

Reading

Power of Persuasion* D. Brox

The question isn't, "Do you negotiate?" It's "How well do you negotiate?"

From requesting more resources to changing a stakeholder requirement, project professionals must negotiate every day.

Some people seem to have an innate ability to persuade others, but even the most timid project manager can hone his or her negotiation skills.

"The skills of a negotiator are just like any other technical skills you can learn," says David Freedman, sales director at Huthwaite International, a negotiation skills consultancy in Wentworth, South Yorkshire, England. "Very seldom are these skills inherent in people's DNA."

Project managers may lack the authority to make big decisions, but they can still influence factors such as budget, scope, timelines, and resources.

Before heading into your next negotiation, remember the following tips.

Think Positive

You might not have authority, but that's no reason to take a defeatist attitude, says Aarathi Villivallam, PMI-RMP, PMP, a program manager at Anisys, a global IT consultancy in Bengaluru, India.

"Often, project managers are not keen to negotiate, thinking that negotiating for something reflects poorly on their capabilities," she says. "Also, they interpret requests as orders and agree to them meekly. Get over these misapprehensions fast."

Remain flexible when requests for changes arise—and don't launch immediately into negotiation mode.

"Don't say no to something that might seem like an unreasonable request at first," says Tres Roeder, PMP, president of Roeder Consulting, a project management training, consulting, and coaching firm in Cleveland, Ohio, USA. "Instead, say, 'I can do that, but there are going to be tradeoffs.'"

Develop the Necessary Traits

Mr. Roeder explains that there are six core traits important in negotiating:

- Awareness: Assess whom you're dealing with and that person's style.
- Whole-body decisions: Use your head, heart, and gut to be fully informed.
- Clear communication: Meet face-to-face if possible and explicitly spell out why you're making a request.
- Adaptability: Know when to hold your ground and when to back down.
- Diplomacy: Be sensitive and understanding.
- Persistence: Don't give up, but also be careful not to push too hard.

Practice these skills every day, starting in small ways, such as listening to how people respond when you describe project setbacks and propose solutions, suggests Karen Brown, PhD, professor of project management leadership at the Thunderbird School of Global Management in Glendale, Arizona, USA, and coauthor of *Managing Projects: A Team-based Approach* [McGraw-Hill, 2010].

Problems constantly arise during projects: A key team member falls ill and can't work for two weeks; essential equipment breaks down and requires repair time not allotted in the initial schedule; or materials are not available at the assumed price.

"Many project managers tend to hide this information from sponsors and other decision makers because they think they can correct the problem on their own," Dr. Brown says. "The result is that many project managers don't step forward to negotiate a new schedule or budget until it's woefully too late."

Instead of concealing these issues, keep the sponsor, customer, and other high-level stakeholders informed of setbacks so they are mentally prepared when it comes time to negotiate.

"The project manager who surprises the sponsor by attempting to negotiate a three-month extension just weeks before the project deadline will not have much credibility," she says.

Negotiation in Action

Project: Construction of the London Olympics infrastructure.

Problem: Lack of resources. You've got a limited supply of the equipment necessary for cycling and weightlifting.

Don't: Say, "Clearly we've only got a finite amount of resources. As far as we can see, the obvious solution is x." You haven't explained your side and your language doesn't leave room for negotiation, says David Freedman, Huthwaite International, Wentworth, South Yorkshire, England.

Do: Ask questions such as, "How many people are you expecting for the weightlifting event? What sort of TV audience are you anticipating?" Then ask similar questions about cycling to ascertain which event is most important to the sponsor.

Negotiation: Propose, "Cycling seems to be our priority—even if it means cutting some corners on weightlifting. Have I got you right there?" Wait for the sponsor's confirmation.

Result: You've established that you understand your stakeholders' priorities, and your proposal is more likely to succeed.

Do Your Homework

"There's an alarmingly high number of negotiations that fail because of a lack of preparation or importance of one," says David Freedman, author of *Managing Projects: A Team-based Approach* for Negotiation at the Thunderbird School of Global Management in Copenhagen, Denmark. "It's important to spend time before the negotiation to understand the other side smoothly. They should have clear overall objectives, and you should have a clear agenda for the negotiation meeting."

"It never pays to be surprised," Ms. Villivallam says. "You need a good understanding of the other side's budget, goals, and how they plan to impact the project."

"If you are getting an opportunity to ask and answer questions, resources," Ms. Villivallam says. "Do some research on the budget, goals, and how they plan to impact the project."

"A good project manager, especially those in a position of authority, should involve them involved through regular communication such as weekly status meetings. You can also invite them to call with the customer to discuss the project more likely to help."

"By engaging stakeholders in front of them, you can get a better understanding of the project," says Brad Egan, author of *Managing Projects: A Team-based Approach* in Las Vegas, Nevada. "It's important to get the grease out of the squeaky wheel. When you're negotiating something with the project and with the customer, it's important to assist."

