Negotiate at home and abroad

John Mattock





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Negotiate at home and abroad 1st edition © 2015 John Mattock & <u>bookboon.com</u> ISBN 978-87-403-0872-3

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About the author, John Mattock



John's books about international business communication have been published in many languages. This is his first for Bookboon – written to bring common sense and flexible practices to a wide range of readers, to diminish frustration and conflict, and to boost confidence and ethical success.

As director of Right Brain Training, John has been designing and delivering Professional Learning and Development programmes for 30 years – in the 'soft' areas, such as Leadership, Influencing Skills, Public Speaking/Presentation, Change Management, Remote Team Working and, of course, Negotiation.

He and his colleagues at Right Brain facilitate conferences, train small interactive groups and coach individuals. Increasingly, the training is done remotely – webinars in various formats, saving costs for the client and reducing carbon footprint.

Our clients come from every sector (technology, finance, heavy industry, aerospace, agriculture, academia, media, mining, transport, consumer goods, the Arts...), every function (R&D, Production, Marketing, Sales, Procurement, Communications, HR...) and every level (Board of Directors, middle management, graduate trainees...).

Participants appreciate our ability to spot the 'universals' in many management situations, and our knack of bringing life to concepts that can otherwise seem abstract – making them accessible, realistic and practical: lots of learning-by-doing and very little PowerPoint ©.

Of course, if you would like John or one of his excellent colleagues to come to your assistance with advice about training....



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We'd love to hear from you!

Introduction: How To Use This Book

Should you read it?

This book is accessible – easy to read, easy to understand, with a minimum of jargon.

It should make sense even to the novice negotiator, giving you confidence as you embark on the real-life experience of negotiation...in a professional or personal context. Have no fear. There is no great mystery here. You have been negotiating since you were a child. All you have to do now is negotiate like a grown-up – with maturity, empathy, self-control, patience...Good luck!



I don't know the rules of the game...yet!

For the more experienced, the book will work well as a refresher, shedding light on the habits you have developed over the years, enabling you to understand and 'model' the behaviours that have become second nature...the attitudes, tools and techniques that bring success, as well as the costly errors. In short, you can brush up on the Do's and Don'ts.

If you are a student of business, focussing on organisational behaviour or applied psychology, please don't look here for high-flown theory or academic *impedimenta*; there are no footnotes and only a skimpy bibliography.

On the other hand, if you are about to take your first steps in a paid career – or seeking an internship in a commercial or public-sector enterprise – you will find practical clues about how business should be done or how people in organisations ought to behave, for example by suspending their more destructive instincts and intuitions when trying to cooperate with others. The next time you see someone messing up in a transaction, you'll be able to work out what's going wrong.

Whichever you are – novice, old hand or student – the chapters can be read in sequence as a sort of personal training course. Each segment contains an activity, a case study, a real-life example, a quiz, a cartoon, a diagram or a checklist to reinforce the learning points. Or you can dip into the text at any point; each 'lesson' can stand alone.

What you will learn if you do read it

The key skills in summary:

- set up a constructive process
- learn the real needs of the negotiator(s) facing you
- express your needs in return
- convert your 'opponent' into your 'partner' as you build a mutually beneficial solution

The expression 'Win:Win' has entered the language – many languages – since it was first used by Roger Fisher and William L. Ury in their classic book 'Getting to Yes'. OK, in Norwegian it's 'Vinn:Vinn' and in Basque it's 'Irabasi:Irabasi', but the point stands: every day, all over the world, many people use the term in the context of commercial, political and even social life. Alas, they seldom understand what it means. Most times the label is applied to something less useful – either

- a compromise (We all got a bit less than we really wanted), or
- a warm feeling (None of us got quite what we wanted, but we're not too angry or sad).

A true, rational Win:Win process and result are more than just a grey compromise, and more than a fuzzy sentiment covering up disappointment. Here, in essence, is the process:

LET'S TRY AND FIND SOMETHING THAT MEANS A LOT TO YOU BUT IS CHEAP AND EASY FOR ME TO DELIVER...

AND AT THE SAME TIME FIND SOMETHING WHICH I VALUE WHICH YOU CAN OFFER WITHOUT TOO MUCH EXPENSE AND PAIN...

THEN WE CAN SWAP THESE THINGS...

SO I GET SOMETHING I WANT IN RETURN FOR GIVING YOU SOMETHING YOU WANT...

MAJOR GAINS AND MINOR LOSSES...

and here is the result:

HEY, GUESS WHAT! WE'VE BOTH WON! IT'S A WIN:WIN DEAL!

Finding those things to swap, and managing the transaction, require skills that will be laid out in the following chapters. Read on if you want to

- master the hidden rituals, so you can take the appropriate action
- improve your communication style, so you can find the right words and deliver them right
- set ambitious but realistic goals, so you know where it's all going
- gain control without being aggressive, so the relationship can flourish on your terms
- apply creative bargaining tactics, so you maximise the chances of a positive outcome

This approach – whether in commercial buy-sell trades, or in political dealings between states, or in the thrashing out of international standards regarding technology or the environment – constitutes an effective bastion against demagoguery, corruption and sharp practice. The best things happen in the daylight.

To learn the models, tools and techniques of ethical negotiation in the international arena does not mean abandoning the values you were brought up with; if you develop a 'negotiator sub-personality' who can bring into play the constructive, sensitive behaviours outlined here, you need not disloyally abandon the rituals and codes of your own culture. Rather, you are in the strong position of making a choice – *shall I take this opportunity to play the Win:Win game*?

If your opponent rejects your advances, and insists on playing hardball Win:Lose (see 'Zero-Sum Game' below), then you can revert to cool, assertive step-by-step 'positional bargaining' and seize what concessions you can.

But if they catch on, and respond positively to your signals – OK, let's try it that way! What's the next step? – then you can move forward in harmony.

Good luck!



The sun breaks through (Cecily Mattock)

The international dimension

The title 'Negotiate at home and abroad' leaves open the question of where *home* is. The author of this book has no idea where you were when you downloaded it, where you are now as you read it, what you regard as your native, natural base, when and why you might find yourself 'playing away', and against whom. Only you can really define your own comfort zone, or describe the challenges you face working across barriers of language, culture, and manners.

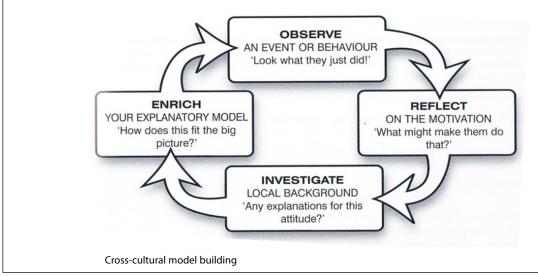
Fisher and Ury (see above) were busy in the early 80s, looking at the world from a North American perspective, before the term *globalisation* gained currency. In the final quarter of the 20th century, business schools from Bogotá to Bangalore eagerly built the principles of 'ethical negotiation' into their curricula – effectively saying 'whatever our local, traditional methods of resolving differences and making deals, to be members of the global business community we must learn these lessons, employ this terminology, embrace these values'.

In the first decade of the 21st century, as ideas of multiculturalism and diversity have spread, Western influence has started to look shaky in certain regions. The author has been careful, when delivering 'soft skills' training programmes in locations a long way from Harvard Business School, not to impose 'rules', but to focus on universals like *empathy*, *reciprocity*, *trust*, *patience*, *good listening*, *eloquence*, *status*, *hospitality*, *security*, *reason and intuition*, and to elicit from the local clients the ways in which they can best be applied, both within the local culture, and in the international arena – where the Dane and the Ugandan and the Pakistani might meet in the hopes of building a lasting agreement. This book is not specifically about cross-cultural awareness, but from time to time we shall make use of the keys we have been given by anthropologists, to unlock the answer to the questions:

- How has my cultural background affected my perceptions and behaviour as a negotiator?
- When I meet an opponent from another culture, how should I modify my expectations?
- How if at all should I adapt my behaviour in such a situation?

The initial tip is this: be observant, be curious, look beneath the surface for the possible *reasons* for the difference in 'their' way of doing things. (More agricultural than industrial? Tighter/looser family structures? Geographical...tribal... historical-imperial-colonial...religious...ideological...climatic... economic...?)

As well as reading the paperbacks – 'The Xenophobe's Guide to the Rubovians', 'How to do business in Garundia' – build your own *model* of the target culture...a flexible, holistic version that can develop and grow each time you see or hear something interesting.



1 Principles & people

1.1 Key concepts

Negotiation is a survival tool

When our ancestors competed for resources (territory, food, mates) they didn't always go to war. They often negotiated instead – less wasteful...an evolutionary advantage!

Reciprocity is everywhere

The compulsion to take revenge is hard-wired in the human species – another evolutionary advantage: If the other guy knows deep inside that I'll strike back, he will be very careful not to offend me! This finds more positive expression in the golden rule 'Do unto others as you would have them do to you': You would like other people to be nice to you, wouldn't you? OK, then – be nice to other people! Versions of 'Do unto others' exist in the Judaeo-Christian, Islamic, Hindu, Buddhist, Sikh, Zoroastrian, Jain, Baha'i and Confucian canons.



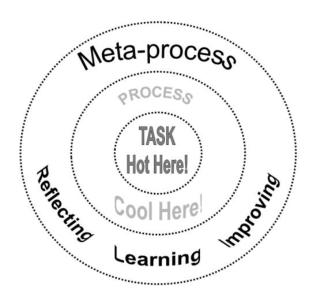
Empathy helps you to win

When we say someone is behaving childishly, or being immature, often the cause is selfish behaviour: *It's time you grew up and realised it's not all about you! Have some consideration for other people!* A developmental psychologist will tell you that children learn empathy gradually over many years; the self-centred teenager is a human universal. However, an evolutionary psychologist will tell you that empathy – the ability to put yourself in the other guy's shoes – did not develop in our species so that we could work happily together. Teamwork came later, as an additional benefit.

Before that, in a competitive situation – one hunk of food on the ground, two members of *homo habilis* each wanting to feed his family – confrontation and aggression were sure to happen. If the two contenders were evenly matched physically, the *homo* who had empathy would triumph...and not because he felt *sym*pathy, which is a very different matter. This is the key: empathy gave him the power to *predict* the other guy's actions, so he could be one move ahead; without empathy he would be always on the back foot, simply reacting to a series of surprises as his opponent took action. (In a later chapter about Preparation and Planning we shall consider the vital importance of putting yourself in your opponent's shoes even before the negotiation begins.)

Good negotiation is counter-intuitive

Under stress, our instinct is 'fight or flight' – throw an insult, or walk away. Senior politicians travel the world with teams of expert advisers, helping them to find a middle path, however provocative the other side is being. There are lots of books about 'conflict resolution' (including 'Getting Past No' by Fisher and Ury – the follow-up to 'Getting to Yes' [see above]). The experts and the books have one thing in common: as a first step you have to go somewhere calm and gather your thoughts, setting emotion aside. Go to the *metaprocess*.



Task/process/metaprocess

The *TASK* is what the two parties want to achieve – a settlement regarding money, things, places, time, people, information...The *PROCESS* is the means by which they achieve it – the forward steps in decision-making, strategy planning, communication...The *METAPROCESS* is where they go to think about the process: *What happens next? Is it time for a cooling-off break? Shall we put the revised agenda on the table now, or after lunch? Should we offer to pay for lunch?.... The tactical chat beside the water cooler, the training course or the 'How To' book (!) are all <i>metaprocess* occasions.

1.2 Attitudes & skills

We can learn and improve

The skills are very learnable. Just as a child's development of empathy can be encouraged and accelerated by the right kind of parenting, so we can get better at negotiation by watching others, reading books (!) and taking courses...courses with lots of case studies, role play and personal feedback – learning by doing. Learning from our mistakes, in real life, is the next step. And some people reinforce the learning by teaching: *I never truly understand an idea until I've explained it to somebody else*. Become a champion of good negotiation...a missionary. (Later in this book we will work on 'Influence' – including how to persuade your colleagues or your boss...or your spouse!)

Firm on purpose, gentle on people

We should work on ourselves, to be not too tough but not too floppy either: 'I'm not scared, and I'm not mad. I'm in a strong position, but willing to talk. There might be something in this for both of us.' Even when the other side tables a grossly unacceptable proposition, we should frame our response carefully to convey the message: *This suggestion is unrealistic/ offensive/ not worth discussing...but you and I can keep the channels open.* (In a later chapter we shall explore the idea of *assertiveness* – as opposed to *aggression.*)

Relationship is a factor

Advertising and PR people have considerably devalued the idea of 'you-appeal':

CosiBank – where your money works harder for you!

(Oh, rubbish! The money is working for CosiBank...)

PussyNibbles – because your cat deserves it!

(Actually, my cat deserves nothing; he is utterly self-centred...)

As negotiators, we must be more selective and sincere when we deploy you-appeal; we must decide at an early stage how important the relationship is – how much power this opponent will have to bring us happiness or misery in the future.

If you are selling a house and moving away from town, your agent will encourage you to push for the highest possible price on the assumption that you will never again meet the purchaser. If you are a market trader, selling carpets and coffee pots in the street, you can assume that the tourist will get back on the bus in an hour or so, and never come back. In such cases Win:Win might not apply.

