



Veneratio Diligentia Vires



U.S. Secretary of State John Kerry delivers remarks at a State Luncheon in the Chinese President's honor at the U.S. Department of State in Washington, D.C., on September 25, 2015. [State Department photo/ Public Domain]

How to Conduct An International Negotiation: 10 Tips From A Global Security Consultant

By Luke Bencie

There is considerable debate right now about the US-Iranian nuclear deal. Was it fair? Who won and who lost? Was too much or too little left on the bargaining table? The answers to these questions will most likely only be known over time. Regardless, negotiating with persons from another country can often be significantly more difficult than negotiating with someone from your own nation. Yet in the global business arena, these negotiations take place everyday.

Numbers represent the truly universal business language. No matter the dialect, no matter the inflection and no matter the monetary unit, the numbers don't lie, particularly when they're carefully studied. Profits and losses, cash-flow statements, annual growth percentages and balance

sheets all translate easily across borders. If you're going to play on the global stage, you'll need to understand the numbers – and be able to negotiate them anywhere with anyone around the planet. Between cultural differences, language barriers, and geopolitical issues, the more passports are

involved, the more complicated the negotiation can become.

Based on personal experience of doing business in over 100 countries, discussions with colleagues, and wisdom derived from other resources, here are my 10 Most Useful



U.S. Secretary of State John Kerry sits with Iranian Foreign Minister Javad Zarif before the two resume negotiations about the future of Iran's nuclear program on January 14, 2015, in Geneva, Switzerland. [State Department photo/ Public Domain]

Tips, each critical to achieving a win-win, for how to pull off an effective international negotiation (excerpted from my book, *Global Security Consulting: How to Build a Thriving International Practice*):

1. Do your homework. In any negotiation, particularly an international one, you must conduct research on your prospective partners as well as the deal itself. You must uncover as many details as possible, because knowledge is power, and within knowledge resides confidence. Start by examining the history of any previous deals the partners have done, including their possible constraints:

- How long did previous negotiations take?
- How much money was involved?
- What negotiating style was used?
- Was ego evident in completing the deal?
- Were there personal situations, such as divorce, that impacted the negotiations?
- More basic, what's in this new deal for them?
- Are there cultural sensitivities or issues involved?

You should also research industry trends and market forecasts to help understand the terms under which the deal was set. This broader perspective might also provide clues about your prospective partner's thought processes and the underlying reason why he is considering doing business with you. Never walk into an international negotiation blindly.

2. Listen more than you speak. Some people speak when they should listen; that's a potential kiss of death in international negotiation. There seems to be a misconception that the person who talks the most in a negotiation is somehow winning. Don't fall for it. I always try to listen more than I speak, because I can only give away my position by talking. By listening, I have a better chance of understanding the other person's motivations and objectives. Plus, the less I say, the more I keep the other side guessing.

3. Be polite. Don't feel bad if you hate the thought of negotiating. Few people truly enjoy the process. But it's necessary for doing business, particularly overseas. And if that's the case, you want to do everything you can, within reason, to put your counterparts at ease, and the best way is to show good manners. Besides, doing business is always better when you like the people you're dealing with. Life's too short for you to work with a mistrusted partner. It's always better to discuss your expectations sooner rather than later. It demonstrates respect and encourages cooperation. Anytime you don't trust the person sitting across the negotiating table from you, politely excuse yourself and leave. You don't need the headaches such a relationship inevitably will create.

4. Be flexible. To put it another way, bend but don't break. I don't necessarily mean you need to make unnecessary concessions, particularly on pricing matters. But being flexible means you're willing to consider alternatives and unconventional options in lieu of digging your heels in on price. A word of caution: It's important for both sides to be flexible. If you sense you're the only one giving ground, be aware that your counterparts might be trying to take advantage of you. Be flexible, but insist – politely – on reciprocity.

5. Ask probing questions. You need to learn how to ask the right questions to discover your partner's Needs, Wants, Wounds, Authority and Money (NWWAM). There's nothing wrong with asking someone why they are behaving in a particular way.

For example, "Mr. Hadid, I understand that no one wants to sacrifice profit, but perhaps you can tell me why you will not lower your margin on this particular deal just a few points." Or, "Please, help me to understand why you want to keep that clause in the agreement." Or, "Why is that issue is so important to you?"

