



3 Minute Mentor

Episode 31 Show Notes

Episode 31: What are the simple rules of negotiation? (2)



Last episode we looked at Win-win, Preparation and BATNA.
Here are the next three rules.

4. Good negotiators use elegant currencies

- An elegant currency is something of value to the other side but costs you little
- An upset passenger is told they can check their bags for free
 - while there is a cost for the airline it's a lot less than the \$15 it might cost the customer
- Good negotiators deal in elegant currencies before they discuss price

5. When you can, have a higher authority

- Most people want to 'prove' they have the power
- It's often useful to have a 'higher authority' you need to refer to
- May be needed because you don't have the power to make a certain decision
- But it is also useful to buy time and work an issue
- You may have to show how you can help them achieve win-win

6. Write it down

- While getting the 'spirit' of the deal done is important, when you have a deal, write it down
- Circulate and get everyone to agree the words, the prices or the actions
- Follow up with the other side to make sure they agree
- Signing on paper is a great way to make sure people agree
- Where possible use an attorney and assume the other side will

Bottom line: Negotiations are not over until deals are done. Agreeing is important but executing that deal is what you really care about.