In most situations, as a professional negotiator, you will want to give some weight to the relationship element, balancing it against the other factors in the package. Rich and powerful, J Paul Getty cited his father, who said: You must never try to make all the money that's in a deal. Let the other fellow make some money too, because if you have a reputation for always making all the money, you won't have many deals. (More in a later chapter about 'variables', 'package' and similar notions...)

It's more than mere bargaining

Street markets again...rules and rituals vary from place to place: haggling style in the Old Town in Valletta is not the same as around the Forbidden City in Beijing. In some markets, the advice is

If he says 10, he means 8 and he wants 6, so it's probably worth about 4...offer him 2

In others, the trader expects the buyer to shave only a fraction off his opening offer –

If she says 10, you should open the bidding at 7 or 8

Skilful bargaining is one of the tools in the negotiator's box – knowing how much you are prepared to concede, estimating your opponents' readiness to make concessions, and stimulating them to grant those concessions... Wash the dishes and go to bed quietly, and I'll give you your pocket money! Without movement on both sides, no negotiation can succeed.

In a professional context, one vital aspect is the timing of the bargaining – it should not begin until a lot of work has been done on the earlier phases in our grand negotiating process. (The words 'process,' 'phases' and 'movement' will recur in later chapters.)



What about enquiry?

Is a direct statement the only way to make your point? Can you think of another way? If you ask your opponent questions, what sort of questions will they be? How might she react? If useful information results, how will you show you are listening properly? Why do first-class communicators practise and develop their strategies and techniques of *enquiry*? (Will you read the section on 'beautiful questions' in the chapter on Exploration?)

There are two basic approaches

Adversarial, competitive, distributive, positional, noncooperative, coercive – 'hardball'. There is a buzz-phrase: 'zero-sum game'. It means

Our gains + their losses = 0 or (quite commonly) Our losses + their gains = 0

Metaphorically, The pie is of limited size so every crumb we win they must lose, and vice-versa.

Collaborative, exploratory, strategic, ethical, creative, integrative – the 'Win:Win' model set out in the Introduction. With the right attitudes and processes, we might enlarge the pie (more money, more time, more staff, more storage space, more links from their website to ours...) or enrich the pie with more variables (delivery to the door, an invitation to speak at the next conference, payment in local currency, an extended guarantee period...)

(There will be examples of both approaches later in this book...and quite probably in the pages of tomorrow's newspaper!)

1.3 Look in the mirror

Above the door of the Oracle at Delphi is an inscription for the visitor:



γνῶθι σεαυτόν = gnothi seauton = know yourself

It's a very good idea.

Here is a little quiz – a starting point to help you work out where you stand on the spectrum from 'Adversarial' to 'Collaborative'. First, within your team:

- 1. Your boss wants to keep his goals and strategies hidden from your supplier. Do you
 - a) Let your boss do the poker player thing, keeping his cards close to his chest
 - b) Argue for openness: 'The more mutual understanding, the better'
 - c) Resist any attempt by your supplier to discover your real needs as customer?
- 2. Your team-mate is cynical about Win:Win 'it's a lot of silly, soppy nonsense!' Do you
 - a) Try to keep him away from the main action
 - b) Recommend he read this book/take a training course
 - c) Use him as your 'hard man' when your opponent shows resistance?

Now, across the table from your opponent:

- 3. They make a difficult even greedy demand on 'Item 2' Do you
 - a) Just sit and listen in the hopes of some goodies in Item 3, 4, 5...
 - b) Gently signal some doubts, and make a note for later
 - c) Blow the whistle immediately and negotiate hard on Item 2?
- 4. She says she is under pressure from an angry boss. Do you
 - a) Offer extra concessions 'and you can owe me a favour...'
 - b) Offer to speak to her boss 'to get things straight at the right level'
 - c) Apply more pressure yourself 'hard times, eh?'?
- 5. Just before the handshake, he asks for one more small concession. Do you
 - a) Give him what he wants, for the sake of future goodwill
 - b) Offer to go back to the package/agenda, incorporating this new item
 - c) Refuse, and show professional annoyance?
- 6. They introduce a fresh request something which you can grant easily. Do you
 - a) Come clean: 'No worries; take it with our compliments'
 - b) Use it in a trade-off: 'If you can give us y, then this x will be OK'
 - c) Suck your teeth and shake your head: 'That will be very difficult!'?

MAKE YOUR CHOICES BEFORE YOU READ ON!

Done it? OK...Simple scoring:

lots of a's mean you are an easy-going, passive type who prefers to avoid confrontations;

lots of c's mark you out as a tough guy;

lots of b's show that you're well on your way to being a smart, balanced, skilful champion negotiator...firm but fair...ethical and enlightened...all those good things.

As you read on, pause from time to time and say 'OK, how does this apply to *me*, given my experience and predispositions?'

Your standpoint and attitude, like your personality, are largely determined by your *culture* – the behaviour of the adults around you, the expectations placed upon you as you grew up, the ideas of right and wrong that surround you in adulthood. To a person from a different culture, you might sometimes seem rather foreign, strange, unpredictable…hard to understand and trust.

Similarly, you can expect some moments of discomfort when you are trying to make a deal with opponents from far away. How much does he care about the result? Does she have the authority to make a lasting agreement? Have they really understood the complex factors?



From time to time we shall consider the effects of culture (nationality, class, gender, religion, generation, education...) on styles of negotiation – your style and your opponent's style.

The international dimension

When we consider another national/ regional/ tribal culture, we enter the world of anthropology. We can observe, note and comment like the early ethnographers – 'It is broadly true that Indians find it hard to say No'...'Middle-aged Englishmen prefer understatement – Not bad or Rather good – to impassioned exaggeration – This pizza is totally awesome!'...'If you go to do business in Dallas, just remember it's a lot different from Boston – it doesn't have that Irish-American flavour...' and so on...This is called culture-specific material, and this book is simply not big enough to carry useful information about all the world's cultures. (You can just Google 'world business cultures' or similar!)

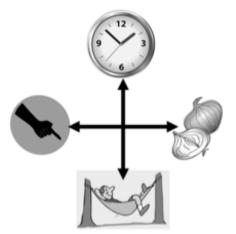
Incidentally, to say 'In this regard, she is displaying a *typical* Brazilian/Russian/New Zealander characteristic ' is *not* the same as 'All Brazilians' Russians/New Zealanders are *exactly the same*'. Yet the author has met a few politically correct people who are horrified by any kind of generalisation about other cultures: 'This is wrong! A dangerous approach! These stereotypes border on prejudice...racism! Every individual is different and deserves respect!' OK, OK, calm down...if you want to ignore or reject the whole anthropological concept and do business exactly the same in Rio, Moscow or Wellington, Good Luck!

The appendix includes references and links to writings on both culture-specific and generic matters (including the present author's own efforts).

In this little book, we shall mainly use the *generic* approach of the late 20th-century culture gurus who borrowed from *structuralists* (like Claude Lévi-Strauss) and the Jungian school of psychology. The trick here is the use of *polarities*, which enable us to *model* any given culture and predict how a negotiation opponent is *likely* to perceive a situation, tend to behave 'normally' in an organisation, and *probably* handle issues of interpersonal communication. Here's an example, derived from Edward and Mildred Hall's classic book 'The Silent Language' (1959), which includes two key polarities:

HIGH CONTEXT vs LOW CONTEXT

POLYCHRONIC vs MONOCHRONIC



Key polarities

This graphic is laid over a map of Europe (the Halls' field of study): in the North West we have the monochronic/low context cultures – the punctual, plain-speaking Dutch, Germans, Nordics – whilst in the South East we have Italians, Greeks, Turks – who have a more relaxed attitude to schedules and deadlines, and a more subtle style of communication, relying on the other guy to be tuned in to the 'context' of what is being said, and not wanting to insult his intelligence by pointing out the obvious.

Asked by their US audiences 'Which migrant boat across the Atlantic delivered the American corporate culture?', the Halls replied 'The German boat!'. *Time is money, so give it to me straight!...*this is *not* a Sicilian utterance.

2 Process & protocol

2.1 Where the real power lies

Is negotiation feasible?

Of course, if the other guy has a tank and I only have a peashooter, if they have a crushing majority in government and we are a tiny minority-interest party, if she controls the only supply of a material that is essential to my production process...well, there is clearly an unfavourable imbalance of power, and some painful choices to be made.

We see this with distressing frequency in the world news:

WILL HOSTAGE TAKERS COME TO THE TABLE?

DICTATOR HOLDS ALL THE CARDS

NOT A LEVEL PLAYING FIELD, SAYS UN EMISSARY

TRANSPORT UNION HELL-BENT ON POINTLESS STRIKE

Before you even begin your planning and preparation, you must determine: is this a zero-sum game, with our side making all the concessions and the other side seizing all the benefits, or – worse – a hopeless case with no possibility of a practical outcome? If so, your deliberations with your team will be focussed on 'damage limitation'. If either side is working to a cheat/lie/kill-the-enemy formula, it might help to call for professional help – mediation or arbitration. All such cases are outside the scope of this book. Let us proceed on the assumption that you hold hope of an acceptable solution.

Assemble your team or – if you are working alone – get yourself in a creative frame of mind, and ask the key questions:

- Can we see a *possibility* of movement, however unwilling this opponent might seem to start with?
- Is there a forum a means of communication through which we can exchange information and ideas?
- Do I/we have any cards to play at all enticements, leverage, rewards, threats that might catch the attention of the opponent or someone who has influence on her/him/them?

If Yes, then your planning and preparation will include not only 'what's the best/worst/most/least that they/we will settle for?', but 'how can we take and maintain control of the *process*?'

We proceed on the assumption that your situation is not too dramatic, the path not *too* stony – that both sides in the negotiation intend to proceed in a civilised fashion, aiming for a sustainable outcome.

Take and maintain control

Picture it: at your first meeting with the opponent, you make steady eye contact and say

Listen, I have an idea about a process that will maximise our chances of success – reaching an agreement that satisfies you and me...would you like to hear my idea?

Notice: these 30 words operate according to the old advertising principle AIDA.

ATTENTION: 'Listen...' ('OK, but keep it brief!')

INTEREST: 'I have an idea about a process...' ('Hmmm...a process...this could be useful!')

DESIRE: '... success...agreement...satisfies' ('Oooh! Yum yum! Yes, please!')

ACTION: '... would you like to hear it?' ('Certainly! Let's go! [I can always say No...])

You might not pitch it quite so boldly. How about 'I'd like to begin by agreeing the best way to handle this discussion...' or 'Before we get down to details, can we spend a few minutes on how to run this negotiation optimally...?' or even 'I guess we all want a Win:Win here...are you up for that? How can they refuse?



| If they say | Maybe they mean | So you say/ask |
|--|--|--|
| We have a clear procedure for such meetings | I don't want to stretch the limits of our bureaucracy | This is just informal 'tuning-in'; we won't break any rules |
| There is one clear criterion; nothing else matters | I have no real decision-making power | Does everyone see the situation that way? |
| Please start by tabling your proposal | I'm in charge of the process and you must follow my instructions | I'd like to set out our thinking in a flexible way to begin with |
| Time is limited, so can we get on with the important business? | We don't want a lot of fancy nonsense! | OK, let's spend just a few minutes on this stageplease |

Control does not mean bullying, pushing, imposing rules; rather, it entails offering constructive suggestions for a fruitful way forward.

To demonstrate this gentle power, you should listen alertly, take notes of pertinent points, and occasionally 'direct the traffic' – using *signposts*.

Maybe we should move on to the question of project planning/environmental impact/cash-flow...I feel it's a bit too early to agree on that point, which is linked to Item A/B/C...If you don't mind, we'd like to take a break soon to check back with our home team on X/Y/Z...



Signposts

Process is the key

So many big ideas have a number attached: Ten Commandments, Seven Deadly Sins, Twelve-Step Program (of Alcoholics Anonymous)...In Negotiation, some experts lay out a Six-Part process, while others advocate Four. They all have this in common:

Don't start point-by-point haggling before you have explored the options

Let's compromise on a *Five-Phase* process – each item of which will be explored in great depth within its own chapter. This process is not strictly step-by-step, like the recipe for baking a cake. It is *iterative* – going round sometimes in loops:

Hmmm...a new idea has come up at this late stage, so let's return briefly from Phase 5 to Phase 2 and ask a few penetrating questions.



The iterative process

2.2 Five phases

Phase 1: Preparation

If you are working alone, plan a time-slot and protect it – 'Prep for Neg' in your calendar. Don't leave it till the last minute, or the plane/train/bus on your way to the encounter; as you plan, research points will arise, and you should have the time to pursue them before the face-to-face meeting.

If you are part of a negotiation team, make sure everyone agrees on the procedure you will follow – to avoid confusion, chaos, stress...and painful kicks beneath the negotiating table (*Shush! I want to talk about something else!...NoNoNo! We mustn't mention that!...You're getting this all wrong!*)

Set your goals and targets. The final agreement should be

- LEGAL (in your framework, and your opponent's environment)
- TENABLE (no promises on either side that might be broken or bent later)
- EASY TO EXPLAIN (to all the stakeholders and those who will implement the deal)

Location? *Hmmm...*: if it's to be on their territory, think about your behaviour as 'guest'. If they are to visit you, ensure a comfortable and convenient set-up – including a place to which they can retreat for contemplation, private discussion, or communication with HQ (*There's a WiFi link, tea and biscuits in the room at the end of the corridor...*). If it's to be in a restaurant, be ready to pick up the bill!

