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Both Sides Now: Vendors and Librarians – The First Rule of Negotiation Requires Both Sides to Bargain in Good Faith

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Both Sides Now: Vendors and Librarians — The First Rule of Negotiation Requires Both Sides to Bargain in Good Faith

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Unless you're living under a rock and are not aware of U.S. current events, may I be the first to tell you that we are in the midst of a government shutdown. This is due to a stalemate occurring because neither political party seemingly wants to collaborate with one another to achieve a compromise solution to an issue affecting our country.

My column here at *ATG* is not a political one, so I will not take a stance with either side on their opinions, goals or strategies. I will however, take exception to both sides for not quickly finding a solution

to the current dilemma that has 800,000 government employees unable to meet their day-to-day expenses due to a shutdown of the government. In addition to the federal employees who are wondering when and if they can put food on the table, pay their rent/mortgage or heat their house, scores of contractors and shopkeepers that depend on the government workers to spend their money at their establishments are now suddenly short of cash, unable to meet their business expenses.

Before any serious negotiation can begin, both sides need to subscribe to the concept of bargaining in good faith. Both sides obviously have goals that may be comprised of a monetary amount needed to undertake a project or a date of completion of that project or any number of additional objectives. Both sides also need to realize that they probably will not get all the items they want to accomplish. With that in mind, each one needs to come to the table completely prepared for good faith bargaining with the realization that each side will have to give in a little.

Preparation includes assembling a team of experts to provide facts and figures to plead their case to the other party. Preparation also includes knowing and understanding what the best possible goals could be. Realistically, in a serious negotiation, a secondary and perhaps tertiary fallback position must be planned for and that eventual outcome that will be amenable is required. To go into any negotiation with no fallback positions is foolhardy and most assuredly will diminish the odds of coming to a mutually acceptable agreement or any agreement at all.

Sometimes, however, the negotiations involve a contract of obligations. Usually, there are many parts to the document under review. In virtually every negotiation of this type, the document in question has been reviewed by

each party before either side arrives at the table. I remember that when I had to review contracts in my capacity as VP of Sales, I tried to work out the details with the customer prior to sending it to legal counsel for final approval.

For example, every order form that the company wanted the client to authorize had on the back of the form a full page of small print legal items that the customer was inherently agreeing to when they authorized the order form. The one item that was an easy one for me to rectify in case of a customer question was the one that spoke about the state in the

U.S. where any future lawsuits would be heard.

The company wanted it to be in the state of our headquarters whereas the clients inevitably wanted any such legal matters to be decided in the courts of their

state's headquarters. The possibility of a lawsuit by a library over data presentation was a long shot at best which is why when pressed, I usually gave in to the customers' desire to change the state of possible litigation to theirs. By doing so, I gave them a minor victory on the road to a final deal. If I had to, later on in the process I could point to that victory as a "win" for them proving my willingness to compromise as we negotiated for another part of the agreement that I needed to win. After all, negotiations mean a "win-win" for both sides.

The reality is that there are only four outcomes to every negotiation.

1. **Win-Win** which means that both sides will come away with what they perceive of as a victory for their side. In other words, both sides win ★. No matter the organization, we all have someone to answer to. There will be someone or a group of people who will either approve or disapprove of our work. Both sides need to go to their respective organizations with the negotiated deal and present the outcome as a win for their side.
2. **Win-Lose** which means that the vendor has won because they sold a product for far more money than they had anticipated. The buyer loses by eventually realizing that they are committing to spend more money than they actually had to. This situation will be rectified when the oversold product comes up for renewal in the following year, but for the moment the vendor has gained a

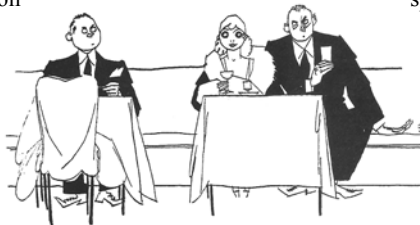
victory and the buyer has not. This situation will cause bad feelings and mistrust which is an outcome with unpleasant overtones for both sides and will be a pervasive presence for the near future. Not a good outcome.

