

# **PART ONE**

## **PREPARING FOR n-NEGOTIATIONS**

COPYRIGHTED MATERIAL



## You Can't Get What You Want If You Don't Know What You Want

Several years ago, I was teaching a negotiation program for women in Addis Ababa, Ethiopia. The women in the program, scientists from all over the world, worked for large international development organizations, universities, and local nongovernmental organizations (NGOs), all in the field of agriculture. Our curriculum focused on how the women could better advocate for what they wanted and needed in their careers during negotiations at work. Their issues ranged from securing the resources to attend international conferences to working out disagreements between different groups of scientists over grants, to negotiating for promotions, to securing more resources for a project.

One evening, some of the local women invited me to shop with them for tablecloths at the local market. In this environment, my African escorts were pros at negotiating the price with cloth vendors. They had a keen eye for the value and quality of the embroidered fabrics and knew just what they wanted. They knew which vendor was likely to make the best deal, and they were well informed. Their experiences negotiating in African markets, N-negotiations, made them confident in ways I admired.

Back in our classroom the next day, the situation changed. It was our final session, and the women had to plan an n-negotiation that they would have at work, at home, or in the community about something that mattered to them. While many were highly successful in their fields, they had really not thought about negotiating to get what they wanted in these contexts.

One participant whom I'll call Beatrice colorfully and metaphorically described how her boss continually changed his expectations of her and her work in her institute: "He asks me to get water, and when I bring it in a glass, he says he wants it in a mug. When I bring water in a mug, he says, 'Why did you get the water in the first place?'" Again and again she tried to figure out what he wanted; finally, she decided her situation had become untenable but had no idea what to do about it. She knew she wanted to negotiate, but for what? She knew she was dissatisfied with the situation, but did she want to leave? Did she want to seek a different position in the organization? Her husband suggested a sabbatical, but this was something that had never been done in her NGO.

Fortunately Beatrice had an extensive network of other women scientists, many of whom worked in local universities. She gathered ideas from them on how a sabbatical might be structured. And because she knew her boss very well, she was able to construct a proposal and be prepared to counter his objections in such a way that he was more likely to agree. To her surprise, he ultimately granted her a sabbatical.

## TWO STEPS TO PREP FOR NEGOTIATING

This chapter focuses on the first steps in preparing for a negotiation: figuring out what you want and learning what you need to know in order to advocate for it. It's pretty obvious that you can't get what you want if you don't know what you want. And figuring out what you want can be particularly complicated when negotiating in an organization. It's one thing to be clear about the topic of negotiation if, for example, you want a salary increase. The challenge there is to learn enough to set high but realistic aspirations that can guide your negotiating strategy. Gathering that kind of information is not always easy, but it makes the issues to be negotiated relatively clear. However, things become more complicated when one is trying, as Beatrice is, to figure out what exactly to negotiate about in order to make her situation better. Like the women in the Ethiopian marketplace,

Beatrice needs good information about the organizational equivalents of tablecloth prices: what people who negotiate in similar situations get, what it is reasonable to ask for, and more knowledge about the people she is dealing with.

## CHALLENGES IN FIGURING OUT WHAT YOU WANT

As Beatrice knew, it is not always easy to figure out what you want or what a reasonable goal might be for a particular negotiation. Some of the challenges are individual and become evident especially when somebody is negotiating for oneself; others derive from the ways that negotiations unfold in the workplace. In their book *Ask for It*, authors Linda Babcock and Sara Laschever suggest that figuring out what you want can be complicated, especially for a woman.<sup>1</sup> The challenge can come from confused messages that she received as she was growing up, making it difficult for her to distinguish what she wants from what others expect of her. This was certainly true for some of the scientists in the African negotiation program and was likely compounded by cultural issues, particularly the role of family and community that many African women face. The scientists explained that women in these settings must always be cognizant of family obligations when negotiating at work. But when the focus is on changing something about your work—for example, a new title or position or garnering support for a new project or a change in workload—figuring out what you want can present an additional hurdle for both women and men.

Several challenges add to the difficulty.

### Challenge 1: Negotiating for Yourself, Not as an Agent

First is the challenge of negotiating not as an agent of your organization but for yourself. When I work with executives, both women and men, I typically begin by asking them about their experiences negotiating with clients and customers. They generally describe what they

think makes them successful in what we have called capital *N-negotiations*.

