| **Goal** | People want to be **understood** and **accepted**. 2 primal urges:  
  ○ Need to feel **safe & secure**  
  ○ Need to feel **in control**  
  **Listen intensely** → demonstrate **empathy** + show a **sincere desire** to better understand what the other side is experiencing |
| **Prepare** | Goal: reveal **surprises** in the negotiation  
  ● Hypotheses vs. assumptions: Use negotiation to **test hypotheses**  
  ● Uncover as much information as possible (not battle of arguments)  
  ● Uncover what counterpart **actually needs** (money, emotional, otherwise) → get them feeling **safe** to talk more  
  ● **Sole focus**: the other person and what they have to say |
| **Tone** | **Smile**  
  **Slow It Down**  
  Three voices:  
  ○ **Late-night DJ voice**: Use selectively to make a point. Inflect voice downward. Calm and slow. Creates aura of trustworthiness without triggering defensiveness  
  ○ **Positive & playful**: Default voice. Voice of easygoing & good natured person. Relax & smile while talking  
  ○ **Direct / Assertive**: Used rarely |
| **Mirror** | **Repeat the last (or critical) 3 words** of what someone else has said  
  ● Insinuates similarity which facilitates bonding  
  ● Connectors because they help your counterpart connect thoughts |
| **Mirror Process** | 1. Use Late Night FM DJ Voice 2. Start sentences with *I'm sorry...* 3. Mirror 4. **Silence**, at least 4 seconds to let mirror work it's magic 5. Repeat |
| **Tactile Empathy** | **Imagine myself in the counterpart’s situation**  
  **Recognize their perspective and vocalize that recognition**  
  Understand counterpart’s feelings & hear what is behind those feelings  
  Bring my attention to the emotional obstacles to getting an agreement done  
  Look at **words, tone, and body language**. Spot changes and look for incongruencies |
| **Labels** | **Validate someone’s emotion by acknowledging it**  
  ○ *It seems like _________*.  
  ○ *It sounds like _________.*  
  ○ *It looks like _________.*  
  ○ **Pause** to let the label sink in. Other party will fill in the silence  
  ● **Every 4th verbalization should be a label** |
| **Neutralize the Negative** | **Focus first on clearing the barriers** to an agreement  
  ● Label fears to diffuse their power  
  ● **Look I’m an asshole**  
  **Process:** 1. Observe without reaction & judgement 2. Label each negative feeling 3. **Replace with a positive, compassionate & solution-based thought** |
| **Accusation Audit** | List the worst things my counterpart can say about me first  
  ● Use labels to reinforce & encourage positive perceptions  
  ● Remove *I understand* from your vocabulary. Never use it |
| Start with No | ● Need to feel **in control** → get by saying No  
|             | ● Saying Yes makes people defensive  
|             | ● If I hear No →  
|             |   ○ *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?*  
|             | ● 3 types of Yes  
|             |   ○ *Counterfeit:* Yes as an escape route (want to say No)  
|             |   ○ *Confirmation:* Reflexive response question. Affirmation with no promise of action  
|             |   ○ *Commitment:* True agreement that leads to action  
|             | ● Trigger a No: *Is now a bad time to talk?*  
|             | ● Might sometimes need to **force counterpart into a no**  
|             |   ○ Intentionally mislabel an emotion  
|             |   ○ Ask a ridiculous question that can only be answered by a No  
| Email Magic | *Have you given up on this project?*  
| That’s Right | ● **Good:** That’s Right  
|             | ● **Bad:** Yes, You’re Right  
| Summary to trigger That’s Right | Trigger That’s Right with a **Summary:**  
|             | 1. **Effective Pauses:** encourage the counterparty to keep talking  
|             | 2. **Minimal Encouragers:** *Yes, OK, Uh-Huh, I see* → show I’m paying full attention  
|             | 3. **Mirroring:** Listen & repeat back  
|             | 4. **Labeling:** Give feelings a name & identify with how they feel  
|             | 5. **Paraphrase:** Repeat in my own words to show I’m really understanding  
|             | 6. **Summarize:** Re-articulate meaning of what is said + acknowledgment of the emotions =  
|             |   **Paraphrase + Labeling**  
| Never Split the Difference | Leads to a bad outcome for both sides. eg **1 black • 1 brown shoe**  
| Deadlines | ● Deadlines make people do impulsive things  
|             | ● Resist the urge to rush as a deadline approaches  
|             | ● Take advantage of the rush in others  
|             | ● Share my deadlines: information asymmetry is the worse for me  
| Three uses of Fair | **Defensive move:** *We just want what’s fair*  
|             |   ● Emotionally rattled negotiators will raise their counteroffer  
|             |   ○ **Correct response:** *OK, I apologize. Let’s stop everything and go back to where I started treating you unfairly and we’ll fix it*  
|             | **Nefarious accusation:** *We’ve given you a fair offer*  
|             |   ● Jab meant to distract my attention  
|             |   ○ **Correct response:** *Fair? It seems like you’re ready to provide the evidence that supports that*  
|             | **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 counterpart’s reality by anchoring the starting point  
|             | 1. Before making 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 realize a gain  
|             | ● Make sure my opponent sees there is something to lose by inaction  
| Bend their Reality | 1. **Anchor their emotions:** Start with an accusation audit acknowledging all their fears. Anchor them **in preparation for a loss**  

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2. Let the other party suggest a price first. Especially if neither party knows true market value. Consider alternatives if 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. Get things that are. 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

### Calibrated Questions

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

**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?**

### How

- Yes is nothing without **How**
- Calibrated **how? Questions** help guarantee execution
- Look for That’s Right
- Don’t settle for I’ll try, 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?

