

ARTICLES

NEGOTIATING WITH GOVERNMENT AGENCIES

by [Bob Gibson](#)

Many of my clients negotiate with government agencies. This kind of negotiation involves hidden agendas and a level of intrigue not found in other situations. For that reason, these negotiations are often fraught with failure and filled with frustration. But, they needn't be. And they won't be, if the negotiators know where the "real" negotiating is and how to do it.

Through my years of hard experience, I have observed certain patterns in the issues and situations that characterize negotiations with government agencies. Taken collectively, these patterns form a "mental arena" in which the negotiators work. This mental arena is no respecter of industry or geography—it pervades government agency negotiations everywhere. It makes negotiations tough, and often strains the relationships of the negotiators. Sometimes, it strains them beyond the breaking point.

A critical step to successfully competing in that mental arena is an examination of the mindsets of the parties. Most negotiators think there is only one negotiation—the one they see going on above the table. This negotiation is about such issues as budgets, timelines, deliverables, and staffing. But the other negotiation—the real negotiation—takes place "under the table." The real negotiation isn't about issues at all. It's about backgrounds, values, judgments of right and wrong, ethics, and appropriate behavior. It's about who you are and about who they are—and it's about individual perceptions of these things even more so than the reality of them.

So, what really happens in government agency negotiations? Where does the real negotiation occur? Let's begin with a look at the team that sits on the non-government side of the table.

People assigned to negotiate with government agencies are rarely natural negotiators. They are usually well versed in their technical specialties, but they typically have not developed the emotional intelligence and persuasion skills they need for effective negotiation. The highly technical among them usually believe they simply need to arm themselves with facts and data to win the negotiation. They usually have not considered or studied the influencing skills they need to accomplish their desired objectives—such things as establishing rapport, building trust, and tuning in to hidden agendas. Further, they don't have a negotiating strategy and haven't learned how to apply negotiating tactics—because their world-view is almost entirely devoted to facts and data.

In addition, many negotiators bring what I call a "subservient mentality" to the table when dealing with a government agency. Their training and background have ingrained in them a respect for authority and a "mindset of compliance" that does not serve them well as negotiators. Most of these people have earned their degrees and attained their positions by following guidelines, conforming to rules, and operating per procedures. This subservient mentality is even more prevalent in Asia, where formality and protocol plays a prominent role in business conduct. This "subservient mentality" does not serve the negotiator well.

Looking at the non-governmental side of the negotiating table gives us only half of the story. The other half is critical for the negotiator to understand. That understanding allows the negotiator to push the right buttons, and avoid pushing the wrong buttons. So, let's take a quick look at the team on governmental side of the table.

People employed in government agencies often have two emotional views at play, when they negotiate with people representing private business concerns. This is not a localized phenomenon—I have found this true of agencies in the USA, Europe, and Asia. What emotional views are we talking about?

First, these people tend to see themselves as watchdogs—the protectors of the populace (whether they actually are is irrelevant—it's the perception that matters). This "sense of nobility" endows them with a self-righteousness that permeates and—often defines—the relationship. It colors every phone call, every e-mail, and every meeting in the course of a negotiation.

Second, these people are often underpaid and overworked—or at least they feel they are. As a result, they are often jealous of those in the private sector. In some cases, that jealousy is deepened by a sense of unfairness, because the private sector person they are facing holds a job they once aspired to—but weren't hired for. The natural result is resentment—and the government employee tends to see business people (and the businesses they represent) as the enemy. This fosters a perception that the business people represent evil money-grubbers focused on fleecing an unsuspecting public from their hard-earned dollars. Further, nothing stands in their way but the noble crusaders, the defenders of virtue—those who staff the agency.

All of this creates a huge disadvantage for the person trying to negotiate with government agencies. This is clearly a situation not conducive to effective negotiation. So, what should you do?

To arrive at a positive outcome in this kind of negotiating environment, you must observe two underpinning truths. The first truth is negotiating skills—not just the facts—are essential. This is partly because of the weight of the decision, and partly because the results of the negotiation often continue for years or even decades. The second truth is you don't choose whether to negotiate. You choose whether to negotiate poorly or to negotiate well.

These five tips will help you negotiate well:

1. Treat negotiation as an ongoing process, not as an event. It takes time to build relationships. Relationships depend on trust, which is difficult to build. The relationship often predetermines whether the negotiation has a positive outcome—before the parties even sit down at the table.
2. Avoid a subservient mentality. Understand that agency negotiators are masters at positioning themselves as the authority. They project power. It's easy to over-rate this power. And, corporate people often sell themselves short because they don't recognize the personal power they possess. Further, they fail to recognize the value their organization provides—you must believe the agency needs what you bring to the table. The viewpoint needs to change from wanting the agency to “get their approval” to getting the agency to want the deal because of the value you bring.
3. Prepare to negotiate. Information is power, but only when you have the right information and are prepared to use it. Research the history of the relationship, past problems, and the personal "hot buttons" of key agency players—do your homework. Become a master at building value for, and into, your point of view—this increases your negotiating position. Find out how the agency works from the inside. Try to find others who have dealt with the individuals you will be negotiating with. The more you know about the situation and the decision-makers, the more power you have in a negotiating situation.
4. Determine the best and worst-case scenario for you and for the agency, before the negotiations begin. By projecting each party's highest and lowest expectations, you'll often find room for agreement within the area formed by the overlaps.
5. Expect reciprocity. Concede on a point only if you get something in return. Otherwise, you're reducing the value of what you're conceding and you're training the other party to demand more. At every meeting and on every phone call, have a "hip pocket list" of concessions you want from the agency. Crafty negotiators often send underlings to beat

you up, wear you down, and wring concessions out of you—usually without conceding much, if anything. Also, don't make meaningful concessions unless you're talking to the decision-maker—someone who can pull the trigger. **YOU'LL GIVE IN – LITTLE BY LITTLE, AND THINK YOU ARE CLOSE TO AN AGREEMENT.** When you're at your lowest, the decision-makers then step in, fresh and ready to finish you off.

These five tips will help you bring balance and perspective to the negotiating process. If you keep that balance, those on the other side of the negotiating table will perceive you in a positive light, and maybe even as an equal. That perception is crucial to successfully negotiating in the government agency world.

Bob Gibson is a negotiation strategist and the president of San Francisco-based [Negotiation Resources](#). He may be reached at 415-331-8808.