**N-negotiations are the familiar kind.** These are formal exchanges where both parties recognize that they are in a negotiation over a contract or a deal of some sort with internal and external clients and customers. Participants in these situations credit their acknowledged success to such attributes as an ability to listen well, learn about what the other party wants, gather good information to support what they want, develop flexibility to create options that meet mutual needs, and marshal the support of their organizations to back them up.<sup>2</sup>

**But n-negotiations are different in kind.** I then shift the conversation to what we call lowercase *n-negotiations*: those exchanges in which we're negotiating mostly for ourselves. I ask what difference it makes to negotiate for oneself as a principal versus negotiating as an agent for an organization—and people never hesitate to describe these differences. When negotiating for themselves, they say, it's difficult to be objective: they feel less secure; the negotiations feel more personal, making it easy to become emotional. There are also power dynamics involved. Will those in authority see it as legitimate for me to negotiate? Will negotiating affect how others see me? This holds especially true when the negotiation is with a boss. How will she respond? Will she see the negotiation as necessary? Will she challenge me for even bringing up this issue? How will the negotiation affect our working relationship going forward?<sup>3</sup>

Negotiating for resources at budget time is an N-negotiation. There is a formal process and a routine for how and what you ask for. You put together your case, connecting your requests to goals you will commit to achieving. You schedule a meeting, and you and your boss both expect there will be some sort of negotiation over budget, resources, and priorities.

But other situations in which you need to negotiate with your boss differ greatly. For example, imagine you have accepted a new role and made a commitment to implement a new program. Once into the

role, you discover that the resources you requested (or were just assigned to you) are not sufficient. Now you have to launch a negotiation that nobody expected to have—and asking for more resources may raise questions about you and your ability to do the job. In the former case, negotiation is expected, and as part of a particular *negotiated order*, there is likely to be an associated routine, probably of some back-and-forth. But there is no expectation of negotiation in the second situation. In fact, raising it at all may invite resistance, because your ask might put the other person in a difficult situation.

**Gender may heighten these concerns.** People tend to ask women more frequently than men for favors or help, such as picking up extra responsibilities, taking up certain support roles, helping a colleague, and mentoring other women.<sup>4</sup> And for a number of reasons, women are more likely than men to say yes to these requests. They might want the person who asks for help to like them,<sup>5</sup> or they might be more concerned about the welfare of others.<sup>6</sup> Adding to the pressure to say yes to these types of extra tasks is a gendered expectation that women are helpers, more collaborative than men, and therefore likely to say yes.<sup>7</sup>

And just as there might be a social cost to asking, there can be costs to declining such requests.<sup>8</sup> William Ury in *The Power of a Positive No* catalogues some of the reasons people fear saying no: they don't want to jeopardize a relationship, they feel guilty, or they may feel their job is on the line. Women can be particularly conscious of the costs of saying no, since they are more likely to decide whether to perform a favor based on a fear of negative consequences, whereas men are more likely to base their decisions to accept or decline a favor for instrumental reasons, such as the status level of the person making the request.<sup>9</sup>

**Gender-status beliefs.** It is also just as likely that women may raise issues that others might not recognize as problems. As we discussed in the Introduction, second-generation gender issues appear neutral and are often taken for granted. That means that not everybody will

have the same experience or recognize a problem of inequity. Gender-status beliefs that presume men to be more deserving of rewards can make it more challenging for a woman to raise issues of fair treatment or to question whether she has been overlooked for an opportunity.<sup>10</sup> Likewise, when women negotiate about issues such as flexibility, they might be drawing attention to gendered expectations of work hours and what it means to be “committed,” particularly in the context of what is required for promotion.<sup>11</sup>

## **Challenge 2: Your Own Negotiation History**

**The second challenge comes from your experience.** Maybe you have rarely or never negotiated for yourself about a work situation before. Some of the research suggests that women, more so than men, fail to recognize negotiation as a possibility.<sup>12</sup> If they are offered a new role or opportunity, many women take it without any discussion. I’ve been surprised to find how seldom even the senior women I work with negotiate anything about a new role, its contours, and sometimes even its compensation. Some fail to negotiate even when it’s a role they don’t want to accept!

**We train each other in what to expect and not expect in each interaction.** If you have never previously negotiated in your workplace, then you’ve essentially trained people to expect that you will not do so. This may present a challenge when you do choose to negotiate: the surprise of the people with whom you’re negotiating since they expect you to do one thing, but then you do another. You must therefore use what you know about the other party when preparing to negotiate. If others are likely to be caught off guard by even the fact of your negotiating, your preparation should address their surprise and consider how they will react to the content of your negotiation.

