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Negotiating skills are a deal maker

The ability to seal a deal is a highly sought-after skill as global economic pressures drive more businesses to look for partnerships. **Niki Chesworth** asks a professional negotiator how executive jobseekers can improve their techniques

We live in a new "Deal Economy" where everybody needs to make deals in order to succeed and yet where negotiation skills are seldom taught or practised, says professional negotiator Clive Rich who has negotiated for (and against) a long list of corporations and media companies as well as celebrities including Simon Cowell, Peter Jones and Take That.

"Technology has made the world a smaller place and that requires businesses to find partners to help them reach new audiences, to compete effectively and to respond to market opportunities more quickly," he says.

"In a competitive global market and after the world has endured a recession, many corporations are more vulnerable if they do business on their own but stronger if in partnership. And that is why UK plc needs to recruit good negotiators to help us hold our place in the world."

While business needs these skills more than ever, deal-making is still something that is generally done by instinct rather than a skill learned through training.

"If you are a naturally good negotiator you will shine out in comparison to other candidates and it is a skill that will help you stand out from the crowd," adds Rich.

He says that the essential ingredients to making a successful negotiator are: attitude, behaviour and process.

"Successful negotiators always believe they can win. Simon Cowell, who I have worked with, always

believes he can win and it is that attitude that makes him successful.

"But in a world where businesses need to form partnerships, it is vital that the other side wins too. That takes an understanding of the bargaining power held by both sides so that you can ensure that the other party gets something out of the negotiations too. It needs to be a win-win situation."

An understanding of negotiating behaviour – and particularly your own behaviour – is also important.

"When we are under pressure we use those behaviours far more," says Rich. "The four main types are push (what I want), pull behaviour (what the other side wants), join behaviour (what we both want so we need to join together) and parting (when you break from negotiating). A master negotiator picks the right behaviour for the occasion and I have seen deals fail because the wrong behaviour was used to seal the deal."

"The final skill is one we can all learn to use – it is process. You need to understand what stage you are at in the negotiations and it starts with exploring the needs on both sides. As the saying goes, if you fail to prepare, you prepare to fail. "It is important



Talking point: Clive Rich (below inset) has worked with Simon Cowell (left) for many years and says the man behind the X Factor and Britain's Got Talent has the right negotiating approach in that "he always believes he will win"



that each party understand what the other side wants. Wants are organisational requirements such as price, quantity and delivery dates. It is even more important to understand what the other side needs. Needs are the underlying emotional requirements that each side has from the deal.

"These are critical to understand, because they underpin the whole negotiation, and yet they are often

unspoken. Does the other side have a security or reassurance need? Are they desperate? Do they need to achieve something unique as a result of the deal? Do they need respect or esteem? Great negotiators are adept at working this out and using it positively."

Rich also says knowing how to manage the bidding and bargaining and when to seal a deal are also vital. "Skilled negotiators know how fluid the moment of closure is – it must be bottled immediately before either party changes their mind, goes through a re-structure, or is impacted by new economic factors."

However, Rich says that effective negotiators are often in short supply – which means that those who do

possess these skills are in a strong position to further their careers provided they can convince future employers of their ability to make deals (something they should be adept at doing if they are a good negotiator).

"The UK faces a 'negotiating deficit' which is just as significant as its current trade deficit," says Rich. "Indeed the two are directly related."

"British companies need to become far more effective at negotiating if they are to prosper in the new 'Deal Economy'."

"They need to prioritise acquisition and development of negotiation skills, not as a training exercise, but as an investment in a precious asset, which will deliver a measurable return."

RECRUITMENT MOVES

GOING UP

Finance professionals with commercial skills: three-quarters of UK finance and business leaders agree that finance professionals need these skills to succeed, according to research from specialist recruitment firm Robert Half (two-thirds said their existing finance teams lacked the necessary commercial skills).

Engineers with aviation skills: An additional one million engineers, pilots and maintenance personnel will be needed over the next 20 years according to Boeing International, which says there will be a global shortage due to an ageing workforce.

GOING OFF

Londoners with post-holiday blues: Workers in the capital are more likely to want to find a new job after returning from holiday than employees elsewhere in Britain according to a survey from Badenoch & Clark. It found that 43 per cent were committed to either leaving their current employment or leaving their profession entirely.

GOING DOWN

Financial services hiring: City recruitment dipped over the summer holidays with an eight per cent month-on-month decline in job

opportunities according to recruiter Morgan McKinley. However, the number of jobs available in August was still 33 per cent higher than a year ago and there was a 61 per cent increase in the number of professionals looking for new roles compared to August 2009. **Those without the right qualifications:** A third of jobseekers believe a lack of qualifications is holding them back in this difficult jobs market and more than half are now considering further study to boost their employment prospects, according to a survey by Home Learning College and Reed.

Dragons let loose in the City

THE celebrity entrepreneurs on Dragons' Den are not the only successful business people helping others to succeed.

City Dragons are providing funding for employability training and innovative education schemes according to Lord Mayor Nick Anstee.

Announcing the nominees for the City of London Dragon Awards – which are given to corporations who commit time, skills and funds to community organisations – he says: "London firms have a real stake in training up a skilled

workforce of the future, so it is imperative that those with skills and experience to share, commit to programmes of local community engagement to nurture this talent."

IBM, Clifford Chance, Eversheds and Nomura are all among those shortlisted for Dragon Awards, which will be awarded on October 20. Among the community engagement programmes up for an award are IBM's Lambeth Schools Robo-Challenge, a scheme which taught 10- and 11-year-olds basic robotic programming and entrepreneurial skills.