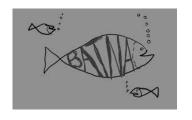
Timing is vital. Will you aim for one full-day session, or (often better) an afternoon meeting, with an overnight pause for incubation, followed by a morning session to try and reach a handshake?

Again if you are in a team, agree your team roles – not just what it says on your business cards (*Finance/Technology/Marketing etc.*). Who will steer and facilitate the process? Who will take notes? Who will sit quietly and observe, occasionally suggesting corrections or clarifications? Who will work on the details – cash, payment terms, project deadlines, legal niceties?

Be creative about the *variables*! If you are just haggling over price, the chances of Win:Win are very slim.

Rough out a strategy: which elements to protect, where to be flexible and conciliatory, which sticks to brandish and which carrots to dangle...and what you will do if no acceptable agreement can be reached. We can use the resources in a different way... We can publish revised profit figures for the next quarter... There's another market for our surplus goods... Why don't we reschedule the project until we find a supplier with the right price?...Rome wasn't built in a day... There are plenty of other fish in the sea...

Click on the ad to read more



This is another key idea from Fisher and Ury (see above) – the Best Alternative To a Negotiated Agreement. BATNA has become a cliché, often only half-understood. (Much more about this, and all the ideas above, in Chapter 3.)

It doesn't finish with all this self-focussed stuff. Remember our earlier point about *empathy*: not just as the basis of kindness, but as the key to strength – anticipating the other side's strategy and tactics! During your Preparation phase, make your *best guess* about your opponent's attitudes, priorities, strengths, weaknesses, hopes, dream, fears, ambitions...the monkey on his back. Ask around, look into case histories, do as much online stuff as you can bear. Remember that all this is guesswork!

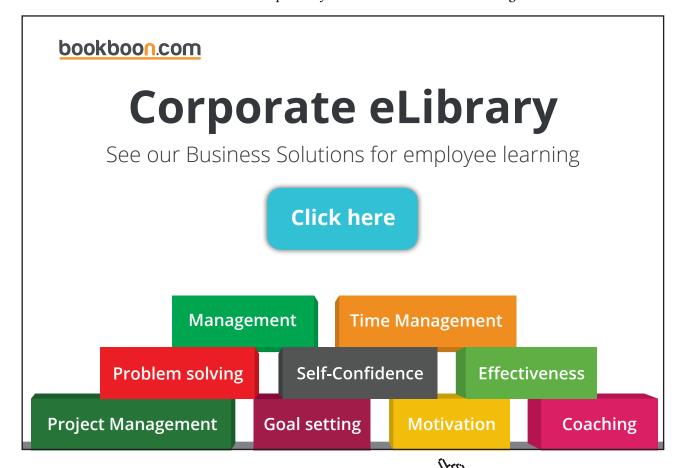
The most useful thing to come out of your preparation is a set of **beautiful questions**!

Phase 2: Exploration

BATNA

We hope you have earned their agreement to a creative process. Now you say

Let's leave our calculators in our pockets for a while and talk about the Big Picture



or

Qualitatively rather than quantitatively, what would make you happiest at the end of this negotiation?

or

If you tell me what you're really looking for, I'll tell you what I'm aiming at

You are examining areas of difficulty...to find out if there is a big gap between 'us and them'



Communication gap

But you also have a good chance of finding new values to be incorporated in the discussion, new variables (that word again!), new linkages within the package (more about this later!) and possibilities of movement (where *they* might move, and how *you* might be expected to move).

As they respond to your questions, listen carefully and 'actively' – nod, smile, say *I see...interesting...* oh, really? In some cultures, cool silence is the norm, and too many grunts and mumbles are seen as interruptions; in others, responsiveness and warmth are appreciated. Get the balance right if you can.

Keep the momentum up; keep the conversation free and open; keep your promise to answer *their* questions freely and openly.

Don't suppose that your preparation has been perfect; it never is. As you approach the end of your question list, say *Thanks for all this useful information; tell me, is there any area of discussion I have missed...any questions-and-answers we should be exchanging?*

(More about styles of questioning – for opening the conversation and as tactical tools – in Chapter 4.)

When the time seems right, erect another signpost: I/we would like now to take a time-out to consider what we have learnt and prepare for you a proposal that fits your needs – repackaging our offer. Shall we meet again in an hour/ after lunch/ tomorrow morning/ next week by Skype?

Phase 3: Repackaging

During your time-out, you look over the notes of the meeting, and reconsider the strategy that you conceived in the Preparation phase, building in your opponent's standpoint, anticipating objections, and protecting your key margins – an iterative process, remember?

You are now able to fine-tune the variables. For some, you will feel comfortable asking for a little more than you originally planned (*They said our competitor was much more expensive...and that they had heard good reports of our performance in this area* ©). For others, you will need to absorb a little pain (*Clearly their budget is very tight...so our profits will have to be tight as well* ®).

(Chapter 5 includes tables for you to set out your 'Bargaining Ranges' and your 'If...Then' trade-offs.)

Phase 4: Proposal

Will you present your package (a) in a document – letter, email, whatever, or (b) face-to-face across the table, or (c) both ways? In any case, the introduction should remind them of the time and effort spent in the Exploration phase, expressing gratitude for the insights you gained, and demonstrating how carefully you were listening...

Thank you once again for the help you gave us; we have prepared a proposal that should fit your needs rather well – especially concerning the crucial aspects X, Y and Z.

In this book we shall focus on the spoken proposal, incorporating some key ideas from the area of 'persuasive pitches' or 'powerful presentation'. After all, once you've got a clear idea of what your opponent values, you might as well come forward wearing your small, discreet salesman hat.

Perhaps you should avoid

I just know you're gonna love this bit: $X \odot ! Y \odot !! Z \odot !!!$

but there's nothing wrong with

Recognising your particular needs in these areas, we're offering X and Y, and dropping Z...

Try to make sure you're talking to a decision-maker, or at least that your proposal in all its glory will be brought to the decision-maker's attention. It's a real pain if you find yourself in the next phase haggling over the details with some 'specialist' who's been brought in at the last minute and hasn't been put in the picture about the discussions so far. (More about this in the 'Bargaining not Bullying' chapter, when we consider a range of 'Dirty Tricks'.)

One advantage of the proposal-in-a-document is that they will be compelled to read the whole thing without interrupting you. If you are delivering the proposal orally, there is a risk: just as you say

That covers our opening offer on price, so now let's move on to the question of delivery time... your opponent across the table says

NoNoNo...first we must reach an agreement on the price! Can you come down by 50%?

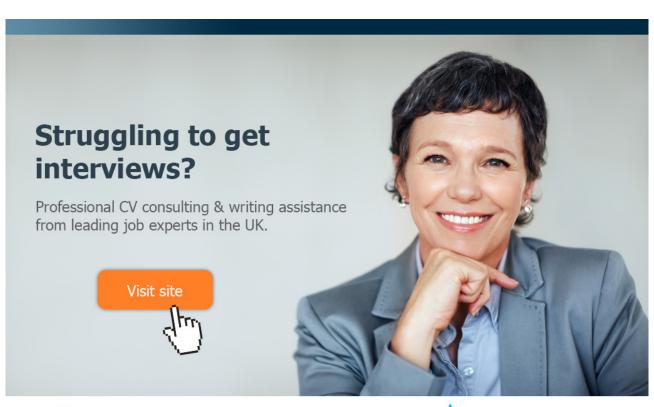
Maybe he's saying it just to wrong-foot you, maybe he comes from a corporate or tribal culture that loves to haggle, maybe he has never been trained in the idea of 'package' and 'linkage'. Whatever the reason, you should be ready to say *It's a package...please listen to the whole thing and then we can pay attention to the details...we're quite flexible...*

(This is a moment to be *assertive*, which will be a communication style considered in the 'influence' section of Chapter 6, along with *seductive*, *persuasive*, *convincing*...)

Phase 5: Bargaining

Many languages make a distinction between *negotiation* – high-level, long-term, sophisticated – and *bargaining/haggling/dickering/bartering* – the more basic, primitive ritual.

In essence, this phase – number 5 in our model – will run more smoothly and constructively if you have steered the process through Phases 1, 2, 3 and 4.









Key ideas: aim high so you can finish high, but don't be offensively greedy; juggle within the 'Bargaining Ranges' and 'If... Then' trade-offs you worked out in Phase 3; keep options open as long as possible (*Fine, we're making good progress on X, so let's put that on 'Hold' for a moment while we get to grips with Y*); have reasons/pretexts/excuses for concessions you make, rather than just crumbling under pressure; make use of soft variables, building trust and relationship; celebrate minor successes along the way (*Great! We're seeing eye-to-eye on Z, so let's go back now to X...*)...

Much more on these topics in Chapter 7. Before that, let's talk about you, shall we?

2.3 Personality profile

Psychometrics

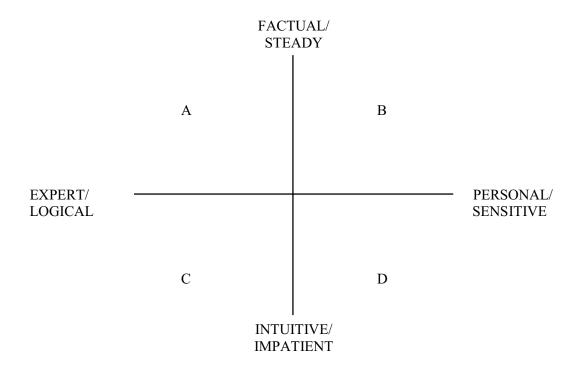
A little earlier, we mentioned the psychologist Jung as one of the champions of the 'polarities' approach – a popular example being the *extrovert-introvert* distinction. In our thinking, as a species, we are deeply attracted to binary opposites – Yin & Yang, Good & Evil, Friend or Foe...

In a negotiation, things can run very smoothly if we are across the table from a personality type similar to our own; frustration, confusion and irritation can arise if the other guy is deeply *different*. During the in-house/detached phases (Preparation and Repackaging), we should remain aware of our own preferences – and those of crucial members of our team. Across the table (Exploration, Proposal, Bargaining), we should be sensitive to the perceptions and inclinations of key people on the other side.

No space in this little book for a full-scale psychometrics test; here instead is a quick-and-dirty inventory, derived from the classic Myers-Briggs Type Indicator (MBTI), and focusing on two of the polarities that most influence interpersonal communication...this chapter's interactive section!

Plot yourself along the vertical: FACTUAL/STEADY< >INTUITIVE/IMPATIENT...where on the line do you sit when you are working things out? (If you don't know, ask your spouse or an honest friend.)

And along the horizontal: EXPERT/LOGICAL< > PERSONAL/SENSITIVE... what position on this line? (It's all relative – nobody is totally ignorant or irrational, only a psychopath is utterly devoid of warmth or compassion.)



Unless you have plonked for the mid-point(s), reckoning yourself to be about average, you can now plot yourself in one of the four quadrants. For you, in the area of negotiation, we might say:

- A: Facts and practicalities matter
- B: Relationships and practicalities matter
- C: Good sense matters a helicopter view
- D: Empathy and support for mission and values matter

Do you recognise these preferences in yourself? Can you deliver the goods to someone in a different quadrant?

A

Up-front clarity
Logic, realism, checkability
Specific benefits
Timetables set out
Project tasks defined
Review methods set up
Success criteria agreed

В

Personal needs addressed
Face-to-face contact
Added value
Practicality
Relevance
Have others been catered for?
Has it worked elsewhere?

C

Dislike being manipulated
Objective criteria required
New ideas are good
Like space to add own ideas
Humour might help
Other emotions don't

D

The big picture
The personal touch
Bullet points not reams of paper
Share the vision/ dream
Space to make up own mind
Like to be listened to

Don't try and persuade the other person as if he was just the same as you.



Fit him/her/them into one of the boxes, and proceed as follows:

| A | В |
|--|---|
| Use impersonal register (It is clear that) Ask "how" and "what" questions Talk of real benefits now Expect critical scrutiny Don't bluff | Use personal register (<i>You can plainly see</i>) Talk of lasting relationship Emphasise harmony & agreement Point to successes elsewhere Offer to go the extra mile |
| С | D |
| Focus on <i>his</i> big picture Invite exploration of options Stress long-term benefits Expect to be probed in depth Don't presume | Build sincerity & warmth Match verbals & non-verbals Play her vision back to her Focus on people possibilities Tailor the details to suit them |

Beware! MBTI specialists are aware of the dangers of putting people into boxes:

As soon as we learn type concepts, we see the value of estimating people's types so as to reach them better...[but] treat your guess as a hypothesis to be checked out, then listen carefully and be ready to change your guess. (Gordon Lawrence)

This is a bit like our earlier warning about cultural stereotyping: this social science stuff gives you a framework, or a guideline, but not a clear, consistent set of rules...exceptions are all around us.