### Influence those behind the table

- 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?

### 7-38-55

- 7% content
- 38% tone of voice
- 55% body language & face

- Fly great distances to meet people in person
- Pay close attention to tone & body language. See if they don’t match up with literal meaning of words
- Use labels to discover 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 **3 times**
  1. Get them to give me a commitment
  2. Label + summarize → get a That’s Right
  3. Calibrated How or What questions about implementation. Ask what will constitute success: What **do we do if we get off track?**
<table>
<thead>
<tr>
<th>Spotting Liars</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Liars...</td>
<td>Use more words than truth tellers</td>
</tr>
<tr>
<td></td>
<td>Talk about him, her, it, one, they and their. Rarely I → distance from the lie</td>
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<tr>
<td></td>
<td>Speak in more complex sentences (to cover up the lie)</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Spot Decision Makers</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Watch pronouns</td>
<td>I, me, my → less important in the decision of the outcome</td>
</tr>
<tr>
<td></td>
<td>We, they, them → actual decision maker leaving options open</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Use my own name</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>My name is Yanda</td>
<td></td>
</tr>
<tr>
<td>What’s the Yanda discount?</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Saying No 4 times</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. How am I supposed to do that?</td>
<td></td>
</tr>
<tr>
<td>2. Your offer is very generous. I’m sorry that just doesn’t work for me</td>
<td></td>
</tr>
<tr>
<td>3. I’m sorry but I’m afraid I just can’t do that</td>
<td></td>
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<tr>
<td>4. I’m sorry, no</td>
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Use mirroring and open-ended questions in between. Empathize 3x:
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>That’s very generous of you</td>
<td></td>
</tr>
<tr>
<td>That price is more than fair</td>
<td></td>
</tr>
<tr>
<td>Thank you for taking the time to talk to me</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Types of Negotiators</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Analyst</strong> (eg. Ryan)</td>
<td>Making a deal</td>
</tr>
<tr>
<td>Acquiring facts &amp; info</td>
<td>Time = Preparation</td>
</tr>
<tr>
<td>Silence = Opportunity to think</td>
<td></td>
</tr>
<tr>
<td>Methodical &amp; diligent. Hates surprises.</td>
<td></td>
</tr>
<tr>
<td>Self-imaged tied to minimizing mistakes</td>
<td></td>
</tr>
<tr>
<td>Prefers to work on their own</td>
<td></td>
</tr>
<tr>
<td>Reserved problem solver</td>
<td></td>
</tr>
<tr>
<td>Information aggregator</td>
<td></td>
</tr>
<tr>
<td>Skeptical by nature</td>
<td></td>
</tr>
<tr>
<td>May appear to agree when just agreeing to think about it</td>
<td></td>
</tr>
<tr>
<td>Doesn’t like calibrated questions</td>
<td></td>
</tr>
<tr>
<td>Apologies have little value</td>
<td></td>
</tr>
<tr>
<td>Hypersensitive to reciprocity</td>
<td></td>
</tr>
<tr>
<td>Get gift first = it must be a trap</td>
<td></td>
</tr>
<tr>
<td>Give first = you must reciprocate</td>
<td></td>
</tr>
<tr>
<td><strong>Tools</strong>: labels, specifically to compare analysis,</td>
<td></td>
</tr>
<tr>
<td>Use data</td>
<td></td>
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<tr>
<td>Use data to drive my reason, no ad-lib</td>
<td></td>
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<tr>
<td>Use data comparisons to disagree</td>
<td></td>
</tr>
<tr>
<td><strong>Worst-type match</strong>: Assertive</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Accommodator</strong> (eg. Chase)</th>
<th>Building relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Making a deal</td>
<td>Time = Relationship</td>
</tr>
<tr>
<td>Silence = Anger</td>
<td></td>
</tr>
<tr>
<td>Communicating → happy</td>
<td></td>
</tr>
<tr>
<td>Sociable, peace-seeking, optimistic, distractable, poor time managers</td>
<td></td>
</tr>
<tr>
<td>Watch tone &amp; body language → hesitancy won’t come in words</td>
<td></td>
</tr>
<tr>
<td>Risk: may overpromise, agree to give you something they can’t actually deliver</td>
<td></td>
</tr>
<tr>
<td><strong>Tools</strong>: What &amp; How calibrated questions focused on implementation</td>
<td></td>
</tr>
<tr>
<td><strong>Worst-type match</strong>: Accommodator</td>
<td></td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th><strong>Assertive</strong> (eg. me, Merci)</th>
<th>Being heard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Making a deal</td>
<td>Time = Money</td>
</tr>
<tr>
<td>Silence = Opportunity to speak more</td>
<td></td>
</tr>
<tr>
<td>Getting solution perfect is less important than getting it done</td>
<td></td>
</tr>
<tr>
<td>Loves winning above all</td>
<td></td>
</tr>
<tr>
<td>Most likely to get tunnel-vision. Focus on goal → miss opportunities to explore</td>
<td></td>
</tr>
<tr>
<td>Emotions = bad</td>
<td></td>
</tr>
<tr>
