

Summary : Negotiate as if your life depends on it

Chris Voss

1 The new rules

- I said, using an apology and **his first name**, **seeding more warmth into the interaction** in order to complicate his gambit to bulldoze me.
- I was employing what had become one of the FBI's most potent negotiating tools: the **open-ended question** ... It gives your counterpart the illusion of control—they are the one with the answers and power after all—and it does all that without giving them any idea of how constrained they are by it

1.1 The Smartest dumb guy in the room

While I **wasn't actually saying "No,"** the questions I kept asking sounded like it. They seemed to insinuate that the other side was being dishonest and unfair. And that was enough to make them falter and negotiate with themselves.

1.2 Old school negotiation

1.3 Heat vs. mind

Tversky, Kahneman proved that humans all suffer from Cognitive Bias, that is, unconscious—and irrational—brain processes that literally distort the way we see the world.

- There's the *Framing Effect*, : people place greater value on moving from 90 percent to 100 percent—high probability to certainty—than from 45 percent to 55 percent
- *Loss Aversion*, which shows how people are statistically more likely to act to avert a loss than to achieve an equal gain.
- *Thinking, Fast and Slow* : Man, he wrote, has two systems of thought: System 1, our animal mind, is fast, instinctive, and emotional; System 2 is slow, deliberative, and logical. And System 1 is far more influential. In fact, it guides and steers our rational thoughts. That's what happened to Andy at Harvard: by asking, "How am I supposed to do that?" I influenced his System 1 emotional mind into accepting that his offer wasn't good enough; his System 2 then rationalized the situation so that it made sense to give me a better offer.

1.4 The FBI gets emotional

- These counseling skills were aimed at developing positive relationships with people by demonstrating an understanding of what they're going through and how they feel about it.
- *Tactical Empathy* :Psychotherapy research shows that when individuals feel listened to, they tend to listen to themselves more carefully and to openly evaluate and clarify their own thoughts and feelings. In addition, they tend to become less defensive and oppositional and more willing to listen to other points of view.

1.5 Life is negotiation

In this world, you get what you ask for; you just have to ask correctly.

1.6 The book

Each chapter expands on the previous one. First you'll learn the refined techniques of this approach to Active Listening and then you'll move on to specific tools, turns of phrase, the ins and outs of the final act—haggling—and, finally, how to discover the rarity that can help you achieve true negotiating greatness: the Black Swan.

2 Be a mirror

2.1 Assumptions blind, hypotheses guide

- You should engage the process with a mindset of discovery. Your goal at the outset is to extract and observe as much information as possible.
- Great negotiators are able to question the assumptions that the rest of the involved players accept on faith or in arrogance, and thus remain more emotionally open to all possibilities, and more intellectually agile to a fluid situation.
- It was a reminder to my colleagues and me that until you know what you're dealing with, you don't know what you're dealing with.

2.2 Calm the schizophrenic

- In fact, instead of doing any thinking at all in the early goings about what you're going to say—make your sole and all-encompassing focus the other person and what they have to say. In that mode of true active listening.

- The latter will help you discover the former.

2.3 Show it down

Going too fast is one of the mistakes all negotiators are prone to making. If we're too much in a hurry, people can feel as if they're not being heard and we risk undermining the rapport and trust we've built.

2.4 The voice

1. There are essentially three voice tones available to negotiators: the **late night FM DJ voice**, the **positive/playful voice**, and the **direct or assertive voice**.
2. Most of the time, you should be using the positive/playful voice. It's the voice of an easygoing, good-natured person. Your attitude is light and encouraging. The key here is to relax and smile while you're talking. A smile, even while talking on the phone, has an impact tonally that the other person will pick up on.
3. Playful wasn't the move with Chris Watts. The way the late-night FM DJ voice works is that, when you inflect your voice in a downward way, you put it out there that you've got it covered. Talking slowly and clearly you convey one idea: I'm in control. When you inflect in an upward way, you invite a response. Why? Because you've brought in a measure of uncertainty. You've made a statement sound like a question. You've left the door open for the other guy to take the lead, so I was careful here to be quiet, self-assured.

2.5 Mirroring

- It can be done with speech patterns, body language, vocabulary, tempo, and tone of voice. It's generally an unconscious behavior—we are rarely aware of it when it's happening—but it's a sign that people are bonding, in sync.
- We fear what's different and are drawn to what's similar.
- It's almost laughably simple: for the FBI, a "mirror" is when you repeat the last three words (or the critical one to three words) of what someone has just said.

2.6 How to confront - and get your way - without confrontation

It's just four simple steps:

1. Use the late-night FM DJ voice.
2. Start with "I'm sorry . . ."
3. Mirror.
4. Silence. At least four seconds, to let the mirror work its magic on your counterpart.
5. Repeat.

Example. Popping his head into her office, the boss said, "Let's make two copies of all the paperwork." "I'm sorry, two copies?" she mirrored in response, remembering not only the DJ voice, but to deliver the mirror in an inquisitive tone. The intention behind most mirrors should be "Please, help me understand." Every time you mirror someone, they will reword what they've said. They will never say it exactly the same way they said it the first time. Ask someone, "What do you mean by that?" and you're likely to incite irritation or defensiveness. A mirror, however, will get you the clarity you want while signaling respect and concern for what the other person is saying. "Yes," her boss responded, "one for us and one for the customer." "I'm sorry, so you are saying that the client is asking for a copy and we need a copy for internal use?" "Actually, I'll check with the client—they haven't asked for anything. But I definitely want a copy. That's just how I do business." "Absolutely," she responded. "Thanks for checking with the customer. Where would you like to store the in-house copy? There's no more space in the file room here." "It's fine. You can store it anywhere," he said, slightly perturbed now. "Anywhere?" she mirrored again, with calm concern. When another person's tone of voice or body language is inconsistent with his words, a good mirror can be particularly useful. In this case, it caused her boss to take a nice, long pause—something he did not often do. My student sat silent. "As a matter of fact, you can put them in my office," he said, with more composure than he'd had the whole conversation. "I'll get the new assistant to print it for me after the project is done. For now, just create two digital backups." A day later her boss emailed and wrote simply, "The two digital backups will be fine."

2.7 Key lessons

- A good negotiator prepares, going in, to be ready for possible surprises; a great negotiator aims to use her skills to reveal the surprises she is certain to find.
- Don't commit to assumptions; instead, view them as hypotheses and use the negotiation to test them rigorously.
- People who view negotiation as a battle of arguments become overwhelmed by the voices in their head. Negotiation is not an act of battle; it's a process of discovery. The goal is to uncover as much information as possible.
- To quiet the voices in your head, make your sole and all-encompassing focus the other person and what they have to say.
- Slow. It. Down. Going too fast is one of the mistakes all negotiators are prone to making. If we're too much in a hurry, people can feel as if they're not being heard. You risk undermining the rapport and trust you've built.
- Put a smile on your face. When people are in a positive frame of mind, they think more quickly, and are more likely to collaborate and problem-solve (instead of fight and resist). Positivity creates mental agility in both you and your counterpart.

There are three voice tones available to negotiators:

1. The late-night FM DJ voice: Use selectively to make a point. Inflect your voice downward, keeping it calm and slow. When done properly, you create an aura of authority and trustworthiness without triggering defensiveness.
 2. The positive/playful voice: Should be your default voice. It's the voice of an easygoing, good-natured person. Your attitude is light and encouraging. The key here is to relax and smile while you're talking.
 3. The direct or assertive voice: Used rarely. Will cause problems and create pushback.
- Mirrors work magic. Repeat the last three words (or the critical one to three words) of what someone has just said. We fear what's different and are drawn to what's similar. Mirroring is the art

of insinuating similarity, which facilitates bonding. Use mirrors to encourage the other side to empathize and bond with you, keep people talking, buy your side time to regroup, and encourage your counterparts to reveal their strategy.

