

Negotiating for Project Managers

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Negotiating for Project Managers

- Preparation
- Strategy
- Tactics-Using cognitive biases to influence
- Tactics-Setting negotiating terms
- Role-play
- Action Steps



Preparing for Negotiating

Mindset	Embracing discomfort (fear, anxiety, impatience...)
Set objectives	Optimal outcome Essential outcome Walk away position-Best Alternative to a Negotiated Agreement
Politics	Advocates Detractors Decision-makers
Identify	Currencies (time, attention, capital...) Motivations

Negotiating Strategy

- Win-win mindset: Trust, respect, and fairness
- Calm demeanor and vocal tone
- Facts and evidence
- Listening: active and empathetic
- Take full responsibility

Above the Line



Below the Line

- Personal/Emotional
 - Vocal tone
 - Competitive
- Blame
- Assumptions
- Expectations

Why is this man grinning?



Tactics - Using cognitive biases to influence

Reciprocity: The impulse to reciprocate actions others have done toward us. If you give something up in a negotiation, make sure the other person knows. They may be more willing to make a concession.

Commitment: If people commit, orally or in writing, to an idea or goal, they are more likely to honor that commitment.

Anchoring: The tendency to rely too heavily on a single piece of information or trait when making decisions.



I'LL START OUR NEGOTIATION BY SETTING THE ANCHOR PRICE AT ...

FIVE DOLLARS.

Dilbert.com DilbertCartoonist@gmail.com



UM, I WAS GOING TO SAY \$27,500, BUT YOU BEAT ME TO THE ANCHOR, AND NOW I CAN'T HELP THINKING THE FAIR PRICE IS CLOSER TO \$5.

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HOW DOES AN ENGINEER KNOW MORE ABOUT THE INTRICACIES OF MY JOB THAN I DO?

I HAD FIVE MINUTES AND A BROWSER.



**8
weeks!**

**“The implementation will
take 8 to 10 weeks”**

**10
weeks!**

Stakeholder

Project Manager

Tactics - Setting the terms of negotiation with a stakeholder

Negotiating the working relationship

1. **Frame** the project and relationship as a “win-win” collaborative effort.

2. Discussion points

Why is the project important to the stakeholder? What problem/s do they want to solve? Why do they want to solve those problems?

Why is it important that the stakeholder stays engaged?

Why you need cooperation, information, and, updates. What are the consequences of updates like changing specs, increased scope, etc?

3. Establish commitments

Ask closing questions. eg “Can I rely on your commitment to work collaboratively?”

Role-Play

Scenario:

You've just been assigned as the Project Manager for a go-live in 3 months that impacts several other systems.

Your key Stakeholder (the Surgeon-in-Chief of a large healthcare organization) wants to move up the go-live by one month.

You are meeting for the first time.

Objective: Negotiate the terms of the go-live.

Break into pairs. Decide who will be the Stakeholder and who will be the PM.

Role-play:

1. Establish a working relationship
2. Use Above/Below The Line strategy; and Reciprocity and/or Anchoring to influence the other person
3. Complete the negotiation by summarizing what was agreed to (Commitment).

Action Steps for Effective Negotiating

1) Practice, practice, practice.

- Notice when you are in a negotiation. It's ok to be uncomfortable.
- Take advantage of opportunities to practice with your spouse, friends, boss, co-workers....

2) Always negotiate from Above the Line.

- One of the biggest derailleurs is when the 'chimp' part of the brain becomes activated.
- If you find yourself Below the Line, take note and mindfully move back Above the Line.

3) Use cognitive biases to influence others.

- Stay alert to when you are influenced. Self-awareness can dampen the effects.

4) Complete all negotiations by reviewing the agreements (commitments) that were made and who made them.



Resources:

Books about negotiating:

- Getting to Yes: Negotiating Agreement Without Giving In by Roger Fisher by William L. Ury, and Bruce Patton
- Negotiating 101: From Planning Your Strategy to Finding a Common Ground, an Essential Guide to the Art of Negotiating (Adams 101 series) by Peter Sander
- Negotiating the Nonnegotiable: How to Resolve Your Most Emotionally Charged Conflicts by Daniel Shapiro

Books about influence:

- Influence: The Psychology of Persuasion by Robert B. Cialdini
- How to Win Friends & Influence People by Dale Carnegie
- To Sell is Human by Dan Pink
- The Art of Thinking Clearly by Rolf Dobelli (About cognitive biases)

Articles:

- The Art of Negotiating: A practical guide to getting what you want, when you want it, at the price you want. Michael Sanibel. Entrepreneur, 8/24/09

<https://www.entrepreneur.com/article/203168>

The flaws a Nobel prize-winning economist wants you to know about yourself. Eshe Nelson, Quartz online, 10/09/17
<https://qz.com/1098078/behavioral-economics-the-flaws-that-economics-nobel-prize-winner-richard-thaler-wants-you-to-know-about-yourself/>

- What's Your Negotiation Checklist? Morra Aarons-Mele. Forbes, 12/20/16

<https://www.forbes.com/sites/morraaaronsmele/2016/12/20/whats-your-negotiating-checklist/> - 6c72c7741895

- Here's How Ambitious Introverts Are Secret Weapons in Negotiation.

Tanya Tarr. Forbes, 9/12/17

<https://www.forbes.com/sites/tanyatarr/2017/09/12/heres-how-ambitious-introverts-are-negotiating-secret-weapons/> - 182d32ec703b

