, where the parties always know exactly what to say and when.

- **Script:** one fixed conversation line
- **Scenario:** an imagined, projected or suggested sequence of events

A scenario will be based around particular key items. Try to be as specific as possible, because unfortunately general objectives tend to render general results. Writing in English in advance will help you to prepare even better. The checklist below may prove a useful tool for developing your ideas for a scenario.

Checklist: preparation

- **Reason:** why are we negotiating?
- **Issues:** which (more detailed) issues will be involved?
- **Settlement objectives:** what do we want, what do they want, what don't we want, and what's our least acceptable result? What is a good alternative to the deal?
- **Priority of issues:** value each issue (high, medium, low importance) and do this for both parties.
- **People:** who is on our team and who is on their team, and what authority do members have? Do all members know their role as part of the team? Do we need a native speaker in our team?
- **Information:** what information do we have? What questions should we ask? What questions will they ask? How should we answer? Which information should be kept? What do we need to verify beforehand? Is there need for calculations, figures or any support materials? Who prepares statistical data and visuals?
- **Offer(s):** what are our entry and exit offers, what could be theirs and what concessions should we have available?
- **Tactics:** who says what to whom? Who will take notes? Who will listen and observe? What if it doesn't work?

It can be helpful to brainstorm by yourself or with different team members using this checklist. Also realise that despite the fact a team is well prepared, unexpected issues may come up during a negotiation. Sometimes it is necessary to

be flexible, or even make alterations to the prepared plans in order to reach an agreement.

Anticipate 75% of the other party's questions, and prepare suitable answers, preferably already in English.

The above checklist can also help you to evaluate after the negotiation. For instance, to measure to what extent you were prepared for different factors? Or by afterwards measuring how well you anticipated their questions. In so-called negotiation debriefs or reviews, people evaluate what happened during a negotiation. Bear in mind that the objective of such a negotiation debrief is learning, not problem fixing or blaming others. The results of a debrief can be documented for future use, by the same team or by a wider audience. In the words of lawyer and NBA chairman David Stern: "The secret of effective negotiation is dealing from strength, and strength comes from preparation."

Useful vocabulary

call a meeting: eine Sitzung einberufen
attend a meeting: an einer Sitzung teilnehmen
hold a meeting: eine Sitzung abhalten
schedule a meeting: eine Sitzung einberufen
attendee/participant: Teilnehmer
alteration: Änderung
objective: Ziel
debrief: Rückschau

BATNA: Best Alternative To a Negotiated Agreement

The BATNA strategy was introduced by the authors Fisher and Ury in their book "Getting to Yes". BATNA is an acronym for "Best Alternative To a Negotiated Agreement". It is a common tactic used in the English-speaking world. The central idea of this strategy is to think in advance about having alternative options available in order to leave the negotiation comfortably. This empowers you with the confidence to either reach a mutually satisfactory agreement, or walk away to an alternative supplier/buyer or keep things as they are. BATNA comes from planning, brainstorming and preparation with the key players in your organisation. It is a twofold process, as you first need to determine what alternatives are available, and secondly, you need to realistically estimate your counterpart's alternatives. Having a strong alternative strengthens your negotiating powers during the negotiation. If this is weak or you have no alternative, then you feel pressured to close a deal.

Example: BATNA



Horst's company asks him to move to Hamburg; he now earns 70.000 €. He thinks about his alternatives: if he rejects the offer it might influence his position, resulting in a lower paid job within the company, therefore his BATNA is the salary of 60.000 €. He informs on the job market and discovers that he could realistically earn between 80.000 € and 65.000 €; therefore his BATNA is estimated at 75.000 €. By identifying another alternative, Horst has increased his BATNA from 60.000 € to 75.000 €, and thus his bargaining power. Horst also has to

estimate the costs of moving to Hamburg, which he believes to be around 5000 €. His BATNA has grown to 80.000 €. Finally Horst will need to realistically estimate his company's alternatives or BATNA. If they have an alternative of moving Horst at a lower price than 80.000 €, a deal will not be easily made. But if Horst believes his skills and his direct usability for the company are to its advantage, he has increased his bargaining power by a total of 10.000 €. For Horst it was not only critical to calculate his own BATNA, but also to make an estimate of the other's BATNA.

The example shows us that both parties have their BATNA. Negotiating is the task of arriving at a reasonable outcome, given each party's next best alternatives. Negotiating is about trying to divide up the surplus, but in such a way that each party benefits. This demands preparation and correct judgement.

Checklist: BATNA

- Brainstorm about your best alternatives if you cannot make this particular deal.
- Elaborate on the most promising alternatives. The best alternative is your BATNA.
- Compare your own BATNA to all offers and proposals.
- When an offer is better than your BATNA, you are in a position to negotiate an agreement.
- When an offer is worse than your BATNA, try to improve on the offer from the other party.
- If the other party does not (or cannot) improve its offer, opt for your BATNA.

Parameters

Parameters are vital for your negotiations. What are the highest/lowest, best/worst, maximum/minimum requirements that are acceptable? These are often referred to as the ideal and fall back (bottom line). Using these parameters wisely helps to clarify what other information is relevant.

- The maximum: lay down what is the very best you hope to achieve. If you aim for a point that remains in a range that is believably possible, you allow yourself the potential of achieving it, having more room for concessions, and giving a stronger chance of reaching a satisfactory outcome. This is often referred to as the ideal.
- The minimum: the acceptable minimum gives you warning signs, when this is being breached and allows you ways to manoeuvre away from this point. This is often referred to as the fall back or bottom line.

Useful vocabulary

agree: zustimmen

disagree: nicht zustimmen

empower: befugen, bevollmächtigen

limits: Grenzen

meet halfway: auf halbem Weg entgegenkommen

mutually: gegenseitig

require: verlangen, voraussetzen