



Negotiation Theory & Practice

From the top line to the bottom line, it's all
Collaboration, Persuasion, & Negotiation



“Seldom is so much in the hands of so few for such a short time for the sole purpose of producing positive change. Before taking a seat, the few should be skilled and prepared.”

Designed and Conducted For



UCSD

Executive Perspective for Scientists and Engineers



On Being A Savvy Negotiator™

“According to an old story, a lord of ancient China once asked his physician, a member of a family of healers, which of them was the most skilled in the art.

The physician, whose reputation was such that his name became synonymous with medical science in China, replied,

“My oldest brother sees the spirit of sickness and removes it before it takes shape, so his name does not get out of the house.”

“My elder brother cures sickness when it is still extremely minute, so his name does not get out of the neighborhood.”

As for me, I puncture veins, prescribe potions, and massage skin, so from time to time my name gets out and is heard among the lords.”

The healing arts and the martial arts may be a world apart in ordinary usage, but they are parallel in several senses: in recognizing, as the story says, that the less needed the better; in the sense that both involve strategy in dealing with disharmony; and in the sense that in both, knowledge of the problem is key to the solution.”

Thomas Cleary
Translator
Introduction to the *Art of War*

Many who believe they are good negotiators see themselves as “word warriors.” During bargaining they wield words and sentences as weapons. However, as Sun Tzu observes: “Weapons are the instruments of misfortune and should only be used when unavoidable.” Sun Tzu’s approach to conflict, uses strategy and knowledge to win in a manner that makes conflict altogether unnecessary. Sun Tzu advises us that to overcome another’s armies without fighting is best of all.

There is much in the common wisdom regarding negotiation that is not understood, misunderstood, or simply incorrect. Savvy Negotiator™ Workshops provide you with a strategy distilled from negotiating for 30 years in over 25 countries on six continents. The Savvy Strategy embodies the best strategic thinking of the last 2500 years and the latest research on influence and persuasion. This strategy consistently produces the best results and the best relationships.

Byron L. Hanchett, Esq. Professional Biography



Unlike many who consult, conduct workshops, and coach in the area of negotiation, Byron Hanchett has been negotiating durable agreements across a broad spectrum of industries including technology, telecom, aerospace, pharmaceutical, brand management, energy, commercial real estate, and entertainment. In each he focuses on reconciling conflicting interests to produce durable agreements. This is accomplished by identifying and building on the parties' interests. He has done this in over 25 countries on six continents.

In addition to his legal education at Loyola Law School, and a Bachelor of Science in Business from Syracuse University, he has completed post-graduate studies in negotiation, influence, and conflict resolution at Harvard Law School, Pepperdine Law School's Straus Institute for Dispute Resolution, and the Graduate Schools of Business at Stanford and Ohio State Universities.

He began his career as a Chief Negotiator and Contracting Officer negotiating weapon system and technology contracts for the United States Air Force. After the Air Force, he applied these skills as a Contracts and Procurement Manager at Hughes Aircraft Company. In these positions his focus was on technology licensing, resolving commercial disputes, acquiring other technology companies, and negotiating major sales and purchase transactions. Later, he managed three company business units involved in developing, selling, and supporting computer-aided design and manufacturing systems.

Later, as a real estate developer and owner of a commercial brokerage company, he negotiated over a billion dollars in commercial real estate transactions ranging from investment sales, financing, joint ventures, development agreements, leases, construction contracts, and \$100 million portfolio transactions.

For the last twelve years, he has also consulted, coached, and led workshops on negotiation, sales negotiation, and conflict resolution. His consulting services have ranged from advising stockholders in closely held corporations; to those licensing technology and trademarks; to companies rolling out new products where pricing and supply chain relationships are designed for long term profitability.

In addition he reviews proposals before submission to the customer and conducts devil's advocate negotiations to test sales strategies, tactics, and pricing theories. In subcontract settings, the roles are reversed. These transactions range in value from five hundred thousand dollars to over \$500 million.

His workshops include customized material for specific companies, and a number of negotiation courses offered at the University of California at San Diego including an Executive Program for Scientists and Engineers. One client, a fortune 25-computer company, has hosted over 75 two-day workshops in training their supply chain and sales professionals. Bloomberg Financial reports that the client out performed their major competitor by "wringing savings from their subcontractors." This is in addition to companies such as Disney, Sempra Energy, TRW, Amylin Pharmaceuticals, General Dynamics, Sea World, Scripps Hospital, NOKIA, Shell, Amylin Pharmaceuticals, and Aurora Bio Sciences. He also conducts two-day open enrollment workshops for California lawyers.

In the course of executing client assignments he has resolved disputes, negotiated a wide variety of transactions, and conducted workshops and consulting assignments in over 25 countries including Japan, Thailand, Taiwan, China, The Philippines, Singapore, Australia, Western Europe, Hungary, Romania, Brazil, and Egypt.

Savvy Negotiator™ workshops bring together the latest research with the experience of a seasoned negotiator. The result: strategies that consistently produce excellent outcomes in a wide variety of situations. Mr. Hanchett personally conducts all consulting, coaching, and workshop assignments.

 **The Savvy Negotiator™**
Strategies For Success In Real World



Presented By
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Conflict Resolution, Inc.
Workshops Coaching Consulting
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 **My Background**

- ◆ BS Management & JD Law
- ◆ Chief Negotiator - USAF
- ◆ Contracts & Procurement Manager
- ◆ Regional Marketing Manager
- ◆ Product Lines Manager
- ◆ Commercial Real Estate
- ◆ Mediator
- ◆ 25 Countries on Six Continents
- ◆ Hold a Patent
- ◆ Workshops, Coaching, & Consulting

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 **Academic Background**

- ◆ Harvard Negotiation Project
- ◆ Stanford Graduate School of Business
- ◆ Ohio State University
- ◆ The Straus Institute, Pepperdine Law School
- ◆ Wharton Negotiation Workshop
- ◆ Kellogg Graduate School of Business

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INTRODUCTION

From the top line to the bottom line, it's all
Collaboration ~ Persuasion ~ Negotiation

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What Do People & Gold Fish



Have In Common?

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Small Improvements Add Up

- ◆ HP –
 - ▲ Sales \$130 Billion
 - ▲ Purchases \$50 Billion
- ◆ A 2.5% improvement = \$1.25 Billion in Earnings
- ◆ Shares Outstanding 2.9 Billion
- ◆ Increase in Earnings per share = \$.43
- ◆ At a PE ratio of 10 = Increase in share value of \$4.30 =
- ◆ 16% increase in share value

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Negotiation

- ◆ “A **Process** of combining conflicting positions into a new common position;
- ◆ under a decision rule of unanimity;
- ◆ a phenomenon
- ◆ in which the outcome is determined by the **Process.**”

Henry Kissinger

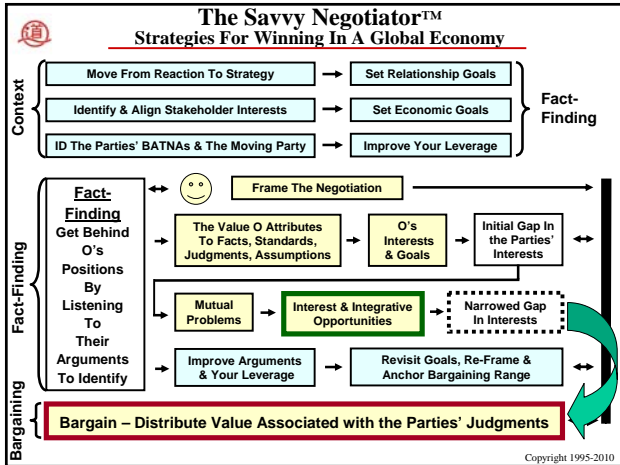
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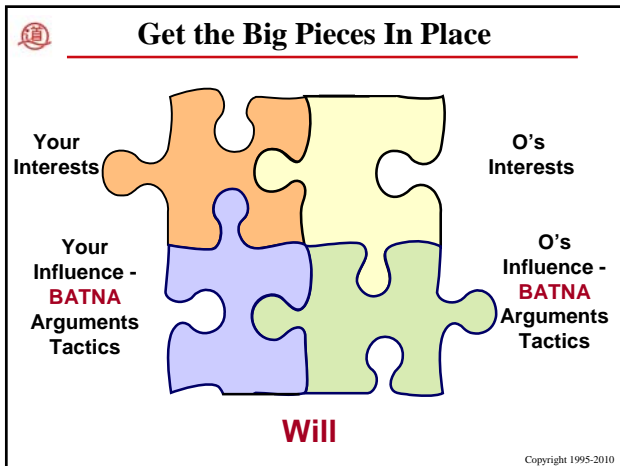


Seven Steps To Success

- ◆ One - Move from Reaction to Strategy + Relationships
- ◆ Two - Identify & Align Interests / Set Goals
- ◆ Three - Identify what will Influence O & create it
- ◆ Four – Fact-finding
 - ▲ Frame the Negotiation
 - ▲ Positions Vs Interests
 - ▲ Method
 - ▲ Identify O's Interests & isolate the parties' Judgments
- ◆ Five - Develop Low Cost Options
- ◆ Six – Bargain - Influence To Capture Value
- ◆ Seven – Receive the Benefit of the Bargain

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What Gives Rise To A Negotiation?

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What Are The Objectives Of Negotiation?

