

CHAPTER ONE

THE NEGOTIATION IMPERATIVE

Negotiating is a bit like breathing. You don't have to do it, but the alternatives aren't very attractive.

Negotiation is the daily give-and-take of social interactions. Once your eyes and ears are tuned to the language of negotiation, you realize that everybody negotiates constantly—all day long.

Some of those many daily negotiations are trivial and may not deserve care and conscious thought (and they certainly don't get it). But many do. The strange thing is, people rarely realize they are negotiating. They think they are just talking or maybe not even talking, just reading each other's body language and nonverbal signals and responding. Other times they think they are disagreeing, or making a point, or making an offer, or trying to close a deal, or finding out what's wrong, or helping someone out, or calling in a favor, or making a sale, or buying something, or fighting their way through rush-hour traffic. People use a lot of different terms to describe these things they do, because they rarely recognize that they are engaged in negotiations.

One of the most interesting recent developments in the field is the rise in popularity of the term *crucial conversations* or *difficult conversations* to describe many person-to-person negotiations. These are conversations in which the stakes are high, people have different points of view, and there are strong emotions attached to those points of view. This effort to create a new term for negotiating may seem strange to people who have studied and practiced negotiation for many years, but it's not. It's just another manifestation of an interesting social phenomenon: most people don't recognize when they are negotiating. Lacking this awareness, they aren't able

to take advantage of the treasure trove of information and insight offered by the research on negotiation and how to do it well.

When you have those crucial conversations, they will go a lot better if you realize that most, if not all, of them are negotiations, and you therefore apply the tools and techniques available to you as a negotiator. Many other conversations that may seem casual will also go better and be less likely to escalate into conflict or hurt feelings if you realize that they may be negotiations too.

Then there are the formal negotiations, where you know you are working out a deal, the stakes are high, and you want to get a good result. Although it's obvious that negotiation is in the air, most people still fail to take advantage of the wealth of research about how negotiation works. We aim in this book to give you a significant advantage in all negotiations, from informal daily negotiations to formal important deals that have to go well. From your preparations (both mental and investigative) to your conduct, response to tactics, and clarity about style, strategy, and goals, there is a great deal we can help you refine in the pursuit of mastery over the many negotiations you encounter in business and in life as well.

Is negotiation as prevalent in business as in life in general? What's true at home and among friends is even truer at work. We work in ever more interdependent ways. Nobody can accomplish anything alone, which means we often help each other at work—and just as often get in each other's way or run into conflicts and problems.

That's why the business that negotiates better generally grows and prospers faster than others. And that's why individuals who master negotiation are rated as high in emotional intelligence by their peers, tend to be promoted more rapidly, are more productive, and emerge as natural leaders. Whether it's sales, administration, customer service, engineering, management, or any other area of business, negotiation skills play a surprisingly large role in career success.

NEGOTIATING BY DAY

Think back on the events of a recent day. Did you negotiate? Did you win? It may be hard to say, since so many of our daily negotiations may go unrecognized. Following a fictional character through her day will help you answer those questions.

Helen, we will call her, awoke to the alarm clock at 6:45 A.M. She waited a moment, but Jim, her husband, did not stir, so she climbed over him to turn off the alarm. She found this irritating, especially with her bad back. Jim's son from his prior marriage, Noel, was staying with them for the week while his mom traveled. Helen went to his door and called to him before heading down to the kitchen to pack his lunch for school. Then she went back upstairs to get ready for work. But the bathroom door was closed and the shower water was running. Was it Noel or Jim? No, Jim was no longer in bed. It must be Noel. But that meant no time for her to shower before work, since it was her turn to drive the car pool to work and she had to leave home early to pick up everyone else. She wished she had remembered Noel was coming when they discussed the car pool schedule at work; it would have been more convenient for her to drive next week. As she stood in front of her closet, she debated whether to wear her new red skirt, which she had just bought, or the older gray one. After looking to see what blouses were clean, she decided that the red skirt would have to wait until she had time to do some ironing.