<td>Negotiation = intellectual sparring</td>
<td></td>
</tr>
<tr>
<td>Focus first on what they have to say. Once they are convinced I understand them, only then will they listen</td>
<td></td>
</tr>
<tr>
<td><strong>Tools</strong>: calibrated questions, labels, and summaries. Get a that’s right</td>
<td></td>
</tr>
<tr>
<td>Be careful with reciprocity (give an inch → take a mile)</td>
<td></td>
</tr>
<tr>
<td><strong>Worst-type match</strong>: Analyst</td>
<td></td>
</tr>
</tbody>
</table>
| **Deflect the Punch** | Counterparty will start with an extreme anchor. Get ready to deflect the punch  
- By saying “no”: *How am I supposed to do that?*  
- By deflecting the anchor: *What are we trying to accomplish here?*  
- Pivot to terms: detour to non-monetary issues:  
  - *Let’s put price off to the side for a moment & 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?*  
- Respond with your own extreme anchor |
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<tbody>
<tr>
<td><strong>Strategic Umbrage</strong></td>
<td><em>I don’t see how that would ever work</em></td>
</tr>
<tr>
<td><strong>I Statements</strong></td>
<td><em>I feel _____ when you _____ because _____.</em></td>
</tr>
</tbody>
</table>
| **Ackerman Bargaining** | 1. Set target price  
2. Plan your offers  
  - Buyer: **65%** → **85%** → **95%** → **100%**  
  - Seller: **135%** → **115%** → **105%** → **100%**.  
3. At final offer add **non-monetary item** to show that I’m at my 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 lots of empathy and ways of saying *No* in between to get other to counter before I increase my offer  
- Use precise, non-round, odd numbers |
| **Black Swans**      |  
- **3 Black Swans in every negotiation**  
- Every negotiation is new → don’t let old patterns blind me  
- Always ask myself: **Why are they communicating what they are communicating right now** |
| **3 Types of Leverage** | **Positive Leverage**: I have something they want  
Negative Leverage: My ability to make my counterpart suffer  
- More powerful because of **loss aversion**  
- To use, first find what is important to them:  
  - Who is their audience?  
  - What signifies status and reputation to them?  
  - What most worries them?  
- Identify with labels: *It seems you strongly value the fact that you’ve always been paid on time*  
Normative Leverage: Using the other party’s norms to advance my position  
- Show inconsistencies between their beliefs and their actions  
- No one likes to look like a hypocrite  
- **To discover norms**: Ask what my counterpart believes in and listen openly  
- See what language they speak and speak it back to them |
| **Listen, listen, listen** |  
- Review everything I hear. **Double check**  
- Use **backup listeners** whose only job is to listen between the lines  
- Compare notes with team members to discover new information |
| **Similarity Principle** |  
- People trust those who are in their **in group**  
- Look at and mirror attitudes, beliefs, ideas, and even modes of dress |
| **Power of Hopes & Dreams** |  
- Visualize what counterpart wants out of life → use those aspirations to get them to follow  
- Everyone wants to believe that we are capable of the extraordinary  
- Display a passion for **what my counterpart has always wanted** and **convey a purposeful** |
| **plan on how to get there** → changes my counterpart’s perception of what is possible to change  
  ● We are all **hungry for a map to joy** → be courageous enough to draw it and others will follow |
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<tbody>
<tr>
<td><strong>... because ...</strong> People respond favorably to requests made in a reasonable tone of voice and followed by a <strong>because</strong> reason (even if the reason isn’t great)</td>
</tr>
</tbody>
</table>
| **Not crazy** People acting crazy are often not. Instead, counterpart:  
  ● is **Ill Informed**: has incomplete or different information to me  
  ● is **Constrained**: may not have power to close the deal  
  ● has **Other interests**: hidden interests that justify his behavior |
| **Get Face Time**  
  ● Get face time  
  ● 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! |
| **Negotiation One-Sheet**  
  ● **The Goal**: specific scenario that represents best case  
    ○ Set optimistic but reasonable goal & define it clearly  
    ○ Write it down  
    ○ Discuss my goal with a colleague (commitment & consistency)  
    ○ Carry the written goal into the negotiation  
  ● **Summary**: Couple of sentences about the known facts that have led up to the negotiation. Aim for **That’s Right** in response  
  ● **Labels / Accusation Audit**: 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 _______.  
  ● **Calibrated questions**: 3-5 to reveal value & overcome potential deal killers  
    ○ For my 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?  
    ○ **Follow up with labels** to their answers to the calibrated questions:  
      ■ It seems _________ 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 my counterpart that would be valuable?  
    ○ What could they give me that would make me do this for free? |