

# **Negotiation Mastery**

Tools for the 21<sup>st</sup> Century Negotiator

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# NEGOTIATION MASTERY

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# NEGOTIATION MASTERY

## **ABOUT THIS E-BOOK**

The intention of this free e-book is to give you a taster of the larger book, Negotiation Mastery, itself. The contents are taken directly from it with only occasional modification. It contains 2 chapters from 9, including Chapter 2, which is an overview of the Strong Win-Win system that underpins the whole book, as well as the Foreword and Afterword.

At the very end, we also show you the Contents page of the larger book and the Alternative Contents page, too.

Why an Alternative Contents page? Well, my view is that a book should be readable and learning enjoyable. Consequently, I've tried to include many stories from the history of negotiations to illustrate some of the key points. And I've also tried to include many other stories that may not seem related to negotiation at all but still manage to convey a serious point in a light-hearted manner. You will learn how Elvis learnt to shake his leg and how to set up your own cult, you will learn about evil dolphins (and Dick Van Dyke) and the discovery of Viagra and you will learn words of wisdom from Val Doonican's mum and so much more.

I hope you enjoy this e-book. Of course, I hope it inspires you to want more and go out and buy the larger book. But more than that, I hope it improves your negotiation skills, in a Strong Win-Win manner, and helps you get better results in your life in so many more ways than you can imagine. Thanks for downloading it and best of luck in your negotiations.

# NEGOTIATION MASTERY

## FOREWORD

In the end, we all die. That is non-negotiable. Everything else, though, is up for grabs.

This book will *not* help you get a better deal with Death; save your energy, no one wins an argument with Death.

But most other things, we can help. Money, anybody? Sex? Negotiation is *the very stuff* of sex and money! Global domination? Trust me, you will have to do a lot of negotiating.

Maybe your plans are a little more everyday. Need to resolve that dispute with the noisy neighbour? Want to ask your boss if you could leave early? Guess what, that's negotiation.

Or do you simply want to bring about a world-wide shift in thinking to save the human race from imminent self-destruction and make the planet, at last, a safe and happy place for everyone?

It is all about negotiation.

### Who is the book for?

So, yes, this book is for people involved in negotiations in a professional context but **it is for anyone involved in negotiations – and that means all of us.**

Want your partner to take the rubbish out? Want to move house? Want a promotion? How about getting 20% off the price of those boots? Or dealing with the taxman over your arrears? Want a record deal for your first album? Or your tenth? This book will help.

**The plain fact of the matter is that anything that involves other people will at some point involve negotiation.**

I have taught Negotiation Skills for ten years now. I have taught hostage negotiators, Magic Circle law firms, investment banks and the purchasing departments for some of the largest manufacturing companies in the world. Countless people have already benefitted from the material in this book and my aim in making it more widely available is to help more people get better results in their negotiations of whatever kind.

I do not pretend it will turn you into a negotiator – you are one already. That is a bit like saying it will turn you into a human being.

But I do hope it will make you a better one. Negotiator, that is. And hopefully a better human being, too, because whether it is the big stuff or the little stuff, negotiation really is the stuff of life.

**And the better you become at negotiation, the better you will become at your life.**

### About the book

**The book is *highly* practical.** It will de-mystify negotiation, give you a structure and a process to follow. In a clear, “How to...”, bullet-pointed format, you will learn everything you will need to get the best deal you can and close it in such a way you can sleep peacefully knowing it will be implemented fully as agreed.

You will learn how to deal with complex, dynamic, multi-party situations, how to deal with deadlock, how to defend yourself against strong-arm tactics, how to get your way when all the power is stacked against you.

It will give you techniques and tactics – right down to the level of ‘If they say  $x$ , you say  $y$ ’. But it aims to go beyond that too. It will give you advanced techniques, beyond the normal negotiation literature. It draws upon the fields of psychology, of body language, of economics, of neuro-economics, of game theory, of systems theory, of decision theory. It uses cutting-edge research to really give you that advantage in the negotiation.

### Enjoy the journey

And enjoy the journey. On the way, you are going to read about classic negotiations from business, politics and the world of international diplomacy.

And you will also come across evil dolphins, famous urinals, starving artists and anarchist rock bands, the discovery of Viagra, the negotiating tactics of Genghis Khan, the informational value of horse manure, sausage duels, how to set up your own cult and words of wisdom from Val Doonican’s mum.

Sound good? Ready to rock and roll? Let us start by defining some terms.



# NEGOTIATION MASTERY

## CHAPTER 2: THE STRONG WIN-WIN SYSTEM

If you are the kind that likes to skip the starters and main course and go straight to the dessert, here we will provide you with the bullet-pointed executive summary.

The logic of the Strong Win-Win system is:

- 1) Win-win is best even for selfish reasons because:
  - a. Win-win creates extra value and your share of this is greater than if you took a win-lose approach.
  - b. The negotiation counts for nothing unless it is implemented how you would like and, therefore, the other party must be incentivised to implement it as agreed.
- 2) However, many people are afraid of win-win because they feel it leaves them open to be taken advantage of. What is more, it only works if the other party adopts it too.
- 3) Therefore, use the Strong Win-Win system, which addresses these concerns.

Strong Win-Win involves strength and wisdom with an emphasis on both. Make sure you get your win, help them get their win. They are not independent.

And it boils down to four simple principles and a six-step method.

### **The Strong Win-Win Principles**

#### **1. It's not about winning the battle, it's about winning the war**

This is self-evident but easy to forget. The implication is not to be too fixated on saving the cent here or you will miss the dollar over there. Focus on the bigger picture, get a bigger win.

#### **2. In human endeavour, one plus one equals three**

One idea plus one idea equals three ideas or more. You have a cow, I have a bull, together we have a business. When the output is greater than the sum of the inputs, this is value creation and it is this that has driven the whole progress of the human species.

### **3. Never be rude to the waiter**

They will do unspeakable things in your soup. The negotiation counts for nothing unless it is implemented the way you would like so make sure the other party is incentivised to do so.

### **4. Be unmessable with!**

When the lion lies down with the lamb we will all be happy. In the meantime, that lamb is going to have to find ways to do business with the lion without becoming lunch. So the lamb needs toughening up, then the lion ain't going to mess!

The first three of these principles show the value of win-win, even for selfish reasons. The last is there to ensure that you do not stray into lose-win.

And, armed with these principles, let us enter our negotiation with the six-step Strong Win-Win method.

## **The Strong Win-Win Method**

### **1. Prepare!**

Let us put it simply: Olympic athletes spend four years preparing for one event, Sunday players stub out their cigarette and begin. Are you a Sunday player or are you a world-class professional?

### **2. Develop your Plan B**

Know *and develop* your alternatives. As the saying goes, “Never fall in love with one house, fall in love with three”. And then you never have to be needy, you can never be bullied; you are always prepared to walk away if the deal is not right. This gives you a lot of power in the deal.

### **3. Establish high credibility and high rapport**

Establish high credibility and they will not mess with you. Establish high rapport and they will be pleased to help you get your win. With these in place, it is negotiating downhill.

