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THE

Art of the Deal

IN THE AGE OF TECHNOLOGY,
IS NEGOTIATION AN ART OR
A SCIENCE?

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In the early 1980s, clients were predominantly local. Since the marketplace was more local, business negotiations were local. We had telephones, pen and paper, the old Quip machine, and/or maybe a fax machine. Back then negotiations were better in-person and in a formal conference room. Mail became the primary source of delivery for written documents, which meant communications were very personable. Due to proximity, people had the ability to meet on short notice. Law offices or private business clubs could serve as a common meeting ground.

During this time, negotiating skills focused on the human element, such as face-to-face meetings, reading body language, facial expressions, etc. This "Science of Negotiations" had some strategic components:

- The appropriate location
- Conference room logistics; set up, food or no food, pre-arranged seat assignments, who speaks for whom?
- Time of day

Each decision had a purpose. For example, skilled negotiators could intentionally make certain that

negotiations took place late in the day when people were tired and ready to compromise on issues in order to rush home early. Seating would be such that the negotiator knew the sun would be beating down on the other side of the table where it was most uncomfortable and hot. We learned counter tactics such as getting up, relocating seat assignments, and arriving an hour in advance to reset the room and reposition chairs.

Some of the negotiating strategies worked well solely based on a face-to-face session. Negotiators created facial expressions to convey one emotion when the opposite was true. Having your arms crossed could mean something completely different than what was felt.

Using emotional reactions in-person held a more dramatic impact than video-conferencing. In-person, you could threaten to "walk out." You could take a recess and agree that all parties go to lunch...together. Changing negotiators mid-deal was only effective when meeting in the same physical location. Yelling for intimidation was more effective in-person. Bluffing was also more effective by those who could play-act. Essentially, everyone was a hostage in a conference room in which

people agreed that no one could leave until a deal had been struck.

Fast-forward to 2018, the evolution of technology has changed our manner of business. Our clients are no longer "only" local because communication delivery systems have enabled us to conduct business globally. Cellphones, Bluetooth, email, Skype, and video-conferencing have become "basic" technological advances. These advances have allowed us to conduct negotiations, when necessary, without face-to-face meetings.

With long-distance clients, the cost of travel, time, and being away from home, coupled with the desire to increase transaction volume, has made the need for face-to-face negotiations sometimes impractical. It's just not easy to herd everyone in the same room, on the same day, in the same city.

The technological tools we have today vary. What we select for our communications delivery will influence the skills needed by a negotiator. Some examples of the tools used today for communications include the traditional "snail mail," email, fax, telephone, and in-person delivery services. However,

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technology has added the following to this toolbox:

- Skype conference
- Go-to-Meeting
- Facebook Messenger
- IOS: Apple software
- Facetime
- Google Docs
- Cisco: Webex
- Webcams

While some tools are either strictly audio, written words, or hybrids of audio/visual, none of them are face-to-face. So the question is, how does this environment change negotiating techniques?

The obvious answer is that there are two components in the art and science of negotiating that are no longer as relevant: the location and taking advantage of a face-to-face environment. You just can't engage many of the tactics mentioned earlier if the person is not in the same room with you. Room location, seat location, food and beverage are not relevant. Showing up late to a meeting has more drama when in-person than through technology.

This shift means that audio has become a more prominent factor than visual. Visual is still important when video technology is used, however, what you say, how you say it, the tone and the voice inflections are more noticeable and influential. Some negotiating observations, both pros and cons, using audio and visual technology include:

1. The Power of Silence:

When negotiations are not visual and all audio, it's amazing how effective this power can be. When you can't be seen

and you don't talk, the other side feels uneasy and often wonders if you are still on the line.

2. Audio and Email:

With a multi-level conference call, you can contact your client in advance to inform them that you will be emailing him/her privately while on the conference call. Just don't hit the wrong button to the opposing side! This is a mistake made by many. This way, strategies can be developed "on the go" and in private with your client. Your tone of voice becomes much more critical when your face can't be seen.

3. The Good Guy/Bad Buy Tactic:

This is still an option, but you must set it up in advance with your client to determine which person is playing what role on the phone.

4. Recessing:

While you can't take advantage of recessing in-person to have lunch together, you can still call for one to meet with your client. It's just a little more difficult.

5. "My Management":

While on the phone or video-conference, you can still engage the "I need to speak to my management to obtain final approval on this."

6. Skyping:

This is a powerful piece of technology that allows you to engage the "visual." Prior to the call, however, you'll want to check the screen to know how much of your face or body can be seen. It may be all facial expressions that will be effective,. Just be aware that your hand gestures might not be visible.

7. The New Walking Out:

During a video-conference, you can easily disconnect or tell the other side you have to go to another meeting. While this method isn't as powerful over video-conference, you are able to cut the conversation very quickly.

8. Physical Touch:

Since you can't touch or shake hands through technology, the warmth of a personal smile or face-to-face expressions are that much more important. Visual expressions become more sensitive to bridge the gap of the missing physical connection.

9. Email Negotiations:

You can't just run numbers on a piece of paper and slide the calculations across the table as in the past. Email might be an alternative, but remember there can be a delay in delivering the message.

10. Tech-Tours:

With videoconferencing, an alternative to touring a building is to provide interior or exterior drones. While not ideal, another option is to walk around a building with a laptop webcam.

In the end, negotiations are both an art and a science. The art rests in the human flair and play-acting with effective emotions and enhanced people skills, but the scientific engineering process of negotiations and strategic thinking is still a chess game. Technology increases business opportunities with speed but shifts the skills to the science of audio. ♥