Habits of the Best Negotiators

Analysis of Scientific Study of Negotiation

Frank C. Laney

Attorney/Mediator

North Carolina Center for Mediation

NC Dispute Resolution Commission
Certified Superior Court, Family Financial and Clerk of Court Mediator

Colleen L. Byers

Attorney/Mediator

Colleen Byers Mediation, LLC

NC Dispute Resolution Commission
Certified Superior Court, Family Financial, and Clerk of Court Mediator

Negotiation

The interaction or communication between two or more people with the intent of modifying the behavior of the other(s)

Persuading others to do something they would not have ordinarily done

Negotiation

Why are people persuaded?

Power in a competitive setting

Relationship in an accommodating setting

Compromise when they want to get a deal done

Convinced of the good for all in a collaborative setting

If you cannot convince them, then they walk away and avoid you

Rackham and Carlisle Study

Two English researchers studied the negotiating behavior of successful, skilled negotiators, as compared to average negotiators.

49 skilled negotiators

Observed 56 planning sessions with skilled negotiators and

37 planning sessions with average negotiators

Observed 103 negotiating sessions

Defined Skilled Negotiators as:

Rated Effective by Both Sides

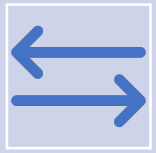
Past Record of Significant Successes – repeatable success

Low Incidence of Implementation Failures

Planning Behaviors

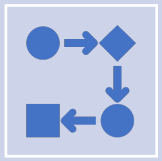
Planning is fundamental to a successful negotiation

Flexibility for the negotiator – *not being overly constrained going into the negotiation* – is critical to the negotiator getting the best deal



We will see flexibility become a major factor.

Amount of Planning Time



No significant difference in how much time Skilled Negotiators and Average Negotiators spent on planning.

What is important is **How** time is spent planning, not the **Amount** of time spent.

Exploration of Options

- Consideration of a wide range of outcomes or options while planning
- Skilled negotiators consider the whole range of options which they might suggest or the opponent might offer in the negotiation.
- Increased exploration of opportunities to get a better deal for both parties.
- Is money the only option?

Flexibility

Exploration of Options

Options Considered During Planning

Skilled consider 2 times as many

Skilled Negotiators	5.1
Average Negotiators	2.6

Seeking Common Ground

- All negotiators spend time exploring both areas of conflict and areas of agreement
- All negotiators concentrate on areas of disagreement or conflict
- Skilled negotiators spend three times as much preparation time considering areas of common ground as do average negotiators

Understanding the other side

Seeking Common Ground

- Have skilled negotiators already built a climate of agreement?
- Is focusing on areas of common agreement key to building a climate of agreement ?
- To consider areas of agreement, the negotiator must first concentrate on the other party's needs, wants and interests.

Understanding the other side

Seeking Common Ground

Percentage of Planning Comments about Areas of Anticipated Agreement or Common Ground

Skilled make 3 times as many comments

Skilled Negotiators	38%
Average Negotiators	11%

Long-term or Short-term Focus

- Consideration of events and relationships beyond immediate issue
- Skilled negotiators make twice as many comments about long-term considerations
- But even skilled are under 10%
- Other research indicates that even skilled negotiators could improve by increasing time spent considering long-term implications

Understanding the other side and Flexibility

Long-term or Short-term Focus

Percentage of Planning comments about Long-term Consideration of Issues

Skilled make over twice as many comments

Skilled Negotiators	8.5%
Average Negotiators	4%

Setting Flexible Limits

- During planning, setting limits or goals in terms of a range rather than a single price point
- Skilled negotiators are more likely to set goals as a range – “We hope to get 34 but will settle for 31”.
- Rather than a single point – “We aim to get 33.”
- Flexibility is mark of more skilled negotiator, in setting goals and pathways to attain the goals.
- Some research supports setting three goals – maximum, minimum, and target.

Flexibility

Sequence Planning

- Ordering the sequence in which projected events will occur.
- Average negotiators rely heavily on planning certain sequences of events, the order in which items will be discussed - which require cooperation of the other party.
- Which leaves negotiator to either:

- Abandon his plan and improvise, or
- Stick to plan over objections of other party

Flexibility

Sequence Planning

- Skilled negotiators planned on how to handle each event independent of any sequence.
- Do not draw sequence links between individual issues.
- Issue planning rather than sequence planning leads to greater flexibility

Flexibility

Flexibility in Process

Number of Statements Implying a Sequence in Planning

Skilled make less than half as many statements

Skilled Negotiators	2.1 times per session
Average Negotiators	4.9 times per session

Understand the Other Side

- Knowledge of the facts is not enough, negotiators must understand the wants and needs of the other party
- To get an agreement, there must be a payoff for the other party
- Other party is not merely a neutral jury evaluating the strength of your case, but rather an interested party looking for a deal that will also benefit them.

Understanding the other side

Self and Other

- Skilled negotiators consider words and behaviors that will move the other side, not just how to present a more convincing case.
- They also consider conditions that could cause them to move during negotiation, including adjusting their goals and targets.

Understanding the other side – and self

Self and Other

Make a chart, stating:

- We issues – things that We want
- They issues – things that They (the other party) want
- Overlap issues – things both parties want

Helps during the planning stage to look for areas of overlap and common ground and prevents over emphasis on areas of disagreement.

Creates loss aversion situation, which favors agreement.

Understanding the other side

Negotiation Behaviors

Behaviors Skilled Negotiators Avoid
And How to Deal with Them When They Arise in Your Negotiation

Irritators

- Words used in negotiation which have negligible value in persuading the other side but rather cause irritation
- Words that have high positive value loading have no persuasive power when used as self-praise
- Describing own proposal as “generous offer,” “fair,” or “reasonable”

Irritators

- Most negotiators know not to use insults or negative value judgements
- But many find it hard not to say gratuitously favorable things about themselves and therefore irritate the other side
- Irritators imply that other is **Un**fair and **Un**reasonable

Irritators

Use of Irritators Per Hour of Speaking Time

Skilled less than one quarter as many

Skilled Negotiators	2.3
Average Negotiators	10.8

Your response – Reframe, Restate, Summarize

Clarify if they really meant to be pointed or upsetting. Or was it just an unfortunate word choice.