3. **Lose-Win** which means that the vendor has sold a product for much less money than they should have or accepted terms of the agreement that will promise features of the product that are impossible to deliver. This occurs when the salesperson is far too liberal in granting discounts and/or overselling the features/benefits of the product in question.
4. **Lose-Lose** which means that neither side wins. A product was sold that was ultimately not needed for a price that didn't make sense for both parties. For everyone to walk away dissatisfied is a terrible outcome. When both sides lose, nobody wins and that is not an outcome that neither side should be willing to accept.

So it really comes down to understanding the other person who is seated across from you at the negotiating table. In my opinion, humanizing the process is a key element in the process. The questions that must be posed to oneself prior to the meeting are:

- Who this person (or persons) I am about to meet with and how did their professional path get them here?
- What are their business and personal goals? If you don't know those goals, simply ask them.
- What backgrounds do they come here with? Because after all, we all are products of our environment, which means who our parents were, where we grew up and how we pursued our education make us the person we are today. All of us are unique individuals with our own, personal DNA. We may think the other person seated across from us is not worthy of our efforts to hammer out an agreement, but the reality is that the organization has chosen the person we must work with, so get over it. As one of my favorite sales guys on my team used to say "get over yourself!" It's not about you. It's about coming to an agreement.
- What do I think I can do that will ingratiate myself to this person? Everyone has interests that they

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like to speak about. Part of the process is not speaking about oneself, but listening to the other person speaking about themselves and their goals. It's better to listen than to monopolize the conversation when trying to find common ground to build upon.

- How can I keep myself from being negative? To me, the most important part of any negotiation is not buying into a negative tone. Rhetoric aside, no one wins if you have to defend yourself from negative comments made by your counterpart. It's easy to fall into dredging up the past or blaming others or being uncooperative due to the pressures of the moment, but these attitudes never work. Always be positive and know who you are dealing with.

When I managed sales teams, I often asked the reps to communicate with their peers working for our competitors. Rather than tear down the competition, try to find out how their products and services differ from ours and always take the high road when speaking about similar products to customers. I instituted the "take a competitor to lunch" program which instructed my salespeople to interact with other salespeople at our competitors. The knowledge gained at those lunches was immeasurable as well as built a degree of camaraderie. I did the same, often dining with VPs of other information companies which were our competition. My opening line was always, "can you give me some advice....?" Eliciting someone's advice helps to lower barriers and creates a cooperative tone. At the negotiating table, asking the other person's advice indicates a strong desire to come to a mutually acceptable agreement.

The bottom line is that both parties need to be well prepared, have their facts straight and realize that they must be willing to take less than expected as an outcome.

As usual, I will end this column with a song quote. This one comes from the hit musical "Hamilton" written by **Lin-Manuel Miranda**. The title is "The Election of 1800." The lyrics are most appropriate for the subject matter at hand. "Well I'll be damned; you won in a landslide. Congrats on a race well run. I did give you a fight uh huh; I look forward to our partnership." 🐼

Mike is currently the Managing Partner of Gruenberg Consulting, LLC, a firm he founded in January 2012 after a successful career as a senior sales executive in the information industry. His firm is devoted to provide clients with sales staff analysis, market research, executive coaching, trade show preparedness, product placement and best practices advice for

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joined **RELX Group**, Elsevier's parent company, in 2004 as part of **Legal and Risk & Business Analytics**, where she held several senior strategy and operational roles. In 2012, she was appointed Chief Strategy Officer of **RELX Group**, with Elsevier as the group's largest business. Following her childhood in Turkey, **Kumsal** attended university in the United States. She holds an **MBA from Harvard Business School** and is a graduate of the **University of California at Berkeley**. France is her adopted country as she is married to a Frenchman. Currently, she lives in the UK with her husband and two children and is a dual citizen of Turkey and France. <https://www.elsevier.com/connect/elsevier-welcomes-a-new-ceo>

More new stuff! The **ATG** team of **Leah Hinds** and **Tom Gilson** attended **ALA Midwinter in Seattle**. Were you there? If you missed it, see the report at <https://www.against-the-grain.com/2019/01/atg-news-announcements-from-ala-midwinter-1-29-19/>.

CORRECTION: The Rumor about **Prenax** that was published in the Dec. 2018-Jan. 2019 issue of **ATG** (v.30#6, p.65) was inaccurate. We retract it and apologize. 🐼