

Facilities Management from A to Z



Based on The FM Lexicon by Martin Pickard
published monthly in Facilities by Lexis Nexis between 2008 and 2016

Negotiation

Negotiation is generally a process of bargaining by which agreement is reached between 2 or more parties. Facility managers find themselves negotiating every day with suppliers, staff, customers, senior managers and colleagues. Negotiation skills are therefore a very important competency for a successful career in facilities management.

The circumstances might be a purchasing situation, salary discussions, budget setting or arranging an office move but the techniques used in negotiation remain the same. The objective of successful negotiation is not necessarily to get the biggest budget, or to pay the lowest wages, but to engineer solutions to problems that ensure the best possible outcome for the organisation while satisfying stakeholders and enhancing the reputation of FM as a professional team.

There are essentially two styles of bargaining used in negotiations – adversarial or co-operative. Which style of negotiation is used will invariably be influenced by the style of the other party. If both sides are adversarial, there will be little trust between the two parties; however, if one side decides to be co-operative, there is a danger the other side will use this apparent sign of weakness to their advantage. Co-operative bargaining has the advantage of being a more efficient style of negotiation; however both parties must be committed to it for it to work.

In any kind of negotiation the planning stage is probably the most important. Too often negotiations are badly prepared resulting in concessions that reduce the overall benefit of the final deal. The importance of planning is to be clear about the objectives of both parties before entering into the negotiation, to understand the information that will influence the final outcome of the negotiation, to recognise what concessions can be made and what will be sought in return. The more time that is spent in planning and preparing for the negotiation, the more beneficial will be the final outcome.

The best solution to aim for is one where both parties feel they have done well despite having to concede on certain issues. This is often called a win-win solution. As long as the facility manager has achieved their own objectives there is no reason to make the other party to feel they have lost. This is particularly true in FM where relationships over time must be built on respect and trust.

Two books that make good reading on negotiation skills are "Bare Knuckle Negotiating: Knockout Negotiation Tactics They Won't Teach You At Business School" by Duncan Ballatyne OBE published by Lean Marketing Press ISBN 1905430140 and "Getting to Yes: Negotiating Agreement Without Giving In" by Fisher, Ury and Patton published by Random House Business Books ISBN 1844131467