### **4. Move them to win-win**

Win-win only works if the other party is playing the same game. Many of the people you meet will default to win-win, others may need a helping hand. Show them the benefits of collaborating and talk in terms of their best interests. People respond in kind to your behaviour, so whatever behaviour you want to see, do it. They will reciprocate.

### **5. Solve the problem**

Reframe the situation as a problem to be solved. It is not you against the counterparty, it is the two of you against the problem. Sharing resources, sharing ideas, sharing knowledge, working together to create value and help all parties achieve their win. It is not an arm-wrestle, it is an arm-game.

### **6. Trust but verify**

Trust is good. There is a trust dividend and a lack-of-trust tax. But trust appropriately, do not be the fool that looks for fairness from a crocodile. The answer? Know how to tell if you can trust someone, know what to do to increase their trustworthiness and know what to do if you really cannot trust them at all.

Now, you may look at these and think there is something missing. Move them to win-win? How, exactly, do we do that, Simon? By magic? Solve the problem - again, by magic?

Well, yes, maybe there is magic. But, as Arthur C Clarke pointed out, any technology sufficiently far advanced will appear as magic.

So don't worry, we will give you the technology.



## CHAPTER 7: MOVE THEM TO WIN-WIN

### 7.1 TURN THEM INTO A SWORN-IN WIN-WIN FANATIC

This chapter is pivotal to the Strong Win-Win strategy. **A common reason for not playing win-win is that it only works if the other person plays it too. And there is a truth in this. But it is not a reason for changing tactics, it just means you have to move their thinking to win-win.** Which is often quite straightforward.

Many people are naturally win-win and doing business with these will be pleasant, rapid and highly productive all-round. Some people are naturally win-lose, indeed some steadfastly so. That is fine, these are a minority and we will see ways of dealing with these later.

But the large majority dither somewhere in the middle and they will need a helping hand. It need not be difficult – if you really are offering them a good deal, and it is communicated to them clearly, why would they not?

In a way, the whole book is about moving the other party to win-win. If you have prepared thoroughly, thinking about it from their side and yours, if you have developed a strong Plan B and if you have established high credibility and high rapport, most people will be on your side already and will be working with you. Add in the creative problem-solving techniques of the next chapter and the checks and balances in chapter 9, and you have many, many strategies to help you.

Here we will look at some other powerful methods to shift their thinking in the way you want it to go. Whether through being the example of the behaviour you wish to see, channelling their self-interest or other means, you can enter the negotiation confident they will respond positively. Do not rely on hope they will be a nice person, do not cross your fingers that they will like you – do something about it and make them win-win.

So what exactly can we do to turn them into a sworn-in win-win fanatic with the t-shirt and the certificate to prove it?

#### **Be the example of the behaviour you want to see**

Ok, listen up, here is a secret of the universe. I am going to say it quietly, so move in closer to the book. If you want people to behave in a

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certain way, this is a trick that works. It is almost like a magic wand – wave the wand and they will be how you want them to be. It is tremendously powerful. Ok, here is the secret: the large majority of people respond in kind to your behaviour. Consequently:

<b>If you are:</b>	<b>They will be:</b>	<b>The result:</b>
Stubborn and refuse to make any concessions	Stubborn and refuse to make any concessions	No deal. Despite the fact that there was a good solution available, you both walk away without a deal.
Defensive and hold your cards close to your chest	Defensive and hold their cards close to their chest	A sub-optimum deal. It is common 'wisdom' in negotiations not to give away any information. Actually, this ain't so wise. This approach leads to lower value solutions because the other party does not know how to help you get your best win. Plus, you miss the best deal available because you are both too suspicious.
Aggressive	Aggressive	A lose-lose deal. It rapidly becomes a fight and any deal agreed will simply not be implemented in the best way for either party.

It is only natural. But we can use this law to our advantage:

<b>If you want them to:</b>	<b>You should:</b>
Be open and honest	Be open and honest
Be trustworthy	Be trustworthy
Help you achieve your win	Help them achieve their win
Implement the deal in good faith	Implement the deal in good faith
Treat you with respect	Treat them with respect

Kind of makes sense, eh?

This is bad news and good news. The bad news is that it places responsibility for their behaviour on your shoulders. That is tough, it means you cannot blame them anymore for being unreasonable. If they are, perhaps it is in response to *you* being unreasonable in the first place.

But it is good news too because it now means you have a degree of control over their behaviour. If you want them to behave in a particular way, just behave that way yourself.

Is this a sure-fire, 100% guaranteed rule? No. There are no sure-fire, 100% guaranteed rules in life, I am afraid, your mum should have told you that already. But it will apply for the most part.

### **Trust engenders trust**

Think about it. Your deals are important and, fair to say, you want to work with someone you can trust. Some deals are so important you want to work with someone you could trust with your life, someone you could trust with your *cojones*.

Now, think about this: do you really want to put your *cojones* in the hands of someone who does not actually trust *you*?



**If they do not trust you, of course you cannot trust them.** So the question is: are *you* trustworthy? Sorry to turn it back on you but they will never be reliable if they cannot trust you.

How much do *you* hide information? How much do you not tell the whole truth? How much do you rationalise your motives after just a teeny-weeny bit of deception (for their own good, of course, and it was only that one time and ... and...yeah, yeah, yeah!).

Trust engenders trust. If they can trust you, they are more likely to be trustworthy themselves, as simple as that. As Henry Ford nearly said, "If you think you can trust or you think you can't, you're probably right."

So, show you have integrity and show you will deliver. Listen to them before you start talking about what you want. Find out what is important to them and demonstrate that you will respect that. Ask questions around it to make sure your understanding is correct and full.

**Under-promise, over-deliver.** Be clear about what you can and cannot do, with explanations why. If you are clear in your 'no', they will trust your 'yes' much more. And then try to go that extra mile in your delivery. Keep your promises and be accountable for anything that goes wrong. If there is a mistake on your side put it right. If there is a mistake on their side, allow and forgive.

Sorry, it is tough, isn't it? But it will pay off. All of these will build their trust in you, and thereby increase their trustworthiness at the same time.

Be easily readable. This may run counter to the advice given by many old-school negotiating books but if you are poker-faced then they will not know what you are thinking... *and so they will not trust you.* Keep the poker-face for the poker table. Remember, if they cannot trust you, you sure as hell should not be placing any trust in them.

Share some information with them. If you really do not trust them, it may be worthwhile starting with something small or low-value. Take it step by step and build the trust at a comfortable pace.

Reciprocation is one of Cialdini's rules of influence, in fact it is the first. If you do someone a favour, they are likely to do you a favour in return. Interestingly, studies show that they are actually likely to do you a *bigger* favour in return. Share some information with them and they are likely to open up and share information with you. If you show generosity upfront, they are likely to be generous back.

**Open-Book – Ricardo Semler, the Maverick**

The traditional approach of secretly holding all your cards close to your chest can be counter-productive. The open-book approach, on the other hand, is a scary thought but can be incredibly powerful in building trust and, more importantly, in generating extra value and finding the best solution for everyone.