## **Challenge 3: The Negotiation Culture around You**

**A third challenge is cultural.** It comes from uncertainty about whether it is even deemed legitimate to negotiate about the issue. In American culture, as distinct from that of my students in Africa, it’s



not typical to negotiate the purchase price of goods at a store or even your local produce market. While it's possible—I frequently assign my students to do just that, and they are often successful—we don't usually consider these situations to be negotiable.

It's not always obvious that negotiation is a possibility. This barrier may be even higher in organizations where hierarchical relationships are a factor. Some issues are more likely to be seen as negotiable—salaries and budgets—although not by everybody, as research on gender and salary negotiations have shown.<sup>13</sup>

**Adding your organization to the mix.** The situation is even murkier when you're dealing with organizational issues. Sometimes you may be warned that negotiation is not an option and that this is a take-it-or-leave-it matter. But organizational considerations can also make you reluctant to raise an issue. You might worry that negotiating a flexible schedule will lead others to see you as uncommitted. Negotiating for more resources for a project might cause you to be labeled as a slacker, or less than a team player, or unwilling to step up. Without good information about what gets negotiated, you may think that there is no possibility for changing the status quo. To the degree that certain groups are not well networked to have this kind of information, they may be at a loss to see their way to negotiating the change they are seeking in their workplace situation.

#### **Challenge 4: Your Organization's Negotiated Order**

**Your organization's own codes.** There's a fourth challenge when it comes to framing negotiation as a possibility: understanding your organization's negotiated order. Every organization has its informal codes about which issues are and are not open to negotiation. Part of the routines of work or family life that everyone takes for granted, the negotiated order challenges you to bracket what a potential negotiable issue might be—whether you're negotiating for yourself or for others.

Identifying the contours of the organization's negotiated order is not trivial. Not only do you have to figure out which issues are negotiable; it is not always clear, as in Beatrice's situation, what you want

to negotiate for. For example, if you and your team are working very long hours, you might just stick to the status quo and continue to do so; or you might decide that the situation is ripe for negotiation. Once you recognize that possibility, there are a number of ways to frame the issue. Perhaps you decide that it is time to renegotiate the scope of the project, the team's responsibility, or the possibility for others to pick up some tasks. Maybe you negotiate for an extended time line on deliverables to spread the work out. Or maybe you decide it's time to negotiate for more resources and expand your team's size. Deciding which of these avenues to pursue depends both on what you think might alleviate the pressure on your team and what you're most likely to achieve. It might also depend on what information you have.

**Getting good information from within your negotiated order.** Having good information extends beyond knowing the range on a clearly demarcated issue such as price or potential salary. It requires a broader understanding of what others, both inside and outside the organization, are getting and doing. Good information that might come from benchmarking comparable data on salary and compensation packages can be enormously helpful in negotiations. But while these data are important, the kind of information we're talking about is broader: it includes learning about what others negotiated for as well as what they got. What did they ask for when they were offered a new role? How did they garner resources for a new project in a down economy? How did they get the support they needed for a new and perhaps risky initiative? This information provides insights about an organization's culture, norms, and politics that influence how any proposal will be heard.

## **LEARN ALL YOU CAN ABOUT THE WHAT AND THE WHO**

Information is critical to helping you clarify what you want from a negotiation, to set your aspirations high enough, and most critically

to make you feel more confident in your asks. Two types of information are important. The first is benchmarking—learning about what others have negotiated for in comparable situations. The second is more contextual—the insights you gain about the style and preferences of the person with whom you will be negotiating. If the first type of information set is about the *what* that is possible, the second is about the *who*. Collating information about the person with whom you will be negotiating—what you already know and what you can learn from others—helps you feel more confident and prepared to initiate a negotiation. But you also need to pay attention to the *how*. In the second part of this chapter, we discuss the role of networks as the critical source of intelligence.

When I teach a workshop, I often use a cartoon in which Dilbert asks for a raise and threatens to quit if he doesn't get it. The Pointy-Haired Boss responds, "Good-bye," whereupon Dilbert says, "Noo," then promises to work every weekend for nothing. I use this as an example of what some have called aspirational collapse. Often attributed to women, aspirational collapse occurs when a person is primed to negotiate and knows what she will ask for—yet simply accepts that and says "okay" when the other person refuses.<sup>14</sup> There are many ways to avoid this trap; one critical approach is to be sure that you have facts to support what you ask for. It is an axiom of negotiation theory that information is power: the more you know, the more confident you can feel about asking for what you want.