3 Don't feel their pain, label it

You can learn almost everything you need—and a lot more than other people would like you to know—simply by watching and listening, keeping your eyes peeled and your ears open, and your mouth shut.

3.1 Tactical empathy

- Playing dumb is a valid negotiating technique, and “I don't understand” is a legitimate response. But ignoring the other party's position only builds up frustration and makes them less likely to do what you want.
- Tactical empathy is understanding the feelings and mindset of another in the moment and also hearing what is behind those feelings so you increase your influence in all the moments that follow. It's bringing our attention to both the emotional obstacles and the potential pathways to getting an agreement done.
- Empathy is a classic “soft” communication skill, but it has a physical basis. When we closely observe a person's face, gestures, and tone of voice, our brain begins to align with theirs in a process called neural resonance, and that lets us know more fully what they think and feel.

3.2 labeling

Example. Now, pay close attention to exactly what we said: “It looks like you don't want to come out. It seems like you worry that if you open the door, we'll come in with guns blazing. It looks like you don't want to go back to jail.” We spotted their feelings, turned them into words, and then very calmly and respectfully repeated their emotions back to them. In a negotiation, that's called labeling.

- Think of labeling as a shortcut to intimacy, a time-saving emotional hack.

- The trick to spotting feelings is to pay close attention to changes people undergo when they respond to external events. Most often, those events are your words.
- When you say “I,” it says you’re more interested in yourself than the other person, and it makes you take personal responsibility for the words that follow—and the offense they might cause.
- And if they disagree with the label, that’s okay. You can always step back and say, “I didn’t say that was what it was. I just said it seems like that.”
- The last rule of labeling is silence.

3.3 Neutralize the negative, reinforce the positive

- First, let’s talk a little human psychology. In basic terms, people’s emotions have two levels: the “presenting” behavior is the part above the surface you can see and hear; beneath, the “underlying” feeling is what motivates the behavior.
- As an emotion, anger is rarely productive—in you or the person you’re negotiating with. It releases stress hormones and neurochemicals that disrupt your ability to properly evaluate and respond to situations. And it blinds you to the fact that you’re angry in the first place, which gives you a false sense of confidence.
- Labeling is a helpful tactic in de-escalating angry confrontations, because it makes the person acknowledge their feelings rather than continuing to act out.
- I always acknowledge the other person’s anger. I’ve found the phrase “Look, I’m an asshole” to be an amazingly effective way to make problems go away. That approach has never failed me.
- Research shows that the best way to deal with negativity is to observe it, without reaction and without judgment. Then consciously label each negative feeling and replace it with positive, compassionate, and solution-based thoughts.

3.4 Clear the road before advertising the destination

3.5 Do an accusation audit

- In court, defense lawyers do this properly by mentioning everything their client is accused of, and all the weaknesses of their case, in the opening statement. They call this technique “taking the sting out.”
- The first step of doing so is listing every terrible thing your counterpart could say about you, in what I call an accusation audit.

Example. “We understand that we brought you on board with the shared goal of having you lead this work, [**Accusation audit**]” she said. “You may feel like we have treated you unfairly, and that we changed the deal significantly since then. We acknowledge that you believe you were promised this work.” This received an emphatic nod from the ABC representatives, so Anna continued. “What else is there you feel is important to add to this? [**open-ended questions labeling**]” This provided an entry point for Mark, who explained that the client’s new demands had turned his firm’s profits into losses, meaning that he and Anna needed to cut ABC’s pay further, to three people. Angela, one of ABC’s representatives, gasped. “It sounds like you think we are the big, bad prime contractor trying to push out the small business [**negatives labeled**],” Anna said, heading off the accusation before it could be made. “No, no, we don’t think that,” Angela said. “It sounds like you have a great handle on how the government contract should work,” Anna said, **labeling** Angela’s expertise. “Yes—but I know that’s not how it always goes,” Angela answered, proud to have her experience acknowledged. Anna then asked Angela how she would amend the contract so that everyone made some money, which pushed Angela to admit that she saw no way to do so without cutting ABC’s worker count. Every one of us has an inherent, human need to be understood, to connect with the person across the table. That explains why, after Anna labeled Angela’s fears, Angela’s first instinct was to add nuance and detail to those fears.

3.6 Get a seat - and an upgrade - on a sold-out flight

- To start, watch how Ryan turns that heated exchange to his advantage. Following on the heels of an argument is a great position for a negotiator, because your counterpart is desperate for an empathetic connection. Smile, and you're already an improvement.
- "Well, it seems like you've been handling the rough day pretty well," he says. "I was also affected by the weather delays and missed my connecting flight. It seems like this flight is likely booked solid, but with what you said, maybe someone affected by the weather might miss this connection. Is there any possibility a seat will be open?" Listen to that riff: Label, tactical empathy, label. And only then a request.

3.7 Key Lessons

- Imagine yourself in your counterpart's situation. The beauty of empathy is that it doesn't demand that you agree with the other person's ideas (you may well find them crazy). But by acknowledging the other person's situation, you immediately convey that you are listening. And once they know that you are listening, they may tell you something that you can use.
- The reasons why a counterpart will not make an agreement with you are often more powerful than why they will make a deal, so focus first on clearing the barriers to agreement. Denying barriers or negative influences gives them credence; get them into the open.
- Pause. After you label a barrier or mirror a statement, let it sink in. Don't worry, the other party will fill the silence.
- Label your counterpart's fears to diffuse their power. We all want to talk about the happy stuff, but remember, the faster you interrupt action in your counterpart's amygdala, the part of the brain that generates fear, the faster you can generate feelings of safety, well-being, and trust.
- List the worst things that the other party could say about you and say them before the other person can. Performing an accusation audit in advance prepares you to head off negative dynamics before

they take root. And because these accusations often sound exaggerated when said aloud, speaking them will encourage the other person to claim that quite the opposite is true.

- Remember you're dealing with a person who wants to be appreciated and understood. So use labels to reinforce and encourage positive perceptions and dynamics.

4 Beware 'Yes' - Master 'No'

- For good negotiators, "No" is pure gold. That negative provides a great opportunity for you and the other party to clarify what you really want by eliminating what you don't want.
- "Yes" and "Maybe" are often worthless. But "No" always alters the conversation.

4.1 'No' starts the negotiation

- Jim Camp, in his excellent book, *Start with NO* [...] observes that people will fight to the death to preserve their right to say "No," so give them that right and the negotiating environment becomes more constructive and collaborative almost immediately.
- When someone tells you "No," you need to rethink the word in one of its alternative—and much more real—meanings:
 - I am not yet ready to agree;
 - You are making me feel uncomfortable;
 - I do not understand;
 - I don't think I can afford it;
 - I want something else;
 - I need more information; or
 - I want to talk it over with someone else.
- Then, after pausing, ask solution-based questions or simply label their effect:
 - "What about this doesn't work for you?"
 - "What would you need to make it work?"
 - "It seems like there's something here that bothers you."

4.2 Persuade in their world

An early "Yes" is often just a cheap, counterfeit dodge.

4.3 'No' is protection

I tell my students that, if you're trying to sell something, don't start with "Do you have a few minutes to talk?" Instead ask, "Is now a bad time to talk?" Either you get "Yes, it is a bad time" followed by a good time or a request to go away, or you get "No, it's not" and total focus.

Example. But by the time she sat down with him, she had picked one of the most strongly worded "No"-oriented setup questions I have ever heard. "Do you want the FBI to be embarrassed?" she said. "No," he answered. "What do you want me to do?" she responded. He leaned back in his chair, one of those 1950s faux-leather numbers that squeak meaningfully when the sitter shifts. He stared at her over his glasses and then nodded ever so slightly. He was in control.

As you can see, "No" has a lot of skills.