Helen has not gotten very far in her day and already she has ended up on the wrong side of *five* negotiations. Did you take note of them? She accommodated Jim's irritating habit of sleeping through the alarm (rather than nudging him and waking him up). She generously packed a lunch for his son, and by so doing she lost her opportunity to take a shower before rushing to her car pool. To Helen, all three interactions with her family are probably losses, and there's no point losing in any situation unless you gain something in the future from it. These sacrifices were not likely to be noticed and reciprocated. And her fourth loss—agreeing to drive in an inconvenient week—also accomplishes nothing in the long term. It is an example of suboptimal results due to incomplete information, a remarkably common problem for most negotiators. Finally, her "negotiation" with herself over which skirt to wear led to her decision to wear the older skirt because she had nothing ironed to go with the new red one. But let's not dwell on this, as Helen's workday is likely to hold many more negotiation situations for her.

Helen left the house a little late, and a little irritated at Jim, who had driven off without offering an apology. Perhaps that is why she was driving faster than usual on the freeway and why she was

pulled over by a state trooper. Even worse, she forgot how outspoken Fred, her coworker who was riding in the front seat, could be—or she certainly would have told him to keep his mouth shut! The police officer had clocked her at only five miles over the speed limit and seemed ready to let her off with a warning when Fred started arguing with him.

Fred is a senior manager at her company and often loses his temper quickly. He was angry this morning since he had an early staff meeting and he told the officer in no uncertain terms how inconvenient the situation was for him. Now Helen had a speeding ticket to pay, and Fred was going to be even later for that meeting.

What mistake did Helen make this time? Another common one: she failed to plan and control others' communication in her negotiation with the police officer. She should have managed Fred even if he is her boss. Many negotiations turn sour when the wrong thing is said, the timing is bad, or the wrong person gets involved.

The importance of planning the communications was brought home to Helen later that morning when her project team met. Her team is charged with cutting costs in the assembly of one of her company's products. They had begun to work with suppliers to reduce prices, and one of the suppliers was resisting the changes they proposed. Then Helen had called an old friend at the supplier company, who was able to get his firm to agree to a concession. Just as a solution was in sight, however, her friend took a new job and left the company. Now the supplier refused to sign the new contract. Her boss was impatient and wanted her to disband the current team and start all over again. But Helen knew this would hurt her relationships with the team members—all of them key personnel from the main functional areas of her firm. She suspected that these business relationships with team members were more important than the small price cut her boss wanted her to obtain from the supplier. But how could she get her boss to see it that way? She was not sure what to do, but she knew she had some difficult negotiations ahead of her.

THE NEGOTIATION IMPERATIVE

Even before taking her lunch break, Helen has had to cope with many negotiations. Some seem trivial, some are minor but irritating, and others are important to her career or personal success.

These situations and similar ones we all face daily are important to consider for four reasons.

First, we care about the results. We care because we have one or more *goals* that we hope to accomplish, and our goals often conflict with other people's goals. The traffic cop wants to meet his quota for tickets, but we want to minimize travel time and cost. Our boss wants a quick, forced solution to a problem, but we have to live with our associates afterward, so preserving our relationships is more important. If people openly shared all their goals, they might be more easily achieved. And, in fact, as we will soon see, aligning our goals is a useful negotiating strategy in contexts where collaboration is feasible and important. But we will also see that openly sharing goals can be a wasteful, even damaging, strategy in other situations.

Second, in negotiation, we have *emotional* as well as rational goals. This is perfectly natural, since negotiation is a human activity, and humans are both rational and emotional. When we let our emotions take over and drive the negotiations without recognizing them or planning how to offset them with tough rational thinking, we are bound to negotiate out of control. All of us have said things we wished we hadn't, or fired off an angry e-mail that we wished we could call back through cyberspace. Emotional outbursts can be extremely damaging in negotiation—but emotions can also be very powerful and critical to winning a point. It takes a carefully planned strategy to prevent passions or gut instincts from spoiling the outcome.

Third, our rational and emotional goals lead us to work with the other party to pursue specific *outcomes* in the negotiation. The outcome is the result of the way that the parties resolve conflicts in their broader goals; it is what they agree to do as a result of their discussions. The outcome may be more supportive of our goals; it may favor the other but be very disappointing to us; it may actually be neutral; or it may favor neither of us. The outcome is the traditional focus of negotiators, and therefore it is helpful to keep it in context, but only as one of the four main concerns of strategic negotiation.