### **The What of Negotiation: Benchmarking**

My students bargaining in the marketplace in Addis Ababa exemplify the axiom that information is power. They knew about the quality of the products and their likely worth. They knew the price ranges for the tablecloths they were bargaining over. They knew which sellers offered the best products and which ones were most likely to give them the best deal. And they knew enough about the sellers' likely behavior to plan and carry out their price negotiation strategy. As a result, they felt great about their purchases at the end of the day; they got good deals. In these kinds of marketplace negotiations,

where there is a single issue—in this case, price—knowing the possible bargaining range for the negotiation enables a negotiator to set realistic yet high aspirations.

This is important. We know that if you spend some effort gathering information, you are likely to set higher aspirations than if you do not.<sup>15</sup> We also know that aspirations become self-fulfilling: aspire low, and you'll likely realize lower returns on your efforts; aspire high, and you'll more likely stay in the negotiations in a way that makes you more likely to achieve your aims.<sup>16</sup>

Benchmarking means comparing. We use the term *benchmarking* to capture this dimension of information gathering. It is a shorthand term that means evaluating or checking something by comparison with a standard. We know that having good information makes a big difference in job negotiations. In their study of MBA graduates, Hannah Bowles and her colleagues show that in industries where information about compensation packages is widely known, such as consulting and investment banking, men and women graduates receive identical packages, controlling for experience.<sup>17</sup> However, salary discrepancies are high in more ambiguous situations with few consistent standards and where good information is less readily available.

Benchmarking makes what you are negotiating for feel defensible. People are understandably very curious about negotiating their pay and are very likely to search out benchmarks for their compensation packages.<sup>18</sup> Having these benchmarks gives you confidence in what you are asking for—the knowledge that what you're asking for is defensible. In other words, you feel legitimate asking.<sup>19</sup>

The same way of thinking applies in n-negotiations, where many dimensions of a job are subjects for bargaining. The first question to ask yourself is, "What do I need to succeed in a new role?" To begin to answer this question, ask another: "What do other people negotiate for in this role?" Discovering what other people have negotiated for fulfills a similar function to compensation benchmarking. Asking this question, and finding people to pose it to, can also lead you to uncover issues you'd never thought about before.

## Benchmarking: Two Cases

Consider the role that benchmarking plays in the negotiations of Claudia and Marisa. Both are negotiating new opportunities, but under two different circumstances. Claudia, a director at a large international bank, wishes to relocate from Chicago to London. However, the London office's leaders seem to put up a number of obstacles that make her feel powerless in the negotiation. Marisa is being recruited for a job she does not particularly want but feels she has to take. Having good information will help in both situations—and both women need to use their networks to learn more about what they can legitimately ask for.

### Claudia's Case: Getting Good Facts

Claudia is a highly successful managing director in sales for a large international bank, where she has worked for fifteen years. She's based in Chicago, but her husband recently took a job in London. For the past year, they've managed a very tiring commuting relationship, and she's anxious to relocate. Her current boss recommended her to the head of the London branch for a position that would be basically a lateral move for her. Giles James, a vice president for sales in the London office, contacted her about a potential job. It was a difficult conversation. James seemed not at all enthusiastic about having Claudia in the group, despite her reputation as a star performer in Chicago. He presented her with a client list that seemed to her composed of discards from others in the group, then brusquely told her he needed an answer in two days because he had several other promising candidates.

James's approach threw Claudia. Her track record in Chicago had led her to believe that the London group would be eager to have her join them, so she was unprepared for his dismissive attitude. Furthermore, she had other issues that were important

*(Continued)*

to her in the move. Although she was an individual contributor, she always had support staff to cover the trading floor when she was away. With no administrative support in her current role, handling the details of the move—visas, health care coverage, renting her condo, shipping—seemed overwhelming. She'd heard that people who relocated overseas could avail themselves of an ex-pat package. However, she had no information, and James had not mentioned anything about it. Claudia was stumped. She really wanted this job and was tempted to say yes, even though she was not at all sure it would work for her. She had never negotiated about a position before and was unsure about what to do.

Because she had no further information, Claudia was ready to accept the terms James offered. Her low aspirations were about to become a self-fulfilling prophecy. But then she stepped back and called a friend outside the bank to help her think more clearly about what she needed to do. Her friend told her to gather some information; without it, she was undermining herself in the negotiation. Her friend suggested that Claudia contact her human resource person to find out about the company's ex-pat package because that seemed to be a major concern for her. Claudia, however, was reluctant to contact people in her Chicago office. She worried that if she did, word would leak out that she was considering a move, and she knew from experience that this could reverberate badly.