- "No" allows the real issues to be brought forth;
- "No" protects people from making—and lets them correct —ineffective decisions;
- "No" slows things down so that people can freely embrace their decisions and the agreements they enter into;
- "No" helps people feel safe, secure, emotionally comfortable, and in control of their decisions;
- "No" moves everyone's efforts forward.

Example (Trigger Yes). Fund-raiser: Hello, can I speak with Mr. Smith? Mr. Smith: Yes, this is he. Fund-raiser: I'm calling from the XYZ Committee, and I wanted to ask you a few important questions about your views on our economy today. Do you believe that gas prices are currently too high? Mr. Smith: Yes, gas prices are much too high and hurting my family. Fund-raiser: Do you believe that the Democrats are part of the problem when it comes to high gas prices? Mr. Smith: Yes, President Obama is a bad person Fund-raiser: Do you think we need change in November? Mr. Smith: Yes, I do. Fund-raiser: Can you give me your credit card number so you can be a part of that change?

Example (Trigger No). Fund-raiser: Hello, can I speak with Mr. Smith? Mr. Smith: Yes, this is he. Fund-raiser: I'm calling from the XYZ Committee, and I wanted to ask you a few important questions about your views on our economy today. Do you feel that if things stay the way they are, America's best days are ahead of it? Mr. Smith: No, things will only get worse. Fund-raiser: Are you going to sit and watch President Obama take the White House in November without putting up a fight? Mr. Smith: No, I'm going to do anything I can to make sure that doesn't happen. Fund-raiser: If you want do something today to make sure that doesn't happen, you can give to XYZ Committee, which is working hard to fight for you.

Sometimes, if you're talking to somebody who is just not listening, the only way you can crack their cranium is to antagonize them into "No."

4.4 Email magic : how never to be ignored again

Example. Then you send a polite follow-up and they stonewall you again. So what do you do? You provoke a "No" with this one-sentence email. Have you given up on this project?

4.5 Key lessons

- Break the habit of attempting to get people to say "yes." Being pushed for "yes" makes people defensive. Our love of hearing "yes" makes us blind to the defensiveness we ourselves feel when someone is pushing us to say it.
- "No" is not a failure. We have learned that "No" is the anti-"Yes" and therefore a word to be avoided at all costs. But it really often just means "Wait" or "I'm not comfortable with that." Learn how to hear it calmly. It is not the end of the negotiation, but the beginning.
- "Yes" is the final goal of a negotiation, but don't aim for it at the start. Asking someone for "Yes" too quickly in a conversation—"Do you like to drink water, Mr. Smith?"—gets his guard up and paints you as an untrustworthy salesman.
- Saying "No" makes the speaker feel safe, secure, and in control, so trigger it. By saying what they

don't want, your counterpart defines their space and gains the confidence and comfort to listen to you. That's why "Is now a bad time to talk?" is always better than "Do you have a few minutes to talk?"

- Sometimes the only way to get your counterpart to listen and engage with you is by forcing them into a "No." That means intentionally mislabeling one of their emotions or desires or asking a ridiculous question—like, "It seems like you want this project to fail"—that can only be answered negatively.
- Negotiate in their world. Persuasion is not about how bright or smooth or forceful you are. It's about the other party convincing themselves that the solution you want is their own idea. So don't beat them with logic or brute force. Ask them questions that open paths to your goals. It's not about you.
- If a potential business partner is ignoring you, contact them with a clear and concise "No"-oriented question that suggests that you are ready to walk away. "Have you given up on this project?" works wonders.

5 Trigger the two words that immediately transform any negotiation

5.1 Create a subtle epiphany

The "*that's right*" breakthrough usually doesn't come at the beginning of a negotiation. It's invisible to the counterpart when it occurs, and they embrace what you've said. To them, it's a subtle epiphany.

5.2 Trigger a "that's right" with a summary

I wrote a two-page document that instructed Benjie to change course. We were going to use nearly every tactic in the active listening arsenal:

1. Effective Pauses: Silence is powerful. We told Benjie to use it for emphasis, to encourage Sabaya to keep talking until eventually, like clearing out a swamp, the emotions were drained from the dialogue.
2. Minimal Encouragers: Besides silence, we instructed using simple phrases, such as "Yes," "OK," "Uh-huh," or "I see," to effectively convey that Benjie was now paying full attention to Sabaya and all he had to say.
3. Mirroring: Rather than argue with Sabaya and try to separate Schilling from the "war damages," Benjie would listen and repeat back what Sabaya said.
4. Labeling: Benjie should give Sabaya's feelings a name and identify with how he felt. "It all seems so tragically unfair, I can now see why you sound so angry."
5. Paraphrase: Benjie should repeat what Sabaya is saying back to him in Benjie's own words. This, we told him, would powerfully show him you really do understand and aren't merely parroting his concerns.
6. Summarize: A good summary is the combination of rearticulating the meaning of what is said plus the acknowledgment of the emotions underlying that meaning (paraphrasing + labeling = summary). We told Benjie he needed to listen and repeat the "world according to Abu Sabaya." He needed to fully and completely summarize all the nonsense that Sabaya had come up with about war damages and fishing rights and five hundred years of oppression. And once he did that fully and completely, the only possible response for Sabaya, and anyone faced with a good summary, would be "that's right."

5.3 "That's right" is great, but if "you're right", nothing changes

Why is "you're right" the worst answer? Consider this: Whenever someone is bothering you, and they just won't let up, and they won't listen to anything you have to say, what do you tell them to get them to shut up and go away? "You're right."

5.4 Using "that's right" to make a sale

5.5 Using "that's right" for career success

Bingo! By asking questions that got him to "that's right," my student had achieved his goal. He also got his boss to reveal two "Black Swans," the unspoken, underlying breakthrough dynamics of a negotiation

- His boss needed someone to help him network and communicate in headquarters.
- His boss would be up for a promotion and needed someone to talk him up to the CEO.

5.6 Key lessons

- Creating unconditional positive regard opens the door to changing thoughts and behaviors. Humans have an innate urge toward socially constructive behavior. The more a person feels understood, and positively affirmed in that understanding, the more likely that urge for constructive behavior will take hold.
- “That’s right” is better than “yes.” Strive for it. Reaching “that’s right” in a negotiation creates breakthroughs.
- Use a summary to trigger a “that’s right.” The building blocks of a good summary are a label combined with paraphrasing. Identify, rearticulate, and emotionally affirm “the world according to ...”

6 Bend their reality

6.1 Don’t compromise

No. Just, simply, no. The win-win mindset pushed by so many negotiation experts is usually ineffective and often disastrous.

Example. A woman wants her husband to wear black shoes with his suit. But her husband doesn’t want to; he prefers brown shoes. So what do they do? They compromise, they meet halfway. And, you guessed it, he wears one black and one brown shoe. Is this the best outcome? No! In fact, that’s the worst possible outcome. Either of the two other outcomes—black or brown—would be better than the compromise.

6.2 Deadlines : make time your ally

- Deadlines are the screw that pressures every deal to a conclusion.
- When people issue threats, they consciously or subconsciously create ambiguities and loopholes they fully intend to exploit.
- That’s the key: When the negotiation is over for one side, it’s over for the other too.
- Hiding a deadline actually puts the negotiator in the worst possible position. In his research, he’s found that hiding your deadlines dramatically increases the risk of an impasse.

6.3 No such thing as fair

Example. It’s called the Ultimatum Game, and it goes like this: After the students split into pairs of a “proposer” and an “accepter,” I give each proposer \$10. The proposer then has to offer the acceptor a round number of dollars. If the acceptor agrees he or she receives what’s been offered and the proposer gets the rest. If the acceptor refuses the offer, though, they both get nothing and the \$10 goes back to me. After we run this little experiment, I stand up in front of the class and make a point they don’t like to hear: the reasoning each and every student used was 100 percent irrational and emotional. “If you approach a negotiation thinking that the other guy thinks like you, you’re wrong,” I say. “That’s not empathy; that’s projection.” “Anyone who made any offer other than \$1 made an emotional choice” I say. “And for you accepters who turned down \$1, since when is getting \$0 better than getting \$1? Did the rules of finance suddenly change?”

