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Negotiation Tips For The New Year

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December is a great time to run the ruler across those recurring expenses and get finance fit for 2016.

It's the time when small businesses should be looking for an improved deal on energy, insurance or telco bills and asking retailers of office equipment, electronics and company vehicles is that your best price?

However, many small business owners hear the word negotiation and think boardrooms, suits, and million dollar deals. In fact, we negotiate everything in our business and home life.

While some negotiate better than others, everyone can get a better deal by improving their skills and practising effective negotiation techniques.

Our Negotiating Skills course has given thousands of Australian office workers solutions in mastering bargaining techniques, reaching a consensus, setting the terms of an agreement and dealing with difficult people. Here are six tips to help get your office finances in better shape than ever.

1. Preparation is essential for successful negotiations.

Before you start do your fact-finding on the internet and sometimes at the place of purchase. If it's a car, computer or laptop, check out its capabilities. There are plenty of blogs where people reveal what they paid.

The three phases of negotiation are exchanging information, bargaining and closing. Without the first, bargaining cannot happen in any meaningful sense because no one knows where they stand. It sets a scene for demands to be manageable and reasonable. Don't forget to be clear about the details when closing a deal.

2. Face to face is best

In an ideal world, negotiate face to face so you can see the other person's body language. You can learn so much more about what they're thinking and talking about.

It's like a dance when you start. They'll ask 'how much are you willing to pay?' Hold your cards close to your chest. Find out where they're at first. Expect an exaggerated first offer. Decide on your best and worst case scenarios. Set your walk away price. What are you willing to pay so that anything less will be a bonus.

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3. It's not always price

With energy suppliers or telcos, shop around on price but it could be guarantee of service that you negotiate on. If your telco services go down, you want that time to be minimal.

Talk to insurance brokers about bundling all your insurance together. The more you bring to the table, the better your negotiating point is, and the more you will be treated seriously. For small businesses, the best deal can come from negotiating on quantity.

Whether it's printers, furniture or even coffee. For retailers wanting the best deal, it often involves volume.

4. Be firm but remain friendly

You're never going to win by getting upset with somebody. Negotiation is about mutual gain. Be firm but friendly. You don't want to annihilate the person you're buying from - if they go broke because everyone is cutting them below cost they're not going to be there to support you.

It's a lot harder trying to get service from a manufacturer.

5. If you don't ask, you don't get

When you're negotiating, never get stressed. Don't be embarrassed to ask for a deal. Don't automatically assume people won't give you a discount.

Check your networks. So many member organisations, from motorists and business associations to unions and chambers of commerce, have discount programs that you should use. Don't be afraid to ask for a deal from someone you know – you should be supporting those people.

6. Best times to get a deal

The ideal time to buy a car is at the end of a month on a rainy day. It's when people get paid their bonuses so they're more likely to negotiate. Similarly with small businesses, end of month cash flow is all-important.

At Christmas and New Year retailers want to close a deal. It's rare that electrical and automotive companies won't negotiate. Big retailers rarely go below the catalogue discounts so for toys and clothing, try smaller retailers. Most of them belong to buying groups and they deals almost as good as the majors.

Paul Findlay is Managing Director of [PD Training](#), one of Australia's leading professional development companies that delivers more than 4,000 courses in the workplace and online via a 1,000 strong network of trainers.