Go to the Balcony

Quick Counter Proposals

During a negotiation one party puts forward a proposal and the other party immediately responds with a counter proposal

Use of Counter Proposals per hour of Speaking Time

Skilled less that half as often

Skilled Negotiators	1.7
Average Negotiators	3.1

Quick Counter Proposals

- Introduce additional options or issues, complicating the negotiation
- Put forward at a time when the other party is focused on their own proposal and less receptive to analyzing new ideas
- Seen as a rejection, not as a new proposal
- Perception that first proposal was not “really” heard, so “they are not listening to me”
- Disrespect

Your response – Reflect back, Summarize

When you respond to a proposal, reflect and summarize to keep your response from being “quick”.

When they respond with a quick proposal, explore by reflecting, summarizing and asking questions.

Defend/Attack Spirals

- Conflict leads negotiators to become emotionally heated
- They use emotional and value-loaded language
- Attack leads to defense and counter-attack
- A spiral of increasing intensity
- Legitimate defense is seen as unwarranted attack

Defend/Attack Spirals

Percentage of Negotiator Comments Classified as Defending/Attacking

Skilled use less than one-third as often

Skilled Negotiators 1.9

Average Negotiators 6.3

Defend/Attack Spirals

- Skilled negotiators attack less often but gave no warning and attack hard when they do.
- Average negotiators start slowly and work their way to more intensity, causing the other party to build up a defensive behavior – seemingly reactive not strategic.
- Skilled seem to use attacks as a deliberate strategy. Average get sucked into the spiral accidentally.

Your response – Focus on what you want, not what the other side is doing

Be strategic, not reactive

Go to the Balcony

Argument Dilution

- Most people see arguments as a set of scales and the more reasons they can add to the scales, the better their chance of winning
- Skilled negotiators use *fewer* reasons to back up their arguments

Argument Dilution

Disadvantage to advancing a series of reasons to back an argument:

- Other party has a choice of target reasons to attack
- Other party will attack and exploit the weakest reason
- Weak arguments dilute the strong arguments

Argument Dilution

Skilled negotiators advanced one reason at a time and moved on to other reasons only when the main reason seemed to be losing

Average Number of Reasons given to Back Each Argument

Skilled 40% fewer

Skilled Negotiators	1.8
Average Negotiators	3.0

Your response – Do not dilute your points, Reframe and Summarize arguments and offers to focus on your main point

Negotiation Behaviors

Behaviors Skilled Negotiators *Use*

Behavior Labelling

Giving advanced indication of a behavior they are about to use

- “Can I ask you a question?”
- “If I could make a suggestion…”

Behavior Labelling

- Draws attention to the behavior that follows and directs the listener's focus
- Social pressure is increased for the other to respond
- Softener to lessen the impact of a potentially negative action
- Reduces ambiguity and increases clear communication
- Slows down and allows speaker to gather thoughts and hearer to clear their mind

Behavior Labelling

- Skilled negotiators *avoid* labelling *disagreements.*
- Average negotiators begin “I disagree …” then state their reasons.
- Skilled negotiators begin with their reasons then conclude with a statement of disagreement.

Your response – Develop the habit by practicing Behavior Labelling in daily conversation.

It adds a sympathetic, conversational tone to your communication. Makes others see you as more friendly and someone with whom they want to work.

Behavior Labelling

Percentage of Behaviors Immediately Preceded by a Behavior Label

	Disagreeing		*All Others*	
Skilled Negotiators	0.4	one fourth	6.4	five times
Average Negotiators	1.5		1.2	

Seeking Information

Ask Questions to:

- Obtain information
- Steer or control the discussion
- Convey opposition better than direct disagreement
- Keep the other party active and in the conversation by reducing their thinking time
- Give the questioner a mental break to organize thoughts
- Show interest in the other side and their thoughts

Seeking Information

Seeking Information as Percentage of Behaviors

Skilled over 2 times

Skilled Negotiators	21.3
Average Negotiators	9.6

Virginia attorney example

Your response – Develop the habit of asking at least one question before responding.

Summarizing and Clarifying

- Check to see if previous statement is understood
- Short restatement of previous points of discussion
- Sorts out misunderstanding and reduce misconceptions.
- Greater use by skilled negotiators indicates greater concern for clarity and preventing misunderstanding.

Your response – Develop the habit of summarizing and checking for understanding before responding.

Summarizing and Clarifying

Implementation Concerns

- Average negotiators focus on getting a deal, failing to test understanding.
- Their primary objective is to get an agreement and are not as concerned about implementation failures later.
- Skilled negotiators are more concerned about successful implementation and therefore test and summarize to make sure there is a complete agreement.

Your response – Raise future-issue concerns if they do not

We may have a deal, but how will this work?

Summarizing and Clarifying

- *Reflecting* – summarizing other parties' words in a question to get further information

Understanding the other side

Summarizing and Clarifying

Percentage of All Behaviors – Skilled use twice as many statements

	Testing Understanding	*Summarizing*	*Total*
Skilled Negotiators	9.7	7.5	17.2
Average Negotiators	4.1	4.2	8.3

Feelings Commentary

Make statements about:

- What is going on in their minds
- How they are feeling about a subject
- Their motivations

Your response – Practice by making a habit in daily conversations.

All of these Best Practices are ways to improve your communication skills, so use them when you communicate.

Feelings Commentary

- Makes other side more secure as motives seem clear and on the table
- Can cloak disagreement in more acceptable frame, “I am worried we are very far apart on the price we can pay.”
- Expression of feelings is linked to building trust

Your response – Practice by making a habit in daily conversations.