Perhaps its most successful proponent is Ricardo Semler who wrote about his story in the book 'Maverick'. Based in Sao Paulo, he took over his father's business, SEMCO, a manufacturing company, when he was 21 and grew it from annual revenues of \$4m in 1981 to \$35m in 1993 and \$160m in 1999. And this against the backdrop of the Brazilian economic "lost decade".

His approach? Complete and total openness regarding all figures with everyone; with his customers, with his suppliers, with his employees and with the unions (Brazil is a particularly unionised country).

To give an example, his employees are allowed to decide their own wages. Yes, feel free to read that again, his employees decide their own wages. This sounds incredible and unworkable but, amazingly, it is successful.

It works partly because the same openness means that your decision about your salary is made within the context of full knowledge of the company's costs and revenue forecasts. Within that context, you can make a very accurate and fair estimate of what your job is worth economically. And it works partly because the same openness means the figure you set for yourself will be visible for everyone else to see.

In fact, the policy earned so much trust amongst the workforce that no one abused it, frequently resulting in real-term salary *reductions*.

The honesty of the totally open-book approach leads to a great trust amongst all stakeholders and a tremendously motivated workforce. As a result, SEMCO's growth rate is exceptional.

### **Expect them to behave in good faith and they will**

Mike Tyson is famous for being “the baddest man on the planet”. Brought up in Brownsville, one of the worst ghettos of the Bronx, at the age of 12 he was arrested for the 38<sup>th</sup> time and sent to Spofford Juvenile Centre. In a highly controversial career, he would frighten opponents by telling them he wanted to eat their children (and he was pretty convincing too), and rather than aim for his opponent's face, he would aim for the *back* of the head. As well as being convicted and jailed for rape, he bit the ear of Evander Holyfield, has punched photographers, admitted to various drug addictions and been declared bankrupt.

And yet, on his release from prison, his very first act was to go to a mosque, kneel down at the feet of Muhammad Ali and serve him food. A pure and simple act of humility.

Bad Mike Tyson, Good Mike Tyson. Everybody has both sides to them. Which one will you meet? Much of it depends on you. If you say to Tyson, “Come on if you think you're hard enough”, well you might get Bad Mike Tyson and you might regret it.

But relate to him as the person who did such an amazing thing on release from prison and you will find yourself dealing with Good Mike Tyson. How you relate to the other person drives how they behave to you.

And the only boxer more frightening than Tyson was George Foreman, 6ft 3½in of muscle, angry at the world and anyone who came near him. He is now an ordained minister and the smiley, cuddly guy who sells the Lean Mean Fat-Reducing Grilling Machine on television. Bad George Foreman, Good George Foreman.

Mostly, people do behave in good faith and this is true even with some of the tougher cookies if you behave in the right way with them.

**So, be trustworthy and they will be trustworthy in kind. Moreover, *show* trust in the other person and they are likely to live up to it.**

According to Cialdini, in one experiment a man is sitting on a busy beach, he goes for a swim, leaving his towel and belongings behind. Along comes a thief (part of the experiment) and takes his radio. 20% of the time, someone sitting nearby would get up and stop the thief. However, if the man first asked, “Excuse me, can you watch my things”, 95% of people stopped the thief. By placing trust in the other person, they respond.

It is the secret to Warren Buffett’s billions. He never sets targets for the chief executives of Berkshire Hathaway’s companies. Instead, every year he asks them to set their own targets. He says they always set the bar much higher than he would have. And he leaves them to it and trusts them to deliver and rarely checks in again until the next year. They always deliver. He shows trust in them and they live up to it.

**People live up to the expectation we have of them.** It is a well-studied social phenomenon known as the Pygmalion Effect. Robert Rosenthal, a Harvard Professor, showed that if teachers were told that a particular group of students were high-achievers (even though they were picked randomly from an averagely performing class), that group of students would perform much better in their exams at the end of the year. In other words, the teachers expected them to do well and the students lived up to that expectation.

This really is another secret of the universe. We live up to our expectations. Expect someone to be trustworthy and they will live up to it.



### **Action points**

A high-trust co-operative approach is by the far the most effective method of getting the best deal you can. However, this is only true if the trust is well-placed. Your counterparty is likely to follow your lead in terms of attitude and behaviour.

- ▶ Build trust by sharing information and by being trustworthy yourself
- ▶ Share information, at a rate that you feel comfortable with, judging by their response in behaviour.

### **Pray together and bring a dog**

There have been some interesting studies into which circumstances make people more honest.

In one experiment, Dan Ariely gave people a general knowledge test and had the answers marked and so was able to find the average number of correct scores, in this instance 4 out of 20. Next, he gave people the same test but afterwards gave out the answers and asked people to self-mark. Self-marking obviously made people more intelligent because, interestingly, the average increased to 7 out of 20.

He varied the circumstances of the test to see how they impacted people's honesty. Surprisingly, cheating did not increase with a monetary payment per correct answer. Nor was it linked to the likelihood of getting caught.

In one instance, though, a participant was actually an actor who stood up at the end of the test and said loudly that he got them all right. This did have a significant impact on the amount of cheating, depending on how the other participants saw him. If he was considered 'one of us' (because he was wearing the sweatshirt of their college), the amount of cheating would increase. But if he was considered an 'outsider' (because he was wearing the sweatshirt of a rival college), the amount of cheating would actually go down.

In another variation, he found there was no cheating at all if the questions were about the 10 Commandments! Nor did they cheat if the conversation prior to the test was about the 10 Commandments or if participants were told that, of course, the test was being conducted under the guidelines of the MIT Code of Honour. This, despite the fact there is no MIT Code of Honour.

Christoph Engel of the Max Planck Institute in Bonn also studied what makes a person generous. His studies verified the natural inclination that the more human-to-human the interaction, the more generosity. In other words, getting to know them better, building a stronger connection and, if needs be, taking the conversation away from the group and on to a one-to-one basis, will all increase their generosity. Showing you deserve such generosity also works in your favour. We shall return to Engel's work later for some more interesting findings.

Other studies showing ways to bring out people's better side revolve around The Prisoner's Dilemma. This is a mainstay of Game Theory where players can choose to collaborate (win-win) or to compete (win-lose) and has been researched extensively.

In one study, a group of people played the game after listening to a story of human atrocities; another group played the game after listening to a story of someone having their life saved with a kidney transplant donated by a complete stranger. The latter group collaborated much more than the former.

In another, Christopher Honts and Matthew Christensen at Central Michigan University used the Prisoner's Dilemma to study the effect of a dog's presence on people's behaviour. They found that people were 30% more likely to collaborate if a dog was around. They also found people were more likely to judge their fellow colleagues as cooperative and supportive if a dog was present. (Google, by the way, are one of a growing number of companies that allow or even encourage employees to bring their dogs to the office.)

It seems that certain things bring out the more honourable side of us. The MIT Code of Honour (whether it exists or not) and religious references seem to do so. So do dogs and uplifting stories.

Touch is yet another.

In a study reported by Barbara and Allen Pease, the University of Minnesota ran an experiment with two variations. The first involved a coin being left on the ledge of a public phone booth and, when an unsuspecting member of the public was in the booth, a researcher would appear and ask if they had seen a coin on the ledge. The second variation was identical except when the researcher asked about the coin, they also touched the person gently on the arm.