6.4 The F-word, why it’s so powerful, when to use it, and how

- People comply with agreements if they feel they’ve been treated fairly and lash out if they don’t.
- “We just want what’s fair.” Think back to the last time someone made this implicit accusation of unfairness to you, and I bet you’ll have to admit that it immediately triggered feelings of defensiveness and discomfort. These feelings are often subconscious and often lead to an irrational concession.
- The best response either way is to take a deep breath and restrain your desire to concede. Then say, “Okay, I apologize. Let’s stop everything and go back to where I started treating you unfairly and we’ll fix it.” The second use of the F-bomb is more nefarious. In this one, your counterpart will basically accuse you of being dense or dishonest by saying, “We’ve given you a fair offer.” It’s a terrible little jab meant to distract your attention and manipulate you into giving in.
- If you find yourself in this situation, the best reaction is to simply mirror the “F” that has just been lobbed at you. “Fair?” you’d respond, pausing to let the word’s power do to them as it was intended to do to you. Follow that with a label: “It seems

like you're ready to provide the evidence that supports that," which alludes to opening their books or otherwise handing over information that will either contradict their claim to fairness or give you more data to work with than you had previously.

- The last use of the F-word is my favorite because it's positive and constructive. It sets the stage for honest and empathetic negotiation. Here's how I use it: Early on in a negotiation, I say, "I want you to feel like you are being treated fairly at all times. So please stop me at any time if you feel I'm being unfair, and we'll address it."

6.5 How to discover the emotional drivers behind what the other party values

Look at this from the most basic level. What does a good babysitter sell, really? It's not child care exactly, but a relaxed evening. A furnace salesperson? Cozy rooms for family time. A locksmith? A feeling of security.

6.6 Bend their reality

- imagine that I offer you \$20 to run a three-minute errand and get me a cup of coffee. You're going to think to yourself that \$20 for three minutes is \$400 an hour. You're going to be thrilled. What if then you find out that by getting you to run that errand I made a million dollars. You'd go from being ecstatic for making \$400 an hour to being angry because you got ripped off.
- And people will take greater risks to avoid losses than to achieve gains. That's called *Loss Aversion*.
- To get real leverage, you have to persuade them that they have something concrete to lose if the deal falls through.

6.6.1 Anchor their emotions

By anchoring their emotions in preparation for a loss, you inflame the other side's loss aversion so that they'll jump at the chance to avoid it.

Example. "I got a lousy proposition for you," I said, and paused until each asked me to go on. "By the time we get off the phone, you're going to think I'm a lousy businessman. You're going to think I can't budget or plan. You're going to think Chris Voss is a big talker. His first big project ever out of the FBI, he screws it up completely. He doesn't know how to run an operation. And he might even have lied to me." And then, once I'd anchored their emotions in a minefield of low expectations, I played on their loss aversion. "Still, I wanted to bring this opportunity to you before I took it to someone else," I said. Suddenly, their call wasn't about being cut from \$2,000 to \$500 but how not to lose \$500 to some other guy.

6.6.2 Let the other guy go first ... most of the time

- But going first is not necessarily the best thing when it comes to negotiating price.
- If the other guy's a pro, a shark, he's going to go for an extreme anchor in order to bend your reality.
- Here's my personal advice on whether or not you want to be the shark that eats a rookie counterpart. Just remember, your reputation precedes you. I've run into CEOs whose reputation was to always badly beat their counterpart and pretty soon no one would deal with them.

6.6.3 Establish a range

Instead of saying, "I'm worth \$110,000," Jerry might have said, "At top places like X Corp., people in this job get between \$130,000 and \$170,000." That gets your point across without moving the other party into a defensive position. And it gets him thinking at higher levels.

6.6.4 Pivot to non-monetary terms

Not long ago I did some training for the Memphis Bar Association. Normally, for the training they were looking for, I'd charge \$25,000 a day. They came in with a much lower offer that I balked at. They then offered to do a cover story about me in their association magazine. For me to be on the cover of a magazine that went out to who knows how many of the country's top lawyers

was priceless advertising. (Plus my mom is really proud of it!)

6.6.5 When you do talk numbers, use odd ones

But anything you throw out that sounds less rounded—say, \$37,263—feels like a figure that you came to as a result of thoughtful calculation. Such numbers feel serious and permanent to your counterpart, so use them to fortify your offers.

6.6.6 Surprise with a gift

Unexpected conciliatory gestures like this are hugely effective because they introduce a dynamic called reciprocity; the other party feels the need to answer your generosity in kind.

6.7 How to negotiate a better salary

6.7.1 Be pleasantly persistent on non salary terms

Example. She was “French,” she said, and that’s what French people did. The hiring company was completely handcuffed on the vacation issue, but because she was so darned delightful, and because she introduced a nonmonetary variable into the notion of her value, they countered by increasing her salary offer.

6.7.2 Salary terms without success terms is Russian roulette

It gets you a planned raise and, by defining your success in relation to your boss’s supervision, it leads into the next step . . .

6.7.3 Spark their interest in you success and gain an unofficial mentor

- Well, when you are selling yourself to a manager, sell yourself as more than a body for a job; sell yourself, and your success, as a way they can validate their own intelligence and broadcast it to the rest of the company.
- Ask: “What does it take to be successful here?”
- As the icing on the cake, Angel worked in a positive use of the word “Fair” (“That’s fair,” he said), and then sold the raise to his boss as a marriage in which his boss would be the mentor. “I’m asking

you, not the board, for the promotion, and all I need is for you to agree with it,” he said.

6.8 Key lessons

- All negotiations are defined by a network of subterranean desires and needs. Don’t let yourself be fooled by the surface. Once you know that the Haitian kidnappers just want party money, you will be miles better prepared.
- Splitting the difference is wearing one black and one brown shoe, so don’t compromise. Meeting halfway often leads to bad deals for both sides.
- Approaching deadlines entice people to rush the negotiating process and do impulsive things that are against their best interests.
- The F-word—“Fair”—is an emotional term people usually exploit to put the other side on the defensive and gain concessions. When your counterpart drops the F-bomb, don’t get suckered into a concession. Instead, ask them to explain how you’re mistreating them.
- You can bend your counterpart’s reality by anchoring his starting point. Before you make an offer, emotionally anchor them by saying how bad it will be. When you get to numbers, set an extreme anchor to make your “real” offer seem reasonable, or use a range to seem less aggressive. The real value of anything depends on what vantage point you’re looking at it from.
- People will take more risks to avoid a loss than to realize a gain. Make sure your counterpart sees that there is something to lose by inaction.

7 Create the illusion of control

- Most important, we learned that successful negotiation involved getting your counterpart to do the work for you and suggest your solution himself.
- The tool we developed is something I call the **calibrated, or open-ended, question**.

7.1 Don’t try to negotiate in a firefight

7.1.1 There is always a team on the other side

7.1.2 Avoid a showdown

That’s when I realized that what we had been doing wasn’t communication; it was verbal flexing. We wanted

them to see things our way and they wanted us to see it their way.

7.2 Suspend disbelief

Example. “Hey, dog, how do I know she’s all right?” “Well, I’ll put her on the phone.” Instead of asking some closed-ended question with a single correct answer, he’d asked an open-ended, yet calibrated one that forced the other guy to pause and actually think about how to solve the problem. Best of all, he doesn’t owe the kidnapper a damn thing. The guy volunteers to put the girlfriend on the phone: he thinks it’s his idea.