All of these Best Practices are ways to improve your communication skills, so use them when you communicate.

Feelings Commentary

- Skilled negotiators give more internal information than average
- External information or facts, they reveal half as much as average negotiators.

Feelings Commentary

Giving Internal information as Percentage of All Behaviors

Skilled almost twice as often

Skilled Negotiators 12.1

Average Negotiators 7.8

Published in *Journal of European Industrial Training* (1978) Vol. 2 No. 6, pp 6-11, Vol. 2 No. 7, pp 2-5

Cited approvingly in recent scholarly articles.

Questions?

Colleen L. Byers

Attorney/Mediator/Trainer

Colleen Byers Mediation, LLC

colleen@byersmediation.com

336-499-1977

Frank C. Laney

Attorney/Mediator/Trainer

North Carolina Center for Mediation

frankclaney@gmail.com

919-818-8029

Neil Rackham

The Effective

The Behaviour of

by Neil Rackham

Neil Rackham is Managing Director of Huthwaite Research Group and a leading international consultant and researcher

Introduction

Very few studies have investigated what actually goes on face-to-face during a negotiation. Two reasons account for this lack of published research. Firstly, real negotiators are understandably reluctant to let a researcher watch them at work. Such research requires the consent of both negotiating parties and constitutes a constraint on a delicate situation. The second reason for the poverty of research in this area is lack of methodology. Until recently there were few techniques available which allowed an observer to collect data on the behaviour of negotiators without the use of cumbersome and unacceptable methods such as questionnaires.

Since 1968 we have been using behaviour analysis methods [1] to allow direct observation during real negotiations, so that an objective and quantified record can be collected to show how the skilled negotiator behaves.

The Successful Negotiator

In theory, the study of negotiating behaviour should be a simple matter. Find some successful negotiators and watch them during actual negotiations to find how they do it. When we began our studies in 1968, intending to use this simple-sounding procedure, we were puzzled that nobody else seemed to be using this method. But, like many apparently simple procedures, it is not so easy. As Tony Martin of the RHR Institute has pointed out [2], there is not much agreement among the experts on what "negotiation" means – let alone a commonly agreed definition of a skilled negotiator.

We had some problems in deciding how to define the skilled negotiator and we eventually decided on three success criteria.

(a) *They should be rated as effective by both sides*
This criterion enabled us to identify likely candidates for further study. The condition that both sides should agree a negotiator's effectiveness was a precaution to prevent picking a sample from a single frame-of-reference.

(b) *They should have a track record of significant success*
The central criterion for choosing effective negotiators was track record over a time period. In such a complex field we were anxious for evidence of consistency. We also wished to avoid the common trap of laboratory studies – looking only at the short-term consequences of a negotiator's behaviour and therefore favouring those using tricks or deceptions.

(c) *They should have a low incidence of implementation failures*
We judged that the purpose of a negotiation was not just to reach an agreement but to reach one that would be *viable*. Therefore, in addition to a track record of agreements, the record of implementation was also studied to ensure that any agreements reached were successfully implemented.

We picked a total of 49 negotiators who met all of these three success criteria. The breakdown of the sample is given in Table I. Altogether the 49 successful negotiators were studied over a total of 103 separate negotiating sessions. For the remainder of this article these people are called the "skilled" group. In comparison, a group of negotiators who either failed to meet the criteria or about whom no criterion data was available, were also studied. These were called the "average" group. By comparing the behaviour of the two groups it was possible to isolate some of the crucial behaviours which made the skilled negotiators different.

Table I. Effective Negotiator Sample

Union Representatives	17
Management Representatives	12
Contract Negotiators	11
Others	9

The Research Method

We met the negotiators before the negotiation and encouraged them to talk about planning and objectives. For 56 sessions with the skilled negotiators and 37 sessions with the average negotiators this planning session was either tape-recorded or extensive notes were taken.

The negotiator then introduced us as researchers into the actual negotiation. (The delicacy of this process can be judged from the fact that although most cases had been carefully prehandled, we were not accepted in upwards of 20 instances and were asked to withdraw.)

During the negotiation we observed and noted the frequency with which certain key behaviours were used by the negotiators, using behaviour analysis methods. In all of the 103 sessions interaction data was collected while in 66 sessions some content analysis was also obtained.

In this article we shall concentrate on the area of face-to-face behaviours used by skilled negotiators and compare their frequency with those used by average negotiators. We shall use a definition of negotiation similar to that used by Morley and Stephenson [3] but without the industrial rela-

Negotiator – Part I

Successful Negotiators

and John Carlisle

John Carlisle is a consultant
with the Huthwaite Research Group

John Carlisle

tions dispute connotations: "A negotiation is the verbal process of coming to agreement over the allocation of scarce resources".

Face-to-face Behaviour

Skilled negotiators show marked differences in their interactions compared with average negotiators. They use certain types of behaviour significantly more frequently while other types they tend to avoid.

(a) *Behaviours avoided*

(1) *Irritators*

Certain words and phrases which are commonly used during negotiation have negligible value in persuading the other party but do cause irritation. Probably the most frequent example of these is the term "generous offer" used by a negotiator to describe his own proposal. Similarly, words such as "fair", "reasonable" and other terms with a high positive value loading, have no persuasive power when used as self-praise, while serving to irritate the other party because of the implication that they are *un*fair, *un*reasonable and so on. Most negotiators avoid the gratuitous use of direct insults or unfavourable value judgements. They know that there is little to gain from saying unfavourable things about the other party during face-to-face exchanges. However, the other side of the coin – saying gratuitously favourable things about themselves – seems harder for them to avoid. We call such words "*irritators*" and find that although the average negotiator uses them fairly regularly, the skilled negotiator tends to avoid them.

