

Negotiation Update

February 8th 2009

Value creating reading for business professionals

Searching for Value

Sunday morning in...

Sunday morning in Cape Town with the weather over 30 degrees and very hot. Big thunderstorm last night right over the top of the house...rattled the windows.

One of the benefits of running your own business is that you get to find plenty of space in your diary and you don't have to "go to work" every day. One of the downsides is that you're not allowed to be ill. Being ill is definitely something that is to be avoided and I came back to Cape Town last weekend with a small virus and have spent a good portion of the week with the flu. Anyway back to normal now just as I'm heading off to Asia (details on Facebook) tomorrow morning.

Here's a story of consultancy. I'm doing a 2 day job next week and the client asked me if I could get there a day early for a meeting and they'd pay my hotel costs but no extra fee. I did this as a favour and booked the flight. I now hear that they've cancelled the meeting at 24 hours notice and now I'm hanging around taking up oxygen for the day for nothing. Thank you very much. That favour certainly won't be repeated.

Super 14 starts next weekend...Stormers jou lekker ding...and England and Australia are both plumbing new depths with their cricket. Let's stick to Football and Rugby. At least England Rugby won yesterday.

Have a good week with three tips as usual...



This week we used, read, visited, played with....

It's time to move on with this newsletter and in the next few weeks I'm going to change the way in which it is delivered. I've taken advice from colleagues who do the same and I'm going to move to an opt in list sent by a third party.

At the moment I send this from Outlook myself via dozens of distribution lists. What I want to do is to see how many people will opt in to a new delivery service.

It will mean quite a bit of attrition, I'm sure. At the moment I send this to over 2500 people but I have quite a suspicion that a very large percentage of them have moved on and probably the active readership could well be less than 50% of the total number.

I'll let you know how it goes and nobody will miss out who still wishes to receive my golden prose and diamond jokes.

and finally...

(02-06) 17:36 PST SOUTH SAN FRANCISCO -- A burglar who left behind the sledgehammer that he used to break into cars - a sledgehammer with his name on it - is behind bars, South San Francisco police said Friday.

Officer Mindy Lopez, investigating a report of two car burglaries, found a sledgehammer inside one of the cars. On it was written, "Jerry O'Grady," police said. Lopez found that O'Grady was on probation, searched his San Bruno home and found stolen items, police said.

A picture is worth a thousand words...



The UK seizes up after a light dusting of snow...deep Winter.

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SDI Tips

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Horses for courses...

I did well this week. I gave away a boring Green job to a friend who's now done great work and really enjoyed it and felt pleased with the process.

I am equally pleased that my life hasn't been clogged up with this stuff.

I can't be too specific because I know they read these tips but don't things work well when we can share the jobs out to suit our different views of what good work means.

I can continue writing paragraphs of tips beginning with the word "I" and my colleagues can do similar good work.

You in your small corner and I in mine.



The search for value

Sales Tips

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Word of mouth

I got a phone call this week from someone I'd never heard of who told me that they'd been given my name by a friend and they'd like to know more about what it is that I do with my SDI product.

Thank you, friend.

Have you got lots of friends speaking about you and your products and services? Do you know who they are? Do you keep in touch with them? Do you thank them for the referrals?

I hope so.



The search for value

Negotiation Tips

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Going first or second?

Here's a follow up to last week's tip.

In the world of Poker there are several situations where it pays to go first and even more where it pays to go second.

If you go first in Poker you get fold equity. This means that the other party are so overwhelmed with your bet (argument in negotiation) that they concede. Also in Poker there is a blocking bet whereby you bet a small sum in order to prevent the other party from making a big bet.

The negotiation equivalent of this is to ask for a 10% discount right up front to condition the other party away from making a small offer of around 2%. It tells them that 2% won't do the job. Your first request sets the range for the numbers involved. Wouldn't you rather talk about 10% than 2%.

These are two areas where going first can do OK but most of the time we want to be IP...that's Poker jargon for In Position. When you're In Position the other party has to bet first and once they've done that you have that information and then you can make a much more informed decision on your hand...to call, raise or fold.

Generally in negotiation we want to be IP but don't miss the opportunity to bet first when you're sure it will give you an advantage.

(By the way...there's definitely a negotiation book to be written by people who know the principles of poker. If you're one of those people you might like to contact me and we can talk about opportunities.)