The first variation got a 23% success rate, the second, with the touch on the arm, got a 68% success rate. Touch increased the honesty of the other person *threefold*.

So lesson: bring a dog and hold hands while you say prayers at the beginning of the meeting.



### **Make the future more present**

Ron Luciano was a famous Major League baseball umpire, described as "one of the few umpires people have paid their way into the park to see." In his biography, he tells how, if he ever had a hangover, he would ask the catcher to do the umpiring for him. If it was a strike, the catcher would hold the ball a little longer; if it was a ball, the catcher would throw it straight back. Luciano could be so sure that the catcher would play ball (as it were) because he knew there was plenty of opportunity to get revenge should they ever try to get away with anything!

The likelihood of co-operation can be enhanced by making the future more present. You can do this by:

- emphasising future dealings (whether of a directly similar nature or not)
- make any lock-in period longer
- making future possible transactions larger or of greater value
- making interactions sooner and more frequent
- by limiting the numbers of other people that either you or they deal with.

All of these methods will give greater importance to future interactions and therefore incentivise them to play fair in this interaction at hand.

Breaking the transaction down into smaller parts can help, too, so if they do cheat, it is only on a small step and you can invoke your retaliation sooner. Instead of letting them pay everything after all of the goods have been delivered, deliver smaller amounts and have them pay after receipt of each delivery. This way, they are still incentivised to pay because they need the rest of the deliveries. Also, the amount that is at risk is much smaller. What is more, with each successful delivery and payment, you are building up a track record of trust and trustworthiness on both sides. If you can, structure it so you have to do as little of your side of the deal until they have done their side of the deal.



### **Action points**

People are more likely to be co-operative and trustworthy if they know they will be doing business with you again in the future.

Consequently,

- ▶ Emphasise the likelihood that you will be dealing with them again
- ▶ If you feel you need to, structure the deal so that the minimum is at risk if they do renege.



## 7.2 CHANNEL THEIR SELF-INTEREST

Probably the most powerful way of getting co-operative behaviour is to channel the self-interest of your negotiating partner. Find the link between their win and yours and, as they work towards theirs, they will help bring about yours. Easy. Except people are surprisingly dim at identifying their own win and you often have to do the thinking for them.

Even then, use short words as you explain it. It is one of the slightly disappointing aspects of our world that ideas do not succeed on the basis of their quality but on the basis of how well they are put across. You may have a wonderful solution that gives your counterparty all they ever wanted and yet, far too frequently, they will still say no, for whatever reason that makes some strange kind of sense in their funny little brain.

We have already seen many of the sub-skills of influence. Rapport is the sine qua non. Credibility, likewise. And much of the preparation is about building your case to persuade.

But, here in the meeting, perhaps the best and simplest way is to ask your counterparty directly what they are trying to achieve and then make sure you frame your message in those terms.

### **Give them what they want and you have a deal**

In 1980, Fidel Castro relaxed the restrictions on leaving Cuba and so began what became known as the “Mariel Boatlift” in which nearly 125,000 Cubans left for America. Craftily, Castro released many prisoners from jails and mental institutions, allowing them to leave for the States. American courts judged about 2,500 refugees to be unfit for asylum so held them for deporting back to their home country.

Of course, this was the last thing the asylum-seekers wanted and they caused riots in various holding institutions across the country. In Talladega Federal Correction Institution in Alabama, there were very dangerous men involved, having track records of murder and other violent crimes. They seized a number of employees and barricaded themselves in,

demanding guarantees they would not be sent home.

Gary Noesner, a senior FBI officer, was brought in to negotiate with them. For days the talks went nowhere. Neither side gave an inch.

As time passed, however, the rioters naturally became hungrier. Noesner decided to open up a new front in the stand-off. One morning, he ordered the prison staff to fry bacon and brew coffee. The smells floated through the prison. Rioter stomachs gurgled loudly. The next lunchtime, a large grill was set up to cook hamburgers for the riot police. Rioter stomachs gurgled seismically.

A cruel ploy but effective. Later that night, an inmate called on the phone: “We want to talk. Outside. Right now.”

If they are hungry and you have food, you have a deal.

### **Building a frame to persuade**

What do you do if they are not hungry?

The first point to make is do not give up too easily – a successful salesperson will tell you that “No” does not mean “Never”, it means “Not yet”. That is, they have not been persuaded yet. Resistance to an idea is often an expression of *ambivalence* rather than outright opposition, in which case work on strengthening the merits of your case.

Lyle Sussman says you build a frame to persuade. And you do this in four steps:

1. Identify your objective
2. Conduct SWOT analysis *on the other party*
3. Determine the other party’s core values
4. Write a simple, vivid statement that links the above.

The beauty of this approach is that it uses the dynamics of *their* situation to reach *your* objectives. You use their strengths, weaknesses, opportunities, threats and values to make your objectives the convincing route forward.

And use vivid, colourful language. In one experiment, jurors were asked to arbitrate on a contractual disagreement where, unbeknown to the jurors, both contractor and sub-contractor were acting from a script. There were two versions of the script which were identical in content but one used more colourful language than the other (for example, using the word ‘jagged’ instead of ‘rough’). The jurors found in favour of the contractor *twice as frequently* when they used colourful language.

Emotional words can be effective too. Emotions have a place in negotiations. In Camp David in 1978, the talks between Menachim Begin, the Prime Minister of Israel, and Anwar Sadat, the Egyptian President, were still facing difficulties even on the last day. In Jimmy Carter’s book, *Talking Peace*, he describes:

“In the end, something unexpected almost miraculously helped to break the deadlock. We had made some photos of the three of us and Begin has asked me to sign one for each of his eight grandchildren. Sadat had already signed them. My secretary suggested that I personalise them and on each of them I wrote the name of one grandchild above my signature. Although Begin had become quite unfriendly towards me because of the pressure I was putting on him and Sadat, I decided to take the photographs over to his cabin personally. As he looked at the pictures and read the names aloud, he became very emotional. He was thinking, I am sure, about his responsibility to his people and about what happens to children in war. Both of us had tears in our eyes.”

Shortly afterwards, Begin agreed to all of the remaining contested points and the accords were signed that day.

### **Seeding your ideas before the negotiation**

Like a ship at sea, it takes people a while to change direction so if you are trying to persuade them, do not expect them to change their mind instantly. **Give them a chance to think about your idea and come around in their own time.**

If you need an answer in the upcoming meeting, find ways to get your message across beforehand. Sell your idea outside of the negotiation room then it will not be new to them when you meet. If you are lucky they will even present it back to you as *their* idea. Why is that lucky? Because then they will truly own it and you will be sure they will implement it. As Harry Truman said, “It’s amazing what you can accomplish if you do not care who gets the credit.”

Send them pre-meeting material, suggest it on the phone, chat about it at the coffee machine. Get out the map of their world that you drew as part of your preparation (you did, didn't you?) and look to see what indirect ways you can get your message to them. Who do they talk to that you can talk to? Who do they listen to that you can reach?

You can do this under the guise of soliciting information, it is much easier to get someone's time and listening if you are asking questions rather than overtly pushing an idea. The very act of questioning, though, can itself be a vehicle for the selling.