Table II. Irritators

	Use of Irritators per hour of Face-to-face Speaking Time
Skilled Negotiators	2.3
Average Negotiators	10.8

It is hardly surprising that skilled negotiators use fewer irritators. Any type of verbal behaviour which antagonises without a persuasive effect is unlikely to be productive. More surprising is the heavy use of irritators by average negotiators. The conclusion must be that most people fail to recognise the counter-productive effect of using positive value judgements about themselves and, in doing so, implying negative judgements of the other party.

(2) *Counter proposals*

During negotiation it frequently happens that one party puts forward a proposal and the other party immediately responds with a counter proposal. Skilled negotiators seem to make immediate counter proposals much less frequently than average negotiators.

Table III. Counter-Proposals

	Frequency of Counter Proposals per Hour of Face-to-face Speaking Time
Skilled Negotiators	1.7
Average Negotiators	3.1

This difference suggests that the common strategy of meeting a proposal with a counter proposal may not be particularly effective. The disadvantages of counter proposals are:

– They introduce an additional option, sometimes a whole new issue, which complicates and clouds the clarity of the negotiation.

– They are put forward at a point where the other party has least receptiveness, being occupied with their own proposal.

– They are perceived as blocking or disagreeing by the other party, not as proposals. (We studied 87 controlled pace negotiation [4] exercises and found that when one side in a negotiation put a proposal there was an 87 per cent chance that the other side would perceive it as a proposal. However, if the proposal immediately followed a proposal made by the other side (if, in other words, it was a counter proposal), the chance of being perceived as a proposal dropped to 61 per cent with a proportionate increase in the chances of being perceived as either disagreeing or blocking.)

These reasons probably explain why the skilled negotiator is less likely to use counter-proposing as a tactic than is the average negotiator.

(3) *Defend/Attack Spirals*

Because negotiation frequently involves conflict, negotiators may become heated and use emotional or value-loaded behaviours. When such behaviour was used to attack the other party, or to make an emotional defence, we termed it "defending/attacking". Once initiated, this behaviour tends to form a spiral of increasing intensity: one negotiator will attack; the other will

defend, usually in a manner which the first negotiator perceives as an attack. In consequence the first negotiator attacks more vigorously and the spiral commences. Defending and attacking are often difficult to distinguish from each other. What one negotiator perceives as a legitimate defence, the other party might see as an unwarranted attack. This is the root cause of most defending/attacking spirals observed during the studies. Average negotiators in particular are likely to react defensively, using comments such as, "You can't blame us for that", or "It's not *our* fault that the present difficulty has arisen". Such comments frequently provoke a sharp defensive reaction from the other side of the table.

Table IV. Defend/Attack Spirals

	Percentage of Negotiators Classified as Comments Defending/Attacking
Skilled Negotiators	1.9
Average Negotiators	6.3

Average negotiators use more than three times as much defending/attacking behaviour as skilled negotiators. Although we do not have any precise measures, we observed that skilled negotiators, if they did decide to attack, gave no warning and attacked hard. Average negotiators, in contrast, usually begin their attacking gently, working their way up to more intense attacks slowly and, in doing so, causing the other party to build up its defensive behaviour in the characteristic defending/attacking spiral.

(4) *Argument Dilution*

Most people have a model of arguing which looks rather like a balance or a pair of scales. In fact, many of the terms we use about winning arguments reflect this balance model. We speak of "tipping the argument in our favour", of "the weight of the arguments", or how an issue "hangs in the balance". This way of thinking predisposes us to believe that there is some special merit in quantity. If we can find five reasons for doing something then that should be more persuasive than only being able to think of a single reason. We feel that the more we can put on our scale-pan, the more likely we are to tip the balance of an argument in our favour. If this model has any validity then the skilled negotiator would be likely to use *more* reasons to back up an argument than would the average negotiator.

We found that the opposite was true. The skilled negotiator used *fewer* reasons to back up each argument. Although the balance-pan model may be very commonly believed, the studies suggest that it is a *disadvantage* to advance a whole series of reasons to back an argument or case. In doing so, the negotiator exposes a flank and gives the other party a choice of which reason to dispute. It seems self-evident that if a negotiator gives five reasons to back a case and the third reason is weak, the other party will exploit this reason in their response. The most appropriate model seems to be one of *Dilution*. The more reasons advanced the more a case is potentially diluted.

Table V. Argument Dilution

	Average Number of Reasons Given by Negotiators to Back Each Argument/Case they Advanced
Skilled Negotiators	1.8
Average Negotiators	3.0

The poorest reason is a lowest common denominator: a weak argument generally dilutes a strong one.

Unfortunately, many negotiators who had the disadvantage of higher education put a value on being able to ingeniously devise reasons to back their case. They frequently suffered from this dilution effect and had their point rejected, not on the strength of their principal argument, but on the weakness of the incidental supporting points they introduced. The skilled negotiator tended to advance single reasons insistently, only moving to subsidiary reasons if the main reason was clearly losing ground. It is probably no coincidence that an unexpectedly high proportion of the skilled negotiators studied, both in labour relations and in contract negotiation, had relatively little formal education. As a consequence they had not been trained to value the balance-pan model and more easily avoided the trap of advancing a whole flank of reasons to back their case.

(b) *Behaviours used*

(1) *Behaviour Labelling*

Skilled negotiators tended to give an advance indication of the class of behaviour they were about to use. So, for example, instead of just asking, "How many units are there?", they said, "Can I ask you a question – how many units are there?", giving warning that a question was coming. Instead of just making a proposal they began, "If I could make a suggestion . . ." and then followed this advance label with their proposal. Average negotiators were significantly less likely to label their behaviour in this way – with one exception. The only behaviour which the average negotiator was more likely to label in advance was disagreeing.

Table VI. Behaviour Labelling

	Percentage of All Negotiators' Behaviours Immediately Preceded by a Behaviour Label	
	Disagreeing	All Behaviours Except Disagreeing
Skilled Negotiators	0.4	6.4
Average Negotiators	1.5	1.2

This is a slightly unusual finding and it may not be immediately evident why these differences should exist. Our interpretation is that, in general, labelling of behaviour gives the negotiator the following advantages:

– It draws the attention of the listeners to the behaviour that follows. In this way social pressure can be brought to force a response.

