

# KNOW HOW TO DETERMINE YOUR POWER AND LEVERAGE

Many of us go to the negotiation table feeling at somewhat of a disadvantage. We feel like the other side has all the power and leverage and we have very little. Shifting power from the other side to you is a skill that great negotiators have mastered. How can you master the power shift as well?

## Always Know Your Best Alternative

Expert negotiators know that the biggest source of power and leverage in a negotiation is having a good alternative available. In other words, if for some reason you cannot get a deal done with terms that are agreeable to you, having another deal waiting as an alternative is the ultimate source of leverage. What if you don't have a strong alternative lined up? The best thing to do is go find one! Consider it part of your pre negotiation planning and activity. As you are preparing to negotiate a specific deal, make finding an alternative part of your process. If you don't have enough time to find a viable alternative, then think about your status quo. If you were to continue doing business without that deal, what would it look like to you financially over a specific time frame. Understanding this will help you avoid getting into a deal that hurts your status quo. But that is not an ideal alternative.

## To Stay or Walk Away

If you need more time to develop a solid alternative, then ask to postpone the negotiation until you do. You will be grateful that you did. Knowing your best alternative also provides clarity on when you should walk away from the deal. So many negotiators get into deals where they are worse off than had they not done a deal in the first place! That's because they had not identified their best alternative and put it in financial terms. If someone offers you terms that are less attractive than your alternative...walk away and move toward your alternative. Having that alternative creates a shift in power to you and with that power you can change your entire approach and drive better outcomes.

Joe Hernandez is an international authority on high value negotiations skills and techniques. As a professional negotiator and coach, Joe assists CEOs, senior executives, sales professionals, and buyers in preparing for their most important deals. In addition, he provides world class negotiation training programs that change the way business people negotiate deals with immediate results. He has developed a unique methodology of negotiating that utilizes cutting edge tools and processes.



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