### **Using questions to persuade**

Questions, in general, are an unintrusive but powerful way to persuade. Remember the other party has come to the negotiation table for a reason. Questions that keep these reasons to the front of their mind will maintain their motivation towards a deal.

Now, people fall into two camps; they are either motivated *away from* problems and risks or *towards* goals and benefits. So, to catch both personality types, ask questions about both.

Ask questions about the problem they are facing that brings them to the negotiation table. Explore it, each question you ask about the problem keeps it in the foreground of their mind and reminds them why they are here.

But you can go further. Ask questions about the impact, it will *increase* their drive to do a deal. Exploring the possible knock-on effects of the problem magnifies any motivation they have for resolving it.

- Car mechanic: I noticed the brakes were squeaky, we could fix that while you're here. It won't cost a lot.
- Customer: I know, I need to sort them out. But I'm a bit short of cash at the moment so I will do it later.
- Car mechanic: Ok. What do you think the problem is?
- Customer: Well, I'm sure you know. They're old and worn and need replacing soon.
- Car mechanic: What could happen if you don't replace them?
- Customer: Well, I suppose, the worst-case scenario is they could fail on me and I could get involved in some sort of a crash.
- Car mechanic: Is it just yourself in the car normally?

- Customer: No, actually. My wife usually drives it, she takes the kids to school in it. Hmm, maybe I should sort them out now. Go on, it won't take long, will it?

By exploring the problem and then the potential implications, the car mechanic was able to persuade the customer to go from "I will get round to it soon" to "I will do it now".

This works with people motivated away from problems and risks. You can also increase their "towards" motivation by asking about the benefits of striking the deal and then the possible implications of these.

- Customer: I think that's too expensive, I can decorate the house myself.

- Decorator: Sure, it probably makes a lot of sense. What made you ring us in the first place?

- Customer: Well, obviously you would do a more professional job than me and perhaps you could do some things that I wouldn't be able to do at all.

- Decorator: And why is that important to you?

- Customer: Well, I'm decorating it because I want to sell it and, of course, the nicer it looks the faster it will go.

- Decorator: Is there any other reason why you wanted a professional in to do the job?

- Customer: Yes, you said you could start straight away and you would get it finished within the week. That would be great, I could have people viewing the place next weekend.

- Decorator: Why do you want to sell it quickly?

- Customer: Well, I'm moving abroad and the sooner I sell up, the sooner I can go. I'm really excited about it, I want to go now! How much did you say again? Maybe we can strike a deal after all...

These questions took the customer's mind to the benefits of striking a deal. Again, the questioning took it further and the deeper into the benefits it went, the greater the energy for the deal. We can see in this example a hierarchy of benefits:

- Level 1 benefit: do professional job
- Level 1 benefit: finish the job quicker
- Level 2 benefit: sell the house quicker
- Level 3 benefit: move abroad quicker and start new life straight away.

The first level benefits helped motivate them, the second level benefits motivated them even more. But it was not until the discussion

moved to the third level of benefits that the customer became really excited and decided to strike the deal.

The other party's incentive to come to a win-win agreement comes from the gap between the problem they are currently facing and solution that the deal would bring them. The larger they perceive this gap, the greater the incentive. These questions not only keep the problem and the solution in the forefront of their mind, they also magnify the potential problem and magnify the potential solution and thereby increase their incentive to a deal.

Furthermore, the beauty of this approach is that you have not overtly tried to persuade them at all. You have only asked questions and, in answering them, they have convinced themselves. This is a much more effective way of convincing.

### **Don't shoot the dog**

Karen Pryor has written a marvellous book on changing behaviour called "Don't Shoot the Dog" and her methods can be very powerful in bringing the other party around to a win-win approach.

Pryor was a student of B.F. Skinner, of behavioural conditioning fame. Skinner's idea was that behaviour could be developed by punishing the behaviour you did not want to see and rewarding the behaviour you did. And with this method, he trained rats to run through mazes and pigeons to play table-tennis. Apparently, his students tested the model on himself – every time he lectured from the left-hand side of the stage, they would smile, nod and look attentive; every time he lectured from the right-hand side, they would frown, look down and uninterestedly rummage in their bags. The story goes that he nearly fell off the left-hand side of the stage.

Pryor got a job as a dolphin trainer and brought similar methods to the job. Her variation was to ignore negative behaviour rather than punish it because she found punishment counter-productive.

A new dolphin would enter the pool, swim around and, when it did something interesting like jump out of the water, she would throw it a fish. The dolphin would be pleased but would not make the connection.

A little later, it might jump out of the water again and again she would throw it a fish. The same a third time and perhaps by now the dolphin would make the connection and start continuously jumping out of the water.

Once that trick had been learnt, Pryor would stop rewarding it. The dolphin would be confused – “Hold on, why aren’t I getting any fish?”. But maybe it would do something else interesting, swim on its back, for example, and Pryor would reward that. “Hmm,” thought the dolphin. It would swim on its back again and get another fish. “Now, I’m getting fish for swimming on my back. What’s going on?”. Of course, once it had learnt that trick, too, Pryor would stop rewarding it. The dolphin would be confused again.

According to Pryor, after it had learnt a few tricks in this manner, the dolphin would eventually click (well, that *is* what dolphins do). She says they would go mad, swimming around excitedly doing all kinds of tricks just to show off what they could do – juggling whilst riding a unicycle and reciting the works of Shakespeare (in dolphin, obviously).

She went on to train many other animals and describes similar results with each and she has contributed significantly to the spread of “clicker” training for dogs, probably the most common form of dog-training, which uses similar principles.

Now, evidently, you are unlikely to be negotiating with a dolphin. But it turns out that what works for dolphins, rats, pigeons and dogs, also works for negotiators. Of course, you need a different reward system. Throwing a fish at them or clicking a clicker is unlikely to impress your co-negotiator (feel free to experiment, though).

In a negotiation the reward, of course, could be a concession but it does not need to be. It is usually something as simple as thanks or acknowledgement; simpler still, a supportive nod of the head. But such positive marking of the behaviour reinforces it and makes it more likely to happen again.

Labelling the behaviour as an identity trait also works. Let us say they suggest a solution to one of the areas of dispute; if you say that they are a good problem-solver, you are likely to get more of that behaviour.

Try this every time your counterparty does something that has a win-win flavour and do not be surprised if very soon he is juggling whilst riding a unicycle and reciting the works of Shakespeare (in dolphin).

### **Understanding group dynamics to influence**

What do you do if, as is frequently the case, there is more than one person in the room? The answer, according to the work of Michael Grinder, is to identify three types of people and work with them. They are the leader, the advisor and the barometer.

The leader of the group is the most important, they are the final decision-maker, and it is they whom you need to persuade primarily. They are usually obvious by their behaviour – they are likely to be the first to sit down and the first to pick up their papers to leave, they are likely to both open and close the conversation and they are likely to be the person that talks the most.

But not always so. More tellingly, the leader is revealed by other people's reaction to them. Others will show noticeable deference to the leader, they will agree with them, they will stop talking if the leader talks over them and they will usually look at the them and listen observably as they speak.

