



MARKS & ASSOCIATES

Negotiations Skills - Course Overview

Manage the Close

Poorly handled negotiations break most banking relationships down into adversaries with one party, usually the banker, merely accommodating the other party, usually the company.

The most successful banking relationships are based on collaborative negotiations with both parties working together for individual and mutual benefit. The company contributes business goals and problems, and the banker adds financial resources and expertise. Through collaboration both parties create opportunities and outcomes that are superior for both sides.

This is the core philosophy behind Marks & Associates Consultative Negotiations Seminars. The courses cover the four fundamental negotiating principles through an interactive mix of discussion, case studies, and role plays. Bankers learn to:

- Separate the people from the problem, so the clients don't become adversaries.
- Focus on interests not positions, so they can understand and satisfy the real interests of the clients.
- Create options for mutual gain, so new solutions can improve outcomes for both sides.
- Make negotiating decisions based on objective criteria, so emotion and self-interest don't blind the parties to what they hope to gain.

Negotiations I is a two-day course covering the fundamentals of basic negotiating. On-site follow-up training within 90 to 180 days is recommended. Consultative Negotiations II is a two-day course that draws on real negotiations experience of attendees. The course refreshes and reinforces the key negotiating principles and hones negotiating skills for success in more advanced negotiation situations. A brief outline of the courses follows.

I. Negotiation Apprehension

Most bankers are apprehensive about negotiating. A real threat of failure causes anxiety and fear. Why do bankers fear negotiating?

II. Stages of the Negotiation Process

Every negotiation passes through five basic steps. To manage an effective negotiation, bankers must understand the steps and be prepared to act in the bank's interest during each step. We discuss what to do during each phase to maintain control and effectively represent the bank.

Consultative Negotiations Class - Course Outline
Continued...

III. Principles of Negotiating

These principles not only insure success in negotiations, but diagnose failed negotiations. If a banker is at an impasse, he or she can review the principles to discover what is going wrong. Often, corrective action will get the negotiation back on track.

IV. Discussion of Failed Bank Negotiations

Each banker presents a failed negotiation for discussion. We learn to understand why the negotiation failed, and how it might have been saved. The purpose here is to use critical thinking about negotiations steps during the process of negotiating.

V. Case: Bristol Corporation Negotiation

Bankers use their newfound understanding of the negotiating process to effectively maneuver in a realistic negotiation. Post-case discussion highlights the correct use of principles and the missed opportunities.

VI. Negotiating Styles

Bankers complete a negotiating styles-questionnaire before the training. We discuss the five primary negotiating styles, and show where each can be used most effectively. Since good negotiators must be fluent in all styles, we show bankers how to diagnose the setting, pick the most effective style and use the style to get best results.

VII. Preparing a Negotiating Plan

Specific action items necessary for a formal bank-client negotiation are discussed. Bankers learn how to analyze the bank's position, assess the bank's relative power, gauge the bank's informational and time advantage, and diagnose the client's negotiating style and key interests.

VIII. Managing Emotion

Because conflict is often present in negotiations, it is important to learn how to manage emotions. Preparation and the liberal use of breaks can help, as can the recognition of emotion, and the probing of submerged barriers and concerns.

IX Dealing With Dirty Tricks

Most banking negotiations are above board and within the rules of fair conduct, but occasionally dirty tricks do appear. When self-interest is involved, even good people may play unfairly. Sometimes a third-party can insert itself and try to manipulate the banker.

X. Case Studies

- A. Using newfound negotiating skills to effectively maneuver a realistic negotiation
- B. Negotiating for the best deal – a win-win result
- C. Dealing with emotion and dirty tricks