



Top Tips for Phone Negotiations

by Jeff Burris

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In the present business environment we are all running with fewer resources than we would like. This is leading us to conduct many negotiations on the phone. What are the keys to success?

1. Understand the advantages and disadvantages of phone negotiations:

- a. Advantages
 - i. Fast
 - ii. Easier to hide your reactions since you cannot be seen
 - iii. Easier for most people to say no; especially those who are relationship-based in their thought processes
 - iv. Implies immediacy required to reach a decision
 - v. Once started, the negotiation is easier to stop or defer
- b. Disadvantages
 - i. Difficult to “read” the other party’s reaction since they cannot be seen
 - ii. Easier to lose focus and become inattentive
 - iii. More difficult to understand the other party if they are negotiating outside of their native language
 - iv. More difficult to brainstorm, do what-if’s

2. Decide phone negotiation vs. face-to-face. Use phone if most of these ring true; face-to-face if they do not:

- a. you have a relatively straightforward negotiation
- b. you are not presenting new, ground breaking information
- c. the other party or you just cannot get schedules coordinated for a face-to-face
- d. you have an already established relationship with the other party
- e. neither party negotiating outside their native language

3. Prepare. Once you have decided on a phone negotiation prepare just like you would on a face-to-face negotiation, but ensure:

- a. You have selected a time and secured a place where you can conduct your phone negotiation without interruptions or distractions
- b. That you prepare a list of topics to be covered in the negotiation
- c. That the other party has the time to complete the discussion
- d. You have sent or are prepared to send electronically any backup materials. Just as in a face-to-face discussion, sometimes there is benefit to sending materials in advance, sometimes it is best to present at the negotiation



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4. During the negotiation

- a. Confirm who is on the phone on both sides
- b. Listen – let the other side speak. Take notes. Play back for them what you have heard.
- c. Speak to be understood – now that you have listened present your interests and positions. If the other party is interrupting or not listening remind them of the courtesy you showed. Ask them to repeat what you have told them.
- d. Write any agreements down. Repeat them to the other party to make sure there is agreement. The words do not have to be 100% finalized but the intent should be.

5. After the negotiation confirm agreements in writing.

Some simple don'ts for phone negotiations:

- Do not enter into unscheduled phone negotiations for which you are not prepared. If the other party calls and you are not ready defer the discussion to another time. Sometimes this is difficult if it is a customer calling. However, you can always get at least 15 minutes.
- Do not feel obliged to continue a phone negotiation that is clearly not working. You can discontinue the discussion with something as simple as: "I am hearing a lot of things to think about and review internally. Can we resume face-to-face tomorrow?"
- Do not try and multitask during the negotiation.

With our busy schedules phone negotiations are not going to go away. Used effectively, they can be an efficient tool in obtaining the results and relationships you want.

APD's Strategic Negotiations course is targeted for buyers and sellers of manufactured goods and services. Our next course is on October 22nd and 23rd 2011. [Click here for more information.](#)