When she got off the phone, she sat for a while trying to go through her "mental Rolodex" to see whom she could contact to get the information that would help her. She needed to know more about James and to get a clearer picture of his situation. Did he truly have other candidates he was ready to hire, as he'd claimed? What was the client pool he offered like—and was that really going to be the pool? She wanted to know how the London office handled support in the group: Could she expect an assistant? Finally, the most important issue was the ex-pat

package. She didn't see how she'd be able to manage without support, and she had no idea what the packages were and whether she would be eligible for them.

At first she was stuck. Although she knew other managing directors at the bank from a leadership program she had attended, only one or two would have useful information related to her function. But she kept at it and finally identified two people in London she could contact. The first was Helen, a woman from human resources whom she'd been introduced to in London. She called Helen and learned quickly about the ex-pat packages: what they were and what she could expect.

Having this information totally changed how she felt about the negotiation. "Without the facts," Claudia explained, "you have no confidence. With the facts, I had a totally different approach."

We'll discuss more about Claudia's approach later when we relate what she learned about James and how that changed her strategy to the conversation.

Marisa was in a different situation, being asked to take on a new role in her professional services firm that she did not seek or even particularly want. Marisa's situation is similar to that of many of the other women in this book. They are asked to do something—take on a new role, pick up extra work, help somebody out—and see their choices as yes or no.<sup>20</sup> Often the women I teach say what they want to do is learn to say no more often. But we think the challenge is to take these occasions—when you are asked—and turn them into a negotiation.

To do that, you have to think in terms of "Yes, and..." "Yes, I will take the role. And here is what I need in order to do so." That was Marisa's challenge.

**Marisa's Case: Taking a "Yes, and..." Approach**

Marisa, a tax partner in a large professional services firm, led the tax practice in the Santa Fe area. The practice handled mostly medium-sized accounts, and Marisa's role, primarily an internal one, made her directly responsible for the tax department's profitability—hiring and deploying staff and managers, as well as evaluating and developing them. Happy in her situation, Marisa's career goal was to play a regional or national role in the tax function; she anticipated that her next step would be to assume a leadership role in a larger city or region.

But that's not what happened. Instead, Marisa got a call from Alice Parker, regional managing partner in the Southeast. She wanted Marisa to consider taking on a totally different role in the company: to become a marketplace leader in Miami. In Marisa's firm, the role of a marketplace leader is wholly different from a functional leader position. In this external role, Marisa would be responsible for developing and implementing a business development strategy to land new clients, increase revenues quickly, and extend service lines.

Marisa had a number of concerns. First, she loved being a leader in the tax function and couldn't see why she just shouldn't hold out for a more visible tax position. Second, she loved Santa Fe. Having grown up there, she had family and friends who helped and supported her. Miami would be far more expensive and a long way from family. She was also aware of the Miami office's reputation of being a place where the partners couldn't or didn't work well together. While it was true that the market had been challenging in all the regions, the Miami office was among the poorest performers.

Marisa also knew there would be questions about her. After all, she'd never held a marketplace position. She was also concerned about whether she'd have the appropriate resources to do the job. The firm had recently undergone a round of layoffs and had cut back on support for marketing. To meet the goals



set for the Miami office, funds would need to be expended, but if she took the job, she'd have to wait for a while to get the necessary funding. Nothing new here: it was typical to ask people to do more with less.

Although certain aspects of the role intrigued her, she was inclined to say no and wait for the kind of role she wanted in tax. But then she got a call from a senior leader in the firm who told her she just had to take the job because it would be such a great opportunity for her. He also told her that he knew it was a challenge and that if it didn't work out, the firm would find another place for her. After hanging up, she decided that given his support, she had no choice but to say yes.

### **New Opportunities: The Best Time to Negotiate**

When someone is offered an opportunity, like Marisa, or is seeking one, like Claudia, it is often the best time to negotiate—for two reasons. First, there is often the expectation that one will negotiate. Second, it is also the time when the other party is likely most willing to negotiate. Once you've taken a role under the conditions offered, it's more difficult to change these conditions—not impossible, but more difficult. Assuming that the other person really wants you for a role, as in Marisa's case, or because the other party has put a partial offer on the table, as in Claudia's case, they are likely to be more open to the conditions it would take to get you. This is the time to find out what people in the organization negotiate about when they take on a new role.

