



***NEGOTIATING LIFE:
THE IMPORTANCE OF PACKAGES***

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The holiday season is upon us. For many, these are hard times. In the past, we may have focused on gift giving as a cherished part of the holiday season. Few can forget the excitement of seeing a loved one's eyes light up at the sight of a shiny new package containing a gift.

I write this month about packages that contain nice things for others. These are indeed special packages. They are special not only because of the joy they can bring others, but also because of the joy they can bring you.

What are we talking about?

We are talking about negotiation, not gifts. We are talking about give and take.

But we are not talking about the "give and take" of most negotiations, where you see how much you can get and how little you can give while I do the same. That kind of give and take feels less like holiday gift giving and more like a battle of wills between you and me where we see who wins and who loses - and we often feel we both lose something, particularly our desire to deal with each other.

No, we are talking about something very different. We are talking about the give and take that comes from crafting a "package" of benefits that maximizes the benefits for each of us while minimizing the costs to each of us. Many people call this a "win-win" approach to negotiation. I call it *effective* negotiating.

What makes negotiating a package effective negotiating?

Let's take a look.

The Benefits of Negotiating a Package.

First, when you negotiate a package—rather than negotiating issues in isolation and getting stuck in that battle of wills—you give yourself flexibility at all times during

the negotiation. Why is this so? Because you are never negotiating only one issue in isolation; you are negotiating that issue in the broader context of a package that includes all the issues you and your negotiating counterpart care about. For example, if you get stuck on price, you are not negotiating price in isolation from the other issues you care about, such as timing or risk; if you decide to change the price, you can also adjust those other issues in your package to comport with the new price. This gives you flexibility that can help you avoid both impasse and the damage to relationships than generally accompanies the threat of impasse.

Second, when you negotiate a package, you can present most effectively to your negotiating counterparts how your offer will satisfy their interests. That is, you can sell the benefits of your proposal by putting all components of your proposal in the context most favorable to your negotiation counterparts. Rather than get stuck on any aspect of your proposal that your negotiation counterparts may not like, you can emphasize how the overall package does indeed satisfy your counterparts' interests.

Third, when you negotiate a package, you preserve for yourself greater flexibility to adjust the package to incorporate even some things that you do not like since the overall package still satisfies your interests effectively. This point is related to the two above, but it goes to your own decision-making (and not just your attempts to influence the decision-making of your negotiation counterparts). In sum, when you understand your own decision-making in the context of how a given negotiation package affects the sum total of your own interests, weighted most heavily to your critical interests, you can have confidence that you are making sound decisions, even when those decisions are complex, difficult, high stakes decisions.

Establish a Unilateral Ground Rule that Allows You to Negotiate a Package.

If possible, encourage your negotiating counterparts to think about all issues in the negotiations as a package. If they go along with that suggestion, great. If not, then you can always impose a unilateral ground rule on your negotiation counterparts. How do you do this? It is very simple. Just say, "We have no agreement on anything until we have agreement on everything."

You can say this calmly and politely, but always be firm about it. You are not asking your negotiation counterpart's permission. You are establishing a unilateral ground rule for the negotiation. And the effect of this ground rule is to ensure that you are always negotiating a package—whether your negotiation counterparts want to negotiate that way or not.

Why is this unilateral ground rule so effective? Because, as noted above, if you get stuck on any one issue, you can “re-open” other issues to adjust the package. If your negotiate counterparts object that the issue you seek to “re-open” has already been agreed upon, you can refer to that handy ground rule and say, “There may have been a misunderstanding. As I mentioned before, we have no agreement on any one issue unless we have agreement on the whole package.” No matter how much bluster and protest you may receive from your negotiation counterparts, they cannot force you to give in. And in my experience, sooner or later, your counterparts will get back to negotiating that package in the hopes they can preserve what they like in order to get the best deal they can.

Good luck in your “negotiations,” personal as well as professional, through this holiday season and into the new year. In difficult times such as these, you cannot afford to be overconfident or sloppy in your approach to negotiations. Just as you may give holiday packages to loved ones and personal and professional partners, give yourself the gift of negotiating only packages.

As always, you can reach me at jshulman@alignor.com. I look forward to hearing from you!