A New Model of Human Interaction

Conventional Wisdom:

- 1970s Research:
- Based on Conflict, Game Theory, Arms Length Transactions

- Based on...
 - Power, Leverage, Logic
 - Rationality, Walkouts, Win-Win
 - Threats, BATNA (invoking competition)
 - Take-It-Or-Leave-It
 - My Way or The Highway

Innovative Wisdom:

- Current research
- 4x as much value created
- Better starting point, more cooperation from them

- Based on...
- Finding, understanding and valuing the pictures in their heads
- Their perceptions & emotions
- People & relationships over facts

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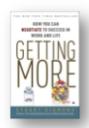
Persistent collaboration





More precise
 separation of friends
 & foes

Persistent fairness



Using Power and "Leverage"

Why is this a problem?

- Revenge, retaliation
- Withheld ideas
- Wasted time
- Instability

Threats

Definition:

A warning to harm the other party

Results:

- Anger, irrationality, indifference to self-harm
- Changes focus from solution to threat itself
- Destroys relationships and value
- Retaliation, hidden weapons, 3rd party support
- Carrying out threats often costly

Deadlines

Effect of time pressure on negotiations

- Less information processing, more stereotyping.
- Fewer options, less value added
- More emotion, stress and bad judgments.
- More use of raw power, worse relationships
- Worse deals, no deals, avoiding negotiation

Emotion

Causes

- Lies, insults, extreme positions, loss of face/control
- Dashed expectations, high stakes

Results

- Stop listening, punishment, retaliation
- Clouded judgment, loss of focus on goals

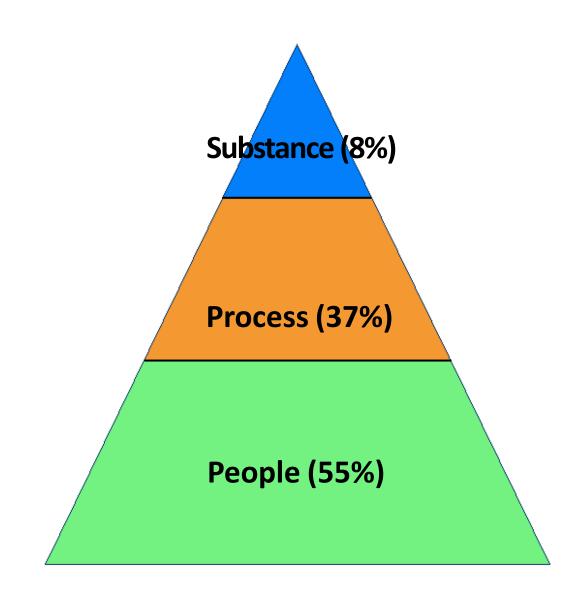
Every negotiation begins as an emotional negotiation

Antidotes to Emotion

- Take their emotional temperature. Acting against own goals/needs?
- Understand causes of their emotions
- Make emotional payments: empathy, apologies concessions.
- Value their emotions, talk about their needs (makes them feel better)
- Suggest a return to better times and an incremental road back
- Show how actions by you will not recur; correct erroneous facts
- Use third parties, common enemies; apply their standards (gingerly)
- Avoid extreme statements; causes more emotion

Your Emotions

- Take a break
- Ask yourself, "Is my style contributing to the situation?"
- If so, get another negotiator
- Lower your expectations
- Don't take it personally



The Process Begins with GOALS

Are our actions meeting our goals?

More Effective Communication

- ALWAYS Communicate
- Value/Don't Blame
- Articulate Your Goals
- Ask More Questions
- Notice Small Signals
- Discuss Perceptions

- Focus On What's Controllable
- Arguing Over Past=No Value
 Consult Them: No Unilateral
- Listen More Carefully
- CREATE VISION OF FUTURE
- Greet Emotion W/Empathy

Have A Firm Grasp Of The ObviousAnd Say It

It's Just A Conversation

Debating Who's Right: Pointless Unless It's A Debate

Situational Negotiation

- What are my goals? (What do I want?)
- Who are they? (What do they want?)
- What will it take to persuade them? (What should we trade?)