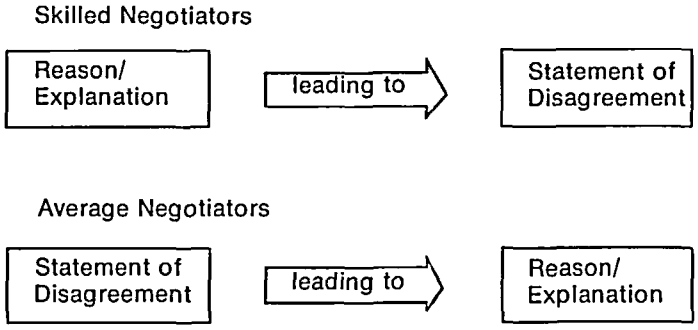
– It slows the negotiation down, giving time for the negotiators using labelling to gather their thoughts and for the other party to clear their minds from the previous statements.

– It introduces a formality which takes away a little of the cut-and-thrust and therefore keeps the negotiation on a rational level.

– It reduces ambiguity and leads to clearer communication.

The skilled negotiator does, however, avoid labelling *disagreement*. While average negotiators will characteristically say, "I disagree with that because of . . ." thus labelling that they are about to disagree, the skilled negotiator is more likely to begin with the reasons and lead up to the disagreement.

Figure 1. Alternative Modes of Disagreeing



If one of the functions of behaviour labelling is to make a negotiator's intentions clear, then it is hardly surprising that skilled negotiators avoid making it clear that they intend to disagree. They would normally prefer their reasons to be considered more neutrally so that acceptance involved minimal loss of face for the other party. But, if labelling disagreement is likely to be counter productive, why does the average negotiator label disagreeing behaviour more than all the other types of behaviour put together? Most probably this tendency reflects the order in which we think. We decide that an argument we hear is unacceptable and only then do we assemble reasons to show why. The average negotiator states the disagreement first, and then follows with the reasons. The skilled negotiator seems to be able to stifle this impulse.

(2) *Testing Understanding and Summarising*
We found that two behaviours with a similar function, *testing understanding* and *summarising* were used significantly more by the skilled negotiator. *Testing understanding* is a behaviour which checks to establish whether a previous contribution or statement in the negotiation has been understood. *Summarising* is a compact restatement of previous points in the discussion. Both behaviours sort out misunderstandings and reduce misconceptions.

Table VII. Testing Understanding and Summarising

	Percentage of All Behaviours by Negotiators		
	Testing Understanding	summarising	TU + summarising
Skilled Negotiators	9.7	7.5	17.2
Average Negotiators	4.1	4.2	8.3

The higher level of these behaviours by the skilled negotiator probably reflects concern with clarity and the prevention of misunderstanding. It may also relate to two less obvious factors.
(i) *Reflecting* – Some skilled negotiators tended to use testing understanding as a form of reflecting behaviour – turning the other party's words back in order to obtain further responses, e.g. "So do I understand that you are saying you don't see *any* merit in this proposal at all?"

(ii) *Implementation Concern* – Average negotiators in their anxiety to obtain an agreement, would often quite deliberately fail to test understanding or to summarise. They would prefer to leave ambiguous points to be cleared later, fearing that making things explicit might cause the other party to disagree. In short, their predominant objective was to obtain an agreement and they would not probe too deeply into any area of potential misunderstanding which might prejudice immediate agreement, even if it was likely to give rise to difficulties at the implementation stage. The skilled negotiator, on the other hand, tended to have a greater concern with the successful implementation (as would be predicted from the success criteria earlier in this article). Consequently they would test and summarise in order to check out any ambiguities at the negotiating stage rather than leave them as potential hazards for implementation.

(3) *Seeking Information*
The skilled negotiator seeks significantly more information during negotiation than does the average negotiator.

Table VIII. Seeking Information

	Seeking Information as a Percentage of All Negotiators' Behaviours
Skilled Negotiators	21.3
Average Negotiators	9.6

This is a very significant difference in behaviour, and it is interesting that researchers and practitioners such as Chester Karrass [5] and Gerald Atkinson [6] recognise the utility of seeking information. Negotiators questioned about this behaviour agree on its utility at two levels:
(a) Obtaining the necessary information with which to bargain;
(b) Using questions as a deliberate strategy. For example:
  (i) Questions give control over the discussion,
  (ii) Questions are more acceptable alternatives to direct disagreement,
  (iii) Questions keep the other party active and reduce their thinking time,
  (iv) Questions can give negotiators a breathing space to allow them to marshall their own thoughts.

It is worth noting that testing understanding which, as we have seen, is also a behaviour used more by successful negotiators has a similar strategic value.

(4) *Feelings Commentary*
Skilled negotiators are often thought of as people who play their cards very close to their chests and who keep feelings to themselves. The research studies were unable to measure this directly because feelings are unobservable. However, an indirect measure was possible – counting the number of times that negotiators made statements about what was going on inside their minds. The behaviour category of "*Giving Internal Information*" was used to record any reference by negotiators to their internal considerations such as feelings and motives.

Table IX. Feelings Commentary

	Giving Internal Information as Percentage of All Negotiators Behaviours
Skilled Negotiators	12.1
Average Negotiators	7.8

The skilled negotiator is more likely to give information about internal events than the average negotiator. This contrasts sharply with the amount of information given about *external* events, such as facts, clarifi-

cations, general expressions of opinion, etc. Here the average negotiator gives almost twice as much.