Fourth, we often have a *relationship* with the other people involved in the negotiation. All negotiations affect the relationship in which they occur, and the importance of the relationship with that other party must therefore be considered carefully in the

development of any negotiating strategy. Thus, we might negotiate differently if we are buying a used car from a dealer lot, from a neighbor down the street, or from our aging grandmother who has decided it is time to stop driving. The critical idea to keep in mind is that the more important it is to maintain a good relationship, the more likely it is that we may make sacrifices on pursuing the desired outcome. While we might negotiate aggressively with the used car dealer, we might give Grandma more than the car is worth just to please her. Helen accepted a negative outcome in some of her negotiations because she wished to maintain a good relationship with that person; for example, she didn't poke Jim and tell *him* to turn off the alarm clock.

Many people plan and execute negotiation strategies without considering their impact on the key relationship. If your relationship with the other party is one you value and want to keep strong by maintaining open communications, high trust, and positive feelings, be careful what you do.

These four concerns are the cornerstones of a careful, planned approach to negotiation (see Exhibit 1.1).

Like Helen, we all face many negotiations in which there are important goals we need to try to achieve. Some are *tangible*: money, time, materials, and so on. Others are *intangible*: establishing a broader principle, maintaining a precedent, or looking strong and tough to other people. Based on these tangible and intangible goals, we formulate a few specific desired outcomes—which, if we negotiate well, we may actually manage to accomplish.

Add up what's at stake in many negotiations, and you've got a collection of goals, desired outcomes, and relationships that need tending to and thinking about—every day, and both at home and at work. It is imperative to recognize that your goals, desired outcomes, and relationships will not sort themselves out without your careful attention. You need to negotiate. And you need to become a skilled negotiator in order to accomplish your bigger-picture goals, such as forming and maintaining healthy personal and business relationships, achieving outstanding business results, and advancing your career.

This, then, is the negotiation imperative: *recognize the many times each day you have to negotiate and influence others. In doing so, treat these as opportunities to advance your personal goals, help your business pros-*

EXHIBIT 1.1. THE FOUR MAIN CONCERNS OF NEGOTIATION

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- Be clear about your goals.
 - Be aware of emotional goals.
 - Specify desired outcomes that are consistent with goals.
 - Pay attention to the importance of the relationship with the other party.
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per, and build stronger supportive relationships in a widening business and professional network.

At the beginning of this chapter, we compared negotiating to breathing and said that it was a natural part of social interaction; nobody can avoid it, and most of us do it unconsciously. That's true as far as it goes, but the comparison is flawed in one respect: unlike breathing, we are not born with an innate knowledge of how to negotiate well.

People spend much of their childhood learning to negotiate. We are convinced that negotiation begins when a baby learns to get a caregiver's attention—to be fed, to have a diaper changed, or just to be picked up and cuddled. Young children learn how to get their needs met from parents. They learn how to share with sisters and brothers. Some learn to be bullies, some learn to be passive, and some learn how to work out differences so that each party benefits. Parents, teachers, and older siblings serve as role models who may or may not be experts themselves. We don't get formal instruction in the art and science of negotiating when in school, although parents and teachers give us a lot of informal guidance on how to get along and play well with others. Eventually most of us piece together a patchy, partial understanding of negotiating, usually related to a preferred approach to handling conflict (more about this later). But we usually never *question* the adequacy or completeness of this approach until we are not meeting our goals and the approach is not successful at getting us the outcomes we want.

Some people compare negotiating to the martial arts, because there are so many who try but so few who achieve mastery. This is a helpful comparison in its own way, because it reminds us that there is much to learn and much need of practice if we hope to be

able to master exceptional negotiating skills. Learning to negotiate well requires constant practice and a consistent willingness to step back, examine how things were done effectively and ineffectively, and specify improvements that need to be made in the next negotiation.

But negotiation is not a martial art; it's a social art, and it is not always (or even usually) practiced to inflict damage on the other side. Part of the negotiation imperative is the necessity of conducting negotiations that are constructive, not destructive. Great negotiators create great solutions, and it's always harder to create than to destroy. Whether you are negotiating to win against a tough competitor or to engineer a friendly collaboration with a coworker or family member, your goal is always to create a constructive solution that moves everyone ahead and truly resolves the conflict.

In this book, we take a productive, well-managed approach to negotiations—both the occasional formal ones and the far more frequent informal negotiations that fill our days and affect the quality of our lives and work. This approach suggests that first, we must clarify our goals and the goals of those with whom we must negotiate. Second, it means substituting a careful, rational plan for the impulsive, emotion-based approach we often tend to take to such situations. And third, it means optimizing outcomes, or relationships—or if you are really good, optimizing both.