Target the leader but not always directly. The second important type of person is the advisor. This is the person who the leader listens to and seeks advice from on certain matters. They can be an oblique route



to your target. Engage with them and persuade them and they will do the work on the leader.

And the third type of person is the barometer. The barometer is the person who is the quickest to show the group's thinking and they can be a useful way to read the leader's mind. The barometer thinks the same way as the leader but are easier to read, either because they are quicker of thought or because they are more expressive in their reaction. As a result, you can tune into their responses (verbal or non-verbal) to gauge how well your arguments are working.

Let us say you are talking about something contentious and you notice the barometer starts moving around on his chair in an agitated manner. The leader has not expressed anything but you still know that he has a concern from *the barometer's* behaviour. Armed with this, you can pro-actively acknowledge the concern ("I'm sure some of you are thinking...") and address it. They will be impressed.

And not only may there be more than one person in the room, there may be more than one *group* in the room. You may have operations staff present, for example, and the finance team. In larger negotiations there can be many teams involved and each will have different criteria and different motivations and you will need to address all of them.

The process is the same: for each group, identify the three types of people. Read the barometer, persuade the advisor but your target is the leader.

### **Even deadly enemies can be turned around**

To quote George Mitchell, "At the heart of all the problems in Northern Ireland is mistrust. Centuries of conflict have generated hatreds that make it virtually impossible to trust each other".

After centuries of mistrust, is it any wonder it took years to re-build it. The talks that led up to the Good Friday Agreement took three years. And that was after years of other talks paving way for these.

The final deadline was set for Good Friday 1998 and it was not until the end of this day that Mitchell knew he had success. For the whole three years up until this point, though his remit was to

be publicly optimistic, he had no idea whether they would succeed or not such was the bad feeling between all parties.

But finally peace was agreed.

And in an almost miraculous turn around trust was re-built. Ian Paisley became First Minister of Northern Ireland and Martin McGuinness, his deadly enemy, became his Deputy.

They ended up working remarkably well together, to the extent that they were known as The Chuckle Brothers, such was the lightness and humour with which they worked together. After Paisley retired, McGuinness admitted to telephoning him for advice and even just to see how he was.

It can take time to build trust. But the return on the investment makes it worth it.



### **Action points**

People are more likely to be co-operative and trustworthy if they know they will be doing business with you again in the future.

Consequently,

- ▶ Emphasise the likelihood that you will be dealing with them again
- ▶ If you feel you need to, structure the deal so that the minimum is at risk if they do renege.

### 7.3 DEALING WITH DIFFICULT PEOPLE

If you take the approach that has been described in the book so far, the other party is likely to adopt a win-win strategy too. Even if they originally had quite a different mind-set, the techniques in this book really will turn people around.

But some people can be quite stubbornly *not* win-win and there will be instances where they just do not play the game. They can be unreasonable, they can be unwilling to compromise, unwilling to accept a 'fair' deal, they can be personally abusive, even aggressive, they can be manipulative or hold back information, they can lie, they can use tricks, they may use their muscle simply because they can.

So in this section, we will look at how to deal with these.

#### **Manage your response**

The first thing to do is manage your own emotional response so you can choose your optimum strategy in a reasoned way.

Jonathan Cohen, a neuro-economist at Princeton, has studied what actually occurs in the brain during economic transactions. During the Ultimatum Game, for example, if someone is offered less than they consider a fair amount, the emotional part of the brain, the amygdala, kicks in and we get angry. Shortly afterwards, the pre-frontal cortex may step in and over-ride the anger with a more detached, logical reaction.

Cohen says some people are better at regulating the emotional response than others. In a negotiation, you want to be in control of your emotions so you make the right decisions. If you are dealing with someone who is not playing the game, let your pre-frontal cortex run the show.

Mostly, people respond out of habit. As such, we tend either to fight back, give in or walk away from the negotiation – the evolutionary fight/flight/freeze response of the amygdala. We are not in control of this, it is our pattern rather than a thought-through response.

Whichever your fight/flight/freeze response, it is not the Strong Win-Win way. Why not? Because you are not in control of automatic responses, they are just programmes that run you. Strong win-win says evaluate which of these is appropriate at any given time. then put it into practice in a managed way. This is not easy and some of you will find it difficult to be more assertive when you need to be and some of you will

find it difficult to be generous when you need to be and some of you will find it difficult to walk away when you need to.

But by thinking consciously about how we react, we retain control of the programme. To do this, first pause. Do not react immediately but instead take a breather. Timothy Gallwey, author of the celebrated “Inner Game” series of books, says “STOP!”.

S – Step back

T – Think

O – Organise your thoughts

P – Proceed when you know your best action.

Remember, you do not have to answer immediately. You can:

- pause simply in the moment
- hand over to a negotiating partner in your team
- call for a time-out
- break off until the next meeting.

As you evaluate your possible actions, remember to stay focused on your outcome from the deal. Even the pause itself can be enough to change the dynamic. If they are shouting at you or being abusive and you refuse to reply in kind but simply wait until they finish and then sit there quietly for a further 10 to 15 seconds, it can be enough to show up their behaviour without actively labelling it. It will often bring them around to a more reasonable approach.

As Fisher and Ury say in “Getting to Yes”, separate the person from the behaviour. Make all constructive (ok, negative) judgements about the behaviour or results and not about the person. On the other hand, make all positive judgements about *them*. Compare “shouting is not helpful” and “this clause here needs changing” with “you can be very diplomatic” and “that’s a good idea of yours”. The first two are constructive and strictly about the behaviour or thing and the second two are positive and relate to the individual person.

Of course, if they are being especially difficult, this can be challenging. I had one friend who worked as a mediator between trades unions and management and he said that both parties would be incredibly abusive to him as though it was all his fault, personally. They would say tremendously rude things straight to his face but it would never affect him. He would imagine they were primitives throwing sticks

and stones at him and would mentally duck out of the way and think “Oh, that’s interesting they said that” but not let it affect him.

If it is a personal attack, do not respond defensively. Pause, the silence may embarrass them. If necessary, break the mood by suggesting a break. Or ignore the comment and stay with the issue at hand, re-directing the attack on you to an attack on the problem. Use “we” language rather than “you” and “me”.

### **Remind them of why they are here**

If you want a successful deal and they are not playing win-win, it is up to you to show them the benefits (to them) of doing so. Remind them of why they are there at the negotiating table. Remind of their bigger picture interests. Remind them of why what you are offering is of benefit to them. Remind them of their alternatives, what they would be left with if you walked away. You may even have to dollarise it, put figures to it, to spell it out clearly.

William Ury, co-author of ‘Getting to Yes’, also wrote ‘Getting Past No’, which is specifically about turning people around when they are not playing the game. He says if you want people to be more reasonable and win-win orientated, you may have to do the thinking for them. If what you are offering really is a good deal, this should be enough to bring them to their senses but you may just have to spell it out.

### **Be strong in the deal...**

Now, more than ever, credibility is critical – you need to be strong in the deal and earn their respect. The Strong Win-Win view is never let yourself be bullied.