The international dimension

For the moment, enough about polarities. We shall return to this 'modelling' technique later in the book, whenever a particular polarity might explain an attitude, behaviour or communication style (yours or the other guy's) during a negotiation.

Leaving differences aside, let us consider the deep-lying similarities: those characteristics that humanity has had in common since *homo sapiens* emerged from East Africa's Rift Valley. Here we enter the world of 'Evolutionary Psychology' – those aspects of human nature which ensured our ancestors' survival in a competitive Darwinian world.

Donald E Brown, in his book 'Human Universals', shows that much of our human personality is hard-wired: we do not come into the world as a blank slate. If you are communicating with a stranger – from the next street, from the other side of the mountain, from another continent – you can be sure you have something in common with him/her at this level.

Brown's list is long, and includes the word *ritual*, which we have already encountered in the previous chapter, and which underpins the classic idea that *negotiation is a less costly alternative to war for the redistribution of food, territory and mates*.

Here is a brief selection from the other words:

Anthropomorphisation – the fantasy attribution of human motives to other species. Everywhere on the planet, since before the development of agriculture, children have been helped to understand their human world through stories – fables – of animals or birds behaving like people.



Panchatantra – rabbit fools elephant

OK, that has little to do with negotiation, but what about...

Reciprocity: give-and-take is a principle that lies deep inside us, and is expressible in every language.

Revenge: sometimes the reciprocity software inside us drives us to retaliation – not so cosy!

Risk taking: there is some pride, and a reputation bonus, for the person who boldly takes a chance.

Gift giving: generosity admired, stinginess denigrated, so a personal present brings status to the giver.

Hospitality: no community, department or team can fail to recognise the benefits of a warm welcome.

Prestige from good use of language: a clever speaker scores higher points than a grunting ignoramus.

Mediation: go-betweens, arbitrators and dealmakers go back to prehistory, because we need them.

Play fighting: some negotiations include an almost childish 'sense of fun' - Let's make a game of this!

Do you see any of these in yourself, and your colleagues/ compatriots? They are there deep in your opponents too, however alien they might appear on the surface. By the way, Favouring close kin is the basis of corruption – which underlies many agreements. And, whilst we're on a negative note, what about Aggressive males...Conflict...Insults...? Such uncivilised traits are deep in our operating system/software, alas. Why is he being so rude? Why are they so anxious? It's not unusual...

3 Preparation & planning

3.1 Look at it from all sides

Factors & agenda

Look at the thing *from your own point-of-view* – your goals, and your strengths and weaknesses: do you want a quick fix, a fat profit, secure cash flow, an enhanced reputation, an easy life, high status, political advantage, a new friend, introductions to a new network…?

Are you confident in your position – a unique offering, an irresistible price, the right personal strings to pull – or do you expect practical barriers, heavy competition, cynicism...?

Then exercise some controlled, deliberate empathy: alone, or with your colleagues, *consider your opponent*:

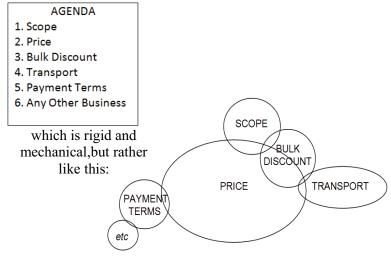
What do you know of his/her/their situation, expertise, attitude to you and your goals?

Are you meeting the real decision maker?

What will be the balance between 'hard' factors and 'soft'?

HARD CONCRETE PUBLIC DOMAIN OFFICIAL QUANTITATIVE MONEY, THINGS POLICIES SPECULATIVE CONFIDENTIAL PERSONAL QUALITATIVE PEOPLE, FEELINGS RELATIONSHIPS

Begin to build an agenda - not like this:



which indicates importance (size of circle) and linkages (overlaps)!



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Mapping the variables

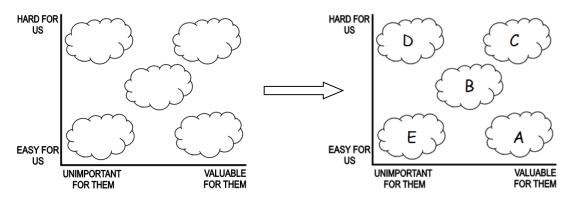
If you're in a team, make sure everyone gets the idea of a variable: - items

- where movement is possible,
- which are might be hard measurable in terms of 'how much?'/'how many'/'how often', or
- which could be soft personal attention, friendly phone contact, introductions to key people,
- which sit within the ZOPA (lovely jargon the Zone Of Possible Agreement) and
- whose value to the opponent you can perhaps make a guess at

Imagine you're the seller: Price? That's certainly a variable – and we know they'll want it to be low... Volume? Yes, that can be juggled with this quarter, next quarter...And so shall we include Delivery Schedule as a variable too? OK!...Quality? NoNo – not a variable, because we only want to sell the DeLuxe version this time...

Or the buyer: Colour? Yep, a variable – we can either accept whatever colour they have in stock, or bring our decor designer into the negotiation...Storage? Well, we can store the stuff in our own warehouses around the country for months, or else insist that the supplier delivers every Monday morning – so Yes, it's a negotiable variable...Payment Terms? Our friends in the Accounts Department always insist on 60 days, so that's set in stone – not a variable...

List the variables and label them A,B,C,D,E. Then plot each variable on this grid (a real white-board/PostIts session!):



Variables planning

How will that affect your strategy?

Variable D: if we move at all, it'll be difficult/costly for us, and as far as we know they don't really care about it, so maybe we can remove it from the specification/contract

C is a potential dealbreaker – tough for us to make any concessions and – again, as far as we know – it's their top priority, so we'll be looking for creative linkages to reduce our pain

B is an unknown, sitting there in the middle of the grid...maybe we should get in touch with them before the meeting and ask for some clarification

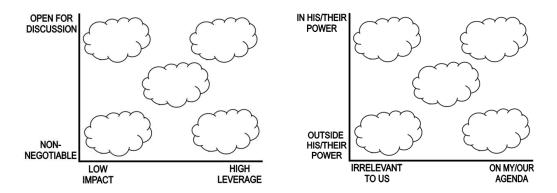
E is a bit useless sitting there in the SouthWest corner...maybe we can find a way to get them interested – push it up their value chain...any ideas?

A is our most useful negotiating tool: they really want it – as far as we know – and we can provide it easily...but we mustn't tell them that...we'll be looking for trade-offs, so the line should be 'We can probably do A, IF you can make some movement on ...well, what about C?

(Notice the *as far as we know* clause. Here we are working in the 'best guess' environment, and all this stuff will be in the air at the Exploration phase. The 'beautiful questions' theme will be at the heart of Chapter 4.)



Here are two more graphs which can be useful to focus your in-house prep sessions, on whiteboard or built into your PowerPoint deck – clarifying your own position, tidying up the agenda, reporting to senior management...

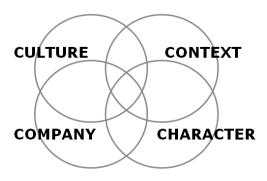


Clarification graphs

3.2 Do some research

The constants

Your opponent's perceptions, behaviour and decisions will be affected systemically by these constants, which you will not be able to change during the negotiation process:



The 4 Cs

Culture embraces the code of 'tacit rules' – unspoken, unwritten Rights and Wrongs of behaviour, influenced not only by a person's ethnic/religious/geographical/national environment (dealt with in the 'International Dimension' page at the end of each chapter), but also by gender, age-group, profession...a 60-year-old male accountant might have different code of conduct from a 25-year-old woman in Public Relations.

Context is well expressed in the PESTLE model: what is going on the in the Political, Economic, Social, Technological, Legal and Environmental world in which your opponent lives and works?

If you approach a negotiation ignorant in these areas, you will have less credibility than your competitor, who is able to talk – and enquire – about such topics in a well-informed way. If you are in a commercial negotiation, brush up on what's happening in the market; if it's public-sector-governmental material, spend some time browsing the local media – press, TV – to make sure you are up-to-date...

Company is most important in the commercial/technical arenas, of course. In some form, your opponent's enterprise will be making a regular SWOT analysis of itself – Strengths, Weaknesses, Opportunities, Threats. If you can tune in to these key ideas, during the negotiation you can tailor your offering so it is seen as a potential Strength to remove or diminish Threats and Weaknesses – a real Opportunity!

As for *Character*: will you be dealing with a friendly, easy-going nice guy, or a tough, pushy high-achiever? A time-serving, risk-averse bureaucrat, or a fun-loving game player? Any specially touchy subjects to be avoided? Any hot buttons to press? History/alliances/status within the organisation?

How does he/she score on

'Competence A': knowledge, skill, experience?

'Competence B': the power to make things happen?

And for the chit-chat between formal negotiation sessions: Family situation? Hobbies? Sports? Football supporter (which team?)? Gourmet? Intellectual? Devoutly religious? Classical/folk/pop/rock music?...

3.3 Decisions in the dressing room

Team roles

Allocate areas of expertise – a natural step. The lawyer on the team will handle legal affairs, the financier money issues, the commercial manager general matters, the engineer technical questions...and the chap who spent 20 years living and working in Rubovia will also have a specific contribution to make when the Rubovian delegation sits down. But also allocate negotiating roles, deciding who-does-what within the process – like

Leading – who will open up, introduce the team and start the discussions? Is this a more or less ceremonial role, or is this person also the major *owner* of the negotiation on your side of the table?

Probing – who will ask questions? It is often useful, especially if one particular member of the team is good at questioning techniques.

Calculating – even relatively simple deals can involve fast-moving arithmetic. Who will keep track of it and tip off the negotiators when the maths look good or bad?

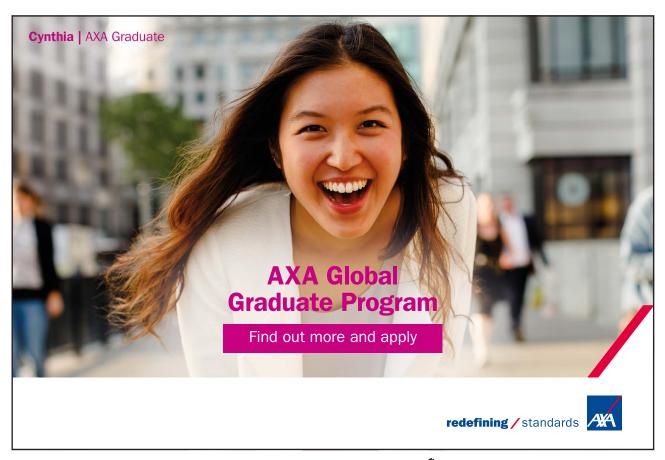
Observing – who will keep an eye on the negotiating tactics of both sides, and perhaps chip in sometimes with a useful observation?

Recording – who will make notes of what is going on, to keep track of detail, for the protocols afterwards and for debriefing the team at the end of the day?

Roles of this kind can be important, optimising performance, minimising errors and enabling you to work harmoniously *as a team* rather than a scattered group of individuals. They can be allocated on the plane, or in the 10 minutes before the meeting begins.



Role acceptance



The international dimension

In preparing for your encounter with the 'aliens', lay the groundwork for empathy:

I CAN SEE THIS FROM YOUR POINT-OF-VIEW

Even before you meet, make sure you know a few words of their language – just simple greetings and gratitude. Check that you're pronouncing their names correctly. If you're 'playing away', negotiating on alien territory, spend a little curiosity time on Wikipedia – 'Rubovian Culture/History/Society', or 'Manners/Food/ Humour in Garundia' – so if you go together to the restaurant, you can choose local specialities, not be seen as a crude foreigner when you eat and drink, and maintain a conversation outside the immediate job-in-hand.

When JFK produced the immortal line *Ich bin ein Berliner* he was claiming personal empathy with the citizens of West Berlin during the Cold War. It was certainly not spontaneous! He had planned a speech about solidarity against the Soviet threat, and this 'slogan' reached out to his audience:

WE'RE WORKING ON THIS TOGETHER

If you are an HQ representative visiting a foreign subsidiary, don't say WE at HQ think that YOU out here should be working harder...Instead, say If YOU and I can find a solution, then I'll go back to HQ and tell THEM it's all under control...building the 'WE' thing...

Globalisation has become a buzzword – for good or ill. At the level of personal behaviour and communication, it is easy to notice the careful way the Japanese exchange business cards, or the handshake routine in the French office every morning. Global good manners can be witnessed in hotel lobbies and airport business class lounges: no rushing, no shouting, no barging to the front of the queue, no arguments and no swearing. Against this bland background, the Danes appear perhaps a little more brusque, the Spanish more courtly. (If you are a non-native-English-speaker, apologies for those words 'brusque'* and 'courtly'**! This book aims to be reasonably stimulating for Brits, Americans, Australians yet not too obscure for those readers who use English as a second/third language. More about language – how to deliver your ideas in 'Global English' – in Chapter 6.)

A little quiz. Who said this?

