



# SEAL THE DEAL

BY LIBBY ELLIS

# YOU

know exactly what you want. But for even the most skilled of project managers, navigating the murky waters of a negotiation can seem like mission impossible. Project leaders must figure out not only how to grab that elusive prize, but also make sure all the stakeholders leave satisfied—even if the talks didn't go their way.

With so many logistical, emotional and political factors at play, there isn't one single approach that will work in every situation. "The answer to every negotiation question is: 'It depends,'" says David Lax, Concord, Massachusetts, USA-based coauthor of *3D Negotiation* [Harvard Business School Press, 2006]. "The important thing is to find out what it depends on."

Before heading into any negotiations, project managers should evaluate the motivations of all the parties involved. "You need to understand who has to say 'yes' to you, know whose lack of cooperation can really harm you and know what each individual really cares about," says Mr. Lax, who is also the CEO of Concord-based Lax Sebenius LLC, a consulting firm.

And sometimes those motivations aren't readily apparent. A team member might be pushing for a later deadline not because she's running behind, but because she was planning to take a vacation. If project managers are aware of such issues, they may find an alternative tactic. For example, the team member looking for time off could be rewarded for meeting the deadline—perhaps with an extra day off later. Then, both parties can leave the table feeling victorious.

GET WHAT YOU WANT—WITHOUT MAKING  
THE OTHER PROJECT PLAYERS HATE YOU.

## LISTEN HERE

Knowing as much as possible about the inner workings of all the relevant parties goes a long way toward a successful negotiation. Because no matter the outcome, all parties have to feel like their voices have been heard and their concerns have been addressed.



And once they're ready to make the deal, project managers shouldn't feel like they need to do all the talking. There are times when it pays to listen up.

"In many cases, negotiators think only in terms of influencing other people," says Deepak Malhotra, coauthor of *Negotiation Genius* [Bantam Dell, 2007] and associate professor in the negotiations, organizations and markets unit at Harvard Business School, Cambridge, Massachusetts, USA. "While most negotiations are about influence to some degree, they also require something very different: understanding the other person's perspective."

Listening can also help less experienced negotiators develop their skills and their own style, says Marcelo Andrade, PMP, business manager at Microsiga Software, Uberlandia, Brazil.

"Many years ago working as a trainee at Peixoto Wholesale, a big food distribution company, I sat in on intense negotiations and reported back to my manager," he says. "I always took advantage of those situations to observe, learn and realize which kind of person I would like to be out of all those who were negotiating."

Listening and showing empathy also go a long way toward helping project managers gain the high level of trust necessary to get honest responses, Mr. Andrade says. And that knowledge allows for smarter, more informed negotiations.

Today, as one of those more experienced negotiators he once took notes about, Mr. Andrade suggests a tried-and-true approach to preparation: role playing.

Having team members take on various project player parts can offer a powerful view into what others are bringing to the negotiations.

But negotiators mustn't cede all control.

Mr. Lax suggests maintaining an authoritative edge at all times and stressing the importance of mutual dependence when dealing with project teams—especially with upper-level stakeholders. "Senior managers and executives can only deliver results through the efforts of other people," he says. "Explain in very clear terms what the end-goal is and what will happen if steps are not met along the way, but be creative on the means to get there."

For example, no matter how someone ranks, if one team member has a new idea for how to get from A to B, hear that person out. Although it's never a good idea to walk into a room unprepared, project managers who leave their presumptions at the door can generate more creativity.

And right from the start, project leaders should provide honest information about goals and deadlines.

"When there are solid constraints and hard deadlines, you want to reveal that to your team early in the process so people don't waste time fighting what they can't change," Mr. Malhotra advises. "In addition, you want to share your rationale for these constraints. People are more willing to do things for you when they feel that your demands are legitimate."

Bending the truth can lead to bad feelings after a negotiation. And that can slow a project team down and make working as a group less effective as well as less pleasant.