Bear in mind, bullies bully people who ask to be bullied. Perhaps that is harsh but we can certainly say bullies bully people when they think they can get away with it. It is important they know you will not tolerate it.

This is a key part of the Strong Win-Win philosophy. Act credible and they are much more likely to treat you with respect. Being strong in the deal is essential.

So remember all the material about displaying credibility; the stronger you come across, the more they will treat you with respect.

**. ...And focus on the relationship**

And, of course, there is still the balance to be found between being strong in the deal and focussing on the relationship. If you are strong *and* you have a good relationship you will get your best deal.

If the difficult behaviour is through email or letter, respond by telephone or, better still, face to face. Get human to human. Mention a common friend, remind them of your common Scottish ancestry or your shared love of sericulture. Remind them you are ‘one of us’ and they will probably change their tune.

**Try to understand their behaviour**

Try to see it from their point of view – who knows, they may have a good point. Even if not, if you acknowledge how they see it, that will take a lot of the wind out of their sails.

Actively listen and ask questions to recognise where they are coming from. Play back to them your understanding and ask have you missed anything. Show you appreciate their feelings and tell them that, if you were in their shoes, you would probably feel the same.

Look for what you can agree with but do all of this confidently and standing up for your own views at the same time. It does not mean that you have to give in to their pressure, it just means acknowledge how they see things. We often dismiss our opponent’s demands as irrational or unfair but this is not true. They have a rationality, it just might not be yours. Find out their drivers, find out their reasoning and work with it.

**Breakthrough in the Northern Ireland peace process**

Acknowledgement of the other party’s views and feelings can really change the whole dynamic. In 1993, a joint statement was issued by the British and Irish governments, recognising the other parties’ concerns re the Northern Ireland situation and their commitment to addressing them. This changed the tone from conflict to acknowledgement. As

a result, the IRA could no longer see the UK government as a military enemy and were able to renounce all military activity. A major breakthrough. The Unionists responded. Peace could finally be countenanced.

### **Appreciate their concerns**

Roger Fisher is also the author of “Beyond Reason”, in which he looks at the role of emotions in negotiation, and he believes that a core emotional concern of many negotiators is that they are appreciated. Taking the time and making the effort to appreciate the other person can have a massive effect on the communication.

To appreciate:

- 1) Really listen to their point of view
- 2) Listen to the sub-text of their communication
- 3) Listen for the emotion
- 4) See the merit in their position
- 5) Communicate that you understand and see the merit

Important: you can appreciate their point of view and still appreciate your own. Appreciation does not mean giving in. However, it does open up the communication to a completely different level.

People’s behaviour is never in isolation, it is in response to the behaviour of someone else. If you want to change someone else’s behaviour, often the easiest way is to change yours. So consider just how you may have contributed to their behaviour and how you can change that.

Milton Erickson, the great American clinical therapist, described how when growing up on his father’s farm, his father tried to get a calf into the barn. The calf was extremely stubborn and no matter how hard Erickson’s father pulled, he could not pull him inside. Erickson, just a boy, thought of a different idea. He tried pulling the calf *out* of the barn. Of course, that stubborn calf just pulled back even harder, and slowly it pulled itself and Erickson into the barn.

If they have been stubbornly defending a position that is untenable, pushing harder is not necessarily going to make any difference. Try changing tack in some way and they, necessarily, will change tack too and you may just get your result.

### **Take the neutral perspective**

We have just seen how powerful it can be to see things from their perspective. It can also be very useful to take a neutral perspective. Mentally step outside of the situation, into the fly-on-the-wall position, and look at the two parties as if they were 'over there'. From this perspective, what can you see?

Imagine being a mediator: if you had to mediate between these two parties, what would you suggest to each? Whilst you have your point of view and your interests to be met, if you stay stuck in that position (and they stay stuck in theirs), it could be you do not progress. If you imagine how a mediator would handle it, it may enable you to move forward.

### **Allow them a way out**

A lot of negotiation is about face. You need to treat everyone with respect and everyone as a high status individual. Making a concession can impact a person's self-image because it makes them feel weak so they are naturally loathe to do this. Giving them respect will make them feel better about themselves and so they will not be worried about making concessions.

Give them respect so you can get a better deal. And, of course, give yourself respect too. They will only appreciate the respect you give them if it comes from someone who respects themselves.

Help them make a concession by showing that circumstances have changed and the new circumstances support the changed position (even if it is the Tuesday reason – "Well, of course, its now taking place on Tuesday and Tuesdays are more expensive".)

Give them a way out that enables them to back down with grace. Make it their idea – giving them credit for it is often all you need for them to take it on. So explore their ideas and build on them. Say your idea sprung from something they said. Give them a choice of options – when they choose, it is now their idea.

You may also need to help them sell it in. Maybe that is the explanation for their unreasonable behaviour, that their internal constituency are being unreasonable. Work with them on strategies, arguments and independent benchmarks that will bring these third parties on board.



### **Talk to the people you need to**

In 1998, the closer the Northern Ireland peace talks got to agreement, the more bombs were going off that looked to threaten the whole process. Vested interests were probably to play, many people did not necessarily want to see a return to law and order. It was causing a lot of tension and mistrust amongst the parties trying to come to an agreement. Mo Mowlam, the British Secretary of State for Northern Ireland, went to the Maze Prison to visit the prisoners. These had a special position amongst the people of Northern Ireland. They were generally considered heroes, they were the hardest of the hard, they were the most likely to be against the process. But by meeting them face to face she pulled off a coup and they came out in public support of the peace process.

### **Call them on their behaviour**

Whilst no excuse, sometimes people act aggressively or abusively without realising. Other times it is because they think they can get away with it and sometimes it is because they are desperate.

Calling them on their behaviour, with varying degrees of diplomacy, can shine a light on what they are doing and force them to reconsider their approach.

Even in extreme, you do not have to lose your temper but a firm statement of your position will be more effective: "Listen, I am happy to continue negotiating but not like this. Either we can negotiate on a more reasonable basis or we can reconvene until a later date when you are ready to negotiate in good faith."

### **Tit-For-Tat**

Fisher and Ury believe that the principle-centred approach, as outlined in 'Getting to Yes' and 'Getting Past No' is usually enough to help people behave reasonably.

The Strong Win-Win philosophy agrees but believes combining it with Tit-For-Tat toughens it up.

Supported by some game-changing research by Robert Axelrod, which we will see later, the Tit-For-Tat strategy says be open and trusting and co-operative at first but if the other party lets you down, punish them in your next dealings with them. Now dealings does not mean deal. It can be the next meeting you have. But the principle is to start by co-operating and assuming co-operation on their part; continue co-operating as long as they co-operate; but as soon as they act negatively, retaliate.

Dr Mike Webster has helped design the FBI programmes on hostage negotiation. He promotes this parallel approach to crisis resolution, combining the promise of reward for good behaviour and the threat of penalty for bad behaviour, as the best method to bring the other party around.

It is carrot-and-stick, we all know it. You also need to be clear about this so that they know the impact of their behaviour and your threats and your promises need to be credible, which means following through on them.

But this way, you incentivise them to act in good faith. If they want the best deal on the table, they need to act in good faith to get it.