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The Objective of Negotiation

Give the minimum amount of what you value least.

In exchange for

Obtaining the maximum amount of what you value most.

While

Fostering the desired relationship

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Negotiation

- ◆ Seldom is so much in the hands of so few, for such a short time, for the sole purpose of making profitable change.
- ◆ If the few are entrepreneurial, skilled and prepared, they can make great things happen.
- ◆ The key to making great things happen

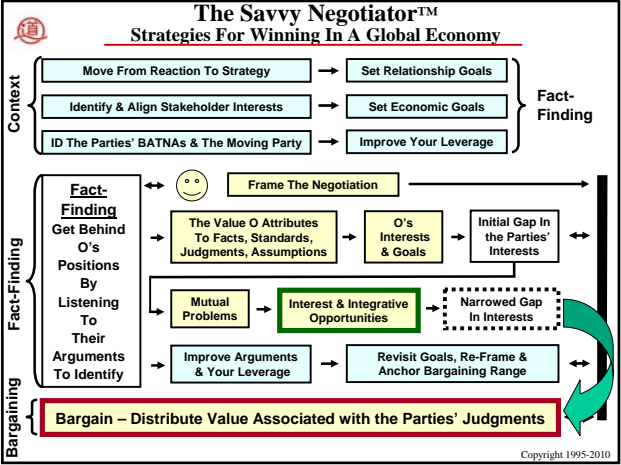
Preparation

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Step One

Move From Reaction to Strategy

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Today's Fight, Flight Or Freeze

- ◆ Fight
- ◆ Accommodate
- ◆ Compromise
- ◆ Collaborate
- ◆ Avoid

Competitive 25%
 Cooperative 75%

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From Problem To Default Style

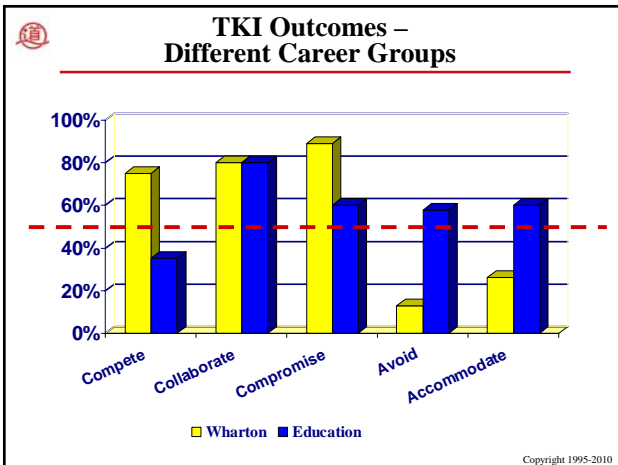
Problem → Conflict
 Fear → Fight or Flight → Default Style
 DUI ???

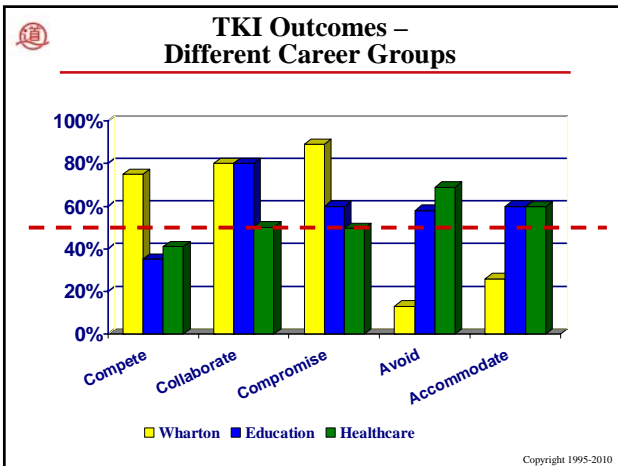
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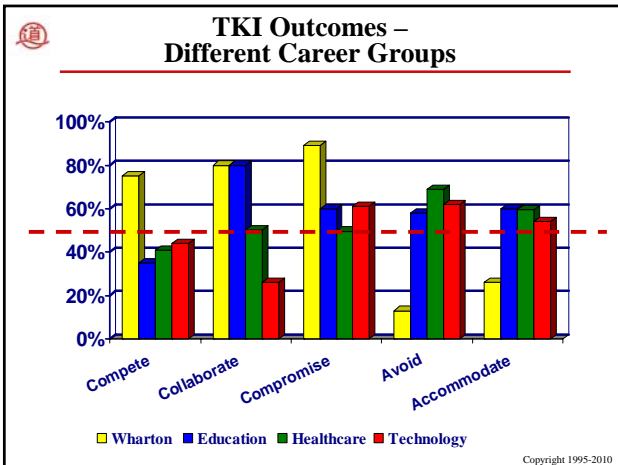
TKI Outcomes – Different Career Groups

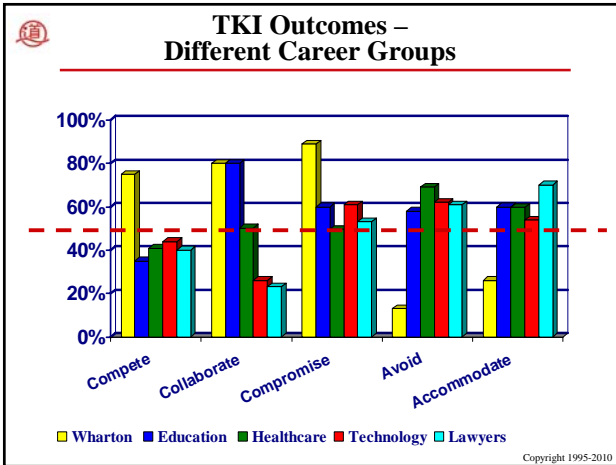
Category	Wharton (%)
Compete	~75%
Collaborate	~80%
Compromise	~90%
Avoid	~15%
Accommodate	~25%

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- ### Cooperatives – Easy on Issues
- | | |
|---|---|
| <ul style="list-style-type: none"> ◆ Effectives ▲ Convincing ▲ Ethical ▲ Fair outcome ▲ Max. settlement ▲ Good relationship ▲ Reasonable ▲ Realistic open ▲ Friendly ▲ Perceptive ▲ Focus on downside ▲ Deserving? | <ul style="list-style-type: none"> ◆ In-effectives ▲ Not purposeful ▲ Nice Vs demanding ▲ Idealistic ▲ Not creative ▲ Not versatile ▲ Way too trustful ▲ Unilateral concessions ▲ Focus on downside ▲ Deserving? |
|---|---|
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- ### Competitives – Hard on People
- | | |
|---|---|
| <ul style="list-style-type: none"> ◆ Effectives ▲ High Opening ▲ Threats / Walk Outs ▲ False Issues ▲ Max Outcome ▲ Outdo Opponent ▲ Large Fee ▲ Pressure / Tension ▲ Egotistical ▲ Focus on upside ▲ Deserving | <ul style="list-style-type: none"> ◆ In-effectives ▲ Devious / Evasive ▲ Rude ▲ Obstructive ▲ Take It Or Leave It ▲ No Preparation ▲ Bluffs ▲ Lack Social Skills ▲ Egotistical ▲ Deserving |
|---|---|
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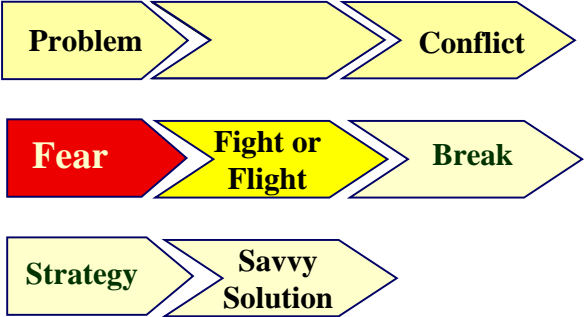
Your Default Style

- ◆ Great if you are in Jurassic Park
- ◆ Impairs
 - ▲ Reasoning
 - ▲ Impulse control
 - ▲ Listening
- ◆ The more stress the more committed
- ◆ Become mindful / purposeful
- ◆ No mindfulness = no strategy




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From Problem To Mindfulness



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When Your Default Style Has You In Tow




There Is No Thinking Forward & Reasoning Back




Beyond Default Styles Is Strategy

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“The individual
without a strategy
takes opponents
lightly and will
inevitably become
the captive of
others”

*Sun Tzu
The Art War*




Approaches To Negotiating

Reactive Behaviors


- ▲ Competitive
- ▲ Collaborative
- ▲ Compromise
- ▲ Avoidance
- ▲ Accommodate

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 **Approaches To Negotiating**


- ◆ Identify & analyze the issues created by the parties conflicting interests

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 **Approaches To Negotiating**

- ◆ Identify & analyze the issues created by the parties conflicting interests
 - ▲ Select A Strategy
 - ▲ Integrative
 - ▲ Interest-Based
 - ▲ Distributive
 - ▲ Stall

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 **Approaches To Negotiating**

- ◆ Identify & analyze the issues created by the parties conflicting interests
 - ▲ Select A Strategy
 - ▲ Integrative
 - ▲ Interest-Based
 - ▲ Distributive
 - ▲ Stall
- ▲ Strategic Behaviors
 - ▲ Collaborative
 - ▲ Competitive
 - Leverage
 - Argument
 - Influence Tactics
 - ▲ Avoid



Step Two

Identify & Align Interests / Set Goals

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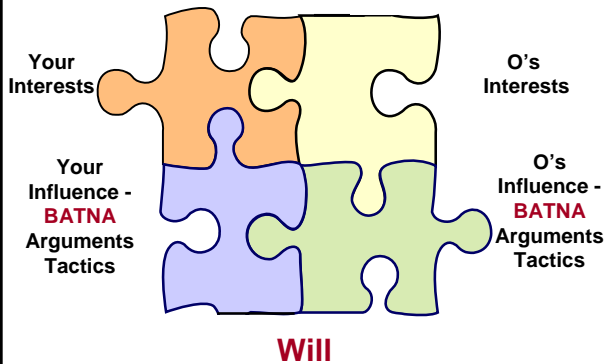


If you enter bargaining
without knowing exactly what you want,
you will leave with what O sells you.