Example. But what he did next is what really suspended the patient’s disbelief: he asked a calibrated question—what he felt was so important about leaving—and then when the patient said he had errands to handle, the doctor offered to connect the patient with services that could help him get them done. And, boom, the patient volunteered to stay. What’s so powerful about the senior doctor’s technique is that he took what was a showdown—“I’m going to leave” versus “You can’t leave”—and asked questions that led the patient to solve his own problem ... in the way the doctor wanted.

As an old Washington Post editor named Robert Estabrook once said, “He who has learned to disagree without being disagreeable has discovered the most valuable secret of negotiation.”

7.3 Calibrate your questions

- Like the softening words and phrases “perhaps,” “maybe,” “I think,” and “it seems,” the calibrated open-ended question takes the aggression out of a confrontational statement or close-ended request that might otherwise anger your counterpart.
- First off, calibrated questions avoid verbs or words like “can,” “is,” “are,” “do,” or “does.” These are closed-ended questions that can be answered with a simple “yes” or a “no.” Instead, they start with a list of words people know as reporter’s questions: “who,” “what,” “when,” “where,” “why,”

and “how.” Those words inspire your counterpart to think and then speak expansively.

- But let me cut the list even further: it’s best to start with “what,” “how,” and sometimes “why.” Nothing else. “Who,” “when,” and “where” will often just get your counterpart to share a fact without thinking. And “why” can backfire. Regardless of what language the word “why” is translated into, it’s accusatory. There are very rare moments when this is to your advantage. The only time you can use “why” successfully is when the defensiveness that is created supports the change you are trying to get them to see. “Why would you ever change from the way you’ve always done things and try my approach?” is an example. “Why would your company ever change from your long-standing vendor and choose our company?” is another. As always, tone of voice, respectful and deferential, is critical.
- “Does this look like something you would like?” can become “How does this look to you?” or “What about this works for you?” You can even ask, “What about this doesn’t work for you?” and you’ll probably trigger quite a bit of useful information from your counterpart. Even something as harsh as “Why did you do it?” can be calibrated to “What caused you to do it?”
- Here are some other great standbys that I use in almost every negotiation, depending on the situation:
 - What about this is important to you?
 - How can I help to make this better for us?
 - How would you like me to proceed?
 - What is it that brought us into this situation?
 - How can we solve this problem?
 - What’s the objective? / What are we trying to accomplish here?
 - How am I supposed to do that?

7.4 How not to get paid

- If you can’t control your own emotions, how can you expect to influence the emotions of another party?

Example. The script we came up with hit all the best practices of negotiation we've talked about so far. Here it is by steps:

1. A "No"-oriented email question to reinitiate contact: "Have you given up on settling this amicably?"
 2. A statement that leaves only the answer of "That's right" to form a dynamic of agreement: "It seems that you feel my bill is not justified."
 3. Calibrated questions about the problem to get him to reveal his thinking: "How does this bill violate our agreement?"
 4. More "No"-oriented questions to remove unspoken barriers: "Are you saying I misled you?" "Are you saying I didn't do as you asked?" "Are you saying I reneged on our agreement?" or "Are you saying I failed you?"
 5. Labeling and mirroring the essence of his answers if they are not acceptable so he has to consider them again: "It seems like you feel my work was subpar." Or "... my work was subpar?"
 6. A calibrated question in reply to any offer other than full payment, in order to get him to offer a solution: "How am I supposed to accept that?"
 7. If none of this gets an offer of full payment, a label that flatters his sense of control and power: "It seems like you are the type of person who prides himself on the way he does business—rightfully so—and has a knack for not only expanding the pie but making the ship run more efficiently."
 8. A long pause and then one more "No"-oriented question: "Do you want to be known as someone who doesn't fulfill agreements?"
- The first and most basic rule of keeping your emotional cool is to bite your tongue. Not literally, of course. But you have to keep away from knee-jerk, passionate reactions. Pause. Think. Let the passion dissipate. That allows you to collect your thoughts and be more circumspect in what you say. It also lowers your chance of saying more than

you want to.

- The Japanese have this figured out. When negotiating with a foreigner, it's common practice for a Japanese businessman to use a translator even when he understands perfectly what the other side is saying. That's because speaking through a translator forces him to step back. It gives him time to frame his response.
- The basic issue here is that when people feel that they are not in control, they adopt what psychologists call a hostage mentality. That is, in moments of conflict they react to their lack of power by either becoming extremely defensive or lashing out.

7.5 Key lessons

- Don't try to force your opponent to admit that you are right. Aggressive confrontation is the enemy of constructive negotiation.
- Avoid questions that can be answered with "Yes" or tiny pieces of information. These require little thought and inspire the human need for reciprocity; you will be expected to give something back.
- Ask calibrated questions that start with the words "How" or "What." By implicitly asking the other party for help, these questions will give your counterpart an illusion of control and will inspire them to speak at length, revealing important information.
- Don't ask questions that start with "Why" unless you want your counterpart to defend a goal that serves you. "Why" is always an accusation, in any language.
- Calibrate your questions to point your counterpart toward solving your problem. This will encourage them to expend their energy on devising a solution.
- Bite your tongue. When you're attacked in a negotiation, pause and avoid angry emotional reactions. Instead, ask your counterpart a calibrated question.
- There is always a team on the other side. If you are not influencing those behind the table, you are vulnerable.

8 Guarantee execution

8.1 "Yes" is nothing without "how"

- Your tone of voice is critical as this phrase can be delivered as either an accusation or a request for assistance. So pay attention to your voice.
- There are two key questions you can ask to push your counterparts to think they are defining success their way: "How will we know we're on track?" and "How will we address things if we find we're off track?" When they answer, you summarize their answers until you get a "That's right." Then you'll know they've bought in.

8.2 Influence those behind the table

- Yes, few hostage-takers—and few business deal makers—fly solo. But for the most part, there are almost always other players, people who can act as deal makers or deal killers. If you truly want to get to "Yes" and get your deal implemented, you have to discover how to affect these individuals.
- We could have avoided all that had we asked a few calibrated questions, like: How does this affect everybody else? How on board is the rest of your team? How do we make sure that we deliver the right material to the right people? How do we ensure the managers of those we're training are fully on board?

8.3 Spotting liars, dealing with jerks, and charming everyone else

8.4 The 7-38-55 percent rule

- In two famous studies on what makes us like or dislike somebody,¹ UCLA psychology professor Albert Mehrabian created the 7-38-55 rule. That is, only 7 percent of a message is based on the words while 38 percent comes from the tone of voice and 55 percent from the speaker's body language and face.
- So how do you use this rule? First, pay very close attention to tone and body language to make sure they match up with the literal meaning of the words. If they don't align, it's quite possible that the speaker is lying or at least unconvinced.

8.5 The rule of three

The Rule of Three is simply getting the other guy to agree to the same thing three times in the same conversation. It's tripling the strength of whatever dynamic you're trying to drill into at the moment. In doing so, it uncovers problems before they happen. It's really hard to repeatedly lie or fake conviction.

8.6 The Pinocchio effect

In a study of the components of lying,² Harvard Business School professor Deepak Malhotra and his coauthors found that, on average, liars use more words than truth tellers and use far more third-person pronouns. They start talking about him, her, it, one, they, and their rather than I, in order to put some distance between themselves and the lie. And they discovered that liars tend to speak in more complex sentences in an attempt to win over their suspicious counterparts.

8.7 The Chris discount

Example. I asked her if I got a discount for joining and she said, "No." So I decided to try another angle. I said in a friendly manner, "My name is Chris. What's the Chris discount?" She looked from the register, met my eyes, and gave a little laugh. "I'll have to ask my manager, Kathy," she said and turned to the woman who'd been standing next to her. Kathy, who'd heard the whole exchange, said, "The best I can do is ten percent." Humanize yourself. Use your name to introduce yourself. Say it in a fun, friendly way. Let them enjoy the interaction, too. And get your own special price.

