

Never Split the Difference Study Guide

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Introduction

There's an immense amount of information, tools, and tips packed into *Never Split the Difference*. Truly internalizing that content and transforming it into second-nature demands frequent review, practice, and re-evaluation. We know it's easy to get overwhelmed and find a million excuses not to try out what you've learned. This study guide is intended to jog your memory, facilitate real-world practice, and help you take the first steps towards becoming a Black Swan negotiator. With the right motivation and this helpful study guide, getting more of what you want is much easier than you think.



“Pay close attention to the tone and body language of your counterpart. Look for incongruities between tone, body language, and words.”



Chapter 1

Goal

- People want to be **understood** and **accepted**.
- Our two primal urges are:
 - The need to feel **safe and secure**
 - The need to feel **in control**
- **Listen intensely** → demonstrate empathy and **show a sincere desire to understand** what the other side is experiencing





Chapter 2

Prepare

- Goal of preparation:
 - **Reveal potential surprises** in the negotiation.
- Hypothesis vs. assumptions: **Don't assume**, use negotiation to **test hypotheses**.
- Uncover as much information as possible (don't prepare a counter argument).
- **Uncover what your counterpart actually needs** (money, time, emotional needs, etc.) → **help them feel safe** in order to help them open up and talk more.
- Your primary focus: the other person and what they have to say.



“Uncover as much information as possible (don’t prepare a counter argument).”



Tone

- **Smile**
- **Slow. It. Down.**
- **Use Three Tones:**
 - **Late-night DJ** Tone: Use selectively to make a point. Inflect your voice downward, attempt to make your voice calm and slow. This creates a sense of trustworthiness and combats defensiveness.
 - **Positive & playful:** Default voice. Voice of an easygoing, good-natured person. Relax, open your palms, and smile while talking—even if you're negotiating over the phone.
 - **Direct/Assertive tone:** Use sparingly.

Mirror

- ▶ **Involves repeating the last three** (or most critical) words of what your counterpart has just said.
- ▶ **Creates a sense of similarity and understanding** which facilitates bonding.
- ▶ Use as connectors because they help your counterpart link thoughts.

Mirror Process

Steps for Using a Mirror Effectively:

1. Use your ***Late-night DJ*** Tone.
2. Start sentences with ***I'm sorry...*** to earn the benefit of the doubt.
3. **Mirror** last three words or selected words.
4. **Be silent** for at least four seconds to let mirror work its magic.
5. Repeat.





Chapter 3

Tactical Empathy

- Imagine yourself in the counterpart's situation.
- **Recognize their perspective and vocalize/demonstrate that recognition.**
- Understand your counterpart's feelings and hear what's fueling those feelings.
- Focus your attention on **identifying emotional obstacles** that are standing in the way of an agreement.
- Analyze your counterpart's **words, tone**, and **body language**. Spot changes therein and **look for incongruencies**.



Labels

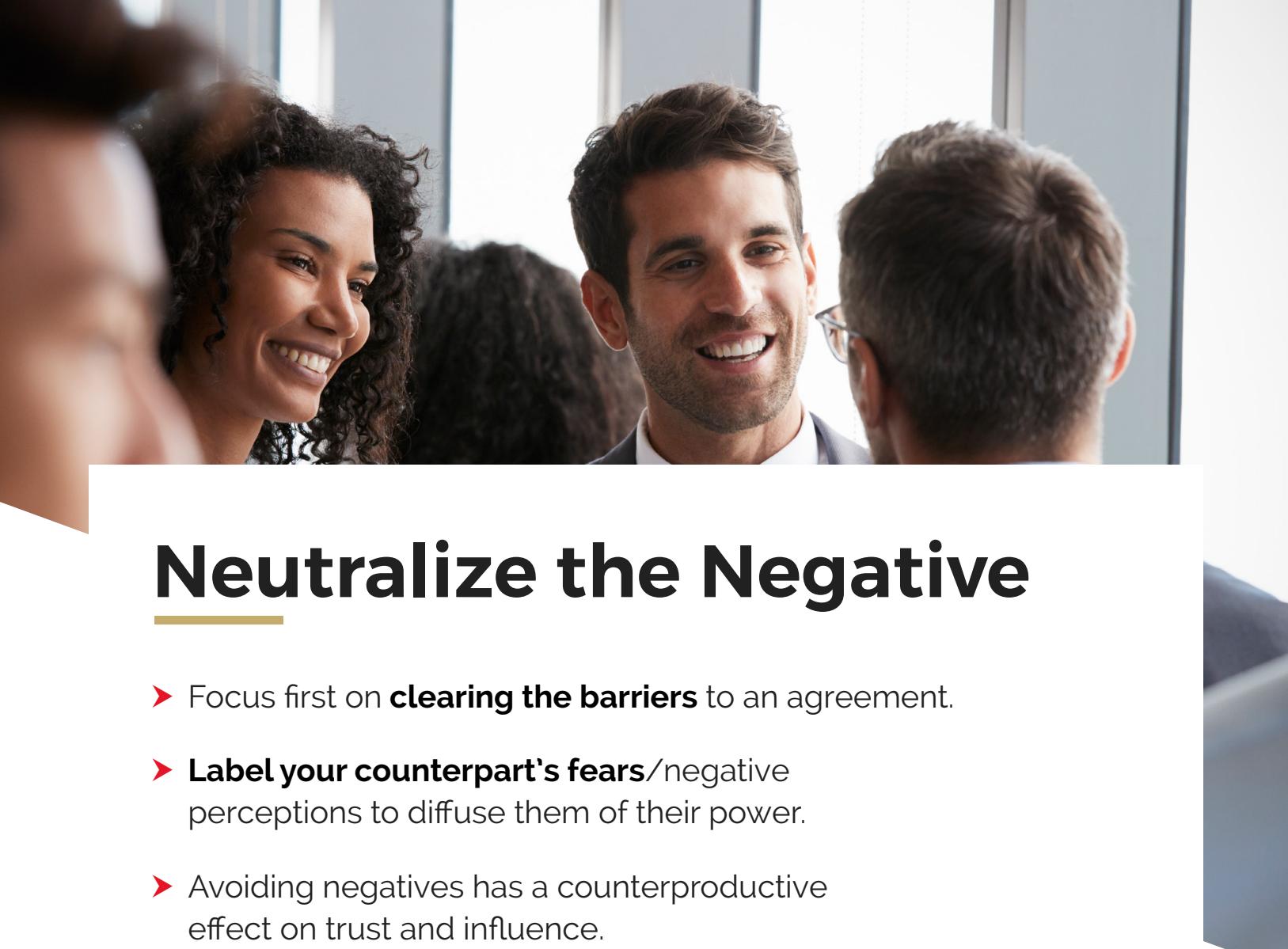
- ▶ Labels serve to **validate your counterpart's emotion by verbally acknowledging it.**
- ▶ Start with:
 - *It seems like* _____
 - *It sounds like* _____
 - *It looks like* _____

