December 07, 2022 · Article on nt.wsj.com
View original

All Content
Leadership & Innovation Commentary
Reader's Digest
This content item links to the Authory backup instead of the original piece. Learn more

48 Total
X 0
0
P 0

How to Negotiate: 9 Negotiating Tips for Any Situation



With these expert tips, you'll learn how to negotiate with confidence, strength and kindness—and get more of what you want

Does the thought of negotiating a deal—whether for a new home or a lamp on Nextdoor—make you cringe? Does the phrase "good negotiator" conjure up an image of a smarmy salesman? Will you do anything to avoid arguing or debating with someone as part of a deal? Forget all those negative associations! Learning how to negotiate is a life skill everyone needs to have, says Lorna Kapusta, head of women and customer engagement at Fidelity Investments.

"It's completely normal to feel like negotiating is awkward. A lot of people feel this way! But negotiating is not a negative thing," she says. "It's actually a positive tool that helps you advocate for what you're worth and what you deserve."

Negotiating, at its core, is simply a way to resolve a disagreement. For instance, you and the car dealership disagree about the worth of a particular car. "It is about problem-solving and creativity, finding ways to make the best decision," explains Angeli Gianchandani, a global business expert who teaches courses on negotiation at the University of New Haven.

But while it may be simple, that doesn't mean it's easy! We asked our negotiating experts to share their top tips for when and how to negotiate. By the end, you'll be inspired to fight for what you're owed and may want to boost your financial consciousness by learning how to save money with simple tricks, like finding the best time to buy anything and knowing which items to buy used.

Get *Reader's Digest*'s Read Up newsletter for humor, cleaning, travel, tech and fun facts all week long.

Why negotiating is important

Negotiating can make a big difference, especially in areas where it's expected, like when accepting a new job or starting a side hustle. For instance, 83% of women who negotiated aspects of their job received at least some of what they asked for, according to Fidelity's 2022 Career Assessment Study, yet only a little more than half of all women understand how to negotiate with their employer.

"This surprising stat is why it's so important for women to understand how to negotiate and feel confident in these conversations. Because when they do, they often see success," says Kapusta. "Plus, failing to negotiate could potentially impact your entire salary history at that company, not just when you start, as raises are often a percentage increase of your current salary."

Negotiating isn't just important when settling on a salary or asking for a raise. It's an essential life skill that men and women can use in many aspects of their lives, including when making a large purchase like a home, a more moderate purchase like a car or a small purchase from Facebook Marketplace, says Gianchandani.

And don't forget that non-monetary things, like volunteer hours, trades of services or goods, or even housework responsibilities, are all negotiable. That's right: Basic negotiating is involved in deciding who takes out the trash and what chores your kids do.

Negotiation tips

"Believe it or not, everyone is negotiating all the time, whether you are aware of it or not," says Gianchandani. "From determining where to buy a cup of coffee in the morning or purchasing a vehicle, people evaluate their decisions to have the best outcome."

Specific negotiation techniques can elevate your talent for getting what you want, whether you want to get free stuff, a raise or a new house. The nine negotiating tips below are a good place to start.

1. Show the other party how they benefit

Ideally, negotiating isn't about one person "taking advantage of" the other or "winning" but rather finding a mutually agreed upon solution. So show the person what they get out of making a deal with you, says Kapusta. For instance, let an employer know what skills and benefits you bring.

2. Know what cards you hold



Eskes/Getty Images

It pays to approach negotiations with an abundance mindset and remember that you have something of value that they want or else they wouldn't be negotiating with you, says Gianchandani. Make a list of the key attributes and benefits of your item or service. Or in the case of salary negotiations and "acting your wage", keep a list of your experiences and skills front and center.

3. Have your bottom line firmly in mind

Don't reveal to the other party how far you're willing to go in negotiations, but do have a firm idea in your mind of the maximum price you'll pay, the lowest salary you'll accept or the minimum you'll sell something for, says Kapusta. Then stick to that limit.

4. Put yourself in their shoes

"Be objective and consider the other party's interests along with your own," says Gianchandani. "This builds trust and positive rapport." It also helps you see areas in which you, your product or your service benefits them.

5. Don't offer a range

Start off negotiations with a reasonable offer rather than a range. If you give a potential employer a wide salary range, for instance, they will likely default to the lowest number.

6. Look out for common manipulation tactics

Some negotiators may try to trick you by using common tactics to manipulate you into going against your best interests, says Gianchandani. These may include imposing a sense of urgency, requiring an immediate decision, appealing to your emotions, offering compelling (but irrelevant) backstories and/or lying about other offers.

7. Set aside your emotions

Avoid big displays of emotions, especially yelling, swearing, getting angry or fearful, or bullying, says Kapusta. You'll be far more successful if you focus on making the negotiations collaborative, being sympathetic and staying positive. You can stay firm in your position while still being kind.

This is easier to do when you remember that negotiating is business. Even if they try to make it personal, you can still choose not to take it personally.

8. Look beyond money

Chances are, you've been focusing on the money. (We get it: Whether motivated by inflation, the FIRE movement or something else, everyone is looking to save these days.)

Even in situations that are primarily financial, like buying a house or accepting a job, it's good to think of non-monetary items that could be used to negotiate, says Kapusta. For instance, the homeowner may not want to drop the price, but they might be open to including the appliances and new carpet. Similarly, a great benefits package can often provide more value than a simple monetary increase in salary, especially if it helps you save significantly on health care.

9. Ask a lot of questions

You can't negotiate for things you don't know about, so come with a list of questions and discuss them with the other party, says Gianchandani. This is an important step, whether you're negotiating a salary, the price of goods or even household bills.

How to prepare to negotiate



Man sitting on sofa and using laptop at home.

"Negotiating is not a guarantee; the key to negotiating is preparing, planning and thinking ahead through every possibility," says Gianchandani. "If it's an important negotiation, do not ever just wing it!"

Instead, set yourself up for success by taking the steps below to prep for a negotiation.

1. Do your research

Look up price comparisons, check salary calculators (or ask your peers for industry averages) and read up on the real estate market. The more information you have, the more confident you'll be in negotiating and the stronger your position will be, says Gianchandani.

Let's say you've been hunting for an antique lamp for months and stumbled upon the perfect piece on Facebook Marketplace. Before you negotiate with the seller, check local antique stores or online thrift stores to see what similar products go for.

2. Know what your end goal is

You'd be surprised by how many people start negotiating without knowing what exactly they want! Before ever starting negotiations, decide what your ultimate goal is, and be specific. If you're interviewing for a job, do you want more money? Other job perks? You may not get it all, but it's important to know what you want.

3. Practice, practice, practice

"Negotiating is a skill, and skills can be learned and improved upon," says Kapusta. Take time to role-play negotiating a few different scenarios before heading into the real deal.

4. Have a plan B (and C)

It's always a possibility that you won't get anything you asked for, and it helps to be prepared for what you'll do if the other party decides to stop negotiations. Will you walk away from the sale? Look for a new job? You should know this answer going into the negotiation.

5. Be patient

Everyone wants to know how to make money fast, but the best negotiations are those in which you don't feel rushed and have had enough time to make a decision you feel good about.

Want more money-saving tips? Learn how to achieve the best skin care on a budget, build a home gym on a budget, get free stuff on Amazon and eat healthy on a budget.

Sources:



Money-Saving Budget Apps

Digital devices display financial management apps showing graphs, spending summaries, and notifications against colorful backgrounds to illustrate budgeting and expense tracking features.



Domingos/Getty Images

What Is Shrinkflation?

Things That Will Cost Less in 2

If you'd like, you can ask the team for...
December · 14 ago