8.8 How to get your counterparts to bid against themselves

Example. They wanted 30,812: 20,000 for the loan, 4,000 for salary, 6,230 for equity, and 582 for interest. They crafted their first "No" message: *The price you offered is very fair, and I certainly wish that I could afford it. Bruno has worked very hard for this business, and he deserves to be compensated appropriately. I am very sorry, but wish you the best of luck.* Joaquin was shocked when the following day he received an email from the advisor lowering the price to 28,346.

Example (suite). Joaquin and Jesus then crafted their second gentle “No”: *Thank you for your offer. You were generous to reduce the price, which I greatly appreciate. I really wish that I could pay you this amount, but I am sincere in that I cannot afford this amount at this time. As you know, I am in the middle of a divorce and I just cannot come up with that type of money. Again, I wish you the best of luck. They wrote: Thank you again for the generous offer. You have really come down on the price and I have tried very hard to come up with that amount. Unfortunately, no one is willing to lend me the money, not even my mother. I have tried various avenues but cannot come up with the funding. In the end, I can offer you 23,567, although I can only pay 15,321.37 up front. I could pay you the remainder over a one-year period, but that is really the most I can do. I wish you the best in your decision.*

8.9 Key lessons

- Ask calibrated “How” questions, and ask them again and again. Asking “How” keeps your counterparts engaged but off balance. Answering the questions will give them the illusion of control. It will also lead them to contemplate your problems when making their demands
- Use “How” questions to shape the negotiating environment. You do this by using “How can I do that?” as a gentle version of “No.” This will subtly push your counterpart to search for other solutions—your solutions. And very often it will get them to bid against themselves.
- Don’t just pay attention to the people you’re negotiating with directly; always identify the motivations of the players “behind the table.” You can do so by asking how a deal will affect everybody else and how on board they are.
- Follow the 7-38-55 Percent Rule by paying close attention to tone of voice and body language. Incongruence between the words and nonverbal signs will show when your counterpart is lying or uncomfortable with a deal.
- Is the “Yes” real or counterfeit? Test it with the Rule of Three: use calibrated questions, summaries, and labels to get your counterpart to reaffirm their agreement at least three times. It’s really hard to repeatedly lie or fake conviction.

- A person’s use of pronouns offers deep insights into his or her relative authority. If you’re hearing a lot of “I,” “me,” and “my,” the real power to decide probably lies elsewhere. Picking up a lot of “we,” “they,” and “them,” it’s more likely you’re dealing directly with a savvy decision maker keeping his options open.
- Use your own name to make yourself a real person to the other side and even get your own personal discount. Humor and humanity are the best ways to break the ice and remove roadblocks.

9 Bargain hard

Example. He offered me the usual smile—he had me, he thought—and mentioned the sticker price on “that beautiful vehicle”: \$36,000. “I can pay \$30,000,” I said. “And I can pay it up front, all cash. I’ll write a check today for the full amount. I’m sorry, I’m afraid I just can’t pay any more.” “I’m sure you can understand we can’t do that. The sticker price is \$36,000, after all.” “How am I supposed to do that?” I asked deferentially. “I’m sure,” he said, then paused as if he wasn’t sure what he’d meant to say. “I’m sure we can figure something out with financing the \$36,000.” “It’s a beautiful truck. Really amazing. I can’t tell you how much I’d love to have it. It’s worth more than what I’m offering. I’m sorry, this is really embarrassing. I just can’t do that price.” He stared at me in silence, a little befuddled now. Then he stood and went into the back for what seemed like an eternity. He returned and told me like it was Christmas that his boss had okayed a new price: \$34,000. “Wow, your offer is very generous and this is the car of my dreams,” I said. “I really wish I could do that. I really do. This is so embarrassing. I simply can’t.” He dropped into silence and I didn’t take the bait. I let the silence linger. And then with a sigh he trudged off again. He returned after another eternity. “You win,” he said. “My manager okayed \$32,500.” He pushed a paper across the desk that even said “YOU WIN” in big letters. The words were even surrounded with smiley faces. “I am so grateful. You’ve been very generous, and I can’t thank you enough. The truck is no doubt worth more than my price,” I said. “I’m sorry, I just can’t do that.”

Example (suite). Up he stood again. No smile now. Still befuddled. After a few seconds, he walked back to his manager and I leaned back. I could taste victory. A minute later—no eternity this time—he returned and sat. “We can do that,” he said. Two days later, I drove off in my Salsa Red Pearl Toyota 4Runner—for \$30,000.

9.1 What type are you

... found that people fall into three broad categories. Some people are **Accommodators**; others—like me—are basically **Assertive**; and the rest are **data-loving Analysts**.

- The greatest obstacle to accurately identifying someone else’s style is what I call the “I am normal” paradox. That is, our hypothesis that the world should look to others as it looks to us. After all, who wouldn’t make that assumption?
- The Black Swan rule is don’t treat others the way you want to be treated; treat them the way they need to be treated.

9.1.1 Analyst

- Their self-image is linked to minimizing mistakes. Their motto: As much time as it takes to get it right.
- They rarely show emotion, and they often use what is very close to the FM DJ Voice
- and actually limits them from putting their counterpart at ease and opening them up.
- They will research for two weeks to get data they might have gotten in fifteen minutes at the negotiating table, just to keep from being surprised. Analysts hate surprises.
- and are hypersensitive to reciprocity.
- Don’t expect immediate counterproposals from them.
- People like this are skeptical by nature. So asking too many questions to start is a bad idea, because they’re not going to want to answer until they understand all the implications. With them, it’s vital to be prepared. Use clear data to drive your reason; don’t ad-lib; use data comparisons to disagree and focus on the facts; warn them of issues early; and avoid surprises.

- They respond fairly well in the moment to labels. They are not quick to answer calibrated questions, or closed-ended questions when the answer is “Yes.” They may need a few days to respond.

9.1.2 Accommodator

- The most important thing to this type of negotiator is the time spent building the relationship.
- As long as they’re communicating, they’re happy.
- Of the three types, they are most likely to build great rapport without actually accomplishing anything.
- They will yield a concession to appease or acquiesce and hope the other side reciprocates.
- They have a tremendous passion for the spirit of negotiation and what it takes not only to manage emotions but also to satisfy them.
- uncovering their objections can be difficult. They will have identified potential problem areas beforehand and will leave those areas unaddressed out of fear of the conflict they may cause.

9.1.3 Assertive

- The Assertive type believes time is money; every wasted minute is a wasted dollar.
- Assertives are fiery people who love winning above all else, often at the expense of others.
- They have an aggressive communication style and they don’t worry about future interactions. Their view of business relationships is based on respect, nothing more and nothing less.
- Most of all, the Assertive wants to be heard. And not only do they want to be heard, but they don’t actually have the ability to listen to you until they know that you’ve heard them.
- When you’re dealing with Assertive types, it’s best to focus on what they have to say, because once they are convinced you understand them, then and only then will they listen for your point of view.
- Mirrors are a wonderful tool with this type. So are calibrated questions, labels, and summaries. The most important thing to get from an Assertive will be a “that’s right” that may come in the form of a “that’s it exactly” or “you hit it on the head.”

- be particularly conscious of your tone. You will not intend to be overly harsh but you will often come off that way.

9.2 Taking a punch

- You're actually going to want the other guy to name a price first, because you want to see his hand. You're going to welcome the extreme anchor. But extreme anchoring is powerful and you're human: your emotions may well up.
- First, deflect the punch in a way that opens up your counterpart. Successful negotiators often say "No" in one of the many ways we've talked about ("How am I supposed to accept that?") or deflect the anchor with questions like "What are we trying to accomplish here?"
- And if the other side pushes you to go first, wriggle from his grip. Instead of naming a price, allude to an incredibly high number that someone else might charge.