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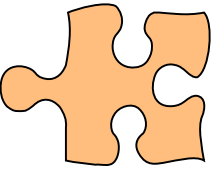
Get the Big Pieces In Place



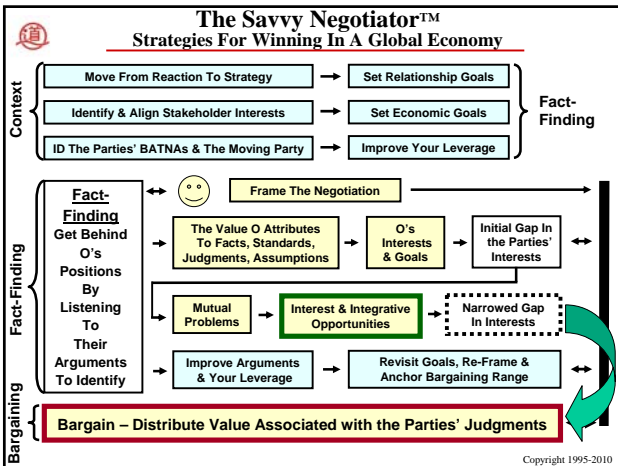
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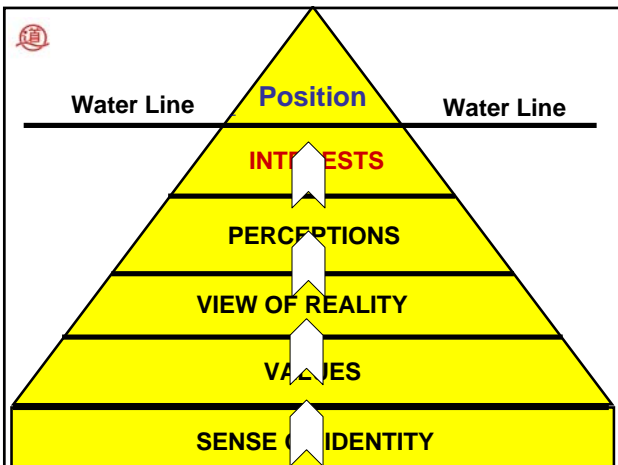
Get the Big Pieces In Place

Your Interests



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Interests To Be Identified & Satisfied

- ◆ Our Needs & Wants - Exceptionally Well
 - ▲ Business – Stakeholder Needs & Wants
 - ▲ Personal
 - ~~Allowed to stay in our default style~~
 - ~~Being Heard~~
 - ~~Being Right~~
- ◆ Opponent's
 - ▲ Personal
 - Allowed to stay in their default style
 - Being Heard
 - Being Right
 - ▲ Business – Stakeholder Needs & Wants

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Interests- Personal & Business

Yours

- ◆ Identify
- ◆ Clarify
- ◆ Prioritize
- ◆ Compatible?
- ◆ Shared?

Theirs

- ◆ Identify
- ◆ Clarify
- ◆ Prioritize
- ◆ Compatible?
- ◆ Shared?


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From Interests to Positions

- ◆ Created to
 - ▲ Protect Interests
 - ▲ Advance Interests
- ◆ Created by
 - ▲ Thinking forward
 - ▲ Reasoning back

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 **Let's Discuss**

◆ **Positions** ◆ **Interests**

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 **Behind Every Position Is An Interest**


◆ **Egypt** ◆ **Israel**

▲ **Position – Own Sinai** ▲ **Position – Own Sinai**

▲ **Interest?** ▲ **Interests?**

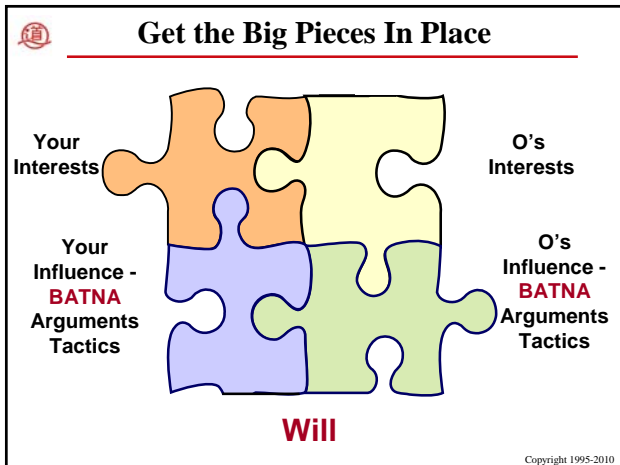
Solution: Egypt owns Sinai which becomes demilitarized with international peace keepers

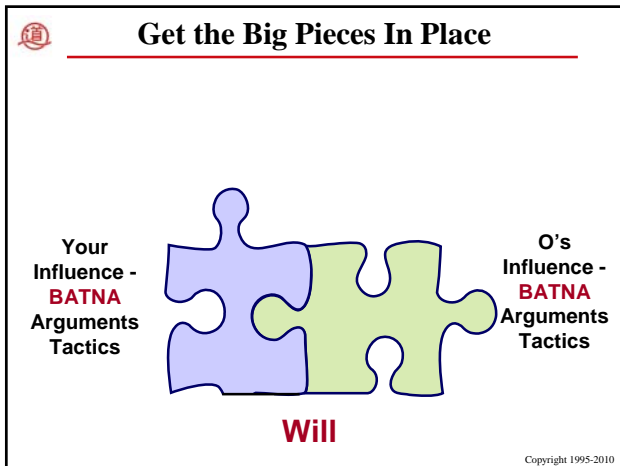
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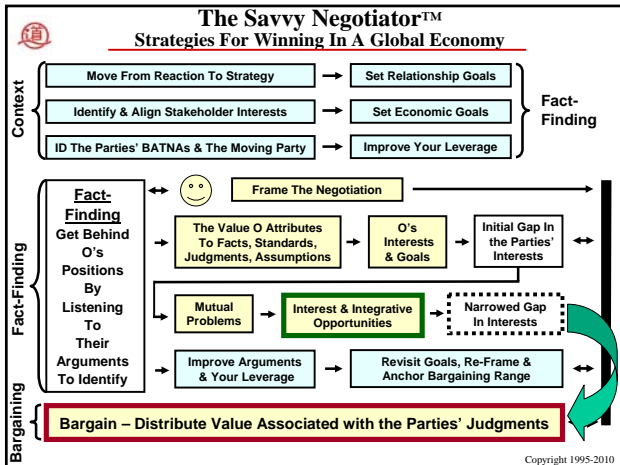
 **Step Three**

Identify What Will Influence O & Create It

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 **Power & Leverage**




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 **Power & Leverage**

“The ability to influence the decisions of others. *Roger Fisher*

There is a correlation between the power you think you have and the power you actually have.

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 **Power Perceived Is Power Realized**

The perceived strength of your BATNA X the perception of your will to use it.

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Best Alternative To A Negotiated Agreement



**It is not the choice a party wants,
It's the choice the other party puts them to.**

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Using Leverage

- ◆ If your arguments are not producing the desired change in O's position
 - ▲ O still thinks they can win.
 - ▲ Their BATNA is better than you thought
 - ▲ The status quo is just fine thank you
 - ▲ Or they are testing you
- ◆ Time to decide – Are you going arrive at agreement by making it...
 - ▲ Easier for O to say yes, or
 - ▲ Harder for O to say no


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Step Four

**Fact-Finding -
Identify Their Interests,
Judgments, & Mutual
Problems**


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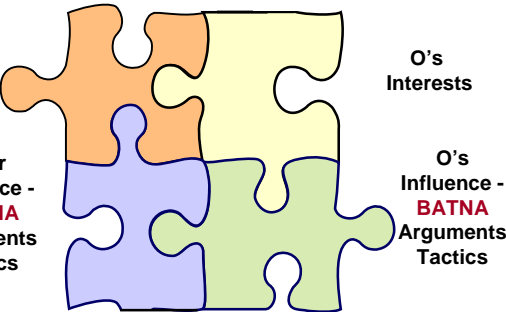
 **The Fact-finding Method**



Mining For Information

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 **Get the Big Pieces In Place**




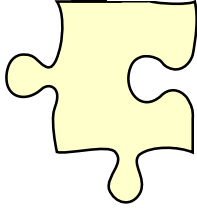
Your Interests O's Interests

Your Influence - **BATNA** Arguments Tactics O's Influence - **BATNA** Arguments Tactics