Axelrod suggested the following rules as a basis for a winning strategy:

- Be nice: start by co-operating and continue co-operating as long as they do
- Be provokable: retaliate as soon as they defect
- Forgive: co-operate again when they resume co-operation
- Be clear: let them know what you are doing and why so they know what to expect.
- Do not be envious: don't worry about how much they get, maximise how much you get.

Subsequent research has suggested that real world situations produce better results if they follow the strategy of Tit-For-Tat+1. The plus one, in this instance, means not retaliating immediately if provoked but allowing the other party a chance to make amends.

This is because real world situations are often complex and allow “noise” into the system. So the action as intended and the action as interpreted are not always one and the same. Consequently, it is best not

to go nuclear straightaway. Instead, communicate what has happened, communicate that it is not acceptable but give them a chance to explain or apologise or undo. If they repeat the behaviour, then you retaliate.

Using the plus one as a buffer in this manner prevents situations becoming hostile unnecessarily, through accident or misinterpretation.

Sukhwinder Shergill, at University College London, conducted a highly illuminating experiment in 2003 which illustrates how conflicts can escalate rapidly, even though neither side wishes it and both sides think they are behaving perfectly fairly.

His experiment involved two volunteers taking turns to apply pressure to the other's finger. The instruction was to give exactly the same pressure to the other person, as you felt you received. No more, no less. In practice, however, each person gave on average 40% more pressure than they had just received. This happened every turn so the situation escalated rapidly in spite of both sides genuinely thinking they were being fair and the other party was out of order.

How often do real-world scenarios with your partner, your boss, your negotiating counterparty mirror this behaviour precisely? What seems legitimate from one perspective appears belligerent to the other.

**Tit-for-tat+1 gives an escape route and reduces the chances of needless escalation.**

### **Last resorts**

If you are still not making any progress, take stock and re-consider whether you want to continue. Why are you negotiating in the first place? What is your bigger picture goal? What is your Plan B and what is your counterparty currently offering? Which is, in reality, the better?

In this light, do you still want to negotiate?

If you do, what power can you bring to play that may force them to be more reasonable? See the chapter on power for an in-depth exploration of different sources of power available to you.

However, power should be used as a last resort and needs to be done skilfully because using it is often counter-productive. If you use power, they are very likely to use power in response and it will rapidly go downhill. According to Roger Fisher, you need to make it easy for them

to say yes at the same time as you make it hard for them to say no. That is, always leave your best offer visible for them.

Do not assume they have thought through the implications of not agreeing. It is best to do it in a neutral, non-threatening kind of way. Ask them “What do you think will happen if...?”, “What will you do if...?”, “What do you think I will do if...?”, “If you were in my shoes, what would you do if...?”, “What do you think my boss will demand that I do if...?”. These are not threats. Threats, to repeat, will be counter-productive and people do not respond to them. Instead, objectively make apparent and explore.

And, in the last resort, if you have to, act accordingly.



### **Action points**

People are more likely to be co-operative and trustworthy if they know they will be doing business with you again in the future. Consequently,

- ▶ Emphasise the likelihood that you will be dealing with them again
- ▶ If you feel you need to, structure the deal so that the minimum is at risk if they do renege.



### AFTERWORD

There you have it. Everything you need to become a master negotiator.

Now, get out there and put it into practice. Everything in this book is theory, it only becomes real when you do something with it. Remember, no one ever learnt to swim by reading a book.

And as you put it into practice, I urge you to do so ethically. Ethics are really outside the domain of this book. I would like the world to be a better place and much of my work is conducted with that in mind but I am not writing the new Sermon on the Mount. I will leave it to the philosophers and the clergymen to discuss such matters and I will leave it to you to make your own moral choices.

But, that said, let me ask you a question: what are you voting for? Are you voting for war, gangs and fear on the streets? Or are you voting for greater wealth for everyone, in both monetary and non-monetary terms. Your actions are your votes. Whatever you may say at dinner parties or shouting at the television, it is your actions that count. If you act deceitfully or play hard-ball, you are voting for a world of deceit and conflict and you may well get it. And you will not be able to complain the next time you hear of a Madoff scandal or a politician decides to build a road in your backyard or a kid steals your wallet. It is the world you voted for.

Roger Fisher once told John Grinder the story of a plane hurtling to the ground and the captain says to the co-pilot, “You need to pull your socks up or you’re going to be in trouble”. We *all* need to pull our socks up or we are *all* in trouble. It is no good pointing our fingers at others – at the banks, at the regulators, at the press, at the politicians, at the unemployed, at the super-wealthy – it is all of us. We are all in it together and we all need to change.

Your actions (yes, mine too) contribute to your culture so create the culture you want to see. Have you ever noticed when queuing in a supermarket, that if you are friendly and chatty to the checkout-attendant, they will in turn be much friendlier to the next person in the queue? It creates a ripple effect. And it creates a greater chance that the next time you are there, the person *in front of you* will be friendly and chatty to the checkout-attendant, so they will then be automatically nice and friendly to you.

If this does not persuade you, that is fine, I have an ace up my sleeve. In fact, forget the ace, this is my Smith & Wesson. The most

compelling reason to be ethical in your dealings is that it actually gets you your best deal. The reason being that the win-win approach to negotiations creates extra value in the deal, you spend more time creating and less time fighting. Your share of that greater value is more than if you won through a win-lose approach. What is more, you can be assured that the deal will be implemented as agreed.

So be good, like your mamma said, and you will get your best deal. For purely selfish reasons, the win-win approach is best.

And win-win is infectious. When people see the positive gains it brings, they catch on and do it more. If you arm-wrestle, even if you win, it is exhausting. Win-win is easier, quicker, less tiring, more fun and the win is bigger. It is a no-brainer.

Of course, win-lose arm-wrestlers are still around. Which is why we have introduced the Strong Win-Win system. Use that and you can be confident in leading the way to win-win. Even the arm-wrestler can be persuaded to go win-win and as they do, they see the benefits, so they will try to do it themselves in the next negotiation. It is another ripple effect slowly progressing through the world.

And one last thing, one last little technique for becoming a negotiation master: be in touch with your vision. There is an apocryphal story of three people working on a building site and one of them is asked what he is doing, he replies he is laying bricks. The second is asked what the same question and replies he is building a church. The third is asked and replies, "I am building a house for God". Now, whatever your religious views may be, it is easy to see that this third person will be the most motivated and the most energised in their work, they will lay the bricks most expertly, they will love their work the most and will be most dedicated to becoming a master.

You will be inspired to master negotiation by a vision bigger than the negotiation itself. So what is your vision? What inspires you? Is it to make lots of money? Fine. Is it the joy of negotiating in itself? Or to become the great negotiating superhero making the world a better place (wearing a lycra suit and your underpants on the outside)? Whatever is your vision, get back in touch with it.

Now, you have probably all seen someone who is such a good negotiator, they just seem to create results out of magic. Well, it was not magic, they had a technology.

You, too, now have that technology. With the tools you have read in the preceding chapters, go out and perform magic. Surprise, astonish,

inspire. To get the best deal you can, to build the best life you can and, yeah, why not, to build the best world you can.



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