- 1. 'I get annoyed when they drift off the agenda. Sometimes hours pass and nothing is decided!'
 - a. An Italian about a meeting in Eindhoven?
 - b. A Dutchman about a meeting in Napoli?
- 2. 'He didn't seem very excited by his offer I didn't feel he was really trying to sell it to me...'
 - a. An American about a Londoner?
 - b. A Brit about a New Yorker?
- 3. 'I found it difficult to get a conversation off the ground; they were all pretty monosyllabic'
 - a. A Finn about a party in Delhi?
 - b. An Indian about a party in Helsinki?

Answers 1b, 2a, 3b

- * brusque is originally a French word, meaning fierce, impatient, blunt...
- **courtly comes from medieval times, and means, refined, noble, suave (another French word!).

4 Enquiry & exploration

4.1 Set a tone of collaboration

Not taking up combative positions...

...but being open-minded, and suggesting a similar attitude in your opponent. This is the first step in converting your 'opponent' into your 'partner'.

'Partner' is a word used too often these days in business simply – hypocritically – to label 'somebody I have to deal with' (client, supplier, subcontractor, agent...).

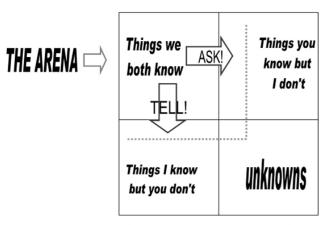
Real partnership requires respect, trust and a shared vision: once you and I truly understand our respective needs/hopes/fears, we can try to find a way to advise and support each other...so let's dig and see if we can find something we have in common...Mediators, Peace Envoys, Marriage Guidance Counsellors make a living from people's need in this area...

Sharing interests...

...by asking questions, listening to the responses, inviting questions, replying as openly as you can – Always a Tuesday, never a Thursday...he's quite new in the job...our Rubovian operation has had a tough year financially...nobody has ever complained about the quality of the paintwork...yes, we might...hmmm, that would be difficult...it's too early to give you the full facts on that, but here's some general guidance... what a great question! If we explore this area together we can make some good progress...let me ask you something now:....

Here we have the classic model 'Johari Window', loved by communication consultants for decades.

If you and I are negotiating, it is in both our interests to have the 'arena' wide open – no hidden cards, no dark secrets, no blind spots...or at least, reduce the unknowns so that unpleasant surprises become less likely – a feeling of comfort...



'Things' = facts and feelings

Observing, digesting, ruminating, incubating...

Of course, we might get a response we really don't like – a fact or a feeling that induces stress. Under stress our instinct is 'fight or flight' – throwing a rock or running away, voicing an insult or shutting down communication.

Good negotiation requires detachment and deliberation:

Step back, take a deep breath or two, think calmly...and perhaps come back with a supplementary question: very interesting...does that mean X or Y...or something I haven't quite grasped...?

Or call a time-out: Can we call a break at this point, please? These are important matters and we don't want to rush to a decision... (Chapter 5 is dedicated to how you spend this break).

4.2 What's all this about questions???

The taxonomy of questions

A teaching professional might be aware of Bloom's taxonomy – questions about *Knowledge*, *Comprehension*, *Application*, *Analysis*, *Synthesis*, *Evaluation*.

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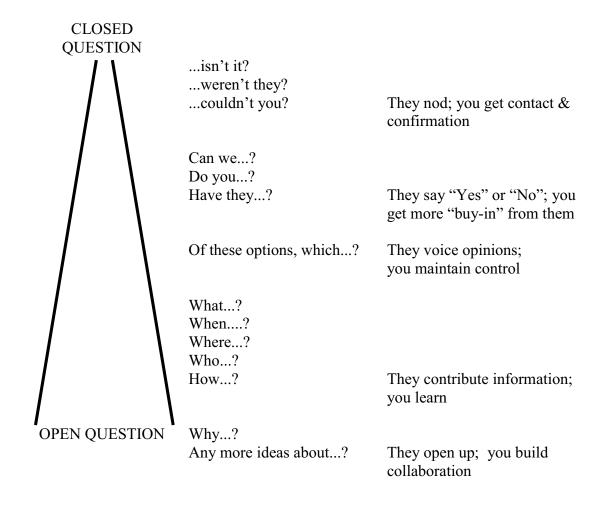
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We're more interested in 'closed' versus 'open' questions in different ways. Here's a good-enough guide...

Very closed: We all know people like this, don't we? They pretend they're interested in your opinion, but they're not really, are they? It gets infuriating, doesn't it? I could carry on like this page after page, couldn't I? But you'd throw the book/pc/tablet/kindle out of the window, wouldn't you? In many languages, this piece of grammar is much simpler; all these sentences in French would end in n'est-ce pas? or in German nicht wahr?...In any case, such a question requires no real response – a nod, a shrug or a grunt is enough.

Very open: *Why?*- which can seem a bit intrusive or cynical sometimes – or *Tell me all about it!* – which is not technically a question, but has the right effect!



Questions that make things happen

When you ask a *BEAUTIFUL* question, it takes the conversation somewhere useful.

What does this piece of business really mean to you?

Where does it fit in your big picture?

What other benefits might it bring if we can fix this up?

Is there any one area where you fear disappointment?

If we got stuck on this item, where we could compensate?

In what ways is it new or different from your previous experience?

Are there any pressures or opportunities I might not be aware of?

Is there any one aspect that would bring exceptional satisfaction?

What effect would it have if we boosted this factor?

On a straight choice between X and Y, which would you go for?



A special subset is the *supplementary* question, which (a) shows you have been listening carefully and (b) digs a bit deeper, or throws the net a bit wider – *Hmm…very interesting*…

What evidence have you seen of that?

Who else might have a point of view on that?

How important is that compared to factor x/y/z?

When can you make a decision on that?

Where else might we find a solution to that?

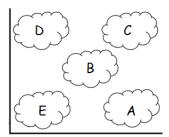
In case your opponent (partner-to-be) begins to wonder what's going on – *Why so many questions? I wasn't expecting an interrogation!* – have an explanation ready:

The better we can understand your needs and perceptions, the better we can shape our proposal at the next phase \odot ...

To be polite, you can preface each question with Perhaps you could tell me...

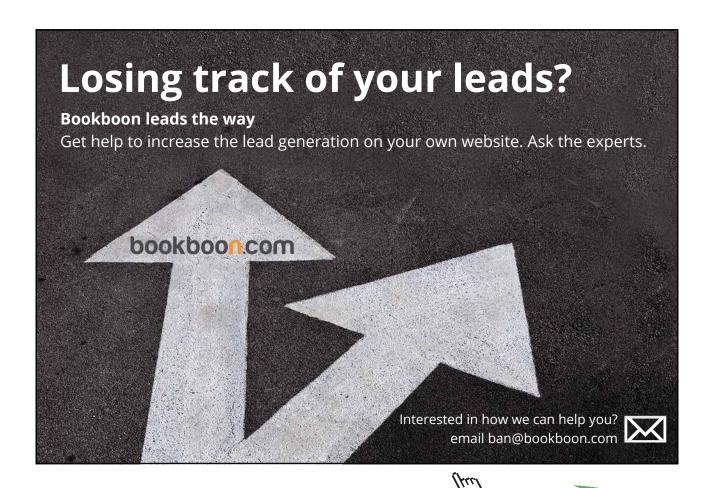
Questions as tactical tools

Have your 'best guess' variables grid in mind, or under the table, or on the screen of your iPad... but not under your opponent's nose!



There is a shade of difference between transparent honesty and 'giving the game away'; if you are thinking of a trade-off between D and A, or adding value to E, for the moment that's *your* business....until the Proposal and Bargaining phases. But ask as many *questions* as you like; they have a deeper and more significant role than information-gathering.

Tactically, open questions have a greater power than closed. To ask a closed question, you first have to work out the possible answers and reduce the options: hard work! Posing an open question is easy, and makes the other guy work hard – like the parent of a child asking 'Why?' a hundred times a day.



| Closed questions | Open questions |
|---|---|
| only bring a Yes, a No or a Don't know | give you information – facts or feelings |
| tie up your brain, free your opponent's brain | free your brain, tie up your opponent's brain |
| buy thinking time for your opponent | buy thinking time for you |
| get you into tight spots | get you out of tight spots |
| provoke the aggressive opponent | disarm the aggressive opponent |
| give control to the other guy | leave you in control |

This doesn't mean you should *never* use closed questions; at the right moment, they can give you exactly the answer you need. But limit them! (Much more about *tactics* as the book goes on...)

To show you are in control of the process, close the exploration phase by saying:

Thank you; that's been very useful.

I'd/we'd like to take a time-out now to think this through,
and come back later with a package that should come close to your requirements.

Tell me, please: is there anything else I should bear in mind during what we call 'repackaging'?

What you take away

After the exploration, give yourself some feedback and evaluate the outcome of the meeting:

- Did you find out what you were fishing for according to plans made during Preparation?
- Did you find a joint purpose, goal or outcome to suit both you and your new partner?
- Will you need to modify your targets numbers, timings, terms...?
- Are there any 'new' variables, linkages or possible trade-offs?
- Is there a way for you to 'add value' professionally or personally?
- Are there any special barriers or resistances?

4.3 Quizzes

Use of mouth

Pencil and paper ready? How many ways do you know of asking:

"What do you want, exactly?"

"Who has the real power in your organisation?"

"Can I really believe what you're telling me?"

"How long will we have to wait before you make a decision?"

"What keeps you awake at night?"?

Aggressive TV interviewers grilling politicians are very good at this (and of course most politicians are usually well prepared and have tactics to avoid answering the question!)

Find your own way of asking such questions in a polite, warm and inviting way, so your opponent/partner-to-be will open up and give you something worth listening to (unlike most politicians!)

Use of ears

Score yourself as a listener: 0 = never...5 = sometimes...10 = always

| I PRETEND TO PAY ATTENTION WHEN MY MIND IS DRIFTING OFF | 012345678910 |
|---|--------------|
| I CUT THEM OFF IN MID-FLOW IF I KNOW WHAT'S COMING | 012345678910 |
| I LOOK AROUND/ SHUFFLE PAPERS/ PLAY WITH MY SMARTPHONE | 012345678910 |
| I THINK MAINLY ABOUT WHAT I'M GOING TO SAY NEXT | 012345678910 |
| RATHER THAN ADMIT I HAVEN'T UNDERSTOOD, I JUST GUESS | 012345678910 |

Total 30-50? Get some training, please!

Total 20–30? Take a good listener to the meeting with you.

Total 10–20? Try a bit harder.

Total 0–10? Are you being quite honest? Nobody's perfect...

Eyes, hands, feet...

In a global-culture meeting*, how can you transmit openness and honesty across the table?

- a) Maintain steady eye contact and/or
- b) sit in an open posture with your hands visible and/or
- c) place your feet firmly on the floor, not crossed and/or
- d) rub your chin, fiddle with your moustache, scratch your nose.

^{*} There are, as is well recognised, regional/national variations in body language – culture-specific things: Nordics like more personal space than Mediterraneans...East Asians don't like too much eyeball-to-eyeball contact...Slavs find the easy-going American smile a bit insincere and even stupid...

The international dimension

So contact is established and – we hope – trust is beginning to grow. Let's check now

Cross-cultural Code of Conduct

- 1. We appreciate and enjoy cultural diversity
- 2. We accept that our own perceptions are coloured by our upbringing, within our naive culture
- 3. We try to empathise with the other's view, knowing that it will be influenced by his or her background
- 4. We do some homework to understand that background better
- 5. We are open-minded; we do not dump a national stereotype on an individual
- 6. Once trust is established, we openly discuss how our different cultural backgrounds might be affecting the issue
- 7. We begin with a formal, polite manner, and await signals of informality from the other side
- 8. We remain true to ourselves, resisting the temptation to mimic our partner's mannerisms
- 9. Recognising the extra stress imposed by language barriers, we make allowances for the other, without appearing patronising
- 10. On vital matters, we double-check understanding, to avoid expensive or painful mistakes
- 11. We plan our communication to eliminate the negative and accentuate the positive
- 12. Simple, clear, direct, honest and open the best style for communication across cultures

Revision & repackaging

Give me six hours to chop down a tree and I will spend the first four sharpening the axe

Abraham Lincoln

5.1 Take stock of what you have learned

An iterative process

This phase is a kind of looping-back to the Preparation phase, except now you have more information to work with. Those 'best guesses' you made are now more substantial. (If you were working in a team, it's the Observer and Recorder who will have an important contribution to make)



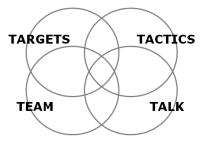
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Transient factors

In an earlier chapter, we modelled four Constants. Here are four Transients:

Are you aiming high enough? Should you lower your sights?

Did the role plan work out OK? Changes/new people needed now?



What steps can you take, in what order, to achieve your objective?

Time to be clear and convincing – plan to get your message across!

Perhaps the **targets** you set initially can remain unaltered. More probably, you gathered information during the Exploration that suggests some modification – up...down...bigger cake...smaller cake... different ingredients in the cake...different icing on top?

The **team** is back in the dressing room (beside the coffee machine in the office corridor, around the bar at the overnight hotel...). How did the formation work in the first half? Did the Exploration suggest you need to change the line-up, moving somebody from attack to defence, making a substitution by bringing in a specialist?

