

Negotiation and Partnership

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Many aspects of our lives come with negotiation. Think about when a teenager and their parents discuss a curfew. The child might ask for a later time than they know that their parents will allow, hoping that they will find a middle ground that benefits them. Even something as simple as meeting a friend for a drink. They would prefer you come to their flat, you would prefer they come to a favorite pub nearby yours. You negotiate and meet in the middle. Negotiation is simply the act of agreeing on terms that, in most cases, benefit all parties involved. The same goes for your business. When we are preparing to negotiate we need to find a way to understand the other parties point-of-view and what's at stake for them in the situation. We also need to be sure they understand ours.

Let's consider when negotiation might come into play in your business and who your negotiation partners are. Think about every decision that you make as an opportunity for negotiation with a partner. For staffing changes for example the partners are you and the staff in question. What might you need to negotiate? Salary and schedule are the obvious things that come to mind. With your product vendors, another important partner in your business, you might need to negotiate the introduction of a new product into your business, or how to handle a slow moving line. There are your customers, where each conversation and visit to your business is a negotiation where you discuss and agree upon appointment time, service, products they might want to purchase and so on. Of course there are more formal, negotiations as well, perhaps a contract with a business partner. We'll visit that in a moment in relationship to our ongoing case study – the development of The Makeup Show NYC.

But before we do that, let's look a little closer at the concept of partnerships. Partnerships come in many shapes and sizes. In short they mean you don't have to go it alone. They take many forms and, like negotiation, may be formal or casual. The most important thing to realize is that partnerships go hand-in-hand with negotiation. You can't have one without the other.

Think about all of the partners we've mentioned already that you have in your business. Your vendors are your partners – you each provide the other with something of value that the other one needs. Your customers should also be considered your partners. Your staff are certainly partners in the success of your business. I hope you're starting to gather that partnerships aren't exclusive to contracts that share ownership of a business. The reason that it's important to see partnerships in this broader sense is that with strong partnerships your business will flourish, with weak ones it will flounder. A great concept can move forward more quickly and efficiently with strong partners and a little bit of good negotiating.

Case in point – The Makeup Show. When we had decided that The Makeup Show was strong concept that could be validated by need and interest in the industry, we went to work determining how we would make it happen. Where would we get the funding? Who would do the groundwork? With all that we had going on already, where would we find the time and money to make it happen? Then we learned that a potential partner was staring us in the face and we never even realized it.

We knew from the moment that we began developing the event that The Metropolitan Pavilion would be the perfect space for The Makeup Show. It was gorgeous, perfect for the size and type of event we were aiming for, and had a very central location in the middle of the Chelsea and Flatiron districts – the heart of the New York makeup artist community. It was also the home of other boutique-sized trade events, such as the one we were producing. What we didn't know was that the space had recently developed an event production department to develop in-house events. We approached the management of the Pavilion and began negotiations. We determined that the co-production of The Makeup Show would be beneficial to both companies. Not as much initial investment of time and money on either parties end, more hands to share the

responsibilities, event production expertise on the Pavilion's side and industry awareness and validity on The Powder Group side. Negotiations were completed and the event planning began. That meant even more negotiation with even more partners.

The more we talked about the event, the more excited potential vendors and partners were becoming, but there was one problem. The timing we had set forth was going to be difficult for many of these partners to meet and the work load to pull it off that soon would have nearly killed the entire team putting the show together. That said we began negotiations to come up with another date. The dates we were interested were all taken. We wanted to push the event to a month with no conflicting events and yet still find a time that would make sense for the attendees and partners. Through negotiations with other events that had booked time at the space, as well as between the two producing partners of The Makeup Show, we were able to get the dates we felt would be the best for the show. The new lead time was, in effect, a negotiation between The Makeup Show and both our own team and our customers. Getting the space when we needed it was a negotiation between the Pavilion and uninvolved third-parties.

In this case, the partnership was started out of desire to have more hands helping with the work involved as well as a need for less strain on myself and my company while we developed The Makeup Show as a brand.

A few issues back we spoke about "facing the facts" and being honest with yourself when change is necessary. We decided that the whether big changes or little changes, honesty about what will and won't work in your business is integral to your success. Adding something new to your business doesn't always mean that it will succeed and the more you prepare and the more honest you are with yourself about whether it will or won't work. Choosing the right partners is a decision that takes a lot of honesty with yourself in this regard. Negotiating what's fair for all parties involved takes still more honesty. What are your true needs. What are the things that you can't be flexible about and why? What are the things that would be nice, but are not necessary. Having The Makeup Show in September of 2005 would have been wonderful on many counts, but a nightmare on others. Moving the date to May 2006 made sense in some ways, but was frustratingly far away. By really hearing our partners, in the form of potential vendors, we realized that we could give up the Fall timing to benefit the relationships with our vendors. In the end everyone is happy and