

Negotiation Know-How

Six keys to masterful deal making.



by Arthur Wylie

MAKING BUSINESS DEALS—from the biggest ones that take months to finalize and involve teams of lawyers to the nominal ones that are sealed with a handshake after a 10-minute chat—is an art. *Deal making is a craft* that, when done well, requires a skillful, visionary and inspired application of key principles and methods to create a desirable end result. When you've mastered this art, you secure deals in which all parties involved walk away with a win.

And, don't underestimate the small deals that can help you *gain confidence* with the process and *nurture other people's confidence in you*. The culmination of small deals often leads to *the big one*. Steve Jobs, Warren Buffett, Mark Zuckerberg, and Sam Walton all crawled before they could walk, and prepared to win the proverbial race when they approached the starting line of a mammoth business deal.

What are the secrets to masterful deal making? Here are **six basic steps** to becoming an ace dealmaker—skills that will help bolster your position whether you're negotiating for a railroad or a rental car, and whether you're acting on behalf of a worldwide organization, a sole proprietorship, or just your own personal finances:

Key 1: Know your value. While you can't know every possible result that the other party would want, be sure to understand what your offer or position can do for them. This means researching all potential benefits and ways that your idea, product, or service could help the other party, whether it is to solve a problem, increase earning potential or make their life or business more convenient and enjoyable. If your argument is lacking some key benefit, then adapt it so that it can serve the needs of your target audience while also achieving your objectives. This takes time, effort, forethought and research, but it is well worth it when it's clear to the other party that you understand their needs, and seek to structure an agreement that's in their best interest.

Key 2: Personal relations. *Relationship management* is the key to showing the other party who you are as an indi-

vidual, what you can do, where your values lie and how the deal at hand will benefit everyone involved. You learn about them; they learn about you—it's a two way street. Both parties must feel that there's synergy—a chemistry of sorts; only then can a mutually beneficial relationship be forged. From there, you present your win-win case, handshakes are offered and agreements are signed. Deals can close quickly and easily because people have come to know and trust you, making them comfortable. If you create a strong brand and a stellar reputation, others will want to be part of your success, even clamor to close the deal with you.

Key 3: Get buy-in on your vision. Getting others on board with your plan can be challenging, especially when there are many people involved or much at stake relative to risk and potential upside. Convey and articulate your vision of the outcome in such a way that *the opposing party will desire that same outcome*. The WIIFM—*what's in it for me*—factor must be made *crystal clear* to the other party as you present your position. You must first know *what the vision of the other party is likely to be at the onset of negotiations*. Then you can integrate synergistic ideas so that the visions ultimately meld. Also, underscore that *they'll still be involved* at a conceptual level as the project ensues.

Key 4: Be humble. You have to be *humble, but firm*, to effectively broker a deal. There's a fine line between the two, particularly when you're dealing with people who have attained a measure of success. Always respect the positions of the other people involved in your negotiations, no matter how badly, or not, you want the deal. Be fair and honest about the negotiation and keep your intentions pure. Let people know you have the *ability and desire* to perform the task you're charged with. You also need to showcase with quantifiable examples that you put 100 percent effort behind everything you do. At the same time, you must express genuine respect and appreciation for the other parties,

what they have done and who they are—even if they're, well, jerks. Even a jerk can grow to appreciate, respect and benefit you, and once that two-way street is established negotiations can ensue and deals can be made. Humility with backbone. It's a tricky combination to maintain, but one that's absolutely mission critical.

Key 5: Finesse. No matter how large or small, *almost every deal takes finesse*, which is where skill and natural ability meet. This is where you get to have fun, allow your personality to shine, explore different angles, and try the somewhat weird and wacky—maybe even a bit of the fearless and crazy. It's problem solving with a twist. It's poise and diplomacy. It's art. In the end, *when finesse comes into play, the parties genuinely like each other, and all sides look for ways to make sure the deal becomes a reality*. For the best wheeler-dealers, finesse comes naturally; they don't even know they're

doing it. If you're lucky, it works that way for you as well. If not, develop it, let it flow and have fun trying it. *Soon, you'll be finessing deals.*

Key 6: Swagger. Swagger is an attitude you implement through finesse; it uses finesse as a tool. If finesse is about problem solving and outside-the-box thinking, then *swagger is about having commanding and authoritative disposition and demeanor but without being pretentious or arrogant*. It's about knowing how good you are and hinting at what you are capable of but without being braggadocios. Swagger is a spirited characteristic that you possess and radiate without ever compromising your integrity or sacrificing your general likability. In a deal-making situation, *your swagger should exude confidence, success and fearlessness*. Hit the right notes, and you'll walk away with what you want. Just one more step in perfecting your life-wealth plan.

Master these six steps and you'll be ready for some high stakes deal making. Start small. You may have to stumble a few times, but just get back up and go at it again. Keep both successes and failures in perspective: they are just stepping-stones along your lifetime of deal adventures. Once you've mastered the art, aim high—just like those crazy, fearless billionaires. **SSE**

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ACTION: Master these six keys to negotiation.