The effect of giving internal information is that negotiators appear to reveal what is going on in their minds. This revelation may or may not be genuine, but it gives the other party a feeling of security because such things as motives appear to be explicit and above board. The most characteristic and noticeable form of giving internal information is a feelings commentary, where skilled negotiators talk about their own feelings and the impression the other party has on them. For example, average negotiators, hearing a point from the other party which they would like to accept but doubt its veracity, are likely to receive the point in uncomfortable silence. The skilled negotiators are more likely to comment on their own feelings saying something like, "I'm uncertain how to react to what you've just said. If the information you've given me is true then I would like to accept it, yet I feel some doubts inside me about its accuracy. So part of me feels happy and part feels rather suspicious. Can you help me resolve this?"

It was also often used instead of disagreeing behaviour. For example, if a price quoted seemed too high, the skilled negotiator would say, "I'm very worried that we seem so far apart on this particular point . . .", instead of disagreeing flatly with it.

The work of psychologists such as Carl Rogers has shown that the expression of feelings is directly linked to establishing trust in counselling situations. It is probable that the same is true for negotiating.

Conclusion

We would agree with McGrath and Julian [7] that ". . . direct measurement of that interaction process which could permit a tracing of these mediating effects is seldom attempted" and that this is a ". . . major limitation in nearly all studies of negotiation". We are hoping to remedy this.

The behaviour analysis techniques we use can be related to success criteria and this has given us an insight into real-life negotiation which we are using in training and further research. Our findings are not exhaustive and, as usual, the knowledge we have gained has opened up other areas for investigation. Probably the most profitable area for deeper investigation is the broad area of questions, techniques and objectives. We already have one tentative model which we are testing in the training environment which we shall discuss in our later article on negotiating training; but a great deal more work is needed in this area before a definitive model can be produced.

In the next article we shall examine planning for a negotiation. This is a complex but vital aspect of negotiation research, being the foundation for any successful bargaining, and our research has revealed some surprisingly different approaches.

References

1. Rackham, N., and Morgan, T., *Behaviour Analysis in Training*, McGraw-Hill, London, 1977.
2. Martin, A. W., *The Manager as Negotiator, (The Role of Negotiation in Organizational Transactions)*, RHR Institute, Inc, 1975.
3. Morley, I and Stephenson, G., *Social Psychology of Bargaining*, George Allen & Unwin, London, 1977.
4. Rackham, N., "Controlled Pace Negotiation", *Industrial and Commercial Training*, 1972.
5. Karrass, C. L., *The Negotiating Game*, World Publishing, New York and Cleveland, Ohio, 1970.
6. Atkinson, G. M., *The Effective Negotiator*, Quest Research Publication, London, 1977.
7. McGrath, J. E. and Julian, J. W., "Interaction Process and Task Outcomes in Experimentally Created Negotiating Groups," *Journal of Psychological Studies*, 1963, 14, pp. 117-138.

vikalpa

The Journal for Decision Makers

विद्याविनियोगाधिकारः
IIM
AHMEDABAD

Published quarterly by the
Indian Institute of Management, Ahmedabad

Neil Rackham

The Effective

Planning for

by Neil Rackham

Neil Rackham is Managing Director
of Huthwaite Research Group and a
ng international consultant and researcher

A. Introduction

1. *Resumé*

In our first article we presented a case for using behaviour analysis as a method of differentiating between successful and average negotiators. Our findings about the successful negotiator's behaviour during a negotiation are summarised below.

Figure 1. Behaviours of a Skilled Negotiator

Behaviours Avoided	*Behaviours Used*
Irritators	Behaviour Labelling
Counter Proposals	Testing Understanding and Summarising
Defend/Attack Spirals	Seeking Information
Agrument Dilution	Feelings Commentary

2. *Some realities of planning*

We concluded the article by stating the obvious, i.e. planning was the foundation for any successful negotiation. However, recognising the obvious and doing something about it are two very different things. We are dismayed at the number of times we have seen industrial buyers in particular so constrained in their negotiations by production deadlines and engineering preferences as to become mere stock order clerks. The resultant loss of bargaining power must cost some large companies literally millions of pounds.

It says a great deal for the success of expert negotiators' internal negotiating ability that they do gain the time and bargaining space to prepare well. This emphasises the importance of the "intra-organisational bargaining" activity which Pedler includes in his Negotiation Map B [1]. The component purchasing field where buying appears to have neither the visibility nor the status of, for example, retail buying, is an area where too often the buyer is restricted to very tight specifications. This has implications for the negotiator's flexibility and, as we shall see shortly, can severely hamper any planning. The same will happen to any management and union negotiators who are too limited or feel limited by their briefs.

B. The Research Method

We spent 56 sessions with skilled negotiators and 37 sessions with average negotiators before the negotiations and encouraged them to talk about their planning objectives. We then sat in on the planning sessions and either made extensive notes of the activities or tape-recorded the sessions.

Although this method of observation did highlight some important aspects of planning, it is not a technique with which we are particularly satisfied. In the first place there is a high probability of observer interference in the planning process because our questions could cause people to consider and clarify issues they would not have otherwise done. In the second place we were using more interpretative categories for analysis than the behaviour categories. Fortunately Neil Rackham was the only observer in the majority of the planning sessions so there is no real additional problem over inter-observer reliability.

In the end, however, significant planning differences did emerge and, bearing our reservations in mind, we would like to present them as useful guidelines for the negotiator.

C. Methods of Planning

1. *Amount of Planning Time*

No significant difference was found between the total planning time which skilled and average negotiators claimed they spent prior to actual negotiation. This finding must be viewed cautiously because, unlike the other conclusions in this article, it is derived from the negotiators' impressions of themselves, not from their actual observed behaviour. Nevertheless, it suggests the conclusion that it is not the *amount* of planning time which makes for success, but how that time is used.

2. *Exploration of Options*

The skilled negotiator considers a wider range of outcomes or options for action, than the average negotiator.

Table I. Range of Options

	Outcomes/Options Considered During Planning (per Negotiable Issue)
Average Negotiator	2.6
Skilled Negotiator	5.1

The skilled negotiators are concerned with the whole spectrum of possibilities, both those which they could introduce themselves and those which might be introduced by the people they negotiate with. This is a major preparation for exploring every opportunity to get what Karrass [2] calls "a better deal for both parties" during the actual negotiation.