Ex: *It sounds like trust is something that's important to you.*
- ▶ After filling in the blank, **pause** to let the label sink in. Your counterpart will fill in the silence.
- ▶ **Every fourth verbalization** should be a label.



“Labels serve to validate your counterpart’s emotion by verbally acknowledging it.”





Neutralize the Negative

- Focus first on **clearing the barriers** to an agreement.
- **Label your counterpart's fears**/negative perceptions to diffuse them of their power.
- Avoiding negatives has a counterproductive effect on trust and influence.
 - *It probably seems like we're avoiding responsibility by changing the account owner...*

Steps for Diffusing Negatives:

1. **Observe and listen without** reacting or judging.
2. **Label** each negative feeling that you hear expressed.
3. **Replace** with a positive, compassionate, and solution-based thought.



“Regardless of whether or not you address them, they’re bound to be on your prospect’s mind.”



Accusation Audit

- ▶ Imagine the worst things your counterpart might think or say about you. Label these negatives in your opening line and be **preemptive with empathy**.
- ▶ Use labels to **reinforce and encourage positive perceptions**.
- ▶ **Remove *I understand* from your vocabulary.** This phrase does not demonstrate understanding and can breed resentment.



Chapter 4

Start with No

- Giving your counterpart the right to say *no* helps **preserve their autonomy and sense of control** → ask **no-oriented questions** (questions that require a *no* response) to help them feel in control and keep emotions at bay.
- **Being asked to say yes too soon makes people defensive**
- If you receive a *no* response, ask:
 - *What about this doesn't work for you?*
 - *What would you need to make this work?*
 - *It seems there's something here that bothers you?*
- There are **3 types of yes responses**:
 - **Counterfeit**: Yes is used as an escape route (they want to say *no* but don't feel like they can).
 - **Confirmation**: Reflexive response to a question. Empty affirmation with no promise of action.
 - **Commitment**: True agreement that leads to action.



► **Use *no* as a means of establishing agreement:**

- *Is now a bad time to talk?*
- You might need to **force your counterpart into a *no* to help bring them back to baseline.**
 - Intentionally mis-label an emotion.
 - Ask a ridiculous question that can only be answered by a *no*.

Email Magic

- Use **no-oriented** questions that trigger their natural aversion to loss and provoke a response.
- *Have you given up on this project?*





Chapter 5

That's Right

- **That's Right:** Good, wholehearted agreement.
- **Yes, You're Right:** Bad, tepid agreement, creates distance and places you in opposition





Using a Summary to Trigger *That's Right*

Steps for Triggering *That's Right* With a Summary:

1. **Effective Pauses:** encourage your counterpart to keep talking.
2. **Minimal Encouragers:** e.g. yes, OK, uh-huh,
I see → shows you're paying full attention.
3. **Mirrors:** Listen and repeat back what you've heard.
4. **Labels:** Give feelings a name to identify with how they feel.
5. **Paraphrasing:** Repeat in your own words what your counterpart has said to demonstrate understanding.
6. **Summarizing:** Re-articulate meaning of what was just said and acknowledge the underlying emotions expressed = **Paraphrase + Labeling**.