Will

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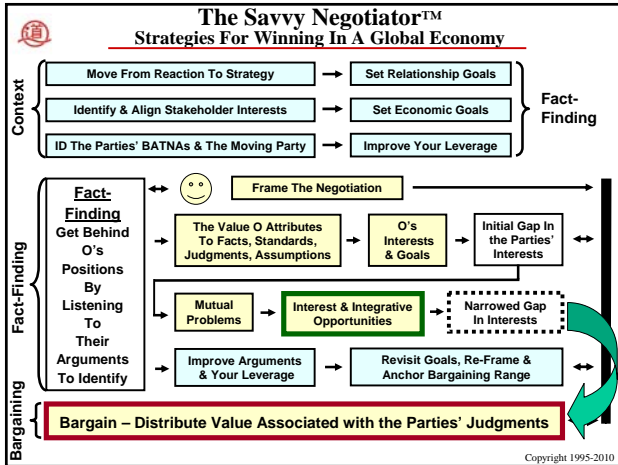
 **Get the Big Pieces In Place**



O's Interests

Will

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- ### We Listen At Four Levels
- ◆ Fake Listening
 - ◆ Listen Logically
 - ◆ Listen Actively
 - ◆ Listen Empathetically
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- ### Fact-finding – The Method
- ◆ In an environment of:
 - ▲ Inquiry
 - ▲ Listening
 - Active – Captures 7%
 - Empathetic
 - ◆ Voice – 38%
 - ◆ Body Language – 55%
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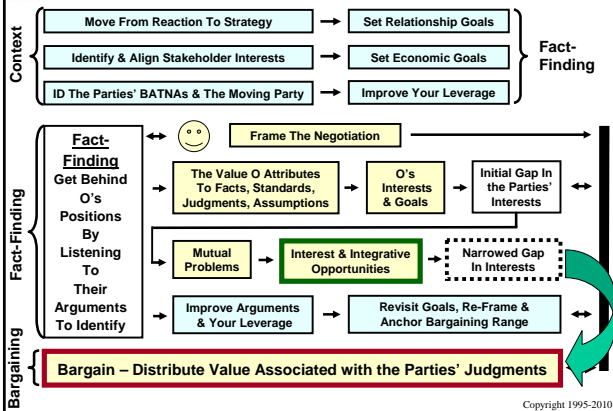


Information Gathering Behavior

	<u>Skilled</u>	<u>Average</u>	<u>Un-skilled</u>
Ask Questions	21.3%	9.6%	?
Test for Understanding	9.7%	4.1%	?
Summarize	7.5%	4.2%	?
Total	38.5%	17.9%	?
Advocating	61.5%	82.1%	Too Much



The Savvy Negotiator™ Strategies For Winning In A Global Economy

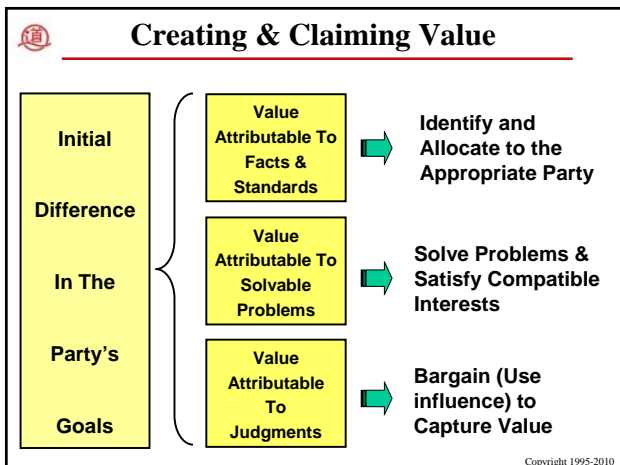




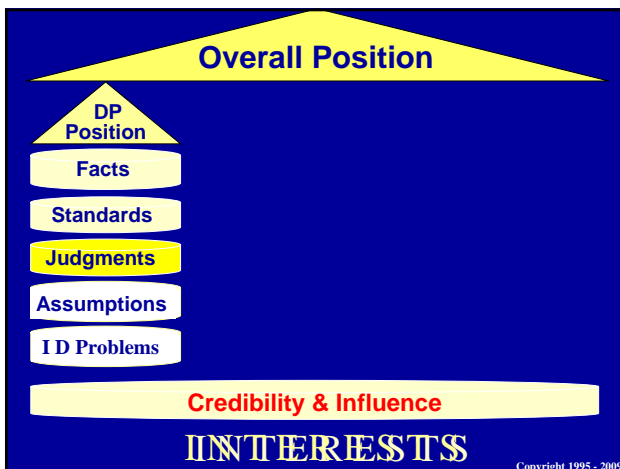
Engage O By Framing The Negotiation

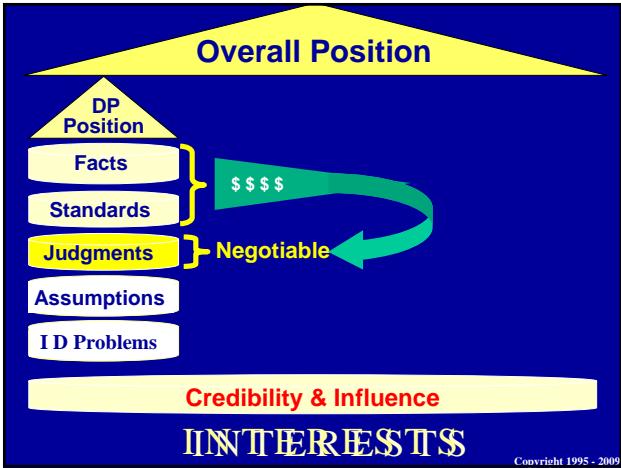
- ◆ **People**
 - ▲ Characterizing the Other Party
 - ▲ Identifying yourself so they can characterize you
 - ▲ Opening Tone
- ◆ **Outcome**
 - ▲ Define the Issues
 - ▲ Communicate Your Expectations
- ◆ **Set The Agenda**
- ◆ **Begin with the Easy Issues**

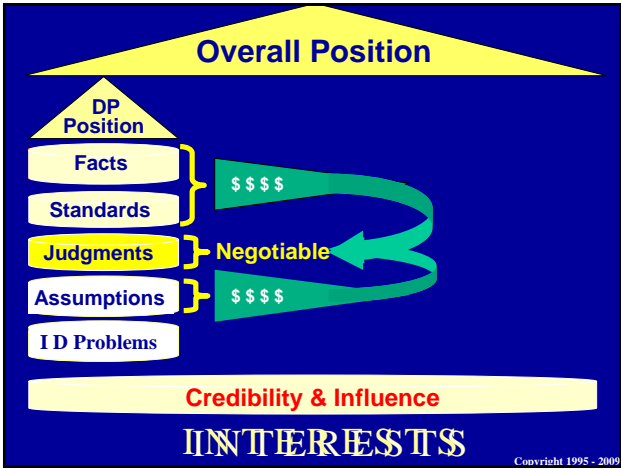
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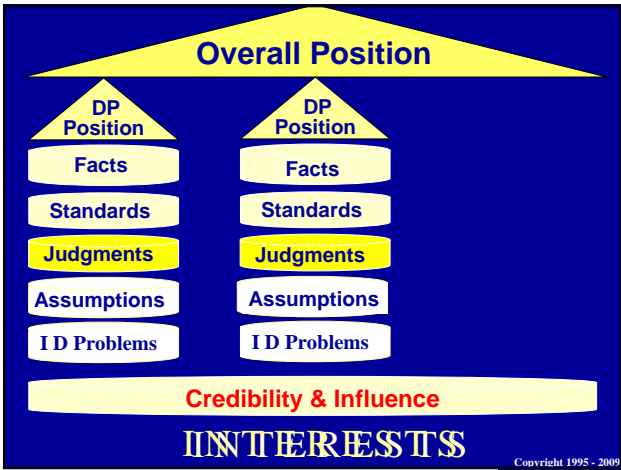