Can you expect any one-way concessions from them? Do you have to make any one-way concessions? Where will the give-and-take, tit-for-tat, you-scratch-my-back-and-I'll-scratch-yours come in? What logic, evidence, emotions can be expected? Can you usefully assemble any fresh evidence yourself? Your in-house discussion of **tactics** at this Repackaging phase will be quite intense.

When you get back face-to-face to make your Proposal and roll your sleeves up for Bargaining, the way you **talk** will be crucial. You can have clear and structured targets, team roles and tactics, but if you deliver a lot of waffle, jargon or evasion across the table things will not go your way. Start work now: OK,OK...that's very clear to me now, but how can it be made convincing to them?

And don't forget: your opponent (new partner?) will also be thinking things through – and making guesses about what you are planning. For the sake of the relationship, now is a good time to make sure the things you will say and do – especially the pushes or the dogmatic refusals – are firm on the issue, but gentle on the person. I'm grateful for all the effort you've been making, but this is one area where I must insist...I can see you're in a difficult position over this item, and you have my sympathy; however... (More in Chapter 6 about assertiveness, and more seductive methods of influence...)

Room for movement?

If the Exploration went well, you are now in a position to work out, for each of the variables, your bargaining range:

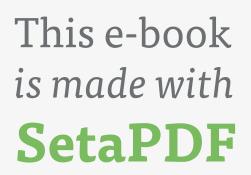
the *best* you might possibly get – realistically the worst you could consider – any worse, you'd walk away the acceptable median - a feel-good result, acceptable if all other factors are OK

For example, a purchaser aiming for a low price might reckon:

| VARIABLE | BEST | MEDIAN | WORST |
|-------------------|---------|---------|---------|
| 1. Price per kilo | \$35.75 | \$41.50 | \$44.00 |

Whereas a seller wanting lots of cash might be thinking the other way:

| VARIABLE | BEST | MEDIAN | WORST |
|-------------------|---------|---------|---------|
| 1. Price per kilo | \$47.00 | \$40.25 | \$34.25 |







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How many kilos should be in the initial order? How quickly/slowly might payment be made? How big/small can each delivery be? How often? How soon can the quality control procedure be conducted? How long will the staff training last? How many trainees can be in the group? How much...? How far...?

Outside the world of buying-selling:

A delegate at a symposium might think about the international standards document – How often should the safety inspection take place? How sensitive should the pollution detector be?

A trade union negotiator might make best-worst calculations – How much extra pay can the member demand for overtime work? How much for weekends?

The parents of a teenage student might be working on a deal over allowances and homework – How much pocket money at the age of 10? How many hours of deskwork each evening?

So you – alone or with your colleagues – construct a table, using your original variables A,B,C,D and E plus, perhaps, a new variable F that came out of the exploration phase:

| VARIABLE | BEST | MEDIAN | WORST |
|----------|------|--------|-------|
| A | | | |
| В | | | |
| С | | | |
| D | | | |
| E | | | |
| F | | | |
| 1 | I | 1 | 1 |

Movement: knowing where and how you can move, trying to work out where and how they might move, finding ways to stimulate such movement (probably using *If...then...* as below).

5.2 Give-and-take

We have already said that *reciprocity* is a deep-lying 'human universal'. Nobody comes to the negotiating table unaware of this. Individuals (psychopaths? totalitarian dictators?) or organisations (monopolists? terrorists?) who will not come to the table are refusing because they *know* that give-and-take will arise at some point, and that is *not* attractive to them.

This chapter will not help you if you are faced with such a challenge; later in the book we shall consider dirty tricks and so on. For the moment, we'll stay in the daylight.

Linkages leading to tradeoffs

Sometimes the linkage is quite clear: for a whole barrel of olive oil, I expect the price per litre to be lower than if I only buy a little bottle; five people can share a taxi fare more cheaply than three; a beach vacation during school holidays is more expensive...

Outside the world of business, sometimes it is less clear. The Strategic Arms Limitation Talks between USA and USSR were full of frustrations, when the Brezhnev side could not understand (or accept) the linkages the Nixon side was trying to explain; what is the connection between nuclear warheads and trade controls? Learned papers are available on the internet full of 'simultaneous links, concurrent links and consecutive links' in treaty negotiations '…conducted by Australia, Chile, the European Union, Singapore…' Phew! Good luck!

Try to keep things simple – as you would for a child who was refusing to eat the broccoli on his plate. You don't say 'It's clear from the medical report I read last week on the Body Mass Index that there is a definite connection between carbs, fats and the digestive benefits of fresh vegetables, and as a modern parent, I accept my responsibility to monitor closely your consumption of blablabla...' No, you say 'If you eat your greens I'll look in the freezer for a little ice-cream'. It's a trade-off.

During Revision/Repackaging, in preparation for the *Bargaining* later, you can think about trade-offs.

 IF...
 THEN...

 they will give a written guarantee...
 ...we can put them top of our supplier list

 he'll accept the carbon-emission limits...
 ...l'll rubber-stamp the planning licence

 she links their company website to ours...
 ...my company credit card pays for lunch

Show a little steel on the issues...

Please note: there is more psychological leverage in

If you concede X, then we'll consider Y

than in the reverse equation. To say

If we concede Y, will you consider X?

seems comparatively weak.

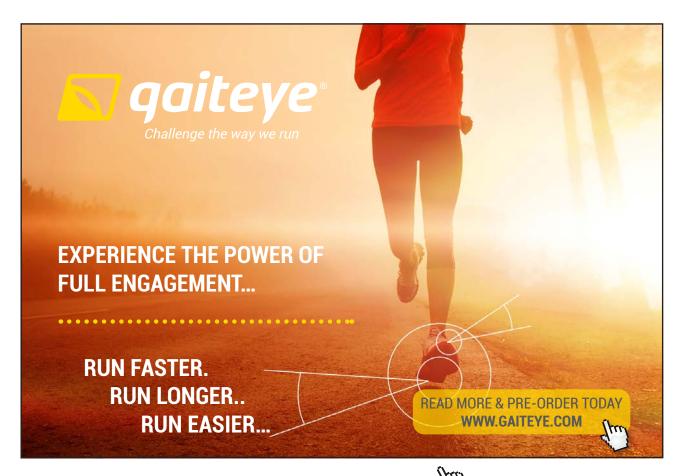
...but stay gentle on the person

Being firm/strong/assertive on the facts, problems and consequences does not mean being a bully or personal critic. If your boss says *Go Into That Meeting and Give 'em Hell!* \otimes \otimes !, smile politely \odot and rehearse statements like

I appreciate your efforts in this area; however, our position is still clear...

I'm looking forward to working with you again – provided we can cross this bridge now....

This does not mean sugaring the pill with tired, insincere clichés. 'Please don't take this personally', 'With all due respect', and 'No offence meant' come across as hypocritical; they just don't work.



The international dimension

Now contact has been established, you can start to fine-tune your communication. Think about your home culture, and mark a score at some point along the scale:

Then do the same for your opponent/partner's culture:

In the next chapter, there is a strong thread of 'You-orientation' - making the message appealing to the recipient. The 'You' is different for a Kenyan than for an Argentinian...

| | | | | MOTI | VATIO | N | | | | |
|--|-------------------------------|-----------------------|-------------|-------------------|-----------|----------|---------------------|--------------------------|-------------------------------------|--|
| Doing/ m Work and otherwise | d achieve | ment are | | | | | | | Being, d be expeary but su | |
| 50 | 40 | 30 | 20 | 10 | 0 | 10 | 20 | 30 | 40 | 50 |
| Personal For best presponsib | performation | nce, give reward t | alent/init | iative | | _ | st | velfare of rongest, l | yalty to f the tean healthies | n are the t drivers |
| 50 | 40 | 30 | 20 | 10 | 0 | 10 | 20 | 30 | 40 | 50 |
| Embraci Success c and movi | comes fro | | | | ISIONS | | nd judge | | Avoid ons and or making | |
| 50 | 40 | 30 | 20 | 10 | 0 | 10 | 20 | 30 | 40 | 50 |
| Competion The best in the right version of the competition of the comp | ideas are | the stror | | | 0 | 10 | | oup harm | ion & co nony and ag the bes | synergy |
| 30 | 40 | 30 | 20 | 10 | U | 10 | 20 | 30 | 40 | 30 |
| | | | | ~ ~ | | | | | | |
| Merit Leaders a achieved | | | vhat they | | ATUS | L | | | l ted for w ge, rank, | hat they |
| Leaders a | | | what they | | ATUS 0 | L 10 | | | ted for w | |
| Leaders a achieved 50 Democra | and will 40 atic ould be d | 30 distribute | 20 ed among | have 10 all those | 0 | 10 CI | repre 20 ear instru | 30 actions fi | ted for w ge, rank, 1 | that they family 50 archical op make |

6 Proposal & pitching

6.1 Being credible, clear and convincing

The psychologist Assagioli offers a model that helps us to recognise within ourselves many 'sub-personalities' – the rebel and the intellectual, the seducer and the housewife, the saboteur and the aesthete, the organiser and the bon vivant – all crowded into one single person.

This book encourages you to understand and deploy your 'inner negotiator'...and this negotiator has some sub-sub-personalities, especially when the time comes to present a case – from a platform, by the fireside, between the ground floor and the tenth in the 'elevator pitch'...

Will you be an explainer or (careful now!) a manipulator? Where will your message sit along this spectrum?

INFORM <<<<>>>> PERSUADE

Credibility

People are well accustomed to

- 'information overload' in this media-saturated world,
- · cosmetic sales talk from individuals who don't really know what they're talking about, and
- rhetoric from politicians who have no understanding of the living conditions of those they rule.

We are all likely to switch off if the stuff seems irrelevant, fake, ignorant or exclusive/elitist.

If you address an information overload victim (almost anybody these days) you should put a little bait on what you say: *Hey! I've got something here that will interest YOU*. If that doesn't happen – if you go straight to the data about market analysis or demographic statistics – there is a danger your audience will slip into one of the bad listening habits described in the quiz at the end of Chapter 4, and you'll soon be talking to yourself.

The Exploration and Repackaging phases give you the perfect platform for this *relevance* step:

You made it clear that you have a special interest in market analysis, so we've done some for you...

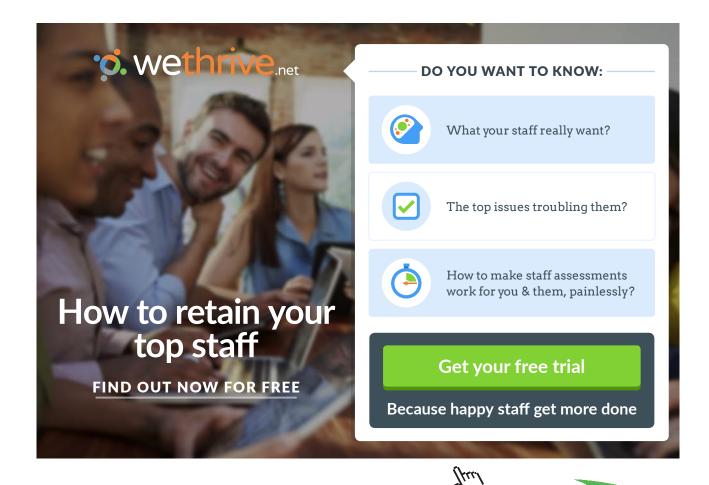
I've followed up on your points about demographic shift, and here's what I found:...

Going back to the questions you raised about X...

(Note the use of the words *YOU/YOUR*. Your alert enquiries at the earlier phase have earned you the right to use such terms in a sincere and convincing way – not just the slack English usage: 'It's a real nuisance when you forget your PIN code' actually means 'It's a real nuisance when one loses one's PIN code,' and the impersonal 'you/your' has no impact on someone who has never forgotten her PIN code. More about *You-Orientation* in the following pages…)

Having gained your listeners' attention by establishing the relevance of your coming statement, you should reinforce your own standing as a *reliable* source.

In our binary perceptions of the world, we often categorise a person along polarities (that word again!): beautiful <> ugly...middle class <> working class...gentle <> tough. When we listen to a business pitch, we consider – half-consciously – where the proposer sits along two spectra: *Is this guy clever or dumb? Is he honest or dishonest?* There is an unspoken principle in the mind of your opponent/partner-to-be: *My life's too short to listen to stupid liars!*



So you should find a way to deliver the idea:

This is your lucky day, because I'm a clever and honest person!

Clever:

I know a bit about this subject, because...

A lot of people overcomplicate this issue, and I've always found it simpler to...

Of the various solutions to this problem, we have usually seen good results from...

Honest:

Not a magic formula, of course...

I'm not aiming for perfection from the word Go...

We can learn a few things from each other as we move forward...

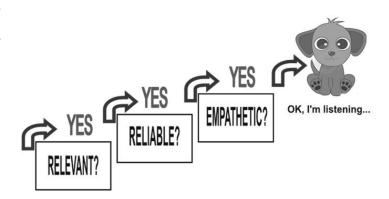
Find your own way of earning a 'Reliable' badge, and then strike a note of *empathy*, because your listener will be thinking/feeling: Can he/she/they see this thing from my side? Because if not, I'll spend a lot of mental energy preparing defences and rebuttals...