THE GREAT GAME OF NEGOTIATION

As long as we are exploring comparisons, a good way to think about negotiation is that it is a game. Thinking about negotiation in this way has lots of advantages:

- We can understand the game. It is not a random process. Most negotiations can be analyzed after they are over, and, with increasing understanding comes the ability to predict and control what happens.
- The game has a predictable sequence of activities. Many people who do not understand negotiation see it as a chaotic, almost random series of events. While it is true that it may be difficult to accurately predict exactly what a party will do next at any given point, the entire negotiation sequence generally follows a clear,

understandable pattern. As you read this book, you will learn to better predict and control how parties move from disagreement toward agreement.

- There are players in the game. As we can see from the earlier example, there can be only one player (when Helen negotiates with herself about which skirt to wear), or there can be two players (her negotiations with Fred and Jim), or there can be multiple players (her negotiations with her team). Who the other players are and what they do have a great deal of impact on how we should plan and execute our strategy. Certainly that's obvious, but we say it because in this book, we intend to help you understand and manage the other players better than most other people do. We are not going to deal with self-negotiation, but we are going to deal with all kinds of negotiations with others.

- The game has rules. There are do's and don'ts for what can be done in negotiation. In some negotiations, these rules are clear; they may even be written in a contract or set of procedures. For example, in your "negotiations" with the Internal Revenue Service each spring, the rules state that you have to report accurately how much income you earned and what you owe the government. You can't simply make an opening offer and hope the government accepts it. In other negotiations, the rules are informal and may even be unclear. In this book, we will identify some of the most important informal rules—the do's and don'ts—that will help you plan your game strategy.

SABOTAGING OURSELVES: WHAT INEXPERIENCED NEGOTIATORS DO

Many inexperienced negotiators think of the negotiation process as akin to entering a long, dark tunnel. They are moving into a process that they don't understand, and they have no idea what is going to happen. Feeling out of control—often because they fear conflict or confrontation—these people do a number of foolish things. Truth is, all of us have fallen into one or more of these traps, so let's take a good look at how people most often go wrong:

- Sometimes we have no clear objective or desired outcome other than to "get something," "do better than the last time we

negotiated,” or “get this done quickly.” Negotiators who do this seldom achieve good outcomes because they had no clear objectives to begin with—unless the other party is also equally unclear and unprepared. To quote the Cheshire Cat in *Alice in Wonderland*, “If you don’t know where you’re going, any road will get you there!”

- Sometimes we formulate a desired outcome or objective and cling to it desperately, refusing to compromise or modify their objective based on what the other party wants. This plan usually winds up in angry exchanges or a standoff with no satisfactory resolution. (We call this *digging in*. We don’t recommend it.)

- Sometimes we may formulate a desired outcome or objective but then surrender it too quickly in order to get the conflict resolved. This usually leaves us with a deal we regret later; most negotiators who do this have a lot of regret that maybe they could have done better. (We call this *caving in* and don’t recommend it either.)

- Or we may change our desired outcome or objective midway through the discussion, leading the other side to believe that we may not have a strategy, don’t understand what is going on, don’t know what we want, or, worst, are intentionally being difficult. This often happens when our own mind wasn’t made up, or because the other’s behavior led us to believe we would never get what we wanted. When we do this, we often anger the other party, which can lead to the breakdown of talks or a settlement that makes little sense down the road. (We call this error *zigzagging* and will specify ways that negotiators can avoid doing this.)

You can avoid these common errors, and many more, by preparing carefully for the negotiation and by walking through it step by step. Usually there is a recognition period in which you become aware of and concerned about a conflict of interest. Instead of leaping to a premature effort to close or resolve, the master negotiator explores the conflict at this stage, sounds out the other party, gathers information, and explores his or her own feelings and needs as well. Next, the master negotiator selects an appropriate style and approach to reach the goals most productively. In this book, we stress collaborating and competing as the dominant strategies to pursue, but there are other alternatives, and we’ll show you how to use all of these strategies later in this book.

Notice that we've suggested a variety of actions in the beginning of your negotiation, all of which precede the normal give-and-take of offers or disputes. In this book, we'll help you slow down the initial steps of your negotiations to allow a little more breathing room and time for thought and insight. Negotiating should be a careful process. Don't rush it.