In contrast, the average negotiators consider few options. An impression of the researchers, for which,

Negotiator – Part 2

Negotiations

and John Carlisle

John Carlisle is a consultant
with the Huthwaite Research Group

John Carlisle

unfortunately, no systematic data were collected, is that the average negotiators are especially less likely to consider options which might be raised by the other party.

3. *Common Ground*

Do the skilled negotiators concentrate during their planning *on the areas which hold most potential for conflict, or do* they give their attention to possible areas of common ground? The research showed that although both groups of negotiators tended to concentrate on the conflict areas, the skilled negotiators gave over three times as much attention to common ground areas as did average negotiators.

Table II. Looking for Common Ground

Skilled Negotiators
38% of comments about areas of anticipated *agreement* or *common ground*
Average Negotiators
11% of comments about areas of anticipated *agreement* or *common ground*

This is a significant finding and it can be interpreted in a variety of ways. It may be, for example, that the skilled negotiator has already built a climate of agreement so that undue concentration on conflict is unnecessary. Equally, concentration on the common ground areas may be the key to building a satisfactory climate in the first place. A relatively high concentration on common ground areas is known to be an effective strategy from other Huthwaite Research Group studies of persuasion, notably with "pull" styles of behaviour in persuasion and in selling.

The skilled negotiators gave over three times as much attention to common ground areas as did average negotiators

In any event potential negotiators wishing to model themselves on successful performers would do well to pay special attention to areas of anticipated common ground and not just to areas of conflict.

4. *Long-term or Short-term?*

It is often suggested that skilled negotiators spend much of their planning time considering the long-term implications of the issues, while unskilled negotiators concentrate on the short-term. Is this true in practice? The studies found that both groups showed an alarming concentration on the short-term aspects of issues.

Table III. Long-term Considerations

	Percentage of Planning Comments about "Long-term" Considerations of Anticipated Issues
Skilled Negotiator	8.5%
Average Negotiator	4%

With the average negotiators, approximately one comment in 25 during their planning met our criterion of a long-term consideration, namely, a comment which involved any factor extending beyond the immediate implementation of the issue under negotiation. The skilled negotiators, while showing a proportion of long-term comments twice that of the average negotiators, still appear to direct *less than* one tenth of their comments to the long term! Although these figures must necessarily be approximate, partly because of the research method (which may have inadvertently encouraged verbalisation of short-term issues) and partly because our ignorance of individual circumstances made some comments hard to classify, they demonstrate how little thought is given by most negotiators to the long-term implications of what they negotiate. Today many of the unacceptable expectations of employees and employers are probably the result of short-term thinking in past industrial relations negotiations.

5. *Setting Limits*

The researchers asked negotiators about their objectives and recorded whether their replies referred to single-point objectives (e.g. "We aim to settle at 83p") or to a defined range (e,g, "We hope to get 37p but we would settle for a minimum of 34p"). Skilled negotiators were significantly more likely to set upper and lower limits – to plan in terms of a range. Average negotiators, in contrast, were more likely to plan their objectives around a fixed point. Although one possible explanation is that the skilled negotiator has more freedom, which gives him the discretion of upper and lower limits, this seems unlikely from the research. Even where the average negotiators had considerable capacity to vary the terms of an agreement, they usually approached the negotiation with a fixed-point objective in mind.

The conclusion, for would-be negotiators, is that it seems to be preferable to approach a negotiation with objectives

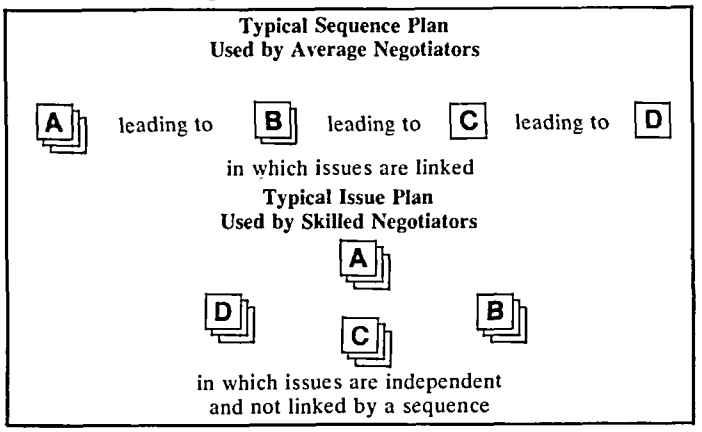
specifying a clearly defined *range* rather than to base planning on an inflexible single-point objective. In fact Karrass ties this type of planning in with aspiration levels. His research has demonstrated that the higher the aspiration level the higher the achieved outcome; and he suggests three guidelines for the range of objectives, namely, a maximum, minimum and a target level.

6. *Sequence and Issue Planning*

The term "planning" frequently refers to a process of sequencing – putting a number of events, points or potential occurrences into a time sequence. Critical path analysis and other forms of network planning are examples. This concept of planning, called *sequence planning*, works efficiently with inanimate objects, or in circumstances where the planner has real control which allows him to determine the sequence in which events will occur. The researchers found that average negotiators place very heavy reliance on sequence planning. So, for example, they would frequently verbalise a potential negotiation in terms like "First I'll bring up A, then lead to B, and after that I'll cover C and finally go on to D". In order to succeed, sequence planning always requires the consent and co-operation of the other negotiating party. In many negotiations this co-operation was not forthcoming. The negotiator would begin at point A and the other party would only be interested in point D. This could put the negotiator in difficulty, requiring either a mental change of gear and approach to the negotiation in a sequence not planned for, or dogged insistence on the original sequence risking disinterest from the other party. In many negotiations observed sequences were, in themselves, negotiable and it was ill-advised for the negotiator to plan on a sequence basis.

