WIN-WIN OR NO DEAL
COLLABORATIVE NEGOTIATION STRATEGIES

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Learn how to build an effective working relationship with the other agent in your transaction, put together a deal that “sticks”, leave the client and other agent with a positive experience so they want to work with you in the future, and achieve a Win-Win outcome through application of communication strategies and principled negotiation.

AFTER THIS SESSION, YOU WILL BE ABLE TO:

☐ Differentiate between tangible and intangible benefits in a negotiation in order to add value without giving up what is most important to you and your client.

☐ Identify five possible outcomes in a negotiation - when and how to seek each outcome.

☐ Adopt the four collaborative negotiation principles that increase the likelihood of reaching a win-win deal.

☐ Use language that promotes collaboration with the other negotiator.

TOPICS COVERED IN THE SESSION:

- Going Beyond Price
- Tangibles vs. Intangibles
- Getting a Win without Losing the Relationship
- Possible Negotiation Outcomes
- Deals that Stick
- Positional Bargaining
- Principled Negotiation Method
- BATNA (Best Alternative to a Negotiated Agreement)
- Language of Win-Win
- Action Plan

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Tangible interests can be quantified.

Intangible interests cannot be quantified or measured directly in monetary terms.

<table>
<thead>
<tr>
<th>TANGIBLE</th>
<th>INTANGIBLE</th>
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<tbody>
<tr>
<td>MONEY</td>
<td>RELATIONSHIPS</td>
</tr>
<tr>
<td>DATES</td>
<td>FEELINGS</td>
</tr>
<tr>
<td>TERMS</td>
<td>FAIRNESS</td>
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WHAT ARE THE “INTANGIBLES” WORTH?
POSSIBLE NEGOTIATION OUTCOMES
Win-Lose, Lose-Win, Lose-Lose, Win-Win, No Deal.

POSITIONAL BARGAINING
Each side takes a position, argues for it, and makes concessions to reach a compromise. This often results in lose-win, win-lose, or lose-lose (e.g., splitting the difference). Default move for most amateurs.

PRINCIPLED NEGOTIATION
Alternative method to positional bargaining designed to produce “wise outcomes efficiently and amicably.”

A “Wise Agreement” meets the legitimate interests of each side to the extent possible, resolves conflicting interests fairly, is durable, and takes community interests into account.

THE METHOD:
• Separate the people from the problem
• Focus on interests, not positions
• Invent options for mutual gain
• Insist on using objective criteria

KNOW YOUR BATNA
(Best Alternative To Negotiated Agreement)
<table>
<thead>
<tr>
<th><strong>SOFT POSITIONAL BARGAINING</strong></th>
<th><strong>HARD POSITIONAL BARGAINING</strong></th>
<th><strong>PRINCIPLED NEGOTIATION</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Participants are friends</td>
<td>Participants are adversaries</td>
<td>Participants are problem-solvers</td>
</tr>
<tr>
<td>Goal is agreement</td>
<td>Goal is victory</td>
<td>Goal is a wise outcome, reached efficiently and in a friendly, cooperative manner</td>
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<td>Make concessions to cultivate the relationship</td>
<td>Demand concessions as a condition of the relationship</td>
<td>Separate the people from the problem</td>
</tr>
<tr>
<td>Soft on the people, soft on the problem</td>
<td>Hard on the people, hard on the problem</td>
<td>Soft on the people, hard on the problem</td>
</tr>
<tr>
<td>Trust others</td>
<td>Distrust others</td>
<td>Proceed independent of trust</td>
</tr>
<tr>
<td>Change your position easily</td>
<td>Dig in to your position</td>
<td>Focus on interests, not positions</td>
</tr>
<tr>
<td>Make offers</td>
<td>Make threats</td>
<td>Explore interests</td>
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<tr>
<td>Disclose your bottom line</td>
<td>Mislead about your bottom line</td>
<td>Avoid having a bottom line</td>
</tr>
<tr>
<td>Accept one-sided losses to reach agreement</td>
<td>Demand one-sided gains as the price of agreement</td>
<td>Create/invent options for mutual gain</td>
</tr>
<tr>
<td>Search for the single answer: the one answer they will accept</td>
<td>Search for the single answer: the one answer you will accept</td>
<td>Develop multiple options to choose from; decide later</td>
</tr>
<tr>
<td>Insist on agreement</td>
<td>Insist on your position</td>
<td>Insist on using objective criteria</td>
</tr>
<tr>
<td>Try to avoid a contest of will</td>
<td>Try to win a contest of will</td>
<td>Try to reach a result based on standards, independent of will</td>
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<tr>
<td>Yield to pressure</td>
<td>Apply pressure</td>
<td>Yield to principle, not to pressure. Reason, and be open to reason</td>
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</table>
**PRINCIPLED**

**NEGOTIATION METHODS**

1. **SEPARATE THE PEOPLE FROM THE PROBLEM**
   - Negotiators are people first
   - Every negotiator has an interest in the result, and in the relationship
   - Separate the relationship from the substance; deal directly with the people problem (perception, emotion, and communication).

2. **FOCUS ON INTERESTS, NOT POSITIONS**
   - Interests define the problem.
   - Each side has multiple interests. Discover underlying interests by asking directly. Ask yourself “Why?” “Why not?”
   - The most powerful interests are basic human needs.

3. **INVEST OPTIONS FOR MUTUAL GAIN**
   Major obstacles that inhibit the inventing of an abundance of options:
   - Premature Judgment
   - Searching for a single answer
   - Assumption of a fixed pie
   - Thinking that “solving their problem is their problem”

4. **INSIST ON USING OBJECTIVE CRITERIA**
   - Frame each issue as a search for objective criteria: “Let’s figure out what a fair price would be” “How did you arrive at that figure?”
   - Reason and be open to reason

WIN-WIN LANGUAGE

• WHAT’S MOST IMPORTANT TO YOUR CLIENT?
• WHAT IF…?
• HOW ARE YOU?
• LET ME SEE WHAT I CAN DO.
• HELP ME UNDERSTAND…
• GIVE ME SOMETHING I CAN WORK WITH SO I CAN GO TO BAT FOR YOU.
• HOW CAN I HELP YOU?
• WHAT IS YOUR BIGGEST CONCERN?
• WHAT IS YOUR CLIENT’S BIGGEST CONCERN?
• TELL ME MORE ABOUT…
• CAN I GIVE YOU A CALL?
• I’M LOOKING FORWARD TO WORKING WITH YOU.
• IF MY CLIENT WOULD ________________________________,
  WOULD YOUR CLIENT ________________________________?
Evan Fuchs is the broker owner of a top producing real estate company who speaks nationally on leadership and team building, strategic planning and sales. He combines his experience in business and leadership with a down to earth, interactive style to deliver engaging and actionable programs to individuals and teams who aspire to produce their best work.