

TECHNOLOGY ACQUISITION UPDATE

Savvy Negotiating Tactics—Time, Rhythm, Silence & Ego



Tactics play an integral role in every negotiation. Tactics are different than strategy. Don't confuse the two. Strategy is your overall plan to achieve your objectives. Strategy requires thinking and is planned ahead of time.

Tactics, on the other hand, are employed in the moment. Tactics are applied in response to the current situation, to the dialogue and the personalities involved. Tactics require observation; they are not planned. An experienced negotiator will have a wide assortment of tactics to draw on and use at the right moment.

Dimensions of Time

Time is a type of power. And power is important in every negotiation. Time can work for you or it can work against you. The savvy negotiator understands the nuances of time. He or she will make tactical moves based on an appreciation of time and its constraints.

When people consider time in the context of negotiations, they generally think of deadlines. Sometimes deadlines are a ticking clock. Can you adjust your deadline to give your side more flexibility? People are very aware of their own deadlines. But consider also the

other party's deadlines. What are their time pressures?

There are three dimensions of time that impact negotiations—rhythm, silence and patience.

Rhythm

Every negotiation develops its own rhythm. Rhythm is the timing and tempo of the back and forth of exchange. Get in tune with the rhythm of the negotiation. What is the rhythm of your particular situation?

Are you comfortable with the rhythm? Should you break the rhythm? Don't respond too quickly. Think about the most advantageous time to bring up issues. You don't want to ask for things at inappropriate times. Don't rush the negotiation. Don't push it. Negotiations are a dance and rhythm is important in every dance.

The savvy negotiator senses the rhythm of the interchange. Sometimes he or she continues in the same rhythm and sometimes he purposely changes the rhythm. This is where deal judgment comes into play.

Silence...the Pause

Silence is a pause. A pause is a subset of time. The pause can be a formidable tool.

In these fast-paced times, we have lost the genius of silence. How do you handle silence? Do you rush in with something to say? Or do you relax and feel the tempo? Sometimes it is best not to say anything. Enjoy the silence.

When you are silent, you can't help but listen more. And listening is a key negotiating skill because you learn more about the other party, about their issues, problems and needs.

After you have asked a question, especially when it is something you really want to know, ask and then be quiet. Wait for their answer. Don't worry about filling the void. If you have suggested a price, sit back and wait. This may feel uncomfortable but for the savvy negotiator it is an excellent tactic.

Silence is a powerful negotiating tactic. Know when to use it. And don't overuse it. Sometimes silence is uncomfortable. Silence can put pressure on the other side.

Patience is a Virtue

Patience is a reaction to time. Patience conveys strength and strength is good in any negotiation. Patience is also a type of power.

In the world of technology companies, I have found that many tech CEOs are anything but patient. They want to respond quickly, give their answer right now. They want to

ask the next question immediately. These may be good tactics for building a business but they are not effective negotiation tactics.

Being patient means having flexibility regarding time. This is related to walking away, which is the ultimate negotiating power. When the stakes are high, it is even more important to be patient. A negotiator in a hurry is a negotiator likely to make mistakes.

Check your Ego

Ego is not a tactic per se, but it is an area around which many tactics emerge. Egos are powerful things and they can have a dramatic impact on a negotiation. Be keenly aware of ego, both your own ego and your opponent's ego. Never discount ego.

First, keep your own ego in check. Simply take it out of the equation. Do not let anything upset you. Be unflappable. Don't take things personally. It requires discipline and practice to not take things personally. This is why a third party negotiator can be more effective—because people *do* take things personally.

Second, pay close attention to the other party's ego. It may sneak in there in subtle ways. You may be able to use this to your advantage. If a person inserts his or her ego into the negotiation, they become more one dimensional and less flexible. They become less willing to change and less open to new ideas.

The savvy negotiator can use this to his or her advantage because they will know exactly where the other party is coming from. You will know

how they will likely respond to your proposals. You can craft your points in such a way that the other person will accept them. You may be able to make stronger demands in certain areas.

Contrast this to negotiating with someone who is changeable, flexible and more like a chameleon. You never know where that person is coming from. It is difficult to pin them down. This gives them an advantage.

As an experienced negotiator, I find it amusing to deal with the multitude of personality types. If a person inserts their ego or is difficult to deal with, I figure a way to work around it. Don't let a personality get in the way. Roll with it and use it to your advantage.

Summary

In my many years of negotiating, I have noticed that people sometimes use tactics that are not appropriate for a particular situation. Or, they

fail to use tactics that could have been effective. The experienced negotiator will use the right tactics at the right time.

© Copyright 2019 Thomas V. Metz, Jr.



T.V. METZ & CO., LLC

Boutique Investment Banking

We specialize in selling technology and service companies from \$5 million to \$50 million in value.

Seattle, Washington
206-779-7707
www.tvmetz.com