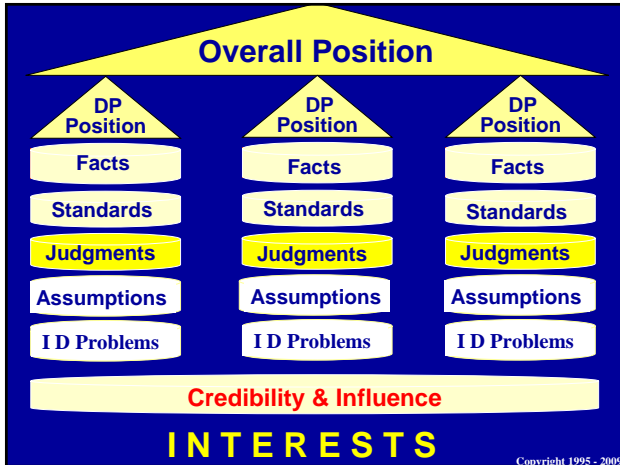


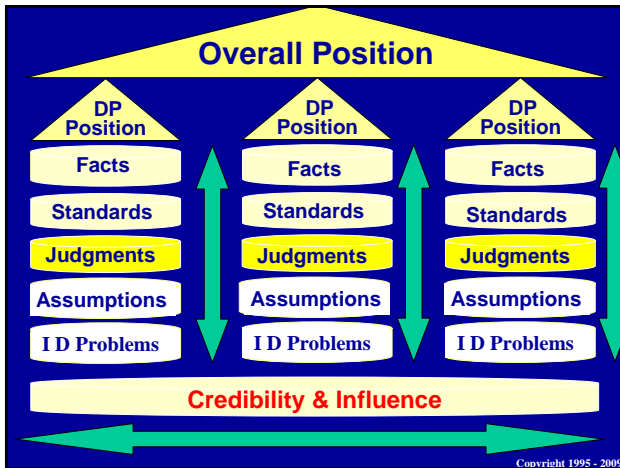








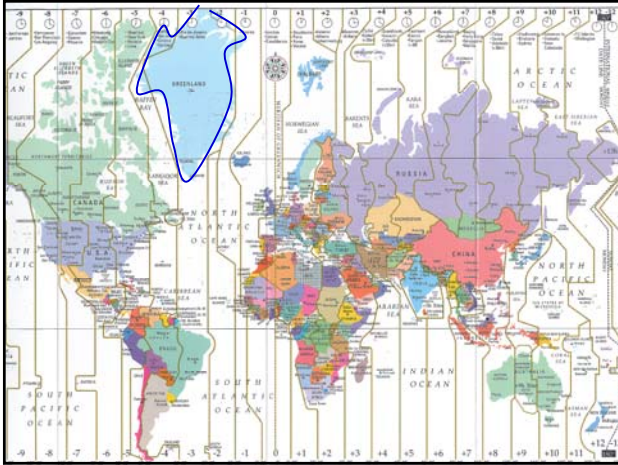





Confirm Your Assumptions

◆ What assumptions am I making	◆ Questions to ask	◆ Answers To Listen For
▲	▲	▲
▲	▲	▲
▲	▲	▲

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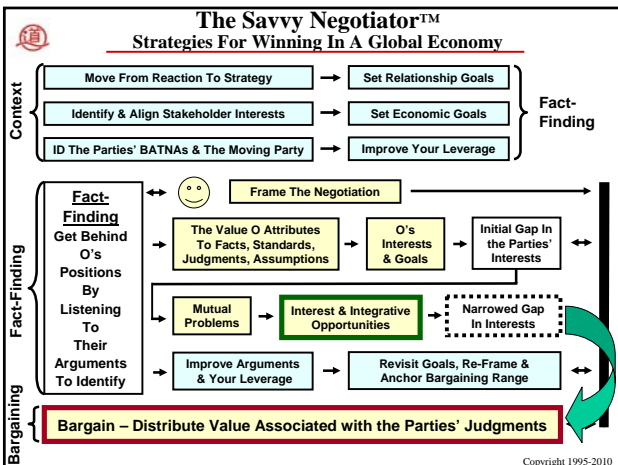




Step Five

Develop Low
Cost Options

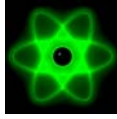
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Create Value Out of Thin Air

- ◆ Define the problem / Each DP
- ◆ Gather facts
 - ▲ Causes & Consequences
 - ▲ Opportunities & Constraints
- ◆ Two Step Brainstorming To Produce Options
- ◆ Lateral Thinking
- ◆ Identify the Optimal Option (Outcome)
- ◆ Later - Bargain To Have It Implemented



$$E=MC^2$$

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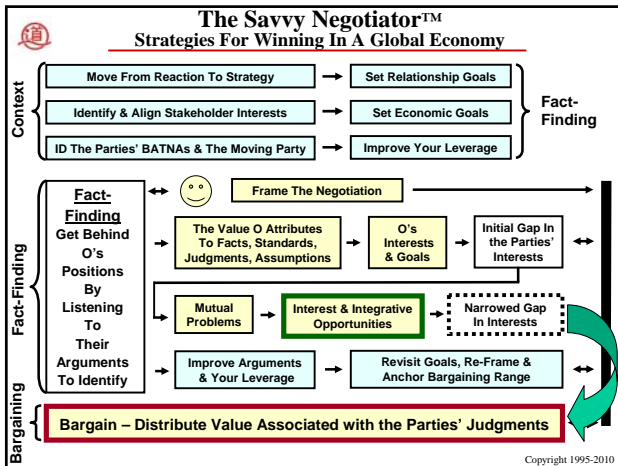
Create Better Outcomes

- ◆ Create alternatives that meet:
 - ▲ Your Interests
 - ▲ Their Interests
- ◆ Skilled negotiators create twice as many as the average

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The Elegant Solution





As Presented \$160	After Fact-finding \$160	Basis For Your Opening Offer
Assumptions	Posturing	\$100 -120
Judgments	Assumptions	
Standards	Judgments	????
Facts	Pure Standards	Pure Standards
	Pure Facts	Pure Facts

110



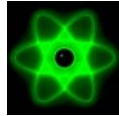
Construction Role Play Exercise

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Create Value Out of Thin Air

- ◆ Define the problem / Each DP



$$E=MC^2$$

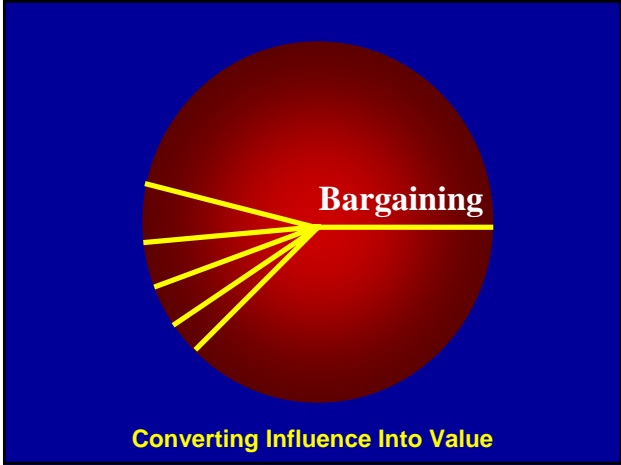
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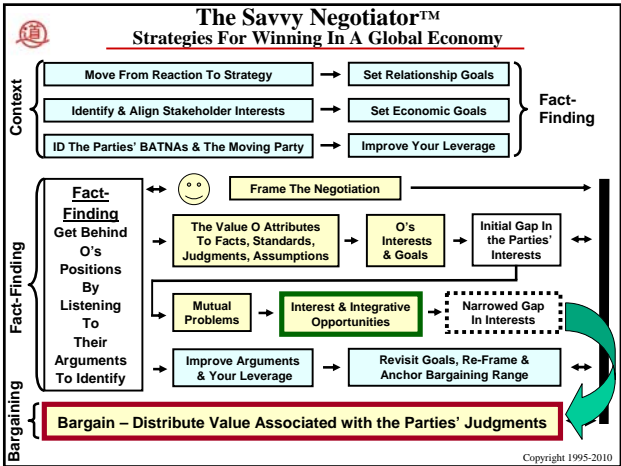


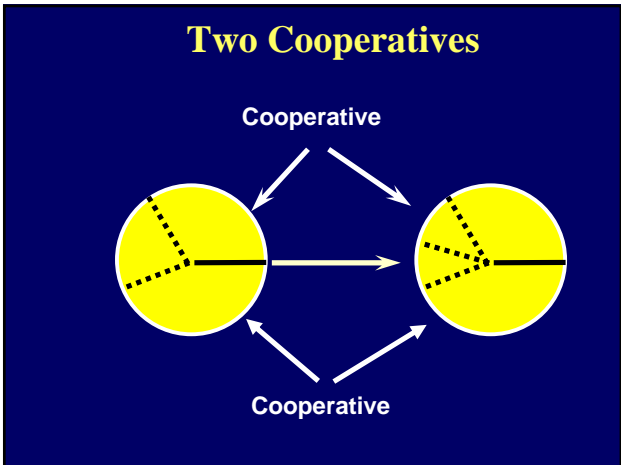
Step Six

**Use Your
Influence
To Bargain**

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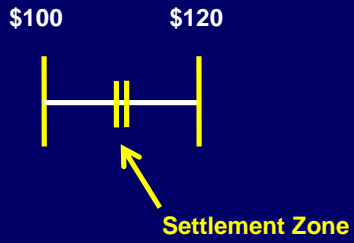