Chapter 6

Never Split the Difference

- Compromise creates **sub-par agreements** and **deteriorates relationships**.

Deadlines

- Deadlines make people act impulsively.
- **Resist the urge to rush** as a deadline approaches.
- Take advantage of the rush in others.
- Share your deadlines: information asymmetry works against you.



“Summarizing: Re-articulate meaning of what was just said and acknowledge the underlying emotions expressed = Paraphrase + Labeling.”



Understanding Three Uses of *Fair*

The word *fair* is used in negotiations in three ways:

► As a **defensive move**:

- *We just want what's fair.*
- Emotionally rattled negotiators will raise their counter offer.
- **Correct response:** *OK, I apologize. Let's stop everything and go back to where I started treating you unfairly and we'll fix it.*

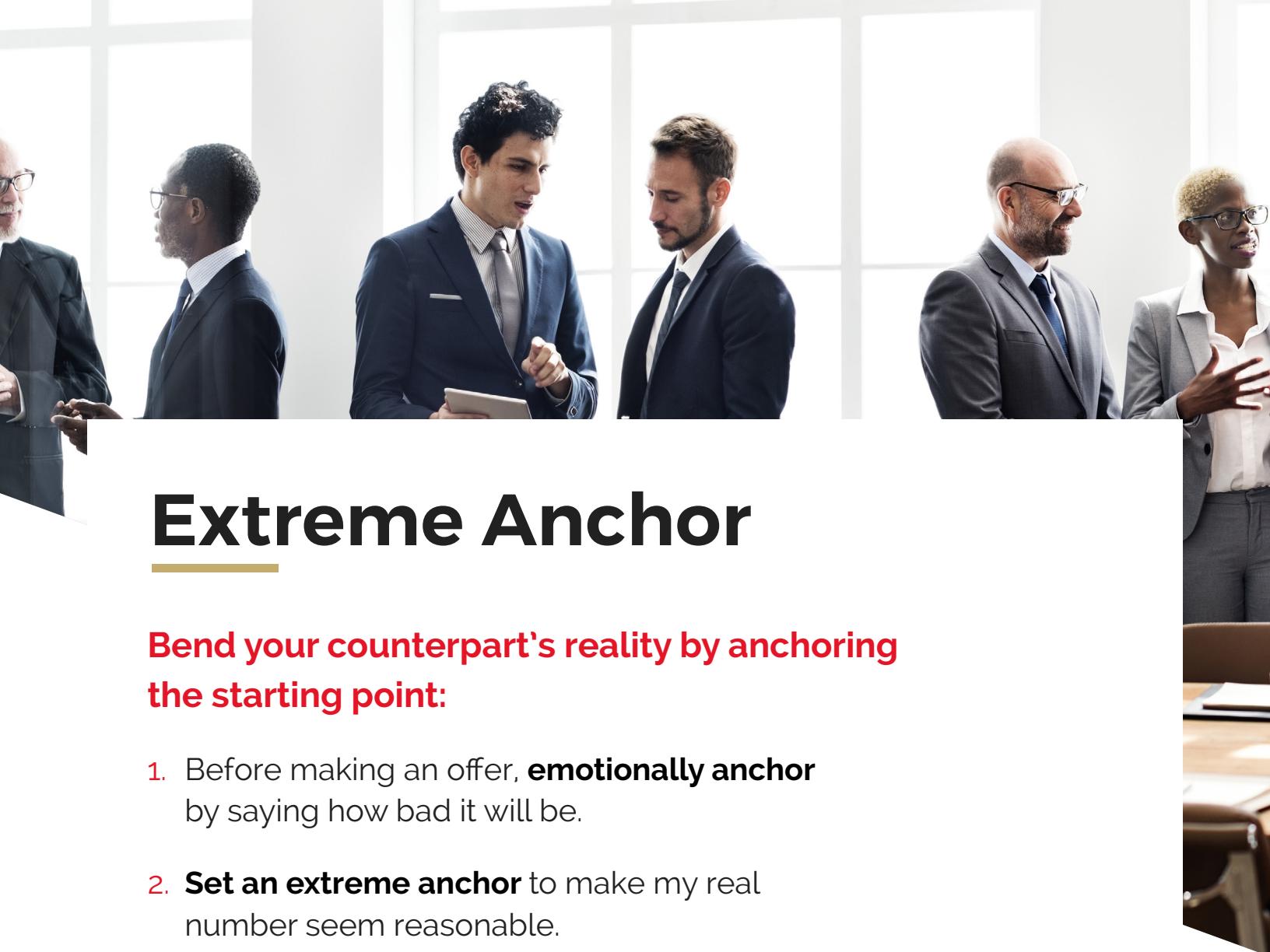
► As a **nefarious accusation**:

- *We've given you a fair offer.*
- Jab meant to distract your attention.
- **Correct response:** *Fair? It seems like you're ready to provide the evidence that supports that.*

► As a **positive**:

- *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.*





Extreme Anchor

Bend your counterpart's reality by anchoring the starting point:

1. Before making an offer, **emotionally anchor** by saying how bad it will be.
2. **Set an extreme anchor** to make my real number seem reasonable.
3. **Use a range** to seem less aggressive.