Ask Questions

"The more you can find out about the other side, the more likely you'll be able to account of it," Mr. Freedman says. "Ask a lot of questions before the negotiation. For instance, if you're opening a website for a client, asking about repairs to jet and how they've impacted the original functionalities were important to the client which phase of implementation on the website is the most important function and the remaining phases of the project are scheduled phase of the project."

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Do Your Homework—and Recruit Powerful Allies

“There’s an alarmingly high percentage of people who enter a negotiation without a strategy—and don’t even know the importance of one,” says Keld Jensen, chairman of the Centre for Negotiation at the Copenhagen Business School and CEO of the MarketWatch Centre for Negotiation, a consultancy in Copenhagen, Denmark. “Project managers should use their time before the negotiation wisely to make the actual process go smoothly. They should always know their starting point, targets, overall objectives, and threshold of pain going into the negotiation meeting.”

“It never pays to be spontaneous in negotiations,” Ms. Villivallam says. “It’s necessary to have all the facts and a good understanding of the other side’s objectives.”

Do some research. Know the original scope, timelines, budget, goals, and how your proposed changes will positively impact the project.

“If you are getting squeezed on deadlines, it can be a good opportunity to ask and obtain approval to procure higher-skilled resources,” Ms. Villivallam says.

A good project negotiator should also target key players, especially those in a position to make final decisions. You want some of these people on your side—the sooner the better. Keep them involved throughout the project life cycle in various ways, such as weekly status reports and updated financial forecasts. You can also invite them to sit in on at least one project status call with the customer or key end-users. This way, if things go poorly during negotiations, these decision see p. 165 makers are more likely to help.

“By engaging stakeholders this way, you’ve kept your project in front of them, and they remember both you and the project,” says Brad Egeland, an independent IT project manager in Las Vegas, Nevada, USA. “You’ve become the squeaky wheel that gets the grease without ever having to be the annoying squeaky wheel. When the time comes that you need help negotiating something with the end-user, they’re already familiar with the project and with you, and feel some unwritten responsibility to assist.”

Ask Questions

“The more you can find out about the other party’s position, the more likely you’ll be able to frame your offer in a way that takes account of it,” Mr. Freedman says. “You can only do that if you ask a lot of questions.”

For instance, Mr. Egeland managed a team that was developing a website for his client to log in and check on the status of repairs to jet and aircraft parts. To deal with scope creep that impacted the original timeline, he needed to determine which functionalities were critical. He accomplished this by asking the client which phase of implementation was most urgent.

“I negotiated the timeline and provided them with a phased implementation on the new requirements, meaning the most important functionality was provided as quickly as possible, and the remaining functionality was implemented with the next scheduled phase of the project,” Mr. Egeland says.

Huthwaite International’s research has shown that skilled negotiators ask significantly more questions than average negotiators do.

By asking questions to gain insight on expectations, project managers can vastly improve their ability to communicate and obtain buy-in from the other party, Mr. Jensen says.

Listen

A project manager must discern the other side’s true priorities, says Daisy Ruiz Diaz Lovera, PMP, service manager at Pixon, a diagnostic imaging company in Florianopolis, Santa Catarina, Brazil. Know what they value so you can use that information to move negotiations forward. Is staying on budget more important to the sponsor than meeting deadlines? If you need more time to implement the project, knowing that the client values budget more may be your bargaining chip to win the additional time.

“It is difficult to negotiate without having established good communication,” Ms. Ruiz Diaz Lovera says. “Especially in a long-term project, it is important to invest in the relationship. Even in virtual projects the ideal is to have some face-to-face meetings with the team to be able to build the basis of a relationship and future negotiations. It is more difficult to establish trust from a distance.”

When meeting with the project sponsor, talk less and listen more to learn as much as possible about the project goals, she adds.

Once you’re familiar with what the other party deems important, you can rank the tasks and start to plan your negotiation strategy.

TIP

Don’t argue, says Keld Jensen, MarketWatch Centre for Negotiation, Copenhagen, Denmark. “Most negotiators are confused about negotiation and think it’s an argumentation game. On the contrary: The more information you argue, the less information you gain from the counterpart. Information is king.”

Explain Your Dilemma

The other side needs to understand where you’re coming from, and one of the best ways to accomplish this is to state exactly what the consequences of denying your request would be.

“The biggest mistake project managers make is not selling the problem before they make a request,” Dr. Brown says.

For example, if you need to purchase a material to develop a new product, don’t just tell your project sponsor, “I need this material.”

Instead, provide details about the situation. Something along the lines of, “We’ve encountered some problems in our preliminary tests. It looks like the material we initially chose isn’t going to work. The project is going to fail unless we find an alternative material.”

This approach should leave stakeholders eager to hear a potential solution.

Follow these tips and you will find yourself in a better position to receive the help you need. After all, the project and your reputation are on the line.

Questions

1. What two core traits of the six would you pick as the most important?
2. Select some negotiation situation and then describe what background information you would need to develop a negotiation strategy.
3. Why is keeping the key stakeholders aware of details and progress on the project important?
4. Describe three reasons that asking questions is helpful in negotiating.
5. Why is explaining your dilemma a powerful way to negotiate?

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