NEGOTIATING TO WIN

Sometimes we encounter eager negotiators in our classes and workshops who ask us if we can teach them to "win" every negotiation. If you have a competitive streak, negotiation is indeed a competitive game, and winning is close to your heart. To people who ask us if we can help them win their negotiations, we say yes, *but*:

We don't mean to split semantic hairs, but it depends on how you define winning. This takes us back to the metaphor of negotiation as a game. In most games, there are winners and losers, which is what makes them exciting to watch. But in negotiation, winning can mean different things. It may mean getting a better outcome than your opponent, but it may also mean getting the outcome you desire and helping the other party get its goals met. If the two parties have different goals, both may be able to "win." Or it may mean strengthening the relationship with the other party. The more you can define winning as a way to help both parties achieve their goals and strengthen their relationship, the more productive your negotiations will be.

You also don't want to win every negotiation. Sometimes it's wiser to avoid a conflict. Sometimes it's better to split the difference and go on to something more important. And sometimes it's a good idea to cooperate with the other parties instead of trying to "kill" them. So, yes, we can teach you the techniques you need to go for the big win, but you have to use them appropriately—not every time you negotiate.

And even when you decide it's right to compete and try to outmaneuver the competitor, remember this secret of great competitive negotiators: always leave something on the table. You don't have to clear the field to win a battle, and you don't have to win every aspect of every negotiating point to win the negotiation. People who don't allow the other side dignity in defeat are resented

and cultivate revenge down the road. Nobody wants to do business with them. And the deals they cut are resented too and tend not to stick. If you want a durable win—a deal or agreement or understanding that the other party can and will live with—then leave a little something on the table for them.

We'll show how complex this becomes in a real negotiation. One of us (Alex) just sold his office building and moved his business to larger quarters. The buyers played a tough competitive negotiating game during the course of the sale, so Alex did too.

At first, it wasn't clear the buyers were going to be tough negotiators. They opened with an attractive offer: just a small amount below the asking price. Then Alex offered to split the difference between his asking price and their offer, and they quickly accepted.

Next, they insisted on an early closing date to consummate the sale. This wasn't a major problem for Alex, so he accepted, even though it gave him just a few weeks to move out of the building. He already had a new building lined up and could push the date of his move up without too much inconvenience.

The other shoe fell at the end of the one-week inspection period the buyers had built into their offer. They brought forward a laundry list of "severe" problems with the building, including a bad roof, siding that needed immediate replacement, and structural problems with the foundation. They demanded a big reduction: about 10 percent off Alex's original listing price.

If these problems were real, Alex would not have been surprised. However, the building was in good repair, except that the roof shingles were within a few years of their twenty-year life. Alex asked his own contractor to take a look, who agreed that the building was in very good shape. Armed with the information from the contractor that did not support the buyers' claims, Alex decided he needed to "play hardball" in this negotiation.

First, he decided to do some additional research on the buyers. Asking around, he learned that they were under pressure to close the deal rapidly because they had a buyer lined up for their old building and needed to move. This convinced Alex that they were serious about closing a deal, and not just playing games. He also learned that the buyers had a reputation for being tough negotiators. From these two pieces of information, he surmised

that they were perhaps regretting how quickly they'd negotiated the sale price and now wanted to see if they could nibble any more concessions in their favor before closing.

Alex decided to send an emotional signal to the buyers through his agent. Instead of responding with a counteroffer, Alex asked his agent to let the buyers know that he was upset with their behavior and would think about whether he wanted to complete the sale over the coming weekend (it was Thursday afternoon). Then he put the matter out of his mind for a few days.

By midday Monday, Alex's agent was on the telephone, sounding desperate. "They want to hear *something*," she said to Alex on his cell phone. "Their agent says you have to reply today, since the closing date is only two weeks away." This sounded promising to Alex. Probably by putting the time pressure on them plus his showing that he might not be interested, he was now building a feeling of urgency on the buyers' end.

Late Monday, before he left the office, Alex called his realtor and left a message on her voice mail saying that his inspector said their claim about the roof was reasonable and that he would be willing to add 25 percent of the estimated cost of replacing the roof to the deal. This would bring the final price down to about 98 percent of Alex's original asking price. It was a small but significant concession. It illustrated the principle that a negotiator needs to leave something on the table rather than going for the jugular. These buyers might have been desperate enough to back down completely, but it would have been risky to push that hard. It was better to give them something they could feel good about. But Alex also wanted to avoid further nibbles, so he said his offer was firm and final and delivered it with as much time pressure as he thought he could get away with.