Loss Aversion

- People will take more risks to avoid a loss than they will to realize a gain.
- Make sure your opponent sees there is something to lose by inaction.

Bend Their Reality

1. Anchor their emotions: Start with an accusation audit to acknowledge their fears. Anchor them **in preparation for a loss.**
2. Let the other party suggest a price first: Especially if neither party knows the true market value. Consider alternatives if the other party is a shark or a rookie.
3. Establish a bolstering range: Recall a similar deal. Range high so people will naturally want to satisfy the low end of my range.
4. Pivot to non-monetary terms: Give things that are not important to you but are important to them. Get things that are valuable to you. Suggest ideas to stimulate brainstorming.
5. Use odd numbers: Don't use round numbers.
6. Surprise with a gift: Generate reciprocity by giving unrelated surprise gifts.

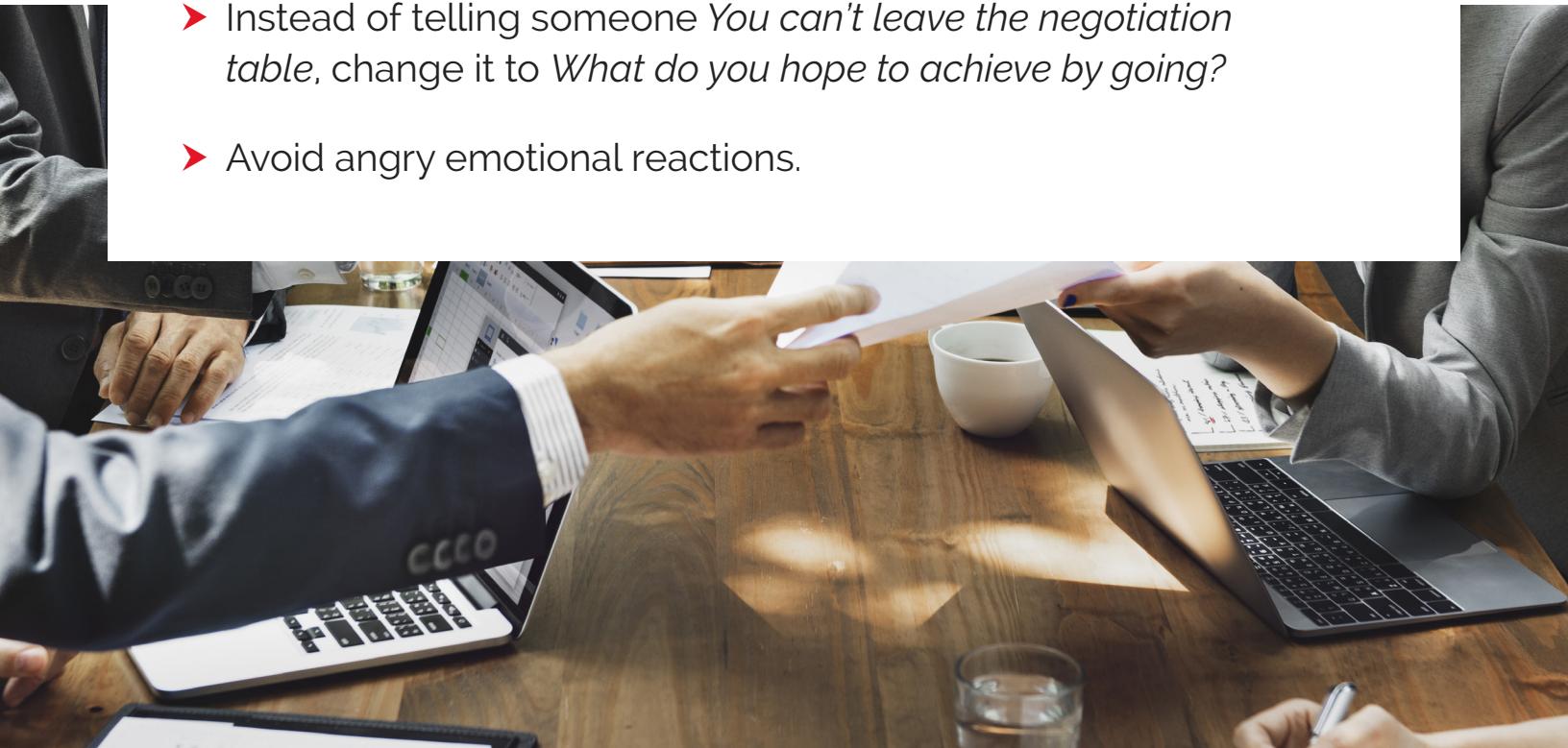




Chapter 7

Calibrated Questions

- The **listener** has control of the conversation.
- Goal is to **suspend disbelief** → calibrated questions ask for help/clarification.
- Don't use: *can, is, are, do, or does*.
- Avoid: questions that can be answered with Yes or tiny pieces of information.
- Start every question with **what, how**, and (and sometimes but rarely) **why**.
 - Only use **why** when the defensiveness it creates is in your favor: *Why would you ever change from the way you've always done things and try my approach?*
- Instead of telling someone *You can't leave the negotiation table*, change it to *What do you hope to achieve by going?*
- Avoid angry emotional reactions.