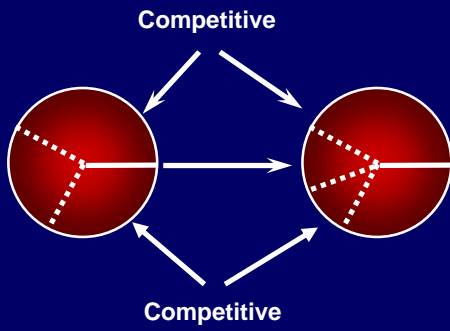


Settlement Zone - Two Cooperatives

Bargaining Range

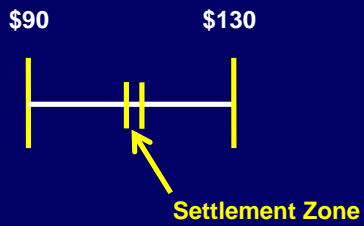


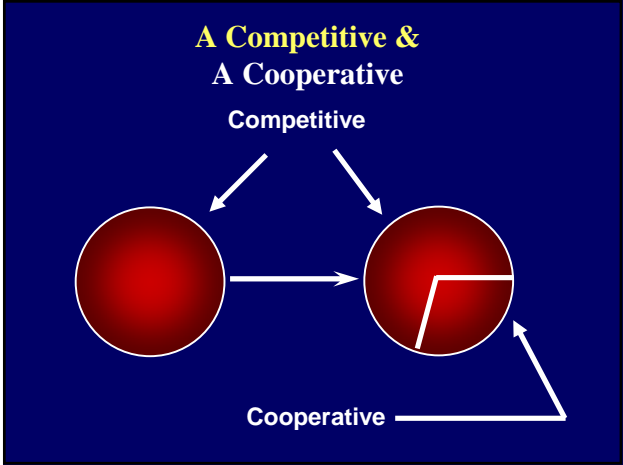
Two Competitive's



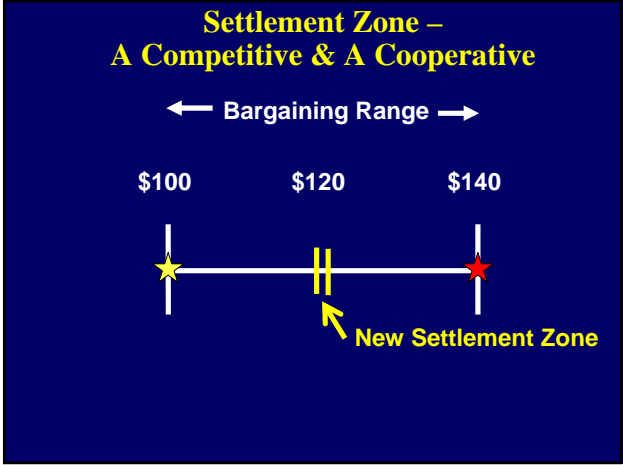
Settlement Zone - Two Competitives

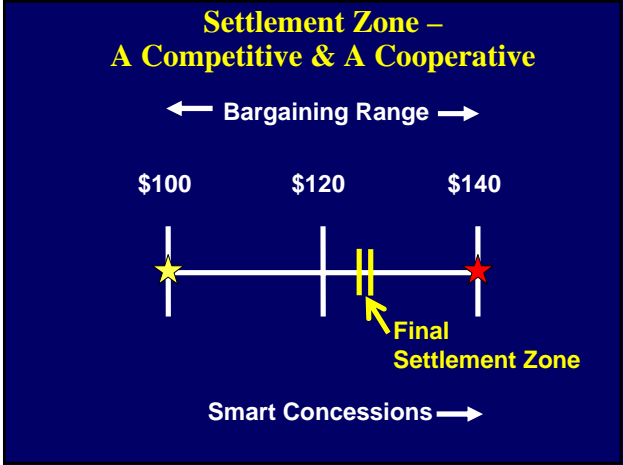
Wider Bargaining Range









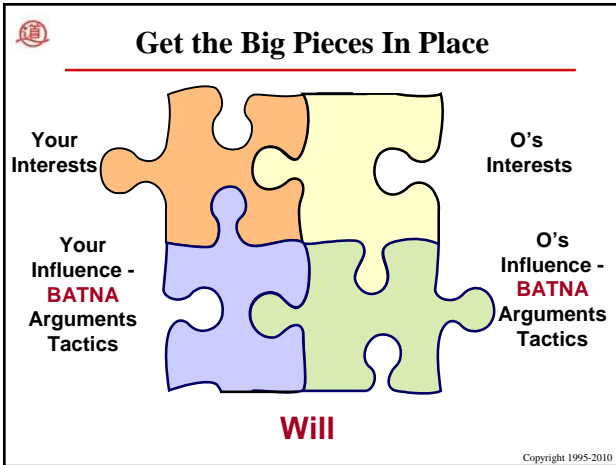


Step Seven

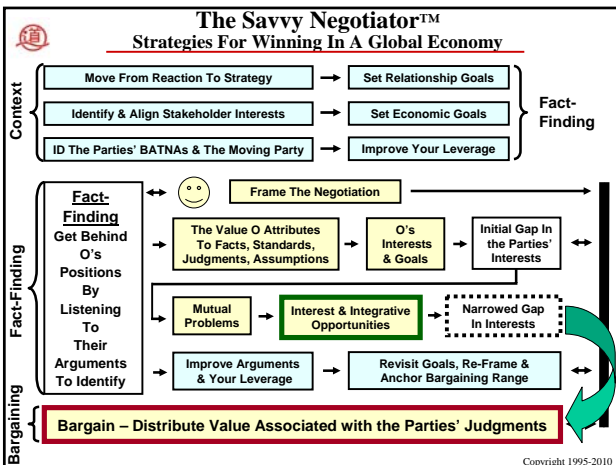
**Obtain The
Benefit Of
The Bargain**

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- Obtain The Benefit Of The Bargain**
- ◆ Get commitment
 - ◆ Get the deal in writing
 - ◆ You do the writing
 - ◆ Prepare for the real negotiation
 - ▲ Pay attention to the paper
 - ◆ Interests change with
 - ▲ Time & new people
 - ◆ Buyer loses power at signing
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- ### Seven Steps To Success
- ◆ One - Move from Reaction to Strategy + Relationships
 - ◆ Two - Identify & Align interests / Set Goals
 - ◆ Three - Identify what will influence O & create it
 - ◆ Four - Fact-finding
 - ▲ Frame the Negotiation
 - ▲ Positions Vs Interests
 - ▲ Method
 - ▲ Identify O's Interests & Isolate judgments
 - ◆ Five - Develop Low Cost Options
 - ◆ Six - Bargain - Influence To Capture Value
 - ◆ Seven - Receive the benefit of the bargain
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Savvy Negotiators™

Prepare

Act

Observe

Review

Improve

Repeat





THE SAVVY NEGOTIATOR™

ACTIVE LISTENING SKILLS

Skill	Explanation
1. Attending / Acknowledging	Providing verbal or non-verbal awareness of another, i.e.; eye contact.
2. Paraphrasing	Responding to another's basic verbal message
3. Reflecting	Reflecting the feelings, experiences, or content that has been heard or perceived through cues
4. Interpreting	Offering a tentative interpretation of the other's feelings, desires, or meanings
5. Summarizing	Bringing together in some way feelings, experiences, and desires providing a focus to them
6. Probing	Questioning in a supportive way that requests more information or that attempts to clear up confusion
7. Giving feedback	Sharing perceptions of the other's ideas or feelings disclosing relevant personal information
8. Supporting	Showing warmth and caring in one's own individual way
9. Checking perceptions	Finding out if interpretations and perceptions are valid and accurate
10. Being quiet	Giving the other time to think as well as to talk



THE SAVVY NEGOTIATOR™

EMPATHY IS NOT

Fix it	“What will help is...”
Advise	“I think you should...”
Interrogate	“How did it happen?”
Explain	“He only said that because...”
Correct	“That’s not how it was.”
Educate	“You can learn from this.”
Shut down	“Don’t worry about it.”
Console	“It wasn’t your fault.”
Commiserate	“He did that to you, the jerk.”
One-up	“You should hear what happened to...”
Telltale	“That reminds me of the time...”
Judgmental	“If you hadn’t been so...”
Sympathize	“I feel awful for you.”
Take blame	“Sorry, I should have...”

What's the best way to handle a crisis negotiation? Know your hot buttons, says an expert hostage negotiator, and help the other guy save face.

NEGOTIATING WITHOUT A NET

A Conversation with the NYPD's
Dominick J. Misino

NEGOTIATION informs all aspects of business life. Every interaction with customers, with suppliers, and even with partners and investors involves some kind of negotiation. In fact, in some languages the same term is used for both "business" and "negotiation." But the costs of failure can be high. The breakdown of negotiations between Hewlett-Packard's management and its founding families, for example, put the company's future in doubt and led to an expensive proxy fight.

Perhaps it's not surprising, then, that the last 20 years have seen an endless stream of handbooks on business negotiation, many of them best-sellers. Or that most of the country's top business schools have entire academic departments devoted to the subject. The advice is often helpful, even insightful. Who could argue with the recommendation that negotiators look for mutual gain and know their best alternative to a negotiated agreement? But you can't help feeling that the scholarly ink and classroom

simulations of Negotiation 101 don't do enough to prepare businesspeople for the really tough negotiations -the ones where failure is not an option.

So where can you look for guidance? For the last three decades, the New York Police Department has been training officers in hostage negotiation, arguably the highest-stake situation of all. Founded in 1972, in the year after the Attica State Prison riot, the NYPD program was the country's first such training program. Another year later, in the wake of the Munich Olympics hostage crisis, the FBI established its own program, which was modeled on the NYPD'S. Today, most law enforcement agencies in this country and others provide some kind of negotiation training, as local and national law enforcement officials face bargaining with armed criminals, terrorists, and psychopaths as part of their daily reality.

To find out what businesspeople can learn about handling tough negotiations from the experience of law enforcement,

HBR senior editor Diane L. Coudu visited former NYPD detective and hostage negotiator Dominick Misino at his home on Long Island, New York (where he can be reached at negotiatei@aol.com). A member of the force for 22 years, Misino received international acclaim in 1993 when he successfully persuaded the hijacker of Lufthansa Flight 592 to lay down his gun and turn himself in at Kennedy Airport. Misino spent the last six years of his career as a primary negotiator, handling more than 200 incidents and never losing a single life.