Remember our earlier distinction between empathy and sympathy. To say

I can understand the pressures you are under...
In your situation, there's a tricky choice between two options:...
You'll have some reservations, of course, and I'm ready to listen to them

does not mean you feel sorry for them, or that you will sacrifice your own needs to give them everything they want! But it adds another plank to that platform of collaboration.

So you are offering the other side of the table the answer Yes to each of three questions, climbing a staircase described long ago by the rhetoric masters of ancient Greece and Rome:



6.2 Clarity

Looking back at that INFORM < > PERSUADE spectrum, it is certain that an intelligent, responsible adult will not agree to a deal he doesn't understand. In essence, clear explanation comes before powerful persuasion – and that means two things: clear structure and clear language.

CLEAR STRUCTURE – route map and signposts:

I'll be talking about alpha, delta, gamma, and beta, so let's take them in a sensible order – starting with delta and working backwards

That only takes a moment and makes everyone comfortable: We're in good hands ©

In the chapter about Process we mentioned 'signposts'. You'll use them for clarity here:

That covers delta, so let's move on to gamma...

So much for gamma; time now to look at beta...

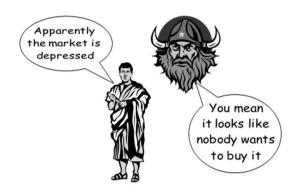
Almost there now...can we turn our attention to alpha?

(Think: if you were writing all this in a document, you would have headings, sub-headings and paragraph breaks to help the reader find his way...so you should do the same thing when you're speaking. Your proposal is not the same as chit-chat in the pub!)

CLEAR LANGUAGE - brief and concrete:

The well-known KISS principle – Keep It Short and Simple – actually started life in the US Navy as 'Keep It Simple, Stupid!'

The English language is a bastard hybrid of several earlier tongues:



Too often in the world of business and bureaucracy, people use pompous and obscure jargon to build up their status.

OBSCURE AND PEDANTIC:

LATIN: The recent analysis confirms our pessimistic predictions.

PASSIVE: A budget deficit has been suffered.

LONG SENTENCES: In spite of a and the associated b, c (which is related in some way to x) has consequences for y, whenever z is true.

CLEAR AND DIRECT:

SAXON: We were right to be gloomy: look at the latest

ACTIVE: Someone's spent too much money.

SHORT SENTENCES: When z is true, y changes. This because of c. A and b make no difference. But x is part of the picture.



WRITING AND SPEAKING ARE DIFFERENT

This is not a book about presentation technique or rhetoric, but in your Proposal phase, some of those tools and techniques make a big difference.

When I read your long sentences on paper or screen, my eye can flicker back and forth while my brain makes sense of it all.



If I am listening to you *speaking*, my ears can't do that flicker trick and my brain suffers.

So please speak a short simple sentence, pause while I absorb it, then speak another...Thanks!

SLOW DOWN...

Yes: pauses.

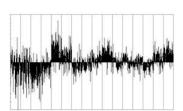
I...could...slow...down...by...pausing...for...a...split...second...after...each...word... Infuriating! Patronising baby-talk!

Or I could slow down just a bit...by pausing for a moment after each idea-chunk...Sounds good, doesn't it?

...AND ADD A BIT OF COLOUR

To make it sound even better, and carry more real meaning, I can avoid flat boring monotony and add interest and passion by varying

amplitude/volume/dB



and frequency/pitch/Hz



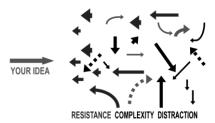
6.3 Conviction

Of course, *your* conviction is not in doubt. If this wasn't a good idea, you wouldn't be proposing it, would you? The aim is to make the other guy feel a similar conviction.

Here's your point, moving in a given direction:

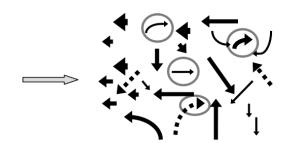
YOUR IDEA

Your opponent/partner-to-be is not a simple, mechanical holder of a single view. His complex mind will contain overlaps, cycles, contradictions...many of them pushing against you:



Yet there are vectors in your listener's makeup that are going your way...

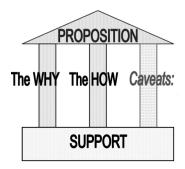
so choose the style of argument that will help you to ride these vectors!



If your listener's objections are known to you, you have a choice: ignore them and hope they'll go away, or bring them into the open. The rules of **classical rhetoric** tell us to

VOICE THE COUNTERARGUMENT

You will support your main point with a WHY and a HOW, supported by 'proof points'. For a mature, balanced argument you should also openly express *CAVEATS* – the 'ifs' and 'buts'...so reducing their power to detract.



I know you don't like the contract details, and the delivery system needs modification.

Let me tell you now why and how this proposal can work...

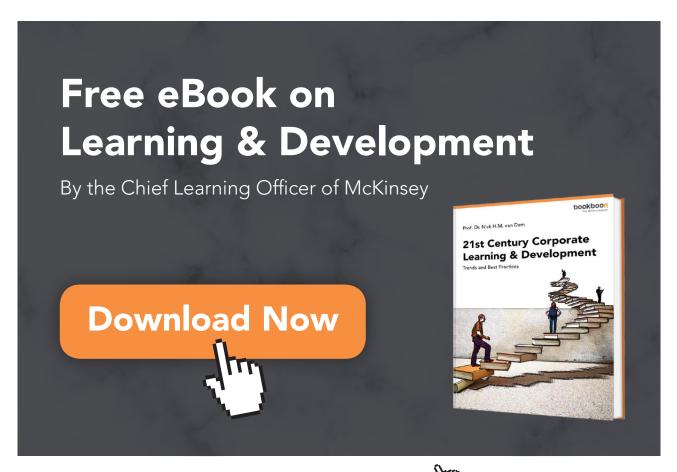
Your proposal is probably the result of careful thinking. In **officer training**, the lieutenant is coached to put the sergeant in the picture this way:

STEP-BY-STEP LOGIC
Do you see the POSITION we are in?
Is this the PROBLEM we have to solve?
Shall we consider the POSSIBILITIES?
And of them, is this the best PROPOSAL?

Yes... Yes... Yes... YES!!



So we've agreed, haven't we, that the staff resources are limited, and it's clear we must find a way to carry the project forward, so we can either accept delays and a poor output (which would be a pity), or recruit more staff (which would be expensive), or train the people we already have to improve performance – and I believe that's the best practical solution!



Possibly your opponent/partner-to-be fears the effort required to make things happen, preferring an easier route? A **psychotherapist** might invite a client to explore the pain and difficulty of his current attitude and behaviour, before building an inviting picture of how good things could be, and making sure the first step is not too scary. You can build your case using the same principles...

THE CHANGE FORMULA Strengthen DISSATISFACTION with today's situation Show a clear VISION of a better tomorrow Make it easy to take the FIRST STEP If you get it right, RESISTANCE will melt away



We know too well that the company's ancient storage facilities cause shocking daily difficulties.

Think how smoothly things could work with a new warehouse!

We can take it in easy stages, starting with a clear, simple design –

if you will give us permission to prepare it...and have it on your desk next week ©

The New York Police are trained in a step-by-step method for dealing with difficult people on the street – how to request cooperation without threatening or shouting. If you are in a strong position in your negotiation, and the other side is beginning to show hostility, you might try it.

VERBAL JUDO

| 1. Ask politely, appealing to good manners | Would you mind getting out of the car, sir? | |
|--|---|---|
| 2. Present the reasons, appealing to common sense | You shot the red light and I must test your breath for alcohol | |
| 3. State alternatives, appealing to self-interest | If I radio for support, the squad car will take you to the station! | |
| 4. Appeal to the person – pity, humour, self-respect | I've had a Hell of a day, buddygive me a break, huh? | < |
| 5. Ask for suggestions – maybe he has an idea | Is there anything I can say or do that will get your cooperation? | |
| | | |



I refuse!

No way!

Doesn't scare me!

Tough luck!

Well, maybe if...

(1) Please could you agree to Clause 6?...(2) because you see...(3) and if you don't, well \odot ...

(4) I'm finding this difficult...(5) can you find a way out of this tight corner?

NB: No need to go through the whole procedure if you get cooperation at step 1, or 2, or 3, or...

Sometimes, it is hard to keep your temper, especially if the other side is playing Win:Lose – giving you a hard time. You feel anger and aggression coming through. Time to deploy the teaching of **behavioural psychologists**: you have the right to hold and express opinions, you have a duty to respect the other guy's rights.

ASSERTIVENESS

Make it clear you're negotiating as equals

Be honest – about what's relevant

Find a calm and clear way of expressing your 'bottom line'

Be ready to repeat it; the other side might find it hard to 'hear' you



We can't reduce the price; we'd lose money on every delivery We can't reduce the price; we'd lose money on every delivery We can't reduce the price; we'd lose money on every delivery

PACKAGE AND LINKAGES

Of course, your opponent/partner-to-be might not have read this book (HaHa). They might want to rush into Bargaining before they have heard your complete proposal: *Stop! Before you talk about the delivery schedule, I want to negotiate over the payment terms you just mentioned!*

You should be prepared for this...

Ask them to hear you out

If they start to haggle over one item, control the process:

Let's come back to that soon, many of these factors are inter-related...

I'll note that point and promise to come back to it later...

It's best if you listen to this as a package; we can discuss details very soon



Manage the mood

As self-appointed facilitator of the process, it's your job to present things in a sequence that will create a positive momentum, bring things to light without too much stress, and – perhaps – finish on a high note that will help the Bargaining phase to start optimistically.

Quiz: You are about to meet an opponent you know quite well, to discuss a bundle of issues. What order will you put them in?

A a point of technical detail; no danger of chain reactions

B some long term/ blue skies ideas you've been having

C a delicate item, difficult to agree on

D several small points for action soon

E some good news for your opponent

F a matter to be agreed - probably quickly and easily

G some bad news for your opponent

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|
| | | | | | | |

Answer: Start and finish on high notes - F or E, not G or C



Discover the truth at www.deloitte.ca/careers



The international dimension

This book is written in English, but will no doubt be read by a lot of people who did not grow up in that language – including you, perhaps, dear reader. As the word 'globalisation' crept into everyday use, the English language has been the medium; international managers since the 1970s have accepted that team meetings, marketing conferences, technical presentations and, of course, negotiations across borders are conducted in English. As a Greek does business in Taipei, or a videoconference is run across five continents, a modified version is in use – lots of corporate jargon ® and simplified grammar/ idiom ©. Very often, it is the native speakers of English (Brits, Americans, whoever...) who are the hardest to understand... 'I was never any good at foreign languages, but they all speak English these days, don't they?'...so they rattle on, insensitive to the stress and confusion across the table or around the world.

We have run many seminars on the subject of 'Offshore English', and if you google 'Globish' you'll find a ton of advice. If you're a Greek or a Taiwanese you've probably already got survival strategies, so here's some advice for the Brits, the Americans, whoever...

GRADE YOUR LANGUAGE

In the first few minutes of contact, observe your interlocutors' survival level in English – how easily they find their words, how natural they sound, how hard they have to concentrate to follow you...

BEWARE OF TRICKY IDIOMS

Not'lt's up to you, of course – if you feel up to it!'

Rather'You can make your own decision. If you have the capacity...'

AVOID DOUBLE NEGATIVES, UNDERSTATEMENT AND IRONY

Not'The delivery performance wasn't too bad at all, was it? You can't say I didn't tell you at the time! However, the quality test results are looking far from brilliant...'

Rather'As I promised, the deliveries went well, but the quality test results are not good.'

DON'T BE TOO DENSE

Not 'Don't you think we should stop going over and over why we didn't do well last time, and start thinking about what we can do to make sure we do do well next time?'

Rather 'OK: that's enough about past failures. Let's focus on success in the future!'

ERECT CLEAR SIGNPOSTS

For clarity: 'That covers Apples and Bananas, so now let's turn our attention to Cherries...'

TRIANGULATE YOUR KEY IDEAS

For security: 'This option is the happy medium...a compromise to satisfy both sides...no need to take extreme positions...'

USE A CHECKING LOOP

For ideas or opinions: be ready to say 'To be sure I've made that clear, could you play it back to me in your own words?' Then fix any little problems: 'Hmm...sorry, that's not exactly what I meant...'

DON'T BE PATRONISING

Of course, you should steer clear of baby talk or condescension. You knew that, didn't you?

7 Bargaining not bullying

7.1 Rituals & principles

Not everybody plays the same game the same way...

If you have followed just some of the advice in the preceding chapters, both you and your opponent/partner-to-be will be ready for creative bargaining now – not just primitive, low-level haggling/quibbling/wrangling.

The rituals and styles of bargaining vary culture-by-culture, market-by-market, economy-by-economy, day-by-day. Here are some universal ideas:

AIM HIGH OR YOU CERTAINLY WON'T FINISH HIGH...



The greater danger for most of us lies not in setting our aim too high and falling short, but in setting our aim too low, and achieving our mark.

Michelangelo

So when the bargaining begins, make sure there are some variables where you can come down a bit/ go up a bit as the game proceeds; protect your key margins – those crucial parts of your business model that keep you alive.