**“Instead of telling someone
You can’t leave the negotiation
table, change it to What do
you hope to achieve by going?”**

Phrases to Use:

- **What makes you ask?**
- **What about _____ is important to you?**
- How can I help 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 the problem?
- What's the objective / What are we trying to accomplish here?
- **How am I supposed to do that?**



Chapter 8

How = Implementation

- **Yes** is nothing without **how**.
- Calibrated **how...? questions** help guarantee execution.
- Aim for a *that's right* response.
- Don't settle for *I'll try* or *you're right* → Those mean: ***I plan to fail***

Phrases to Use:

- **How am I supposed to do that?**
- *How will we know we're on track?*
- *How will we address things if we find we're off track?*

To involve behind the scenes:

- *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?*



“Don’t settle for *I’ll try* or *you’re right*. Those mean: *I plan to fail*”



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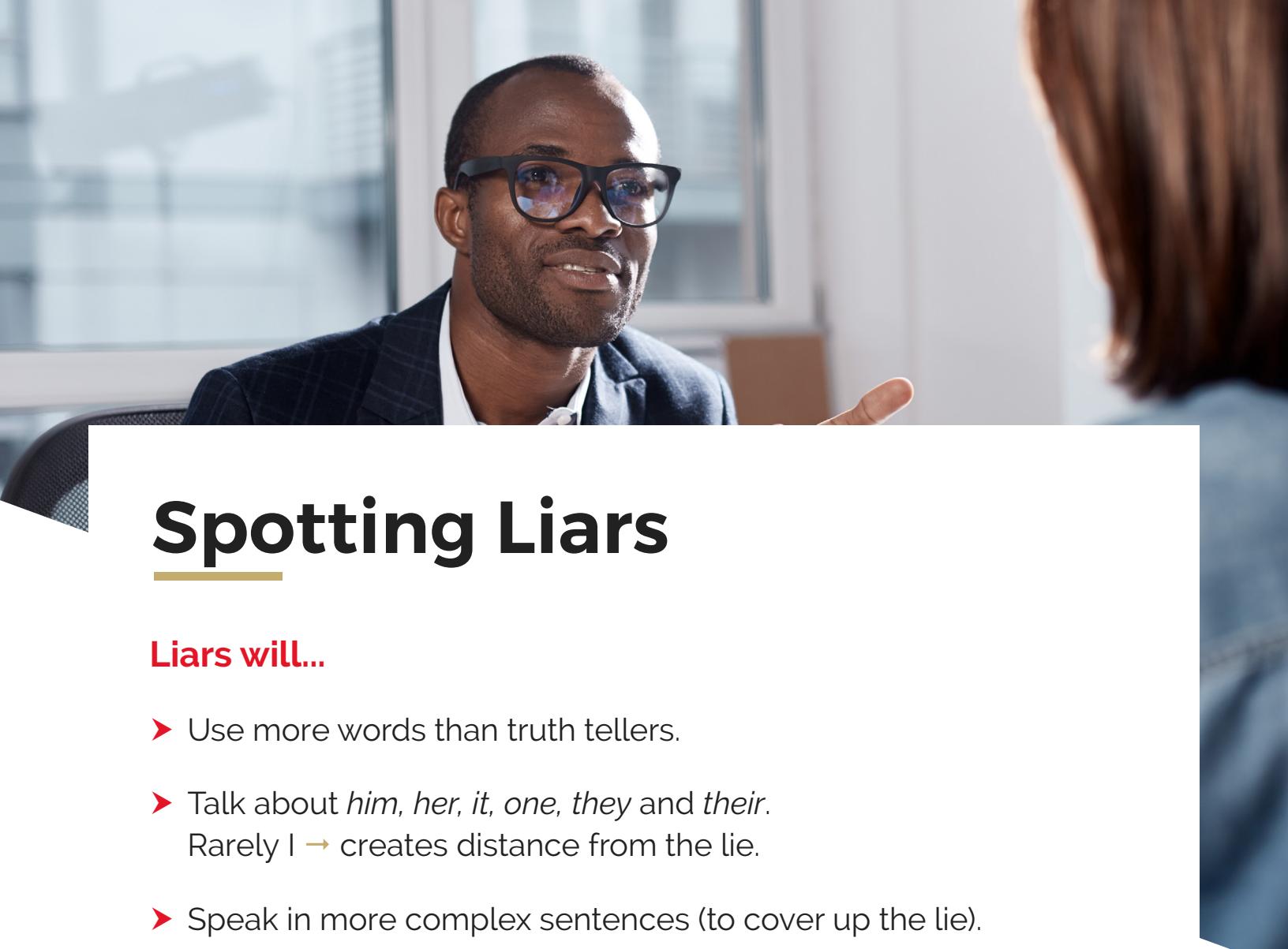
- ▶ Communication is **7 percent content, 38 percent tone of voice, 55 percent body language.**
- ▶ There is great return on flying to meet people **in person.**
- ▶ Pay close attention to the **tone** and **body language** of your counterpart. Look for incongruities between tone, body language, and words.
- ▶ Use labels to discover the source of the incongruence:
 - *I heard you say 'Yes,' but it seemed like there was a hesitation in your voice.*
 - *No, this is important. Let's make sure we get this right.*

