There is no shortage of expert opinion on how to negotiate, as a quick scan of any bookstore's shelves will reveal. Some of that advice is valuable, but much of it is simply not practical. Too often, what negotiation gurus are really saying is that you have to be a particular kind of person: thick-skinned and supremely confident, afraid of nothing, and with a big-picture mindset. The best bargainers, they say, focus on the issue itself and aren't distracted by the back-and-forth or the personalities at play.

All that is well and good. But if you are not fully that kind of person or don't have the time it takes to become that kind of person -- one negotiation expert says it requires about 800 hours of practice -- then these pages are for you. The tips that follow will show you what you need to know before the bargaining begins, as well as strategies for getting the best deal at the table.

As with many endeavors, preparation is essential -- and often more instrumental to success than the tactics employed tableside. If you don't know what a potential deal is worth to you or haven't considered how the other party views it, you simply will have no idea where to begin or how to react to an offer.

Winning Negotiations

1. Before You Get to the Table

Know your alternatives. The optimal way to evaluate any proposed deal is to weigh it against your best option in the absence of a deal -- what's often called the best alternative to a negotiated agreement, or BATNA. (The term was coined by Roger Fisher and William Ury, authors of the 1991 bestseller Getting to Yes.) The value or cost of this alternative helps determine your reservation price, the most you would pay, or the least you would take, to cut a deal. Determining your BATNA and reservation price improves your bargaining power by stiffening your resolve at the table. "The more easily and happily you can walk away from a negotiation, the greater your capacity to affect its outcome," say Fisher and Ury.

Know your counterpart. A deep understanding of your counterpart's interests and motives will help you evaluate his strengths and weaknesses and give you a sense of the bargaining zone, which lies between your reservation price and his. Research -- talking to industry veterans and reading trade publications, other media reports, and even the website of your opposite's company -- is a good way to start. It also helps to imagine yourself in your adversary's shoes. "The better able you are to get inside the head of your opponent," Adam D. Galinsky, professor at Northwestern University's Kellogg School of Management, wrote in the Harvard Business School's Negotiation newsletter, "the better your negotiated outcomes are likely to be."

Know the standards. Accepted standards and norms, spoken or not, underpin virtually every negotiation. They serve as benchmarks for the terms -- just as the Kelley Blue Book sets prices for a used car or an earnings multiple is used to value a company. But negotiators also make decisions based on the principles they have adopted. A company committed to social responsibility, for example, might favor a supplier that pays employees a fair wage or uses environmentally sensitive manufacturing processes.

Your advance work entails surveying the germane standards and building a case around those that further your goals, writes Wharton professor G. Richard Shell in Bargaining for Advantage. Moreover, because most people want to at least appear consistent and rational, "the arguments the other party accepts as legitimate or has used to his or her own advantage in the past are usually the most effective," Shell says. "Frame your proposal within them. If you cannot do this, prepare to argue for a special exception to his standard based on the special facts of your case."

2. Opening Gambits

Make an aggressive first offer. Though negotiation lore has it that you let the other side go first, a growing body of evidence suggests that a well-prepared first mover has the advantage. An opening price serves as a reference point, or "anchor," that a counterpart -- even an expert in the field -- unconsciously adheres to, says Galinsky. If you have a good feel for your opposite's reservation price, make an offer that's just beyond it -- that is, just above his top purchase price or just below his lowest sale price -- even if it exceeds your own target price. According to Galinsky, the fear of alienating your opposite is "typically exaggerated" -- that is, so long as the offer is defensible and not outlandish.

However, the opening move is risky for poorly informed negotiators. A first offer that lands within the bargaining zone becomes a liability. "If the seller's goal is to get anything better than his reservation price and the offer comes in above that price, he will change his goal to 'Let's get as much as we can get,'" says John Oesch, a professor at the University of Toronto. (The same goes for a lowball offer, which is likely to alienate your counterpart.)