BUT DON'T BE GREEDY OR SELFISH

Wrong behaviour:







You can build respect ('This guy drives a hard bargain') without getting a reputation as an avaricious, grasping, usurious, self-centred, self-seeking, self-obsessed predator ('Stay away from this guy!').

UNLESS 'THEY' ARE BEING GREEDY AND SELFISH

During the process, especially the Exploration phase, you might have discovered that your opponent is not your partner-to-be – is unwilling or unable to play Win:Win. Oh, well, at least you tried...

You have a choice now:

- walk away and resort to your BATNA ('We can sell our surplus products through a different distribution system'; 'Let's take a caravan holiday instead'; 'No pay-rise for me in this job, so maybe I'll go back to university'...)
- sit across the negotiating table wearing an expression of gritty patience, and go through the motions – looking at your watch or tapping your calculator from time to time...

NOTHING IS AGREED UNTIL EVERYTHING IS AGREED

The word 'package' has appeared many times already. During this Bargaining phase, try hard not to shake hands on X until Y and Z have been juggled; 'linkages', remember?

Not 'Great! Perfect! That's a deal on the dates and location. Now, about travel and accommodation...'



Rather 'We're making good progress on dates and location, so let's put them on 'hold', while we talk about travel and accommodation...'

If you are in control of the process – and you should be, by now – your job is a bit like the guy in the circus who spins plates.

Each plate is one of the variables, and you keep them all spinning until the climax of the act, where they come together in a neat stack



Once this is understood, 'trade-offs' come a bit easier: 'IF you will make a concession on X, THEN we will/can/could/might make a movement on Y' (voicing the plans you made during the Repackaging phase – Chapter 5).

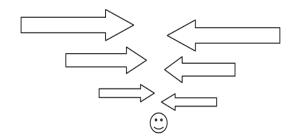
7.2 Increments & closing

This can be fun!

From about the age of five, we start to play the game – my bubblegum for your comic book, a ride on your bike for a slug of my Pepsi.

Staying with the childhood idea, examine this little comedy:

Parent: OK, Kids! Time for bed!
Little boy: Oh No! Not yet!
Parent: Well, then...10 minutes
(10 minutes later)
Parent: Right! Bedtime now!
Little girl: Please...just five more minutes
Parent: Five? I'll give you three...



See? *Shrinking increments* are part of the universal game. Making a concession of \$100? Start with 50, then (if necessary) offer another 30, then (if you *really* have to), another 10...or else do the plate-spinning act and say 'Let's put that on hold, and take a look at the documentation/ staff training/ guarantee terms...'

A GOOD DEAL?

Quite apart from targets, ongoing relationship, personal satisfaction, the agreement you reach should be

LEGAL (by everyone's rules, in every territory)
TENABLE (with everyone able to keep their promises)
EASY TO EXPLAIN (to everyone concerned, now and in the future)



Otherwise, trouble in store!

Maybe you're disappointed in the book so far. We haven't taught you how to be mean, tough, sly, underhand – how to behave if you are lucky enough to be negotiating with an idiot...so time for

7.3 Dirty tricks

Sorry, this section is not about 'How to Be a Bully'. Instead, a few thoughts about the kind of behaviour you can expect from a bully, a manipulator, a devious devotee of Machiavelli.

In fact, sometimes what seems a dirty trick is just a variation in perception – a result of cultural background, industries or markets or departments, or a political or commercial pressure. Maybe your opponent would just *love* to play ethical Win:Win, but the system (or his boss) won't let him.

Whatever the reason...Many "hardball" tactics play upon your anxiety and/or guilt, so make sure you *are* sure of your facts and your rights! Other dirty tricks put pressure on your timetable, so don't negotiate with your back to the wall! Here are some common ploys:

Your competitor...

Your opponent says 'I've had a much better offer elsewhere'

Response: 'If you're still talking to us, there must be something in our offer you like. Tell me about it!'

If it was up to me...

He says 'My boss would never agree to this'

Response: 'That suggests you personally like the offer. Shall we identify together the most appealing aspects? Then perhaps I can help you to present them to your boss!'

This item here...

She takes a hard line on a very minor matter, perhaps hoping to disguise her real priorities, or distract you from other, more vital issues: 'Clause 17(b) is crucial – make-or-break for the whole deal'

Response: 'Why is this so important to you?... Where does this issue fit in your big picture?'

Good Cop Bad Cop

A veiled threat: 'If we can't agree on this, I'll have to fix a meeting with our NegTeam consultants, and they will take a hard line...'

Response: 'I'm getting mixed messages now; I thought we were doing rather well'

Oh, were you serious...?

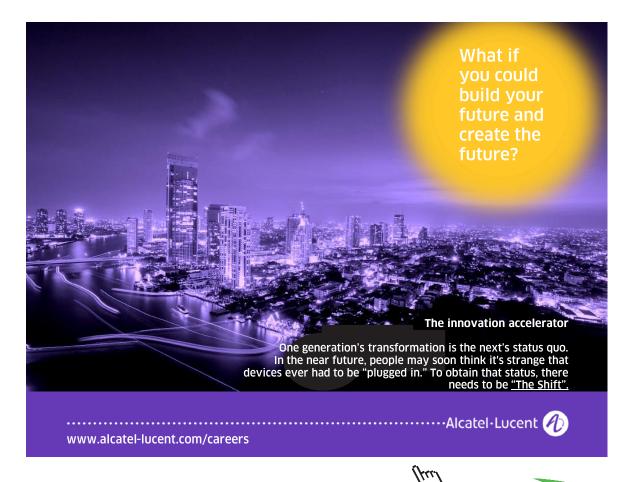
Just as a successful conclusion is in sight: 'That was just a hypothetical understanding; we didn't actually agree on it'

Response: 'Well, let's agree it now, shall we? I'm in no hurry'

And gift-wrapped, of course...

When it is all settled and they are about to sign, they ask for a little extra something: 'Can we assume you'll cover the printing costs?'

Response: 'OK, OK, but just this once. And I'm going to remember that you owe me one'



I can't waste any more time on this!

He threatens to walk out: 'This is getting us nowhere!'

Response: 'Goodbye, then. I feel we can make progress from here, so I'll be in touch soon'

So sorry to keep you waiting!

They leave you sitting in the corridor for a long time before the meeting...to weaken your willpower?

Response: none necessary. If you are working in a time-stressed culture (USA?) they are probably running late on some urgent matter and fitting you in as best they can; if it is a more relaxed cultural context (Latin countries?), then they are just behaving in a "polychronic" way – what's wrong with an occasional delay? Either way, it's probably not a dirty trick at all. Read a good book, play a game on your iPad...



The international dimension

Tuned in...or not?

Imagine a choice between two foreign suppliers offering similar price, quality, terms and conditions.

- One displays curiosity about your country its people, history, economy, institutions, art and language(s) and seems keen to build good working relationships according to your local habits
- The other doesn't bother: this organisation sticks to the business in hand, and expects all business partners to fit in with the 'normal' or 'correct' way of seeing and doing things.

Which one will you choose to do business with? Which will you recommend to your network of contacts? Which will you seek to emulate next time you do business abroad?

Before you go

Get tips from experienced people ('What's your top tip for business in Xxxx?'); look on the internet (google 'Xxxx business culture'); learn a few phrases in Xxxian ('Hello/Thank you/My name is...')

What to pack

Passport and tickets, tummy pills – and a sense of wonder.

If you are a manager who travels abroad, you are likely to be a confident sort of person – above average, anyway – or you wouldn't get yourself into this. Fine! Self-confidence is crucial in strange situations...

Trouble is, self-confidence often leads you to think 'Sure! I can see what's going on here, and I've already started to formulate a plan of action.' In this state of mind, you stifle your curiosity and stop learning.

Swallow your pride; have the courage to admit, 'I'm rather out of my depth here; I'd better ask some questions to find out what's going on.'

Child-like curiosity is a powerful resource. Keep asking Why...?

Make friends with the cook

Your author's grandfather told him in childhood: 'When you get moved to a new camp, the most important thing to do is *make friends with the cook*'. Army service or not, it's sound advice.

When you travel abroad on business, you will be focussed on the client, the keynote speaker, the project leader. OK... but don't forget the driver, the hall porter, the secretary, the interpreter. They can make a difference to your visit – local status, and the reception you enjoy next time around.

In some countries the driver likes you to sit in front beside him, and discuss family life; in many the porter appreciates a cheerful greeting and a comment on the weather; in most the secretary likes you to remember her name; in all countries your interpreter thrives on professional respect.

Don't be too innocent

There are many parts of the world where simple, open honesty takes second place to corruption (of one flavour or another). Go to

http://www.transparency.org/country

and enter the name of (a) your own home country and then (b) your country of destination. Compare!

8 Final Thoughts

8.1 Summary

Attitude matters

We should work on ourselves, to be not too tough but not too floppy either – in order to send a message: 'I'm not scared, and I'm not mad. I'm in a strong position, but willing to talk. There might be something in this for both of us.'

(There are exceptions: lasting relationships are not a factor when you haggle in a street market.)

There's more to it than money

Consider worthwhile goals and deeper needs, like 'long-term advantages', 'gaining experience', 'freedom from hassle', 'getting the job done quickly'...We can do smarter give-and-take if we bring such factors ('variables') into play:

Do the washing-up and go to bed quietly, and I'll give you your pocket money early!

There are two main styles

Hardball: Competitive, adversarial, distributive, positional, coercive, 'zero-sum game'. The pie is only so big and every crumb we win they must lose...and vice-versa.

Win: Win: Collaborative, exploratory, strategic, ethical, principled, skilled. Find something that's important to 'them' and easy for 'us' to provide, and something they've got that we want...and *trade*.

Move back and forth: now I'm hard and pushy, now I'm flexible and creative.

Don't negotiate with your back to the wall

Have a BATNA – Best Alternative To a Negotiated Agreement – as a psychological escape route: *If we can't make an acceptable deal here, we have another course of action.* This is a protection against bullying, or panic-stricken short-term compromises.

Show some steel

Show it early in the relationship, and you might never have to show it again.

Be tough on issues, but gentle on people

Being firm about what you need from them doesn't mean attacking him.

Start on a high note

By making sure the agenda opens with likely areas of agreement.

Celebrate your successes

At each stage along the way, so you create a series of high notes.

Search for new options

Once the purpose is clear, we can find many ways to achieve it.

Enlarge the pie

40% of 150 is better than 50% of 100.

Treat the deal as a whole

Link ideas, proposals, facts. Nothing is agreed until everything is agreed.

Justify your movements

Make sure you have a reason (or a convincing pretext) for major concessions.

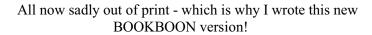
8.2 Further reading & training



Your current author wrote one years ago – published in many countries:

Culture too:



















The classics

HOW TO WIN FRENDS AND INFLUENCE PEOPLE by Dale Carnegie
GETTING TO YES by Roger Fisher and William Ury
GETTING PAST NO by William Ury
INFLUENCE by Robert Cialdini
CRUCIAL CONVERSATIONS by Kerry Patterson
NEGOTIATING GLOBALLY by Jeanne M. Brett
THE SILENT LANGUAGE by Edward T. Hall
CULTURE'S CONSEQUENCES by Geert Hofstede
MIND YOUR MANNERS by John Mole
RIDING THE WAVES OF CULTURE by Fons Trompenaars

(If you google these, you can usually find a summary or synopsis to save time and money!)

COURSES

Learning a skill

The key questions to ask any training provider:

Will I spend *at least* as much time in case studies/role play/feedback as I will gaping at PowerPoint?

Does the trainer have personal/professional experience in international negotiation?

Will the other participants be motivated/ mature/ ready to have a bit of fun?

8.3 Spread the word

Which word?

You choose...

Of course, there are some in the world who will *never* play the game. For the others – colleagues, customers, suppliers, *partners* – be ready to build some of these ideas into your discussions. Lead by example, please!

BARGAINING RANGE QUESTIONS
PREPARATION CLARITY
RELATIONSHIP TRADE-OFFS
CULTURE PROCESS TRUST RESULT
ASSERTIVENESS CONTROL
SENSITIVITY PURPOSE LISTENING
PATIENCE AGREEMENT VARIABLES
IF...THEN... COMMUNICATION MOVEMENT
WIN-WIN EMPATHY LEGAL
GOAL CREATIVITY LINKAGES
EASY TO EXPLAIN TRANSPARENCY



The international dimension

If we are doing business *in our own culture*, there are rules to follow. Some of these rules are even more important when we work *across* cultures; some of them are modified. These are some of the points that require attention.

Clear statement of good intentions

They might not read your sub-verbal signals, so tell them you're positive and optimistic.

Posture, proximity, eye contact

Some cultures smile, come close and hug a lot; others are reserved, detached, cool...Adapt!

Matching 'register'

Be alert to the level of politeness/formality used by them, and choose your words and behaviour to fit.

Clarity

Simple words, not too many idioms, 'signposts' for structure, colour for emphasis, pauses...

Influence

To swing them round, think twice about your arguments: do they fit the local pattern of values?

Humour?

Yes, for warmth and conviviality...but be careful of irony, cynicism, or 'bad taste'.

Sincerity

Tempted to ape your their mannerisms and speech patterns? Don't. Be yourself!