Of course, the other side might not give you an honest answer. But it's your responsibility to employ your BS detector. The important thing to remember is if you're wondering, ask.

6. Trust but verify. This phrase was made famous by President Ronald Reagan referring to the relationship between the United States and Soviet Union during the Cold War. Certainly you want to be friendly and respectful to your negotiating partners – and you hope they will extend you the same courtesy. Just be sure you're not being played for a fool. Don't take the other person's claims as fact until you have performed your own due-diligence.

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7. Keep (most of) your thoughts to yourself. Poor negotiators have a tendency to come to the bargaining table and lay out

everything they know and want right then and there. Clear communication is a vital part of negotiation, but there's no sense assuming that the other side knows everything you and your team are thinking. Remember the scene in *The Godfather* when Sollozzo is pitching his deal to cooperate in the drug trade, and Sonny Corleone butts in with the surprised comment: Are you telling me the Tattaglias will guarantee our investment? Later on, Vito chastises his son: Never ever tell anyone outside the family what you're thinking again. Vito was right, because Sonny's careless comment precipitated an attack on the don's life. The *Godfather*

is fiction, but that scene demonstrated wisdom. Never share everything with your counterparts; be honest, but provide only what is absolutely necessary. This is true even if you have obtained non-disclosure agreements and non-circumvention agreements. You are under no obligation to provide your thinking on all matters. It's a safe bet the other negotiators will be acting that way.

8. Control the negotiation. I don't mean talking incessantly or using an aggressive tone with others. You can listen twice as much as you talk and still fully guide the conversation. The way to control a negotiation is to ask the other participants a combination of direct and open-ended questions. If someone begins to ramble with an answer, you can politely reel them back in with a direct yes/no question. For example, "Ms. Whitcomb,

I want to clarify something. You did say 10 percent, correct?" This allows for a break in the action and provides a chance for others to join in the discussion, or for you to ask another question. You can also use the technique if someone else tries to control the conversation. That person might try to monopolize the time by laying out expectations and demands for everyone else at the table. The way to counteract it is to interrupt them, politely, with a question demonstrating that although you're listening, you're nevertheless the person directing the discussion—even if no formal moderator has been assigned. I call this the adult-in-the-room technique. For example, "Mr. Polande, please allow me to interrupt you for a moment. You have gone on for quite some time, and I would like to hear the opinions of the others at the table. Could we please hear someone else's ideas for getting this deal done?"

9. Come prepared. Call it a variation on the Boy Scout motto. Arriving prepared to a negotiation is different than doing your homework. It means what you bring with you and what your overall strategy will entail. On the television show *The Apprentice*, starring real-estate mogul Donald Trump, you might have noticed George H. Ross, Trump's attorney for over 30 years, offering his insights from time to time. Mr. Ross published an exceptional book on negotiation, *Trump-Style Negotiation: Powerful Strategies and Tactics for Mastering Every Deal*. The key takeaway I gleaned from Ross's expertise is the idea that you can create what he calls the "aura of legitimacy" by arriving with your own documentation, i.e., contract agreement forms, to begin your discussion. By preparing documentation that will finalize the terms of the negotiation on your side of the table, you have demonstrated preparation, willingness and enthusiasm for completing the

deal. This will serve you in a number of ways:

- You set the tone and timeline of the negotiation with your documents. You might even intimidate others into believing you've fully researched all viable options of the deal already; thus they should trust your conclusions.
- You've encouraged the other side to go along with you, because you've done all of the groundwork.
- Your documentation will keep people on the record and discourage them from renegeing on an agreement.
- By controlling the documentation, you also control the conversation.
- You've demonstrated you'll be no pushover at the negotiating table.

10. Be creative. Hard-and-fast rules can often derail a negotiation before it begins. Creativity can often become the leverage that gets a stuck deal back on track. Remember that deals don't always have to be black and white. If you cannot come to an agreement, consider restructuring the terms rather than compromising. There is always leverage available for the creative negotiator.

Keep these 10 tips tucked away in your back pocket before your next international negotiation and discover how much more successful your business dealings can be. For more tips, including my "Hard and Fast Rules of a Negotiation," please pick up a copy of my book, *Global Security Consulting: How to Build a Thriving International Practice*.

About the Author

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