Present multiple, equivalent, simultaneous offers. One way to learn more about your counterpart's preferences is to offer a choice among proposals.
that emphasize different elements of the deal. The offers (no more than three at a time) should be of more or less equal value to you, says Galinsky. According to the reactions you get, you can reshuffle the mix with a new set of offers. The maneuver can generate goodwill for your flexibility, even as you pursue an aggressive negotiating agenda.

3. Responding to an Offer

Make an aggressive counteroffer. You are not always going to be able to make the first offer -- but you must stick with your research. The best way not to fall under the sway of the anchoring effect, says Galinsky, is to counter with what would have been your first offer. In other words, focus relentlessly on your estimates of your opposite's reservation price and alternatives to a deal -- and your own target price. Be firm, but if your counteroffer differs dramatically from the initial offer, try to lighten the mood, perhaps with a joke.

Consider showing your hand. Giving away information generally weakens your position. However, you might want to disclose your BATNA, if you are convinced your counterpart is underestimating your choices.

Counter -- no matter what. Even if your counterpart makes you an ideal first offer, demand concessions. Accepting a first offer, says Galinsky, will lead your counterpart to regret the offer -- and be more likely to seek future concessions.

Take when you give. Harvard Business School professor Deepak Malhotra has tips on getting the most from giving in. Whenever you are forced to make a concession, make sure your opposite recognizes that you have done so by clearly identifying the move as such. And, if you can do it diplomatically, make the concession contingent on a reciprocal concession. You might also break any planned concessions into smaller increments - - if, say, you are willing to boost a bid by $10,000, offer $7,500 first and then later offer the other $2,500.

Avoid consistency traps. Some negotiators exploit the human fondness for consistency by proposing what seems like a harmless standard and then using it to reach a conclusion that runs counter to your interests -- and holding you to it. Don't answer a leading question or agree to a statement without knowing where it could go or why it is important, writes Shell. And if you do agree, qualify or rephrase the agreement in the broadest terms possible.

Table Manners

Face to face or remote? New research by Roderick Swaab, an assistant professor of organizational behavior at INSEAD, suggests that face-to-face meetings are important when the two parties don't know each other and need to establish a rapport. When they know but don't like each other, face-to-face encounters may only make things worse.

Seating arrangements. Negotiating across a table produces a competitive or defensive atmosphere -- or even a combative one, behaviorists say. Working at the corner of a table, or with your counterpart to your side, creates a more collaborative environment.

Keep quiet -- except to ask questions. Silence can be a powerful weapon. Many people find it uncomfortable and fill it with conversation, divulging information or revising their offer in the process. The best negotiators listen more than they talk and know that asking questions is a proven method of gathering intelligence and fending off questions.

Mimic your opponent. People often unconsciously mimic the mannerisms of partners in conversation, and research shows that it works: Waiters who mimic customers, for example, get bigger tips. In negotiations, Adam D. Galinsky reports, mimicry generates more rapport and "interest-based deals" and "joint gains."

Engage in the theatrics of negotiation. Look visibly put off, or even flinch, at your opposite's proposals. And use tangential issues as opportunities for misdirection: By making a big deal about issues you don't really care about, you can concede them later at no real cost.

Your Place or Mine?

Most people presume there is a home-court advantage in negotiation, and there is some evidence to back that up. But there are often good reasons to take the talks to your counterpart. Michael Rainey, a dispute resolution practitioner who teaches at Pepperdine University, weighs the choices.

Playing an away game. Negotiating on your opposite's turf signals respect and accommodation tempered with confidence, says Rainey. It gives you an opportunity to gather intelligence about your counterpart and the culture in which he or she operates. Finally, it makes it harder for the other side to claim "the file's at the office."

Home-field advantage. If your office walls reflect power or influence that you want to impress upon your counterpart, conducting the negotiations within them will send that message. But, notes Rainey, your opposite will have the same advantages you would have at his or her site.

Resources

Inc.com maintains a library of articles about negotiation at inc.com/negotiating and at inc.com/negotiating-to-buy-a-business.