Rule of Three

Get them to say yes three times to improve buy-in and guarantee implementation.

1. Get them to give you a commitment.
2. Use a label and a summary to get a *that's right.*
3. Use calibrated *How* or *What* questions to address implementation. Ask questions to determine what success will look like. Ex: *What do we do if we get off track?*





Spotting Liars

Liars will...

- Use more words than truth tellers.
- Talk about *him, her, it, one, they* and *their*.
Rarely *I* → creates distance from the lie.
- Speak in more complex sentences (to cover up the lie).

Spot Decision Makers

Watch pronoun usage:

- ***I, me, my*** → indicate the speaker is less important in the decision of the outcome.
- ***We, they, them*** → indicates the actual decision maker leaving their options open.

Use Your Own Name

- Using your own name makes you a real person.
- Ex: *My name is Chris. What's the Chris discount?*

Saying No 4 Times

Four steps to saying *no* that keep the negotiation going—different ways of saying *no* four times;

1. *How am I supposed to do that?*
2. *Your offer is very generous. I'm sorry that just doesn't work for me.*
3. *I'm sorry but I'm afraid I just can't do that.*
4. *I'm sorry, no.*

Use mirroring and open-ended questions in between. Empathize 3x:

1. *That's very generous of you.*
2. *That price is more than fair.*
3. *Thank you for taking the time to talk to me.*





Chapter 9

3 Types of Negotiators



Analyst

Cares About:

- **Confirming facts and info**

Negotiation Mindset:

- Time = **preparation**
 - Silence = **time to think**
-

Characteristics:

- Methodical & diligent
- Hates surprises
- Self-image tied to minimizing mistakes
- Prefers to work on their own
- Reserved problem solver
- Information aggregator
- Skeptical by nature

- May appear to agree when just agreeing to think about it
- Slow to answer calibrated questions
- Apologies have little value
- Hypersensitive to reciprocity
 - When they receive first, think it must be a trap
 - When they give first, they expect you to reciprocate

Tools to Use:

- **Labels**, specifically to compare analysis
 - Use data
 - Use **data** to explain your reasons, no ad-lib
 - Use data comparisons to disagree
-

Worst-Type Match:

- Assertive





Accommodator

Cares About:

- ▶ Building relationships

Negotiation Mindset:

- ▶ Time = **relationship building**
- ▶ Silence = **upsetting, indicates anger**

Characteristics:

- ▶ Happy when communicating
- ▶ Sociable, peace-seeking, optimistic.
- ▶ Distractable, poor time managers
- ▶ Watch tone & body language → they won't express hesitancy in words
- ▶ Risk: may overpromise, agree to give you something they can't actually deliver

Tools to Use:

- ▶ *What & How* **calibrated questions** focused on implementation

Worst-Type Match:

- ▶ Accommodator





Assertive

Cares About:

- **Being heard**

Negotiation Mindset:

- Time = **money**.
- Silence = **opportunity to speak more**.

Characteristics:

- Perfecting the solution is less important than getting it done
- Loves winning above all else
- Most likely to get tunnel-vision
 - If you focus on one goal, you miss opportunities to explore options

- Emotions can cloud decision-making faculties
- View negotiations as intellectual sparring
- Focus first on what they have to say. They'll only listen if they're convinced you understand them

Tools to Use:

- **Calibrated questions**
- **Labels**
- **Summaries**

- Get a **that's right**
- Be careful with reciprocity. If you give an inch, they may take a mile

Worst-Type Match:

- Analyst



Deflect the Punch

If your counterpart starts with an extreme anchor, prepare to deflect by:

- **Saying no** with a calibrated question:
 - *How am I supposed to do that?*
- **Deflecting the anchor** with a calibrated question:
 - *What are we trying to accomplish here?*
- **Pivoting between terms**, taking a detour to non-monetary issues:
 - *Let's put price off to the side for a moment and talk about what would make this a good deal.*
 - *What else would you be able to offer to make that a good price for me?*
- Responding with your own **extreme anchor**.