Since retiring in 1995, he has taught negotiating skills to law enforcement officials, military personnel, and business executives (for more details, see his Web site, hostagenegotiation.com). Misino modestly describes hostage negotiation as "applied common sense?" In the following interview, edited for clarity and length, he explores what he means by that innocuous-sounding term, painting a vivid picture of the blood, sweat, and tears of hostage negotiation.

What special skills does it

take to be a crisis negotiator?

I don't think it requires special skills. Anyone can do it, man or woman, uniformed or civilian. What crisis negotiation does take is what I call applied common sense. When I'm negotiating, I'm constantly asking myself, "What is the simplest thing I can do to solve the problem?" When I'm dealing with an armed criminal, for example, my first rule of thumb is simply to be polite. This sounds trite, I know, but it is very important.

A lot of times, the people I'm dealing with are extremely nasty. And the reason for this is that their anxiety level is so high: A guy armed and barricaded in a bank is in a fight-or-flight mode. To defuse the situation, I've got to try to understand what's going on in his head. The first step to getting there is to show him respect, which shows my sincerity and reliability. So before the bad guy demands anything, I always ask him if he needs something. Obviously I'm not going to get him a car. I'm not going to let him go. But it makes excellent sense

to be sensitive to the other guy's needs. When you give somebody a little something, he feels obligated to give you something back. That's just good common sense.

Don't you find it difficult

to be polite to a murderer or a rapist?

I'll go even further. How do you show respect to a convicted child molester? Believe me, in my line of work we routinely deal with people who have moved out of society and done things that are just horrific. Obviously, it isn't easy to negotiate with someone you dislike -but if you're a professional you keep your feelings separate from your work.

In crisis negotiation, you have the advantage that your goal is constantly right in front of your face: Get everybody out alive. And you're also under incredible time pressure. When an Ethiopian national hijacked that Lufthansa plane, I had less than 45 minutes to build a relationship with him and bring the plane down. There were 104 people on board, and the hijacker had a gun aimed at the pilot's head. That's all the motivation I needed to stay focused on my task. Of course, there are people-whole countries, even-who say that we should never negotiate with certain individuals - terrorists, for instance. But I think that's extreme. In reality, we're always ready to negotiate as hard as we can with anyone to show him that there is an alternative to violence. Of course, we're also ready to come in with a tactical solution - to deploy the SWAT teams -if we have to. But, ideally, force is a last resort.

Can you give other

examples of what you mean by applied common sense?

Another very common sense technique is to ask the bad guy very early on in a negotiation if he wants you to tell him the truth. I stumbled on this tactic when I first started negotiating. My backup team found out that the bad guy had been part of a street gang. So I said, "Look, you grew up on the streets. So

did I. Do you want me to lie to you or tell the truth?" And he said he wanted the truth, which, of course, is exactly what I expected him to say. His situation was desperate; there were snipers all over the place. Who in his right mind would have wanted to be lied to?

The critical thing you get by asking the other guy if he wants the truth is that he enters into an agreement with you right at the start. This is important because a successful negotiation is really a series of small agreements. You use every possible opportunity to agree with your adversary -and to get him to agree with you. Because all the while you're agreeing, the other guy is learning that he can trust you, that nobody's going to hurt him. So I try right away to get to the first yes, and then immediately I go for the second. I tell the bad guy that if he wants me to tell him the truth, then he might hear things he doesn't want to hear and, if that happens, he's got to agree not to hurt anybody. In my day, I've negotiated with hostage-takers, hijackers, and murderers; the majority of them have given me their word they won't hurt anyone. These people may be the outcasts of society, but they do have a code of honor. In fact, I would say that over 90% of the times that a criminal has given me his promise, he has kept it.

If you don't have to learn

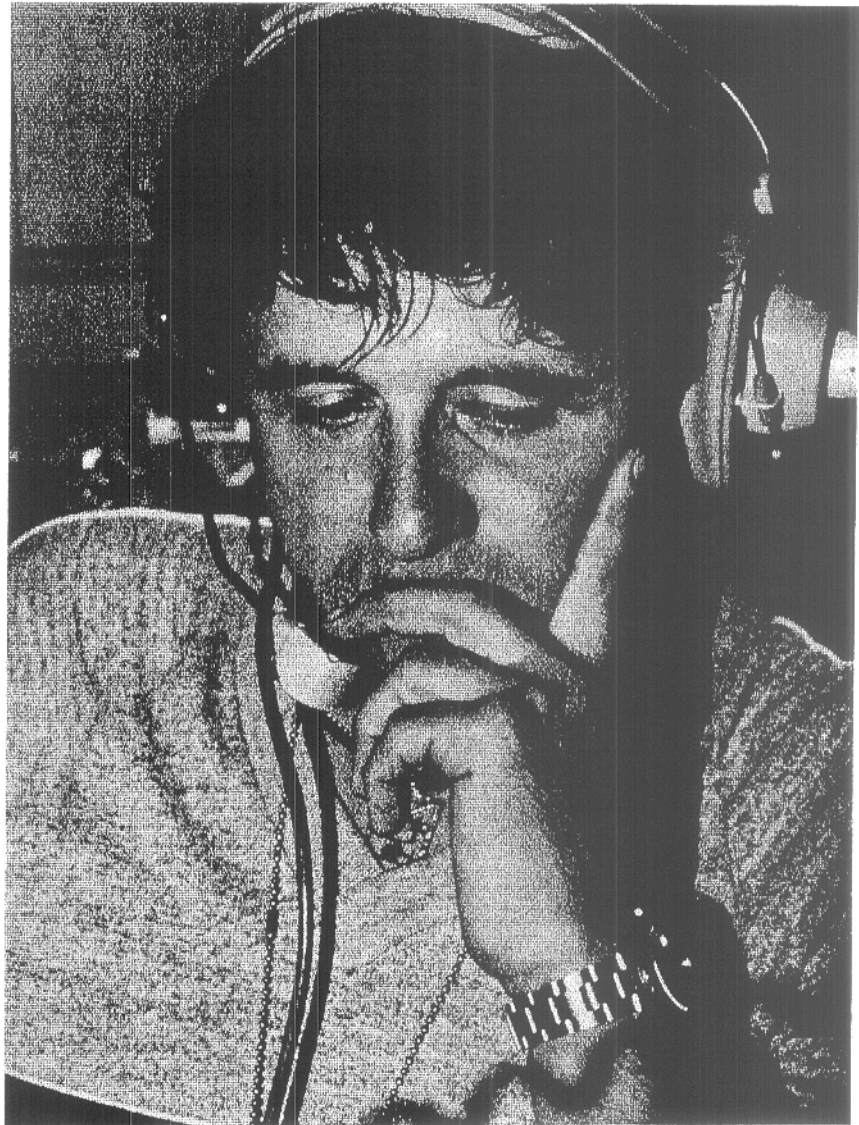
special skills, do you need certain personal qualities to be a successful high-stakes negotiator?

On the most basic level, you have to be a good listener. Unfortunately, like most people, negotiators want to talk and be heard, and so they've got to learn how to let the other person express himself without interruption. That's terribly important because the individuals with whom we are dealing are often the very people who have never been listened to, and they are desperate to be heard. They just don't have the patience for you to butt in and make a mistake. To get around this, I try to be a very active listener. For example, I typically ask the other guy to tell me his side of

things. And then I sit back and get an earful. I hear every instance of when the other guy has ever been wronged. I find out: how often he's been framed. I discover how no one has ever cared for him. And a lot of this is true. But the way I took at it is that all of it is true-to him. And that's what matters.

So top negotiators are excellent listeners. But they also need to be aware of the noise inside their own heads. Believe me, even if you don't know what's going on inside you, the other guy will. Their sensitivity to your own biases is extraordinary. You need to know your hot buttons and your limitations.

Personally, I've got a lot of trouble dealing with pederasts and other people who harm children. But nevertheless I can negotiate with these people because I'm aware of my feelings. I would even say my feelings push me to become a better negotiator because when I know that something is going to affect me, I work harder to achieve a level of objectivity. That's all part of being comfortable with who you are, which is essential for being able to negotiate. Take police negotiations: They are impromptu and can go on for 50 minutes or ten hours; nobody knows. The only thing for certain is that no one can sustain a facade under that kind of pressure for very long. So the best preparation in the world for a successful negotiation is just to be comfortable with yourself.



"You can really infuriate people by trying to identify with them, because they know that you know very little about what they've been through."

Your reference to active listening sounds very reminiscent of what psychoanalysts call empathic listening. Can you say more?

Almost by definition, crisis negotiation is a roller coaster of emotions, both yours and the other guy's. To me, active listening means being attuned to those emotions, identifying them, and helping the other guy to work them through. One of the most effective ways of doing this is by a technique we call mirroring. We echo the other guy's remarks to try and build a bridge between us. For example, I'll say, "So, you have a gun."

And typically the bad guy says, "Yeah, I have a gun."

"A gun?" I repeat.

"Yeah," he says, "a nine-millimeter gun."

And so I echo him again: "nine-millimeter?"

"Yeah, nine-millimeter with two magazines, 18 rounds."

In this exchange, of course, I'm getting critical data. But at the same time I'm telling the bad guy that there is no longer a gun separating him and me; instead, there is some vital piece of infor-

mation that the two of us share. In this way, mirroring is the beginning of a real conversation.