But sequence planning is the most common way in which people plan and, if it doesn't work with many negotiations, then how should a negotiator plan? The researchers found that skilled negotiators tended to plan around each individual issue in a way which was *independent* of any sequence.

Figure 2. Preparing the Case



They would consider issue C, for example, as if issues A, B and D didn't exist. Compared with the average negotiators they were careful not to draw sequence links between a series of issues. This was demonstrated by observing the number of occasions during the planning process that each negotiator mentioned *sequence* of argument.

Table IV. Sequence Planning

	Number of Mentions Implying Sequence in Planning
Skilled Negotiator	2.1 per session
Average Negotiator	4.9 per session

The clear advantage of Issue Planning over Sequence Planning is, once again, flexibility. In planning a negotiation it is important for a negotiator to be aware that, unless a pre-set agenda is agreed, the sequence of issues to be discussed may itself be subject to negotiation. Even where an agenda exists the use of a sequence plan approach to a particular item could mean the loss of flexibility. So it seems useful for negotiators to plan their tactics using Issue Planning and avoiding Sequence Planning.

D. Implications for the Training of Negotiators

1. *"Self and Other"*

The distinctions between the skilled and average negotiators' planning profiles seem to indicate that the skilled person is aware that a thorough knowledge of all the facts is simply not enough. The average negotiator does not appreciate to the same extent the fact that the other party will only agree to a deal which is seen to have a payoff for them. The result is that not nearly enough time is spent during planning on considering (a) tactics and behaviours which will move the other party as opposed to presenting a good case, and (b) conditions under which they themselves can move. This type of behaviour-oriented thinking during the planning stage appears to give the skilled negotiator a distinct edge in the actual negotiation.

2. *Training in the Use of Information*

Much of the negotiation training we have looked at in the planning area concentrates on knowledge and procedural factors without paying much, if any, attention to the useful *application* of that knowledge in the bargaining arena.

The consequences of this bias are twofold:

(a) At best the negotiator will intuitively use the information correctly without quite knowing why.

(b) At worst the information will be used as a bludgeon (or a crutch) causing loss of interest in the other party and perhaps giving away points which the other party may use to strengthen their own case, e.g. Argument Dilution.

We have tried to correct this anomaly, operating on the premise that no amount of training can substitute for the hard spadework which must precede any negotiation; but that people can be trained to order and employ the information they have to far greater effect in preparation for the bargaining phase than many do now. Karrass [2] in fact does recognise this when he says of Administrative Planning (researching and organising for the negotiation), "Nothing will be said . . . except to point out the obvious: that resources must be organised to get good results at the conference table". He then goes on to advocate some useful tips for using the data, such as testing assumptions, considering questions to ask or counter, concessions to make and so on. However, this, and many other written guides to negotiation, constitute good advice and not training. Very few people will actually transfer advice into the hurly-burly of a negotiation sequence; it's hard enough trying to achieve a transfer of training!

Huthwaite Approaches to Planning Training

We have found the experiential learning approach of the type Burgoyne *et al* [3] describe as the "here-and-now" most effective when used with planning aids which help the trainees to structure the information in a way which should help during the negotiation interaction. The trainees are asked to negotiate live issues for the course, for example, controlling smoking during training sessions, and we then give the planning forms of the type illustrated in Figures 3, 4 and 5 to assist them in analysing and ordering the data they have.

Figure 3 shows the form which helps negotiators look for overlap and common ground between their needs and those of the other party. This tends to deflect the people from the obvious path of emphasising disagreements and helps them to explore a larger payoff area.

Figure 3. Negotiation Planning Form 1 – Areas of Development

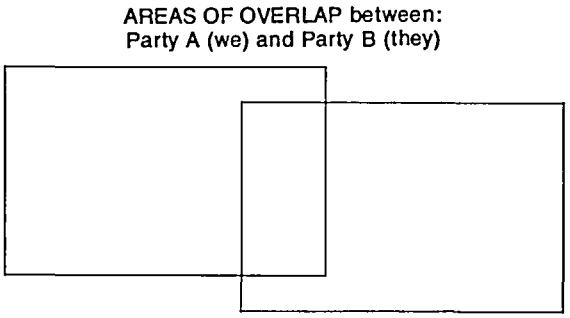


Figure 4 is that of the Payoff Matrix form which assists people to extend their range of options, and is also very useful as a prod to get negotiators to consider the longer-term implications of their favoured outcome (see Figure 5 – *Consequences Matrix*).

Finally, the biggest hurdle we try to overcome early on in negotiation training is the assumption in the minds of many inexperienced negotiators that "what makes sense for me, must make sense for them". This leads to an over-reliance on logic and clear exposition of cases; neither of which is particularly persuasive.

It is persuasion which will ultimately facilitate effective agreements and, in a nutshell, this is the direction which all our negotiation training takes – a behavioural area which we will explore in some depth in the next and final article.

References

1. Pedler, M., "Negotiation Skills Training – Part 1". *Journal of European Industrial Training*, Vol. 1 No. 4, 1977, pp. 19-20.

2. Karrass, C. C., *The Negotiating Game*, World Publishing, New York and Cleveland, Ohio, 1970.

3. Burgoyne, J., Boydell, T. and Pedler, M., *Self Development – Theory and Applications for Practitioners*, The Association of Teachers of Management, 1978.

Figure 4. Negotiation Planning Form 2 – Payoff Matrix

PAY OFF MATRIX

Problem: Situation: Supplier wants a 12% price increase

POSSIBLE SOLUTIONS/ACTIONS	CONSEQUENCES TO PARTIES INVOLVED			
IN ACTION				

Figure 5. Negotiation Planning Form 3 – Consequences Matrix

CONSEQUENCES MATRIX

Possible Solution/Action: Get a 9% increase with inflation pegged at 6%

	PARTIES INVOLVED			
Short-Term consequences of ACCEPTING				
Long-Term consequences of ACCEPTING				
Short-Term consequences of REJECTING				
Long-Term consequences of REJECTING				