**Pointers from your network.** Like Claudia, Marisa contacted women she knew in her network. But she had an advantage over Claudia. There were many women partners in her firm, and she knew some of them from a leadership development program she'd attended the previous year. She contacted Katherine Jones, a regional leader in the tax function whom she knew well. Jones's less-than-easy

experience led her to advise Marisa to make sure to negotiate the resources and support she'd need in the new role. That included funds to use in the marketplace for charitable events and other client interactions. Jones also suggested that Marisa establish an agreement about the kind of support Parker would give her. After all, Marisa was heading into a difficult office situation that would challenge her experiences. That included how Parker would present her to the partners and support her if she had problems dealing with partners who might not be willing to accept her.<sup>21</sup> Jones also suggested that Marisa at least start a discussion with Parker about what positions would come next, given what the senior leader had told her. Although there was a possibility that this experience would put her on a new trajectory, she felt her heart was still in tax and would want some assurances that she would support her next move. Jones mentioned some other women partners in consulting and audit who had negotiated their next move as part of the discussions about the current offer.

Marisa also had concerns about how a disruptive move would affect her family. She knew two women who had recently relocated and learned from them what kind of relocation package she could expect. One had gotten help not only with financing the move but also with getting her children settled in school. Marisa wondered whether, given the firm's move to more remote forms of work using recent technology, she could structure a long-distance role. She knew a partner in the advisory services of the business who had done that, but she learned that the nature of that work lent itself to a commuting structure. Marisa was not sure she could make it work but decided she might give it a try. As a result of her benchmarking and her reaching out to other women partners in the firm, she developed a pretty good idea of what the "and" to her yes would be.

**Putting the "Yes, and..." approach into action.** When you negotiate in n-negotiations, it helps if you think of your initial response as "Yes, and..." when asked to do something. It's easy to fall into the trap of thinking that there are only two answers to a request: yes or no. But when you say yes, there is no possibility of negotiation. And if you say no, you've also cut off the possibility of negotiating for

things that might otherwise have led you to say yes. When you consider the options for “Yes, and...,” you open the way for creative thinking. But you’ll need to do some research to figure out what that “and” is.

**The power of benchmarking.** Information you glean from benchmarking increases your control over a negotiation. The more you know ahead of time, the more realistic you can be in setting your goals and the easier it is to figure out what steps you need to take to get what you want. The interesting twist here is that you are much more likely to make an effort to gather information if you set your aspirations high. Claudia started her negotiations aspiring low and made no attempt to gather the benchmarking information that would increase her aspirations. After she sought counsel from a friend, she discovered information that raised her aspirations—which led her to both work harder to get a good agreement and be more patient in getting there.<sup>22</sup>

**Benchmarking makes you feel your ask is “defensible.”** Benchmarking is an antidote to that aspirational collapse we discussed earlier. Knowing that others have asked for and received similar things makes us feel more comfortable asking. In our minds, we can defend it. Even if the other person hesitates or says no, we can stay in the conversation because we feel legitimate asking. We have confidence when we know that someone else has achieved what we are attempting to achieve.

**Don’t confuse your aspirations with your bottom line.** Aspirations are what you hope you can achieve; your bottom line is what you can live with. When you aspire high, you are more likely to search out information that would help you figure out what you should ask for and that makes you more confident asking for these things. You don’t use your benchmarking directly—saying, for example, that Jane got this deal and so that’s what you want. It’s simply that the knowledge that Jane got X when she took on a new project arms you to stay in the negotiation. It also means that you are less likely to suffer from the winner’s curse, the situation that occurs when you ask for

something that is quickly granted.<sup>23</sup> There is nothing like the sinking feeling of having your opening offer accepted immediately and realizing that you likely could have asked for more than you did. Then you know that there were more possibilities than you had considered.

### **The Who of Negotiation: Knowing Your Counterpart**

Knowing what you know about the person you are negotiating with is another vital source of information. This is the all-important “who” factor. The importance of this element became especially clear during a conversation with a CEO of a professional services firm who told us that he never negotiated salaries because the offers he gave were, he said, “fair.” Obviously if you knew this about him, negotiating over salary would not be a good idea. He would find an insinuation that his offer wasn’t fair to be insulting. But then he told us a story about a time when he did negotiate over salary. He had given a promising partner, Joan, an opportunity to develop a new area of business for the firm. She told the CEO that in order to succeed in developing this new area, she would be hiring specialized talent whose market-place value meant that she would have to pay them more than she was getting. Having subordinates who made more than she did could jeopardize her credibility and make it harder for her to be successful, she pointed out. The CEO told us that she had made a good case, and he increased her salary.

**Using what you know about your counterpart.** There are two interesting parts of this story. One is what Joan knew about the CEO. She could not base her ask on the going comparable salaries for people in her position because that would have challenged his sense of himself as a fair CEO. So what she did was connect what was good for her (increased compensation) to what was good for the organization (hiring the right talent for the task).