9.3 Punching back : using assertion without getting used by it

Sometimes a situation simply calls for you to be the aggressor and punch the other side in the face.

9.3.1 Real anger, threats without anger, and strategic umbrage

- And so when someone puts out a ridiculous offer, one that really pisses you off, take a deep breath, allow little anger, and channel it—at the proposal, not the person—and say, "I don't see how that would ever work."
- The real lesson here is being aware of how this might be used on you. Please don't allow yourself to fall victim to "strategic umbrage."

9.3.2 "Why" question

The only time I say, "Why did you do that?" in a negotiation is when I want to knock someone back. It's an iffy technique, though, and I wouldn't advocate it.

Example. I know it sounds weird, but it works. The basic format goes like this: When you want to flip a dubious counterpart to your side, ask them, "Why would you do that?" but in a way that the "that" favors you. Let me explain. If you are working to lure a client away from a competitor, you might say, "Why would you ever do business with me? Why would you ever change from your existing supplier? They're great!" In these questions, the "Why?" coaxes your counterpart into working for you.

9.3.3 "I" message

When you say, "I'm sorry, that doesn't work for me," the word "I" strategically focuses your counterpart's attention onto you long enough for you to make a point.

9.3.4 No neediness : having the ready-to-walk mindset

Once you're clear on what your bottom line is, you have to be willing to walk away. Never be needy for a deal. Your response must always be expressed in the form of strong, yet empathic, limitsetting boundaries—that is, tough love—not as hatred or violence. Anger and other strong emotions can on rare occasions be effective. But only as calculated acts, never a personal attack. In any bare-knuckle bargaining session, the most vital principle to keep in mind is never to look at your counterpart as an enemy.

9.4 Ackerman bargaining

The Ackerman model is an offer-counteroffer method, at least on the surface.

1. Set your target price (your goal).
2. Set your first offer at 65 percent of your target price.
3. Calculate three raises of decreasing increments (to 85, 95, and 100 percent).
4. Use lots of empathy and different ways of saying "No" to get the other side to counter before you increase your offer.
5. When calculating the final amount, use precise, nonround numbers like, say, \$37,893 rather than \$38,000. It gives the number credibility and weight.

6. On your final number, throw in a nonmonetary item (that they probably don't want) to show you're at your limit. than those who are given a single firm, "fair" offer. In fact, they feel better even when they end up paying more—or receiving less—than they otherwise might.

Researchers have found that people getting concessions often feel better about the bargaining process

9.5 Negotiating a rent cut after receiving notice of an increase

Example. Mishary : “That’s why I think it will benefit both of us to agree on renewing the lease. Even though your building is better in terms of location and services, how am I supposed to pay \$200 extra?” The agent went silent for a few moments and then said, “You make a good point, but this is still a good price. And as you noted, we can charge a premium.” Mishary : “I fully understand, you do have a better location and amenities. But I’m sorry, I just can’t, [**extreme anchor**]” he said. “Would \$1,730 a month for a year lease sound fair to you?” The agent laughed and when he finished said there was no way to accept that number, because it was way below market price. Mishary : “Okay, so please help me understand: how do you price lease renewals? [**calibrated questions**]” The agent didn’t say anything shocking—merely that they used factors like area prices and supply-and-demand—but that gave Mishary the opening to argue that his leaving would open the landlord to the risk of having an unrented apartment and the cost of repainting. One month unrented would be a \$2,000 loss, he said. Mishary : “Let me try and move along with you: how about \$1,790 for 12 months?” The agent paused. “Sir, I understand your concerns, and what you said makes sense,” he said. “Your number, though, is very low. However, give me time to think this out and we can meet at another time. How does that sound?” Remember, any response that is not an outright rejection means you have the edge. Five days later the two met again. “I ran the numbers, and believe me this is a good deal,” the agent started. “I am able to offer you \$1,950 a month for a year.” Mishary knew he’d won. The agent just needed a little push “That is generous of you, but how am I supposed to accept it when I can move a few blocks away and stay for \$1,800? A hundred and fifty dollars a month means a lot to me. You know I am a student. I don’t know, it seems like you would rather run the risk of keeping the place unrented [**No without saying, “No.”**]” “It’s not that,” the agent answered. “But I can’t give you a number lower than the market.” Mishary made a dramatic pause, as if the agent was extracting every cent he had. “Then I tell you what, I initially went up from \$1,730 to \$1,790,” he said, sighing. “I will bring it up to \$1,810. And I think this works well for both.” The agent shook his head. “This is still lower than the market, sir. And I cannot do that.” He went silent for a while and then asked the agent for a pen and paper. Then he started doing fake calculations to seem like he was really pushing himself. Finally, he looked up at the agent and said, “I did some numbers, and the maximum I can afford is \$1,829 [**last of his Ackerman offers odd number**].” The agent bobbed his head from side to side, as if getting his mind around the offer. At last, he spoke. “Wow. \$1,829,” he said. “You seem very precise. You must be an accountant. [Mishary was not.] Listen, I value you wanting to renew with us and for that I think we can make this work for a twelve-month lease.”

9.6 Key lessons

- Identify your counterpart’s negotiating style. Once you know whether they are Accommodator, Assertive, or Analyst, you’ll know the correct way to approach them.
- Prepare, prepare, prepare. When the pressure is on, you don’t rise to the occasion; you fall to your highest level of preparation. So design an ambitious but legitimate goal and then game out the labels, calibrated questions, and responses you’ll use to get there. That way, once you’re at the bargaining table, you won’t have to wing it.
- Get ready to take a punch. Kick-ass negotiators usually lead with an extreme anchor to knock you off your game. If you’re not ready, you’ll flee to your maximum without a fight. So prepare your dodging tactics to avoid getting sucked into the compromise trap.
- Set boundaries, and learn to take a punch or punch back, without anger. The guy across the table is not the problem; the situation is.

- Prepare an Ackerman plan. Before you head into the weeds of bargaining, you'll need a plan of extreme anchor, calibrated questions, and well-defined offers. Remember: 65, 85, 95, 100 percent. Decreasing raises and ending on nonround numbers will get your counterpart to believe that he's squeezing you for all you're worth when you're really getting to the number you want.

10 Find the black swan

Black Swan theory tells us that things happen that were previously thought to be impossible—or never thought of at all. This is not the same as saying that sometimes things happen against one-in-a-million odds, but rather that things never imagined do come to pass.

10.1 Uncovering unknown unknowns

- Every case is new. We must let what we know—our known knowns—guide us but not blind us to what we do not know; we must remain flexible and adaptable to any situation; we must always retain a beginner's mind; and we must never overvalue our experience or undervalue the informational and emotional realities served up moment by moment in whatever situation we face.
- That's why I say that finding and understanding Black Swans requires a change of mindset. You have to open up your established pathways and embrace more intuitive and nuanced ways of listening.
- The world didn't tell Steve Jobs that it wanted an iPad: he uncovered our need, that Black Swan, without us knowing the information was there.
- you have to note the small pauses that suggest discomfort and lies.
- "Why are they communicating what they are communicating right now?"
- Your counterpart always has pieces of information whose value they do not understand.

10.2 The three types of leverage

10.2.1 Positive leverage

But even if you don't have other offers or the interested buyer is your first choice, you have more power than before your counterpart revealed his desire. You control

what they want. That's why experienced negotiators delay making offers—they don't want to give up leverage.

10.2.2 Negative leverage

- Who is their audience? What signifies status and reputation to them? What most worries them? To find this information, one method is to go outside the negotiating table and speak to a third party that knows your counterpart.
- A more subtle technique is to label your negative leverage and thereby make it clear without attacking. Sentences like "It seems like you strongly value the fact that you've always paid on time" or "It seems like you don't care what position you are leaving me in" can really open up the negotiation process.

