



Book The One Minute Negotiator

Simple Steps to Reach Better Agreements

Don Hutson and George Lucas
Berrett-Koehler, 2010
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Recommendation

People intensely dislike negotiating. This is true for everyone, including senior business professionals. This dread may derive from the mistaken attitude that negotiation must be a win- lose confrontation. Not so, according to Don Hutson and George Lucas, who provide a memorable, three-step process you can use to negotiate effectively. *BooksInShort* likes this book’s clear-headed, easy-to-follow explanation of the essence of negotiation, including how to plan for a negotiation and how to negotiate successfully. However, the book is mistitled. Nothing takes only one minute, certainly not the careful assessment, strategic thinking and tactical planning that the authors correctly assert must accompany any negotiation. Otherwise, this is an outstanding book that can help you become a more successful negotiator.

Take-Aways

- Most people suffer “negotiaphobia”: the fear of negotiating.
- Overcome this fear with the “EASY treatment process: Engage, Assess, and Strategize,” and then conduct “Your One-Minute Drill.”
- To engage, determine how you will treat the other side in a negotiation.
- To assess, identify your personal negotiating tendencies, and evaluate the other side’s likely tendencies.
- To strategize, select the best negotiating tactic for your particular situation.
- Choose among four negotiation strategies: “avoidance, accommodation, competition” – and the most effective approach – “collaboration.”
- Avoidance is the negotiation strategy most people prefer, but it is weak.
- Accommodation is giving the other side what it wants.
- Competition is the zero-sum game strategy – I win; you lose.
- Though most people think otherwise, compromise is not a true negotiation strategy.

Summary

“Negotiaphobia”

Jay Baxter was excited. He and his wife, Laura, had won a trip on a luxury yacht docked in Miami as part of the Top Producers Award Trip sponsored by his company, XL Information Solutions. They were pleased to leave below-freezing temperatures in Cleveland for the sunny bliss of Miami. Additionally, Jay was proud to be the top-quota producer among the 17 salespeople on the cruise. He hoped (and expected) that the company would select him as “Salesperson of the Year.” Jay also thought that the firm would give him his dream job as the new regional sales manager for the Upper Midwest. However, the trip would not be all fun. Along with the other salespeople, Jay had to attend a multiday workshop on negotiating taught by Dr. Pat, a negotiations expert. The workshop was called “Treating Your

Negotiaphobia.”

“No two negotiations are alike.”

Jay ran into his friend Eduardo Carlos, another XL sales rep. Eduardo told Jay that the latest gossip held that another salesperson, Cathy Simmons, was going to win the top sales award and be appointed to the regional sales manager job. Jay was baffled. When he last checked the sales figures, he was a strong 8% ahead of Cathy. But Eduardo told Jay that the determining factor for this year’s sales award was contribution to gross margin – where Cathy was well ahead.

“While collaboration is a noble goal, if you’re negotiating with a tough, competitive individual who has no interest in collaborating, you might as well be standing on the railroad tracks trying to negotiate with a speeding train.” (Dr. Ken Blanchard, *The One Minute Manager*)

Crushed, Jay sat down in one of the ship’s lounges and ordered a drink. A stranger wearing cowboy boots said hello and asked Jay why he looked so down. Jay explained and additionally complained that now he had to attend a negotiation seminar by some “clown” named Dr. Pat. Jay groused, “He has probably never sold one dime’s worth of information management systems in his life, and he is going to tell us how to do it.” Jay then asked his new Texas friend his name. “My name is Pat, Patrick Perkins. Some of my students call me Dr. Pat.” The negotiations expert then told Jay that he’d see him at the seminar the next morning.

“Most people are extremely predictable when it comes to how they negotiate.”

That night, all the XL sales reps and the company’s president, Bob Blankenship, gathered for a special dinner to honor the salesperson of the year, Cathy Simmons, whom the president also appointed as regional sales manager. Jay gracefully congratulated Cathy, but he remained distraught.

The next day, Dr. Pat began to teach the sales reps about the fine points of negotiation. Blankenship kicked off the meeting by telling the reps that they needed to focus on profitable sales rather than volume sales. They all had to become better negotiators to achieve more profitable prices for the firm’s information management systems.