Gathering this kind of information about the other party helps you think about how to phrase what you are asking for. Does the other party like to cut right to the chase and hear your proposals?

Does he want to explore the data and come up with a plan together?

Maureen was a senior executive in talent at her bank who needed the resources for the extended groups she managed on a yearly basis. Her CEO generally accepted her budget proposals and was interested in negotiating over only a few issues—something like 10 percent of her budget. Recently a new CEO was hired—the kind of leader who likes to take a “deep dive” into the data. He wants to jointly negotiate the budget with Maureen. Maureen has had to change her approach to these yearly budget talks, and she now comes prepared to explain each issue and get the CEO’s buy-in on her programs.

Let’s return to Claudia, who wanted to relocate to London, and Marisa, who had been offered a new position in Miami.

**What Claudia’s case teaches us.** Claudia didn’t know Giles James at all when they first spoke. She interpreted his actions as hostile and diminishing of her. However, she realized she knew another woman who had recently relocated to the London office. Claudia reached out to her and learned that James was being pressured somewhat to consider Claudia by the global head of sales. Claudia also learned that James found Americans rather “pushy.” Her contact urged her to take a collaborative stance and seek to engage James in a discussion about ways they could make her transition easier.

**How Claudia used what she knew about her counterpart.** Claudia followed this advice in a few ways. First, the information she’d learned about the ex-pat packages gave her more confidence, so she could focus on engaging James. She decided to signal her collaboration right from the start by beginning the negotiation with issues that would appeal to James. When they spoke again, Claudia began by talking about how excited she was about the possible role (more on this in chapter 5). She then turned to the disappointing client list. She introduced the issue by saying she wanted to make the group successful and wanted to make sure that the client list had potential to do that. She linked what was good for her to what was

good for the organization. James responded immediately; he told her that the client list was fluid and that they would work it out when she arrived. She addressed the other two issues that concerned her—support staff and the ex-pat package—by asking questions. On the support staff, she had ideas about what she could do about that when she arrived. Perhaps, she suggested, she and others could share resources.

When Claudia asked about the ex-pat package, James said he didn't know about it but would investigate. If he'd said that in their first conversation, she would have been suspicious. But because she knew about the types of packages available and what she was likely to get, she felt confident enough to let it go and trust him to investigate and get back to her. He did get back to her, and with a package that she expected.

For Claudia, networking to get the information she needed, especially on the ex-pat package, gave her a different outlook on the negotiation. And learning more about the situation that James was in, his impressions of Americans, and how he liked to negotiate gave her the approach to take.

**What Marisa's case teaches us.** Marisa already knew Alice Parker, who wanted her to take a new role in their firm, from many interactions they'd had as partners over the years. Of the issues she planned to negotiate, she knew that the ones directly related to the business would be easiest for Alice to say yes to. These included having the resources to build market share in Miami. Alice agreed, although she was cutting back on those resources in other city offices in the region. The other business issue was what regional leader Katherine Jones had recommended: that she made sure that Alice would give her the necessary support and backing to position her in the new role. Marisa and Alice were open with each other about the issues she might confront. There were several partners in the office whom Alice thought might pose a problem. In conversations with the head of the firm, Alice had already worked on getting at least two of them to consider retirement. She easily agreed to give whatever support Marisa thought she might need. At Marisa's request, she planned to

attend a strategy meeting for the office to help Marisa get the other partners on board. She suggested that Marisa get a coach and then helped her find one.

Marisa also had two financial issues to raise, which were a bit more complicated because they meant asking Alice to agree to something that violated precedent. Marisa had known Alice for eight years and knew she had worked hard to get to the regional role; in fact, she was the first woman to do so. She also knew that her salary and relocation requests might be difficult for Alice to agree to. So in contrast to the other issues, Marisa planned to go easy on these issues and not push too hard. The first was salary. The role Marisa was taking was more senior than her functional role in Santa Fe, and she thought she deserved an increase. However, Marisa had recently had a bump in salary grade, and Alice thought she would not be able to get her an increase immediately. But she agreed to try.

The final issue was more complicated: her idea about how to do the job remotely. Marisa had done her homework and knew the dollar value of the relocation package. She also knew that Alice would expect her to relocate; after all, that is what Alice had always done. So Marisa approached dealing with this idea in a more collaborative mode. She discussed that she had a child in high school whom she was reluctant to move and a husband who had a job working for the City of Santa Fe. While she knew the firm would help with schools and finding her husband a job in Miami, she wondered with Alice whether they might experiment with a commuting role. At first, Alice did not see how she could do the role with all its challenges if she were not there full time, so Marisa proposed a plan: she would spend a certain number of days per month in Miami—a significant number, especially in the early months of the new role—and manage the rest of the time remotely. The firm had been moving in this direction anyway.

