

Negotiation

finding a mutually acceptable solution

Many people think negotiation means confrontation – it doesn't. Negotiation is a process in which two or more parties with sometimes different needs find a mutually acceptable solution.

As a freelance, we need to negotiate over many aspects of our work including rates and times of payment, deadlines, working conditions, what is expected from the client and contingency plans. Knowing some basic rules will help:

TIPS ON NEGOTIATING

- **Be willing to negotiate**

This sounds obvious but many people shy off from asking for what they think is fair. However, quite simply, if you don't ask, you don't get.

- **Plan and prepare before you negotiate**

Where rates of pay are concerned, decide on your top, middle and bottom line. A general rule of negotiation is to ask for the most you think you could get. Firstly, you might get it, if you can prove your worth. Secondly, you leave some leeway for negotiation.

Your bottom line should be the least amount of money you can do the work for and still make a profit. If you go to, or perhaps slightly under, your bottom line, you should have negotiated other 'add-ons' that make the deal worth agreeing to.

- **Make a list of what you have to offer**

You may need to prove that you are worth the rate you are asking for. For example:

- You have an excellent reputation for this sort of work (make sure you have examples to back up what you say).
- You are a specialist in your field.
- You are highly experienced and can hit the ground running.

- **Think of ways to add value**

There may be something you could offer the client that would cost you nothing or very little but would add value to the deal. For example:

- You live in the client's vicinity so you won't charge travelling expenses.
- You'll provide a free hour's training session.
- You'll speak at a conference that the client is arranging.

- **Try to work out what the client thinks is valuable** (apart from money) before the negotiation. For example, your ability to work with others, meet deadlines and manage problems, may all be valuable, especially if they have had bad experiences in the past.

Go to your union website or ask your union advisor if you need to get an idea of what rates you should be charging.

Do's and don'ts of negotiation

Do

Value yourself:

You are confident of your ability to deliver, possess something the client needs and deserve fair payment.

Empathise with the client:

"I understand that your budgets are tight as I'm sure you'll appreciate that I need to charge a decent rate to make this worthwhile. That's why I'm certainly willing to see if we can come to a cost that suits us both."

Ask questions:

"What are the most important factors that will contribute to the success of this project?"

"What do you consider a reasonable rate?"

"You've said that you'd like to hire me but my rates are too high. What amount were you thinking of paying?"

Emphasise your worth:

"You said that things had gone wrong in the past because the person you hired needed too much hand-holding. As you can see from my experience, I'm able to get on with it so it will be much easier and less time-consuming for you."

Show willingness to compromise:

"I'm very enthusiastic to work with you so I'll do everything I can to come up with the best possible deal for you assuming that you can meet me half way."

Establish if the client is willing to negotiate:

"If I could come up with a slightly better deal, would you be willing to have another look at your figures?"

Stall the negotiation if necessary:

"I need to go away and re-think what I can offer as I want to come up with something that's more attractive to you."

QUICKTIPS

Don't

Start with a hostile attitude: you'll immediately put people on the back foot and they'll stop listening.

View negotiation as a contest to be won at all costs: if you win by 'getting somebody over a barrel' you may achieve short-term benefits but resentment will linger and ruin the chance of a long-term relationship.

Become emotional: try to stay objective so you can remain in control and focus on mutual aims.

Cave in: if you've completed the necessary preparation, you'll know where your bottom line is so won't agree to something that has no benefit.

'Slam the door': sometimes we just can't gain agreement, for example, the client may genuinely not be able to offer what you're asking for. However, you may want to work for them in the future so show understanding and a willingness to talk again at a later date.

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