

How to Master Negotiations and Make Winning Deals

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Over 35 years in business, working across four continents in real estate, finance and tech, I've made a lot of deals. Some were easy to close, most were not, and a handful were nearly impossible. But in every case, both sides signed on the dotted line, and that's what matters.

Business, after all, is about negotiations. If you're no good as a negotiator, your company may have a short half-life. But if it's not one of your strengths right now, don't give up just yet – good negotiating can be learned.

Sure, it requires a complex skillset you're unlikely to pick up in an afternoon, but with time and experience, trial and error, improvement is all but inevitable. I've engaged in every possible type of business talks, and over the years I've developed a shortlist of optimal negotiating tactics and techniques.

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R & P: Research and Preparation

The first, and perhaps most important, is preparation. Entering negotiations is like going into battle, and no general ever won without assessing his own capabilities and those of his enemy, as well as the terrain, conditions and other factors. Similarly, a negotiator would be foolish to begin talks not knowing his own strengths and weaknesses as well as those of his foe, so doing research and prep is

crucial.

Nail down your objectives and red lines, and estimate, as best you can, what your interlocutor will and will not accept. Dig into the background of your potential partner, and examine the companies involved. How are they doing financially? Any major hurdles or looming events? Might they be looking for something other than money? For your last prep step, put together a fantastic opening offer that could bring the talks to a close just as they begin.

Build rapport and listen

Flush with knowledge, you're ready to engage. Start by establishing a real connection. Assuming you don't reach a deal straight away, communications throughout the talks will need to be clear and straightforward if progress is to be made, so set a strong foundation by opening with a warm greeting. Speak plainly at the outset so your potential partner trusts that you're negotiating in good faith, without deception or a hidden agenda.

Now it's time to listen. Put your goals on the back burner for a moment, ask useful questions, and focus on fully understanding the responses. On which elements are they focusing? Are you hearing any absolute must-haves? What do they need to avoid?

Listening shows respect and interest, but be ready and willing to answer their questions as well. Still, the more your interlocutor talks, the more they show their hand. Just remember that sometimes the words they don't use say as much as those they do.

Related: [5 Negotiation 'Don'ts' That Must Be Avoided](#)

Stand your ground

As you wade deeper into the talks, it helps to be hard-nosed. Few businesspeople want a partner who is unwilling to take a stand or shies away from disagreement. Of course, you don't want to be ornery or unpleasant, but you are going into battle and will likely need to be assertive and stand your ground to make a winning deal.

One of the places where this is most true is Tel Aviv. Some years ago, I was mildly surprised to find that Israel's business environment is rife with opportunity, especially when it comes to tech – a field I focus on with private equity firm Anfield Limited. With just 8 million people, Israel has created 100 Nasdaq-listed firms – more than all of Europe.

Tech represents more than a fifth of GDP, and the World Economic Forum lists Israel as the world's second-most innovative country. Top chipmaker, Intel, recently made one of its largest-ever global commitments in Israel: \$25 billion for a factory in the south. But if you do go, be sure to bring your A-game, as Israeli businesspeople tend to be sharp and unyielding. This means that if you do make a deal, you've likely made a wise investment.

Returning to tactics, if both sides have made initial offers and counter-offers and little progress has been made, it's time to step outside the box and look at the problem from new angles. What have you not thought of? What might be added or taken off the table to sweeten the deal? Take a break, go for a walk, talk to a smart friend, or get a good night's sleep – changing perspective often sheds new light.

It's getting late

Finally, the last arrow in my quiver is the hint of a goodbye. It's unwise to set a hard deadline, as that would be

dishonest, and most potential partners would likely see through it. But giving a sense that your patience is wearing thin, that you're ready to walk away should the deal you've envisioned not materialize, has the potential to be a real game-changer.

Of course, the wise course is to play the long game – to negotiate with patience and build a relationship regardless of the fate of this possible deal. But sometimes the application of pressure can work wonders. Just be sure to choose your words wisely. As King Solomon said: “A word fitly spoken is like apples of gold in a setting of silver.”

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Make the deal

If all of the above fails and you have little desire to walk away empty-handed, there is one last move: Let them win. Some would call it caving. But I've found that in many cases, even a deal that is less than financially fantastic for your business in the short term will end up paying dividends down the road.

That business leader you've just made a deal with is no dummy – she knows you've done her a solid. And if she understands business, there's a good chance she'll pay your good turn back to you in the future. Negotiations, in the end, are really about building relationships.

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