Alice couldn't agree to the second issue. Although there were many roles that could be done remotely, a marketplace leader job demanded being in that market. Marisa reluctantly agreed to relocate but in return asked Alice to commit to helping her move into a more senior role in tax once she had done her time in Miami.

Marisa and Claudia's stories are great examples of how important it is to have a network for gathering information. To figure out what you want, it's incredibly helpful to have examples about what is possible from others.<sup>24</sup> Research shows that people who are well networked tend to receive higher salaries even than people who are advantaged for other reasons in a salary negotiation.<sup>25</sup> But the same holds true for other aspects of a package. People's informal networks provide many important supports in negotiation. They help channel the flow of information and referrals; supply emotional support, feedback, political advice, and protection; and increase the likelihood and speed of promotion.<sup>26</sup> In settings where men predominate in positions of power, as in Claudia's bank, women have a smaller pool of high-status, same-gender contacts on which to draw—which was part of the challenge Claudia faced.<sup>27</sup> Luckily, Marisa had a much broader pool of women to draw on. Both women recognized the importance of their networks to gain information. They found people in their network willing to share their knowledge and expertise.

## SECOND-GENERATION ISSUES AND SMALL WINS

We noted in the Introduction that when people in organizations negotiate for themselves, they can change the organization's negotiated order and can thus have an impact on more widespread change. While people often think of organizational change as being grand, intentional, and top-down, we adhere to another model of organizational change—that of small wins. These are simple actions that people throughout the hierarchy can take and that accumulate to create substantive change. The power of small wins is that they are achievable. It's daunting to think of changing an entire organization, but creating a pilot program or experimenting with a new hiring process on your own team is not as far-fetched.<sup>28</sup>

The act of negotiating can create small wins—particularly when we negotiate in a way that alters the negotiated order. There are countless other opportunities for small wins, some as a result of negotiating, that can accumulate to change organizations. We can see in



the stories of Marisa and Claudia that networks play an incredibly important role in gathering information needed in order to be successful. When I teach negotiation and leadership development programs, I emphasize the importance of this function of networks, particularly when people ask about compensation.

Discussing compensation is often taboo, since we frequently assume members of our networks won't share that kind of information. It feels awkward to ask a colleague, acquaintance, or even friend about her compensation, or whether she negotiated for a promotion or was just granted one. Yet this taboo is something we can each chip away at by being responsible, active network members. By talking openly about our own experiences and outcomes, we can expand the possibilities for others. If Claudia makes a point of telling other women about the ex-pat packages and possibilities for overseas transfers, more women will consider those possibilities for themselves. By enlisting the human resource person in London, she signals that it is important that people understand these packages, making it more likely others will get this information in the future. And by sharing this information, she contributes to a more open culture around information. If Marisa shares what she has learned about negotiating for the next move to advance in the organization, that information will help every partner faced with a request she feels she can't refuse. Marisa has also set a precedent by negotiating the possibility of doing a leadership job remotely.

For this and other materials, visit [www.deborahmkolb.com](http://www.deborahmkolb.com).



### **Putting *Information* to Work**

*Remember: Information Is Power*

- The more information you have entering a negotiation, the more confidence and power you bring to the table:

*(Continued)*

- Set high aspirations. This helps expand your search for information, increasing the likelihood that you will find information you can use to your benefit. In addition, searching out good information will prompt you to raise your aspirations.
- Remember “Yes, and...” By keeping the *and* in mind, you stay open to creative possibilities. Ask yourself, “What would allow me to say yes?”

#### *Benchmarking: The What*

- Collect data. Gather information from websites, news articles, and other sources.
- Leverage your network, inside and outside your organization:
  - Learn what types of issues are negotiable in your organization.
  - Understand the range of possible outcomes—from salary to support staff, scope, resources, or, like Claudia, ex-pat packages.

#### *Understanding Your Counterpart: The Who*

- Reflect on your own experiences with your counterpart (if applicable):
  - What is his communication style?
  - What approaches have you found successful in the past?
  - Gather data from others in your network.
- What is her negotiating style? What are her priorities, pressures, biases, and assumptions that could play into your negotiations?
  - How does he like to hear things? As problems? Solutions? Choices?