“Communication is 7 percent content, 38 percent tone of voice, 55 percent body language.”



Ackerman Bargaining

Steps for Negotiating Price:

- Set a **target price**.
- Plan your offers:
 - Buyer: **65%** → 85% → 95% → 100%
 - Seller: **135%** → 115% → 105% → 100%.
- At final offer, add **non-monetary item** to show that you're at your limit.

Use an accusations audit to pre-empt the first offer to take the edge off:

- You're going to think I haven't done my homework.
- You're going to feel insulted by my offer.
- I'm embarrassed to tell you my offer.

Use tactical empathy:

- Find ways of creating space between Yes and No to get them to counter before you increase your offer.
- Use precise, non-round, odd numbers.





Chapter 10



Black Swans

- There are 3 Black Swans in every negotiation.
- Every negotiation is new → don't let old patterns blind you.
- Always ask yourself: **Why are they communicating and what they are communicating right now?**

“Review everything you hear.
Always double check that what
you heard is what they intended.”

Listen, Listen, Listen

- Review everything you hear. Always **double check** that what you heard is what they intended.
- Use **backup listeners** whose only job is to listen between the lines.
- Compare notes with team members to discover new information.
- Label the message behind the words.

Similarity Principle

- People trust those who are in their *in group*.
- Observe and mirror attitudes, ideas, and even modes of dress.





Power of Hopes and Dreams

- Visualize what your counterpart wants out of life
 - use those aspirations to persuade them.
- Everyone wants to believe that they are capable of the extraordinary.
- Display a passion for **what your counterpart wants** and **convey a plan for getting them there** → changes your counterpart's perception of what's possible.
- We all desire a **roadmap to joy** → be courageous enough to draw it and others will follow.

... Because ...

- People respond favorably to requests made in a reasonable tone of voice and followed by a *because* reason (even if the reason isn't great).

Interpreting Crazy Behavior

- Just because someone is acting crazy doesn't mean they are. More likely, they:
 - **Are ill-informed:**
 - They have incomplete or different information than you.
 - **Are constrained:**
 - May not have the power to close the deal.
 - **Have other interests:**
 - Hidden interests that justify their behavior.

Get Face Time

- It's always easier to read your counterpart and **negotiate in person**.
- **Observe unguarded moments:**
 - First few minutes before you get down to business.
 - Last few moments as everyone is leaving.
 - Interruptions, odd exchanges, etc...
- When something doesn't make sense, **there's an opportunity**. Dig in!