“Proficient negotiators quickly read the other side, because no one negotiates in a vacuum.”

Dr. Pat began by defining negotiation as “the ongoing process through which two or more parties, whose positions are not necessarily consistent, work in an effort to reach an agreement.” The word “process” indicates something that takes place over time, and not simply a “decision phase.” While agreement is the goal of any negotiation, often the bargaining parties do not achieve it.

“Proficient negotiators reap the rewards of their efforts; solid strategies generate superior outcomes.”

People share a common misconception that negotiating leads to both sides reaching a compromise. Nothing could be further from the truth. A compromise, which normally means splitting the difference, usually makes both parties unhappy. For example, a car seller asks \$7,000 for his vehicle. A prospect offers \$5,000. They split the difference and agree on \$6,000. Afterward, the seller berates himself for selling his car for \$1,000 less than he believed it was worth. Similarly, the buyer is angry with herself for spending \$1,000 more than she planned.

Negotiate in EASY Steps

People can overcome their fear of negotiation, called “negotiaphobia,” by using the “EASY treatment process.” Go through these steps for every negotiation:

“Engage” – How Will You Treat the Other Side?

Know that you are involved “in a negotiation” and think through the available strategies that you can employ. The four main negotiation strategies are “avoidance, accommodation, competition and collaboration.”

“Many people...associate negotiation with the ability to ‘get them before they get you’.”

Competition and collaboration are “proactive,” while avoidance and accommodation are “reactive.” Competition and avoidance call for “low cooperation,” while accommodation and collaboration involve “high cooperation.” In any negotiation, it is always better to be proactive instead of reactive, and to cooperate rather than obstruct. Avoidance is the attitude: “I would like to put it off for later, but I can’t.” This weak negotiating strategy, which most negotiaphobes use, is no strategy at all.

“Proficient negotiators have developed an advanced capability to maximize the benefit of all parties involved.”

Accommodation is based on giving the other side whatever it wants. While people frequently think they can develop future relationships through accommodation, they will find that they won’t like the relationships that they build this way. The second party will always assume it can win. While accommodation is sometimes necessary in a negotiation, use it with great care.

“Many negotiators are highly predictable because their negotiaphobia leaves them feeling comfortable repeatedly using the same strategy time and again.”

Competition is the zero-sum game strategy that ends up meaning: I win; you lose. This precludes any relationship. For example, a tow truck driver negotiating with a motorist stranded in the desert can charge any amount and expect to get it; the trucker faces a miniscule likelihood of ever dealing with the same driver again. Negotiators who compete always do better than those who accommodate. If the other side is competitive and recognizes that you will compete, too, it often will provide opportunities to collaborate instead. Conversely, those who are reluctant to compete frequently get steamrolled.

“Collaboration requires a great deal more work...but...the returns can make it more than worth this investment.”

Collaboration is a win-win strategy. For it to work, both parties must put their “true needs” on the table. Sadly, collaboration remains rare. Collaborative negotiators are either “sages,” who collaborate only when that’s what works best, or “dreamers,” who always collaborate in hopes that other parties will reciprocate. The best tactic is

to be both a sage and a dreamer – practical but optimistic.

“Assess” – What Is Likely to Happen?

Evaluate your tendencies regarding how you normally negotiate and how the other party negotiates. Assess yourself accurately to determine which strategic style you use most often. Many people prefer avoidance – or use it as a default negotiation mode – to avoid potential confrontations or unpleasantness. The most effective negotiators employ a collaborative style, but that doesn’t mean you always should collaborate in every negotiation. If you try to collaborate just when the other party is competing, you are, in fact, practicing accommodation.

“Our success in negotiating is dependent on our ability to correctly assess the strategies being used by others.”