10.2.3 Normative leverage

For example, if your counterpart lets slip that they generally pay a certain multiple of cash flow when they buy a company, you can frame your desired price in a way that reflects that valuation.

10.3 Know their religion

- Access to this hidden space very often comes through understanding the other side's worldview, their reason for being, their religion. Indeed, digging into your counterpart's "religion"
- The reason for that is something called the "paradox of power"—namely, the harder we push the more likely we are to be met with resistance. That's why you have to use negative leverage sparingly.
- Here are two tips for reading religion correctly:
 - Review everything you hear. You will not hear everything the first time, so double-check. Compare notes with your team members. You will often discover new information that will help you advance the negotiation
 - Use backup listeners whose only job is to listen between the lines. They will hear things you miss.

10.4 The similarity principle

- Research by social scientists has confirmed something effective negotiators have known for ages: namely, we trust people more when we view them as being similar or familiar.
- “Oh, we see the world the same way,” then you immediately gain influence.
- That’s why in many cultures negotiators spend large amounts of time building rapport before they even think of offers.
- It’s a bit like dogs circling each other, smelling each other’s behind.

10.5 The power of hopes and dreams

- Every engineer, every executive, every child—all of us want to believe we are capable of the extraordinary.
- But when someone displays a passion for what we’ve always wanted and conveys a purposeful plan of how to get there, we allow our perceptions of what’s possible to change. We’re all hungry for a map to joy, and when someone is courageous enough to draw it for us, we naturally follow.

10.6 Religion as a reason

Research studies have shown that people respond favorably to requests made in a reasonable tone of voice and followed with a “because” reason.

10.7 It’s not crazy, it’s a clue

But the moment when we’re most ready to throw our hands up and declare “They’re crazy!” is often the best moment for discovering Black Swans that transform a negotiation.

10.7.1 Mistake 1 : they are ill-informed

The clear point here is that people operating with incomplete information appear crazy to those who have different information. Your job when faced with someone like this in a negotiation is to discover what they do not know and supply that information.

10.7.2 Mistake 2 : They are constrained

The other side might not be able to do something because of legal advice, or because of promises already made, or even to avoid setting a precedent. To put it simply, he had major constraints.

10.7.3 Mistake 3 : They have over interests

What the FBI and police negotiators on the scene simply did not know was that his main interest was not negotiating a deal to release the hostages for money. He wanted to be killed by a cop.

GET FACE TIME : No matter how much research you do, there’s just some information that you are not going to find out unless you sit face-to-face. Today, a lot of younger people do almost everything over email.

OBSERVE UNGUARDED MOMENTS : Hunting for Black Swans is also effective during unguarded moments at the fringes, whether at meals like my client had with his Coca-Cola contact, or the brief moments of relaxation before or after formal interactions. That’s why reporters have a credo to never turn off their recorders: you always get the best stuff at the beginning and the end of an interview.

10.8 When it doesn’t make sense, there’s cents to be made

Example. A lightbulb went on in my student’s head: there was something strange afoot. If it were such a cash cow, why would someone sell a 100 percent occupied building located next to a growing campus in an affluent city? That was irrational by any measure. A little befuddled but still in the negotiation mindset, my student constructed a label. Inadvertently he mislabeled the situation, triggering the broker to correct him and reveal a Black Swan. “If he or she is selling such a cash cow, it seems like the seller must have doubts about future market fundamentals,” he said. “Well,” he said, “the seller has some tougher properties in Atlanta and Savannah, so he has to get out of this property to pay back the other mortgages.” Bingo! With that, my student had unearthed a fantastic Black Swan. The seller was suffering constraints that, until that moment, had been unknown.

10.9 Overcoming fear and learning to get what you want out of life

- People generally fear conflict, so they avoid useful arguments out of fear that the tone will escalate into personal attacks they cannot handle. People in close relationships often avoid making their own interests known and instead compromise across the board to avoid being perceived as greedy or selfinterested.
- But stop and think about that. Are we really afraid of the guy across the table? I can promise you that, with very few exceptions, he's not going to reach across and slug you. No, our sweaty palms are just an expression of physiological fear, a few trigger-happy neurons firing because of something more base: our innate human desire to get along with other members of the tribe. It's not the guy across the table who scares us: it's conflict itself. If this book accomplishes only one thing, I hope it gets you over that fear of conflict and encourages you to navigate it with empathy. If you're going to be great at anything—a great negotiator, a great manager, a great husband, a great wife—you're going to have to do that.
- More than a little research has shown that genuine, honest conflict between people over their goals actually helps energize the problem-solving process in a collaborative way. Skilled negotiators have a talent for using conflict to keep the negotiation going without stumbling into a personal battle.
- And so I'm going to leave you with one request: Whether it's in the office or around the family dinner table, don't avoid honest, clear conflict. It will get you the best car price, the higher salary, and the largest donation. It will also save your marriage, your friendship, and your family.

10.10 Key lessons

- Let what you know—your known knowns—guide you but not blind you. Every case is new, so remain flexible and adaptable. Remember the Griffin bank crisis: no hostage-taker had killed a hostage on deadline, until he did.
- Black Swans are leverage multipliers. Remember the three types of leverage: positive (the ability to give someone what they want); negative (the ability to hurt someone); and normative (using your counterpart's norms to bring them around).

- Work to understand the other side's "religion." Digging into worldviews inherently implies moving beyond the negotiating table and into the life, emotional and otherwise, of your counterpart. That's where Black Swans live.
- Review everything you hear from your counterpart. You will not hear everything the first time, so double-check. Compare notes with team members. Use backup listeners whose job is to listen between the lines. They will hear things you miss.
- Exploit the similarity principle. People are more apt to concede to someone they share a cultural similarity with, so dig for what makes them tick and show that you share common ground.
- When someone seems irrational or crazy, they most likely aren't. Faced with this situation, search for constraints, hidden desires, and bad information.
- Get face time with your counterpart. Ten minutes of face time often reveals more than days of research. Pay special attention to your counterpart's verbal and nonverbal communication at unguarded moments—at the beginning and the end of the session or when someone says something out of line.

11 Prepare a negotiation one sheet

11.1 the goal

Think through best/worst-case scenarios but only write down a specific goal that represents the best case. Remember, never be so sure of what you want that you wouldn't take something better. Here are the four steps for setting your goal:

- Set an optimistic but reasonable goal and define it clearly.
- Write it down.
- Discuss your goal with a colleague (this makes it harder to wimp out).
- Carry the written goal into the negotiation.

11.2 Summary

Why are you there? What do you want? What do they want? Why? You must be able

11.3 Labels/accusation audit

Prepare three to five labels to perform an accusation audit.

- It seems like ... is valuable to you.
- It seems like you don't like
- It seems like you value
- It seems like ... makes it easier.
- It seems like you're reluctant to ...

11.4 Calibrate the question

What are we trying to accomplish?

- How is that worthwhile?
- What's the core issue here?
- How does that affect things?
- What's the biggest challenge you face?
- How does this fit into what the objective is?

11.4.1 Questions to identify behind-the-table deal killers

- How does this affect the rest of your team?
- How on board are the people not on this call?

What do your colleagues see as their main challenges in this area?

11.4.2 Questing to identify and diffuse deal-killing issues

11.4.3 Questions to use to unearth the deal-killing issues

What are we up against here?

- What is the biggest challenge you face?
- How does making a deal with us affect things?
- What happens if you do nothing?
- What does doing nothing cost you?
- How does making this deal resonate with what your company prides itself on?
- It seems like ... is important.
- It seems you feel like my company is in a unique position to ...
- It seems like you are worried that ...

11.5 Noncash offers

Ask yourself: "What could they give that would almost get us to do it for free?"