## SPEAK THE LANGUAGE

In today's global business environment, project negotiations can often resemble a United Nations meeting.

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SOFTWARE, UBERLANDIA, BRAZIL

# VIRTUAL NEGOTIATOR

“We’re living with people from the four corners of the earth and trying to create a harmonious society,” says Neil Payne, founder and managing director of Kwintessential, an intercultural communication and training organization in London, England. “More than ever, we need to take cultural awareness seriously and know how to negotiate properly for the desired outcome.”

And that means doing the research and tweaking your approach accordingly. Study global value systems to build a cultural database of how people from different parts of the world think of the negotiation process, Mr. Payne suggests.

Mr. Andrade points out that a negotiator with a pragmatic, all-business style will be hard-pressed to succeed in his culture, especially when the situation requires mutual understanding and trust. “Hospitality is a trademark of the Brazilian people, and negotiators like to establish a friendly atmosphere,” he says. Project leaders should also adopt a healthy regard for position, Mr. Andrade says, as Brazilian negotiators want to be recognized for their power and status.

It’s impossible to generalize, as not every member of every culture has the same values. However, there are some norms Mr. Payne has repeatedly seen at global negotiation tables:

- In North America and parts of northern Europe, negotiation is seen as a fairly impersonal business transaction—most parties strive to get the deal done quickly and fairly.
- In the Middle East, the negotiation is the pinnacle of the relationship-building process. It’s a slower event and also viewed as the time to call in favors and pull strings.
- In China, project managers may bring trained teams of negotiators with them. They often are prepared with studies and statistics and ready to rip things apart.

Not every high-powered negotiation takes place around a mahogany table in some high-gloss conference room. As more project teams end up scattered in all parts of the world, sometimes the deal has to be struck over the phone or by e-mail.

“Ideally, in most cases, you’d want to negotiate face-to-face, because this gives you more data on how people are reacting to your approach,” says Deepak Malhotra, coauthor of *Negotiation Genius*. “Also, negotiations are often more efficient in real time because you can cover a lot of ground in less time.”

And the negatives of negotiating via phone or e-mail are easy to spot:

- ★ An unexpected call can put people on edge or catch them off guard.
- ★ It can be tough to detect tone in an e-mail so it’s easy for a benign comment to be misread.
- ★ A reactionary, negative e-mail can be saved—and called up again and again.
- ★ Facial expressions and body language that might soften a tough comment are lost.

But in today’s global landscape, in-person negotiations aren’t always possible. The good news is that when employed properly, virtual tools actually can be an asset and go a long way toward helping along negotiations.

“Every situation is different, but one good application of technology is to use e-mail to set the agenda for your upcoming negotiations,” Mr. Malhotra says. This helps get people on board in advance and keep surprises to a minimum when you do meet.

For project managers who might be less comfortable negotiating or who are dealing with an especially volatile situation, e-mail is a great way to get the ball rolling. Preemptive e-mails and conference calls allow project managers to get issues on the table before the actual negotiation takes place, allowing everyone the time to anticipate and prepare for conflicts that might arise.

Keep in mind that a negotiation is a negotiation no matter where it happens. The same best practices that apply in person apply in a virtual setting:

- ★ Set objectives for what you want to accomplish with the call or e-mail exchange.
- ★ Understand the perspectives of the other parties.
- ★ Decide in advance how to deal with any language or cultural barriers.
- ★ Listen to what the other side says.
- ★ Think carefully before responding.

- In India, people can be very reluctant to share negative news. That means project managers must learn to follow up with open-ended questions during negotiations.

No matter what the cultural makeup of the group, says Mr. Andrade, recognize beforehand the relevant cultural aspects and conform to the negotiation context.

“The environment itself brings elements of stress and tension, and knowing how to manage anxiety and think quickly under pressure can be a hard skill to develop,” he says. “Learn from your mistakes and critically evaluate your own performance. Ultimately, patience is key for any project manager in a negotiation situation.” PM