Increasing Your Power in Negotiations

- Improve Alternatives To Agreement Perception Of Competition
- Prepare Put Yourself In The Situation Before You Get There
- Suggest An Agenda
- Find Their Perceptions Use Role Reversal
- Decide On Realistic Goals
- Ask Questions and LISTEN
- Find Their Interests and Meet Them Guess If You Have To
- Find Their Standards THEIR Criteria For Decisions
- Make A Commitment Easy to Accept: Specific, Clear, Operational
- Use 3rd Parties: Coalitions, Respected Figures, Common Enemies
- Build Relationships
- Acknowledge Their Power
- Be Persistent
- Lose The Emotion Take A Break If Necessary
- Don't Make Yourself The Issue

Trust

Adding Trust...

- Give things good for them, not as good for you.
- Leave money on the table, make a concession.
- Help them with their needs and problems.
- Be ethical, give bad news early.
- Trust is not a slogan: form good relationship over time

Subtracting Trust...

- Exaggerate, bluff, lie.
- People remember forever if you cheat them.
- Trust is easily broken, very hard to restore

Commitments

Definition

- A binding condition regarding future actions
- Without commitments by all, there is NO DEAL

Elements

- Clear, precise, understood the same by all
- Credible: realistic and operational
- How THEY make commitments, NOT how you make them

Causes of Differing Perceptions

- We experience and observe different information.
- We ignore or dismiss information that doesn't fit.
- We selectively collect evidence that supports our views.
- We are interested in different things.
- We have different cultural values.
- We have different emotional make-ups.
- We are influenced by different people.
- We selectively remember.
- Our memories color our perceptions.

What you think you said is not necessarily what they think they heard...

Sources of Conflict

- Frequent interruptions
- Multiple speakers at same time
- Group fragmentation
- Blaming
- Lack of restraint
- No agenda
- Threats
- Goal disputes
- Tone issues
- Impatience
- Less listening
- Emotion

- Inconsistent Standards
- Hostility
- Ambiguous Signals
- Making Demands
- Selective Listening
- Insults
- Distorted Perceptions
- Us v. Them
- Stalling
- Negativity At Outset
- Inconsistency
- Escalating Dissatisfaction

Antidotes to Conflict

- Role reversal
- Being nice in a hostile situation
- Setting an agenda & process first
- People first
- Focus on their interests & common interests & goals
- Setting priorities
- Asking questions
- Respectfulness
- Framing threats collaboratively
- Listening
- Discussing all perceptions
- Letting them talk
- Building selective coalitions

Collaborative Threats

- Ask for advice on how you can stay & meet your interests
- Name other options and ask which to choose
- Loss of control if appealed to 3rd parties, media/courts, bosses
- Cost of fighting each other
- Mutual constituency problems
- Time cost of fighting
- Everybody can walk: so what?
- Find common enemies

What is a Standard?

A practice, policy or reference point that gives legitimacy to a decision

- A previous statement or writing
- A practice agreed for a negotiation

Dealing with Hard Bargainers

1. Find their perceptions

- Ask questions
- Articulate their perceptions/interests; find joint needs
- Suggest joint problem exists

2. Use third parties

- Experts, constituents, common enemies
- Find new options
- Link to other deals, relationships