Alex intentionally made his counteroffer late in the day and used his agent's office voice mail instead of her cell. He complied with their request that he respond that day, but he did so in a way that would make it likely they'd have to wait until Tuesday morning to learn about his Monday offer. He wanted them to be good and worried about the deal by the time they heard his terms.

On Tuesday morning, Alex's counteroffer was accepted, and the papers were drawn up and signed by the end of the day. In the end, Alex sold the building at the price of the buyer's first offer,

which seemed reasonable to him since it was only a few percentage points beneath his original asking price. In fact, he would have been willing to go another percent or two down but was hoping he wouldn't have to.

Let's take a look at how Alex handled this situation. Alex resorted to competitive negotiating tactics to avoid being "nibbled," the term used to describe a negotiating tactic in which one party attempts to take another slice of the deal after the other party thinks that terms have been agreed to. Alex also used emotional signaling to change the frame of the negotiation from a rational debate about the numbers to one in which the buyers needed to be concerned about the personal impact their behavior was having on the seller. He did this because there are unwritten rules about what's fair in the inspection period, and he wanted the buyers to recognize that their violation of these rules could create negative feelings and break down the trust needed to close a deal.

Finally, Alex resorted to the oldest but best trick in the book: he used time pressure. Remember that the buyers used this tactic first by not being upfront about their need to close the deal quickly. Once Alex learned that the buyers had a ticking clock, he realized he could take the upper hand, no matter how aggressively they tried to negotiate. Alex did not have the same time pressure to sell that they had to buy. He preferred not to have to wait for another buyer, as it would mean he'd have holding costs on his old building, but he was willing to walk away if he had to because his agent assured him the property was appealing and would generate more offers in the future if this deal didn't go through.

Throughout this negotiation, both parties were uncertain about the other side's feelings and actions. Why did they do that? What are they thinking? How low will they go? How high will they go? Are they serious about walking away, or just trying to play me? These are the kinds of questions that we always have in a competitive negotiation. Like a poker player, the competitive negotiator keeps his or her cards close to the chest.

Alex took advantage of the information barrier by using an emotional signal and a temporary withdrawal from the negotiation to raise doubts in the buyers' minds. The buyers were dealing with

Alex through two intermediaries: their agent and Alex's agent. They couldn't be sure about his state of mind. How upset was he? Was he still committed to the deal? Had they gone too far and spoiled the negotiation? These sorts of uncertainties are always greater where there is less information, and they can be a problem in negotiations. Sometimes they can also be a useful weapon. The buyers were probably quite relieved by the time they finally received a substantive counteroffer and not willing to risk their deal again by playing games with it.

This story illustrates several things we warn negotiators who want to win. First, recognize that parties may have different definitions of winning. For the buyers, it was more about getting a new building quickly; for Alex, it was getting his price and not making further improvements. Second, don't forget to leave something on the table so the other side can walk away with dignity and live with the terms of the deal too. Even when you have the other party on the run, don't humiliate them or strip them clean. Finally, sometimes you can't achieve a good deal, and you have to recognize this and be willing to walk away.

What if Alex's buyers had not been able to afford his building but were hoping to bring him down to a much lower price level? Then no amount of negotiating could have bridged the gap. Alex didn't know whether there was truly an overlap between his selling range (the least he was willing to take) and their buying range (the most they were willing to pay) until the ink dried on the check. He hoped the buyers could afford to pay what he wanted them to, and he negotiated on the assumption they could. But what if their original offer had actually been way beyond their means? Then they might have used their phony inspection report as an excuse to back out of the deal, and Alex would have had to wait for another offer.

You never really know if there is a deal to be made until you try. If you keep trying and the other party just seems to get further away instead of closer, then you may need to abandon the effort and look for an alternative. You don't have to play every competitive negotiating game to its final whistle. Sometimes you find you are on the wrong playing field and with the wrong competitor, and the smartest thing to do is to clear out as gracefully as you can.

