

Overall there are 5 stages to a successful negotiation.

Now depending on what you sell these stages could last anything between 5 minutes, 5 weeks, 5 months or even longer but the same principles will apply.

So what are these 5 stages?

Well, they are planning and preparation, discussing, proposing, bargaining and then reaching agreement.

I'm going to tell you a little bit more about each stage and as I do please think about how you can apply it to what you sell.

Step 1: Planning and Preparation

Have you lined up your ducks before you start negotiating? Do you know what your best outcome would be? What your walk away point is? How much you can discount? What do you have to trade for concessions? What authority do you have for certain criteria? Have you done your homework on the buyer and have you thought about their objectives? There's more to negotiating than just the interaction itself. Most negotiations are lost before the interaction even takes place and that's down to poor planning and preparation. If you do not plan and prepare properly you can only react to what happens in the negotiation rather than leading and controlling it.

Step 2: Discussing

This step is all about understanding what everyone wants. It's about reviewing each other's goals, the particulars of the deal, it's about exchanging information and understanding each other's point of view.

Step 3: Proposing

In an ideal world, you'll get everything that you want out of the deal and so will your client. For example when both of your needs and wants are met. But these deals are usually hard to find! Instead, what normally happens is that you'll reach an agreement somewhere in-between. It's going to be a case of give and take.

So what is a proposal? Well, during your discussions if you find out that the other party is prepared to move or concede on a particular item then you need to propose a way forward. This can be a suggestion or an action of some kind.

It's very important that you can do this effectively or else you both make no progress!

Step 4: Bargaining

This is the nitty gritty of the negotiation. This is all about trading with each other and hence that's why the planning and preparation stage is so important. You need to know up front what you've got to trade with and how you can do this!

Trading is all about conceding on some items and getting concessions on others.

And Step 5: Reaching An Agreement

This is when you've reached the close of your negotiation and you have a deal.

So there you have it. The 5 stages of a successful negotiation.

Here they are again:

Planning and preparation, discussing, proposing, bargaining and then reaching agreement.

Think about what you can do at each stage for what you sell and then make sure you put it into action.