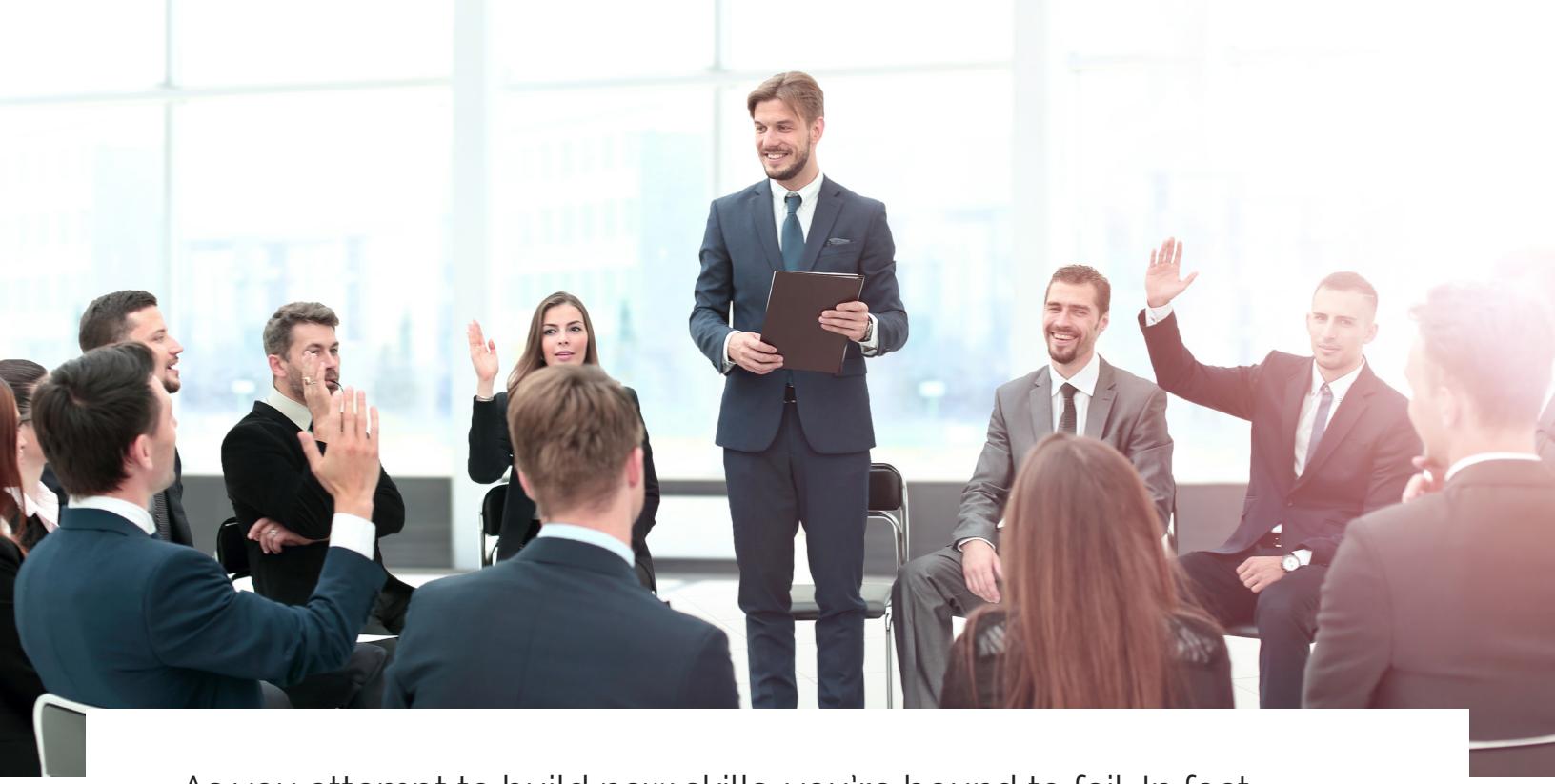


Putting the Pieces Together

Becoming a better negotiator is like learning any other skill—the more you practice, the more intuitive it will feel and the more flexible and adept you will become under pressure. In the beginning, it's natural to be hyper focused on yourself; the words you use, the movements you make, and the deliberate pauses you take can feel all-consuming. Although using formulaic phrases like "It seems like..." may feel uncomfortable at first, these proven techniques will help train your brain to make these connections more quickly and free up your attention to focus on your counterpart and environment. In addition, the more you use different communication techniques like labels, calibrated questions, and mirrors, the better you will become at identifying where and when they're most effective.



"Becoming a better negotiator is like learning any other skill—the more you practice, the more intuitive it will feel and the more flexible you will become."



As you attempt to build new skills, you're bound to fail. In fact, the discomfort and hyper-awareness that typically accompanies failure can facilitate learning and streamline your mastery of new information. As long as you fail in new ways (as opposed to making the same mistake over and over again), you'll grow smarter and more informed each time. Rather than punishing yourself for what you might have said or done differently, use that immediate flash of insight to improve and adapt your strategy. Taking advantage of everyday, low-stakes negotiation opportunities will help you overcome your initial fear of failure and empower you to perform better when it counts.

To take part in an interactive training seminar or receive more personalized coaching, [reach out to us](#) to explore training options. We'd love to discuss your negotiation goals and help you find the right type of instruction to [catalyze your growth](#).

Negotiation One-Sheet

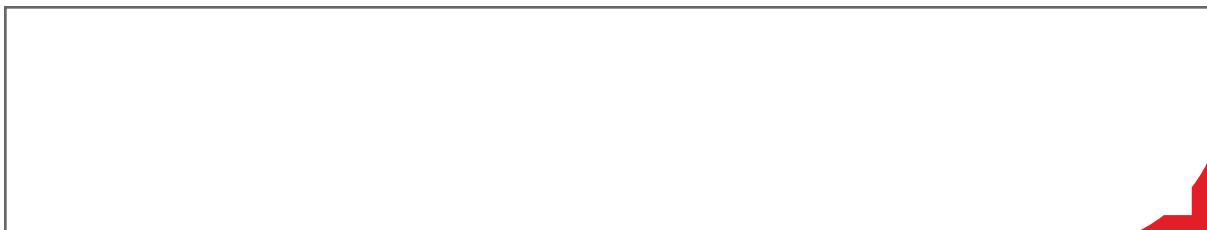
Goal:

- Identify specific scenario that represents best case.
- Set an optimistic but reasonable goal and define it clearly.
- Write it down.
- Discuss your goal with a colleague (creates commitment and consistency).
- Carry the written goal into the negotiation.



Summary:

- A couple of sentences about the known facts that have led up to the negotiation. Intended to produce a *that's right* response.



3-5 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 _____*



3-5 Calibrated Questions to Reveal Value and Overcome Potential Deal Killers:

For your counterpart:

- What are we trying to accomplish?
- How is that worthwhile?
- What's the core issue here?
- How does that affect things?
- How does this fit into what the objective is?

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?

To identify and diffuse 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?



3-5 Labels to Follow Up After They Answer Your Calibrated Question:

- It seems like _____ is important.
- It seems you feel like my company is in a unique position to _____
- It seems you are worried that _____
- _____
- _____

Non-cash offers:

- List of non-cash items possessed by your counterpart that would be valuable to you.
- What could they give you that would make you do this for free?





**Have questions about training,
speaking engagements or coaching?**

CONTACT US