NEGOTIATING TO A WIN-WIN SOLUTION

There are people and organizations you can't really afford not to negotiate with. If your boss disagrees with you about an important issue, it's a good idea to try to negotiate through to a solution that makes both of you happy instead of playing a high-stakes game. Competing with your boss has only two likely outcomes: you score a victory that leaves your boss angry and looking for payback opportunities, or you lose and feel defeated and unappreciated and start polishing your résumé. Actually, you better work on your résumé either way, because bosses generally don't like to be treated to competitive negotiating tactics.

When we have important ongoing relationships with people, it's generally appropriate not to play a competitive game and instead play an alternative game: a collaborative, compromising, or even avoiding or accommodating negotiating game. We'll say something about collaborating here and more about the other strategies in Chapter Two.

Collaboration is the opposite of competition in most ways: you share information instead of concealing it, you focus on the other side's concerns over your own, and you sit side by side instead of negotiating at arm's length. Collaboration requires rich, ongoing communication, and it relies on joint problem solving. Good collaborators sound very different from good competitors. They talk more, they listen more, they ask a lot more questions, and they make a lot fewer declarations. They also are more forgiving about waffling and take-backs, since they want to get at the real underlying issues and understand that these may not be apparent to the other side at first.

The negotiating game is very different when the goal is to make sure both sides win. It's not like the games we watch on TV or most of the games we played as children. In this book, we'll be sharing a lot of ideas and techniques for win-win negotiating, because it is the lifeblood of business success in most organizations. Anyone you work with is a candidate for win-win negotiating, including coworkers, team members, employees, bosses, suppliers, customers, regulators, and boards of directors.

When we write a book, we at first compete with the publisher as we bargain to sign a favorable contract with a publishing house

that we think will handle the book competently and sell it well. For these competitive negotiations, we usually use a literary agent and keep the communications tightly controlled. We want the publishers to worry that they may lose us to one of their competitors. We want them to offer us as big an advance and as favorable a royalty rate as we can wring out of them—well, almost; we always try to leave something on the table so that they find the deal livable in the future too.

But you can't develop and market a new product by continuing to compete with the parties you just signed the contract with. It takes collaboration to write and produce a book that sells well. So as soon as the contract is signed, we put it in the back of a file cabinet and generally forget all about it. We thank the agent who helped us and send him packing. And we begin to communicate openly and honestly with the editors involved in the project. Our behavior changes because now we need to do team building and stop competing against the publisher. We have to reach out and learn to work together, sharing concerns, ideas, suggestions, and needs in order to create a good new product together. Like most other projects in the world of business, writing a book requires a win-win, not just a win. If anybody loses, the project will fail.

The master negotiator moves from the competitive to the collaborative negotiation with ease. He or she must also know how to compromise, avoid, or accommodate with grace as the situation demands. Flexibility is the greatest asset of the master negotiator. All other skills are secondary, although they are nevertheless important in their own right. So before we get into any more of the particulars of negotiating tactics and skills, we want to work with you on your flexibility as a negotiator.

What style or approach do you tend to use instinctively? We all have a tendency toward one style or another, and understanding this built-in bias is the first step toward true mastery. Just as the samurai of old trained by practicing swordplay with either hand, the master negotiator today needs to be equally facile in every style and type of negotiation.

But are you left-handed or right-handed by nature? Or, to put it into the context of negotiating, which are your naturally stronger and weaker negotiating styles? As you read this book and learn about the details of each style, ask yourself which one or ones you

tend to be most comfortable with. Here are two fundamental questions to help you make this determination:

- Do you tend to avoid conflict (a flight response) or wade right in and enjoy dealing with it (a fight or engagement response)? People who don't mind engagement in conflict-oriented situations tend to be naturally drawn to competing or collaborating. Others favor avoiding or, if pressed, find it easiest to compromise because this style is ritualized and simpler than competing or collaborating.
- Do you tend to feel competitive and want to win, or do you focus more on the other party and how to help them? People who respond competitively tend to be most comfortable with the competing style, and secondarily with compromising. Others find it hard to compete because they are naturally more collaborative in nature and may simply accommodate when pressed.

There are entire assessment instruments to determine your negotiating style (such as *Assessing Behavior in Conflict*, which one of us, Alex, designed, and many others as well). But you probably will get a clear sense of your own habits and patterns as you read about each style. Whatever your natural tendencies, remember that one of your goals on the road to greater negotiating mastery is to learn to be more flexible, and willing to switch out of your own comfort zone if necessary. Master negotiators are prepared to play and win any game, not just the ones that occur on their home turf.