Another active-listening technique is to be constantly on the alert for the feelings being expressed behind the words. This is not as obvious as it sounds. My former partner once had an elderly woman who had barricaded herself in a house with a ten-inch butcher knife, and she was cursing at him at the top of her lungs. Despite her profanity, my partner

was able to detect something else. He said, to her, "Martha, I can hear your pain. I hear it in your voice." And she went from ranting and raving to absolute silence. No one before had ever picked up on the fact that she was hurting so much. When my partner acknowledged her pain, she put down the butcher knife and he could begin to treat her like the elderly grandmother she was.

It sounds hokey until you've experienced it, but the very act of listening is empathetic. And when we do talk, we try to reinforce the empathy by using a lot of "we" statements: "We're in this together" or "We can work this out." This is the kind of language that can alleviate the bad guy's isolation and paranoia.

It sounds as if you're trying

To put yourself in the other guy's shoes. Is that right?

Up to a point, but you've got to be careful. About telling a hijacker or a rapist that you know exactly what he's going through, because usually you don't. In fact, you can really infuriate people by trying to identify with them, because they know that you know very little about what they have been through in their lives. One time, one of our guys tried to commiserate with a bad guy, and the guy just went ballistic. He started cursing and screaming: "When was the last time you ever held up a bank and took five hostages?" So putting yourself in the other guy's shoes isn't always as helpful as it sounds. In fact, I've often been struck in my own negotiations by how impossible it is for me to imagine the amount of stress a bad guy feels when he's holed up in a building with 100 heavily armed SWAT team officers focused on him, watching his every move. Truthfully, I have probably never felt as scared or angry or lonely in my entire life as that guy does at that moment.

You've talked about good negotiators; what makes a bad one?

The worst negotiators are the people who hate rejection. Of course, nobody likes rejection - it hurts your feelings.

But bad negotiators can't accept the fact that all the negative stuff coming at them is not personal. They think the other guy is angry at them when the other guy doesn't even know them. I used to get yelled at all the time in my job, but as I tell my students, you just have to let the other person vent. Because if you do, there's an incredible payoff.

First of all, the other guy usually feels better. But even more important, in the process of letting off steam, the bad guy is likely to tell you his problem - and the solution to his problem. For instance, I once heard a bad guy ranting and raving because a negotiator was Italian. That helped us figure out pretty quickly that the negotiator had to go. But generally speaking, bad negotiators lack this perspective. They get their feelings hurt which makes them soft or defensive. Both are bad positions from which to negotiate.

So the other guy needs to

vent. What about you?

Certainly you experience a lot of negative emotions in this job. You feel rage and frustration; you are almost always scared. I once participated in a negotiation that went on for 12 hours, though I wasn't the prime negotiator all that time. The most frustrating part was that the guy refused to talk. He just wouldn't talk. I have a tape recording of the negotiation, and whenever I hear it again, I realize how totally pent up I was feeling. I think if I could have reached out and strangled that guy, I probably would have.

There's nothing wrong with having strong emotions during a negotiation, but you need to acknowledge them so you don't act them out. That's the rule of thumb. But even here there are some exceptions. The most aggressive thing I've ever said in a negotiation situation was to a burglar who was threatening to kill his hostage, an 84-year-old lady named Ruth. As his threats grew more intense, I felt rage coming up inside me. And I said to the guy, "if you touch a hair on her head, I will personally ID your

body in the morgue." Now, threatening your hostage-taker is not a suggested negotiation tactic. But in this situation, my gut told me that if I sat there all day listening to this particular guy threaten this particular lady, he was going to kill her. So I had to intervene. I did, and instantly the criminal backed down.

That was the only time I ever threatened a criminal in this way, but at the same time I must admit that I do not believe the best negotiators never act on their feelings. I think if you don't find yourself taking some risks in this job - if you don't find yourself going someplace you never intended on going - then you probably aren't being the best negotiator you can be.

It seems that you have to put a lid on some strong feelings. What helps you do that?

Having a team behind you is essential. Back in the early days, there were no negotiation teams. Negotiators worked one-on-one, and the stress was extraordinary. The longest consecutive negotiation I ever did was nine hours, and that was like running the New York City marathon. I just can't imagine how any one could survive an ordeal like that without team support.

Nowadays, most police negotiation teams consist of five people. There is the primary negotiator, who actually talks to the bad guy. Then there is the commander, who makes all the decisions, and the coach who provides moral support and backup. These are the primary players. There's also a gopher or float, who runs around gathering vital information, and a guy we call a scribe. He keeps a chronological log of all the important stuff that's going on during the negotiation. It sounds crazy, but one of the things you often forget in the heat of, a hostage situation is the other guy's name. So the scribe writes that down in big black letters on a piece of paper, which he tapes to the wall of the house or apartment we're negotiating out of.

An important point about these teams is that they're deliberately set up to separate negotiation from decision.

making, which gives the primary negotiator both terrific relief and enormous power to negotiate. Imagine for a moment that you're negotiating, and you tell the bad guy that you're in charge. He responds by demanding a car in 30 minutes or he'll take out a hostage. If on the other hand, you can say, "Look, my commander is in charge, and I have to consult him," you've bought yourself time to maneuver.

This is the way diplomats operate all the time. They work out a proposal and then bring it back to the national leaders for approval. Of course, in a crisis situation you don't have days and months to discuss a proposal. You don't even have minutes. You come to a fork in the road, and you have fractions of seconds to decide whether to go right or left. This kind of pressure would be unendurable without a team's direction.

I guess that a lot of the time you didn't meet the people you were dealing with face-to-face. Was that a problem?

I hate to say it, but face-to-face communication is very old-fashioned. We rarely do that nowadays. Originally, the NYPD agreed with the communication gurus who said that face-to-face negotiation creates more intimacy and trust. But we quickly found out that face-to-face communication with a psychopath or an armed criminal is highly dangerous. In fact, the only police negotiators who have, ever been killed in a negotiation situation were those who had face-to-face contact. So we dropped the approach altogether except for those situations in which there is absolutely no other way.

Normally, we prefer to work with the other guy by phone. Either we tap a phone line or drop a phone into the barricaded zone. However we manage it, phone contact is extremely effective. Americans are totally comfortable with the phone. We argue on the phone; we drive and talk on the phone; I've even heard of people who do therapy on the phone. Ironically, in my experience, the bad guys are often more comfort-

able on the phone than in face-to-face contact because they feel safer being at some distance from the police. If they're standing in the same room with you, they feel more exposed.

There is another reason we don't communicate face-to-face. We don't want to have the other guy see the inner machinations of our team. Think about what the scribe does, for example. If by some chance the bad guy would even surmise that someone is writing down information about him, he might not just feel insulted; he might feel threatened. After all, if you have someone who's barricaded or holding hostages, he's going to be highly paranoid about his safety.

What's the most dangerous negotiation situation?

Generally speaking, suicide is the most dangerous situation because it's the most volatile. There's no suffering for people who are threatening suicide. By the time they get this far, they have finished suffering. So unlike criminals who are facing a jail term, suicidal people fear nothing. They're not worried that they might be punished for what they're doing to themselves- or to you. They're just not thinking. And, as we've seen with the suicide bombers in Israel, that makes them some of the most dangerous people we could ever deal with.

Once I had a suicidal ex-police officer who had climbed to the top of the Whitestone Bridge. A lot of people who saw her said, "Aw, she's up there just because she wants the publicity." But I never believed that. It was clear to me that she had emotional problems. Her therapist came to the scene after I had talked her down, and he told the team that we had handled her perfectly because we understood intuitively how dangerous she was. In fact, he told us, she was not only suicidal; she was homicidal. "She wouldn't have hesitated, if you made her mad, to grab one of you and take you over the bridge with her." Incidentally, suicide is the main reason we never allow a priest or a rabbi to talk to a bad guy. We have learned over and over that when people ask for clergy,

they are virtually always looking for closure on their lives. It's a prelude to suicide.

What's the biggest you have learned from your work as a crisis negotiator?

I don't know if it's the biggest lesson, but one very important thing you learn as a negotiator is that if you want to win, you have to help the other guy to save face. Look at the people I deal with. They're criminals. They're not book-learned. Yet they're very smart in the sense that they can survive in an environment where most of us cannot, and they also have their own kind of dignity. If you can show these guys a way to maintain their pride while facing a defeat they know is inevitable, they'll go along with what you want.

I learned that lesson early in my negotiation career when I was called in to deal with a situation in Spanish Harlem. It was a hot summer night, and there were 300 or 400 people out on the streets at three o'clock in the morning. A young man with a loaded shotgun had blockaded himself inside a crowded tenement building. He told me he wanted to surrender but couldn't because he'd look weak.

Now this guy was a parole violator, not a murderer, and so I told him that if he calmed down and let me cuff him, I would make it look as if I had to use force. He put down his gun and behaved like a perfect gentleman until we got to the street, where he started screaming like crazy and raising hell, as we had agreed. While he was doing this, the crowd was chanting "Jose! Jose!" approval, and we threw him into the back of the car, jumped on the gas, and sped off. Two blocks later, Jose sat up, broke into a huge grin, and said to me, "Hey man, thank you. I really appreciated that." He recognized that I had given him a way out that didn't involve killing people and being killed in turn. I've never forgotten that.



THE SAVVY NEGOTIATOR
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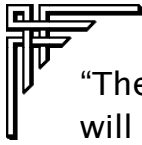
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“The individual without a strategy takes opponents lightly and will inevitably become the captive of others.”



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