In the assessment phase of creating your negotiation strategy, analyze what tactics the other side is likely to use. If you have negotiated with the same parties in the past, expect them to utilize the approach they deployed last time; that is, “the best predictor of future behavior is past behavior.” Observe and analyze the other side’s “behavioral style tendencies” via four categories:

1. **“Analyticals”** – These nonemotional number crunchers want as much data as possible before they make decisions. They often utilize avoidance.
2. **“Drivers”** – These direct, no-nonsense individuals have short attention spans. They often employ a heavily competitive strategy. If you can remain unflustered and avoid caving in to their initial demands, drivers often will move quickly to a collaborative posture.
3. **“Expressives”** – These “wannabe collaborators” also have short attention spans. For the best outcomes, reach agreement with them before they lose interest and move on to something else. If you can, locate an individual within the expressive’s company who can outline the firm’s (and thus the expressive’s) needs.
4. **“Amiables”** – These warm, friendly people are not good negotiation opposites. They appear to like you a lot, but they may feel the same way about everybody involved. Amiables hate to make decisions and are, as such, classic avoiders. Often, you can guide them to accommodate you during a negotiation.

“Compromise causes more confusion...than any other issue.”

If you have never negotiated with your counterparties before, try to find out how they make their agreements with their customers, vendors or suppliers. The way they treat them is how they will treat you. You can learn a lot about a company by checking its website. Is the firm open and transparent? Does it provide useful information about itself? If so, expect it to be collaborative. If, on the other hand, the firm is highly secretive and not willing to share much data, expect it to adopt a competitive posture. If you are not sure how the other party will negotiate, begin with a collaborative attitude. If they are unwilling to work with you, become competitive quickly.

“Strategize” – Which Approach Will Work?

Your next step in the EASY process is to consider how you will handle this particular negotiation. Although avoidance is not a strong tactic, you may want to use it when negotiating on a minor issue or when your best option requires no negotiation. However, minor issues can turn into major ones over time. Thus, avoidance may be a good approach today, but perhaps a terrible method for handling the same things tomorrow. When the other side avoids negotiating, that may indicate that it no longer has any interest in doing business – for example, if a prospect no longer returns your calls. Every salesperson is accustomed to objections, which are useful if they indicate that your prospect is still considering your proposal.

“As long as the parties are talking to each other, there is still a chance for success.”

Accommodation is a proper strategy if your hand is obviously considerably weaker than the other side’s. You may be able to increase your leverage if you can turn a weak hand into a strong one by having superior knowledge or by preparing extensively for the negotiation. If you must accommodate, qualify your stance, for example: “This time around, due to the unique situation we find ourselves in, we would be willing to entertain what you propose.” If you handle things this way, it won’t create an accommodationist precedent for the future.

Use the competitive strategy when the other side refuses to collaborate or when collaboration is not worth the time or trouble. Collaboration is the win-win strategy you should strive to pursue in most instances. Everyone comes out ahead, and a collaborative outcome preserves positive relationships, the core of doing business. Try to work collaboratively on negotiations that happen internally in your organization. The last thing you want to do is to harm a relationship with another business unit in your company; you may need to work with that unit in the future.

“Your One-Minute Drill”

The last part of the EASY process is the *Y* – “Your One-Minute Drill.” Take a moment prior to your negotiation to stop and think about the three steps of the EASY process: engage, assess and strategize. In doing so, ask yourself: Does this situation call for negotiation? What strategy do I normally use in this type of negotiation? What about the other side? Considering what I am dealing with, what is my optimum strategy? Think things through systematically. When you do, you will have a better idea on how to proceed during the actual negotiation.

If you think carefully about each step, you will begin to negotiate better. Your fear of negotiation will dissipate because you have demystified the process and become more skillful. Going through each step is essential to being a good negotiator. In contrast, poor negotiators employ various tactics during negotiations without thinking about their overall strategies, a clear mistake.

A Big Payoff for Jay

With the expression of this last thought, Dr. Pat concluded his multiday negotiation seminar. Jay promised himself to put the negotiation principles that he had learned to work immediately in his selling efforts. He did, and with terrific results. At the next year’s award dinner, Jay won salesperson of the year honors. Plus, he learned to use his knowledge of negotiation not just in business, but in all areas of his life.

About the Authors

Don Hutson, author of 12 books, is chairman and CEO of US Learning, where consultant **George Lucas** serves on the board.