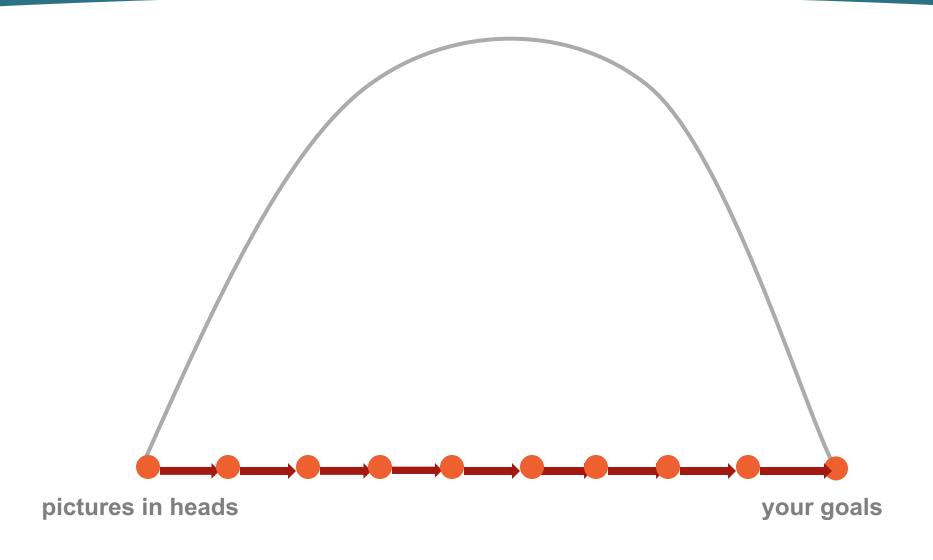
3. Use their standards; develop a process

- · Be reasonable but firm, they will seem unreasonable
- Point out bad behavior

4. Deadlines, BATNA, walk away

- Make conditional commitments
- Agree on deadlines: better now, worse later
- Develop alternatives to agreement

Be Incremental



The Getting More® Model (Four Quadrant Negotiation Model)

I. PROBLEMS & GOALS

- 1. Goals. Short/long term.
- Problem(s). In reaching goals.
- Parties. List. Decision maker, counterpart, third parties.
- 4. What if No Deal? Worst Case?
- 5. Preparation. Time, relative prep. Who has more info?

III. OPTIONS/RISK REDUCTION

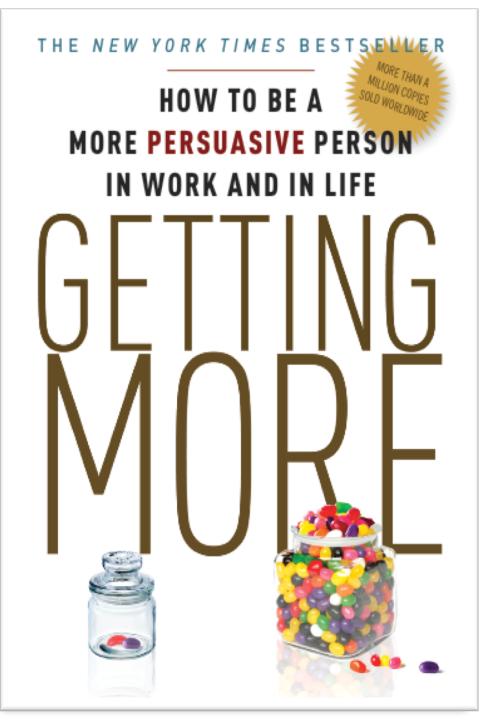
- 11. Brainstorm options to meet goals, needs. What to trade or link?
- Incremental steps to reduce risk.
- 13. 3rd Parties: Common enemies, influencers.
- 14. Framing to create a vision. Q's to ask.
- 15. Alternatives to deal if necessary.

II.SITUATION ANALYSIS

- Perceptions: Pictures in the head of each party.
 Role reversal. Culture, Conflicts, Trust,
 Relationships.
- Communication. Style, Frequency, Method.
- 8. Standards. Theirs, Norms.
- Needs/Intangibles. Rational, emotional, shared, conflicting, unequally valued.
- Re-examine Goals. Modify steps 1-9 as needed.

IV. ACTIONS

- Best option. Priorities. Deal breakers. Giveaways.
- 17. Who Presents? How and to whom?
- 18. Process: Agenda, deadline, time management.
- Commitments: Incentives, especially for them.
- 20. Next Steps: Who does what?



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