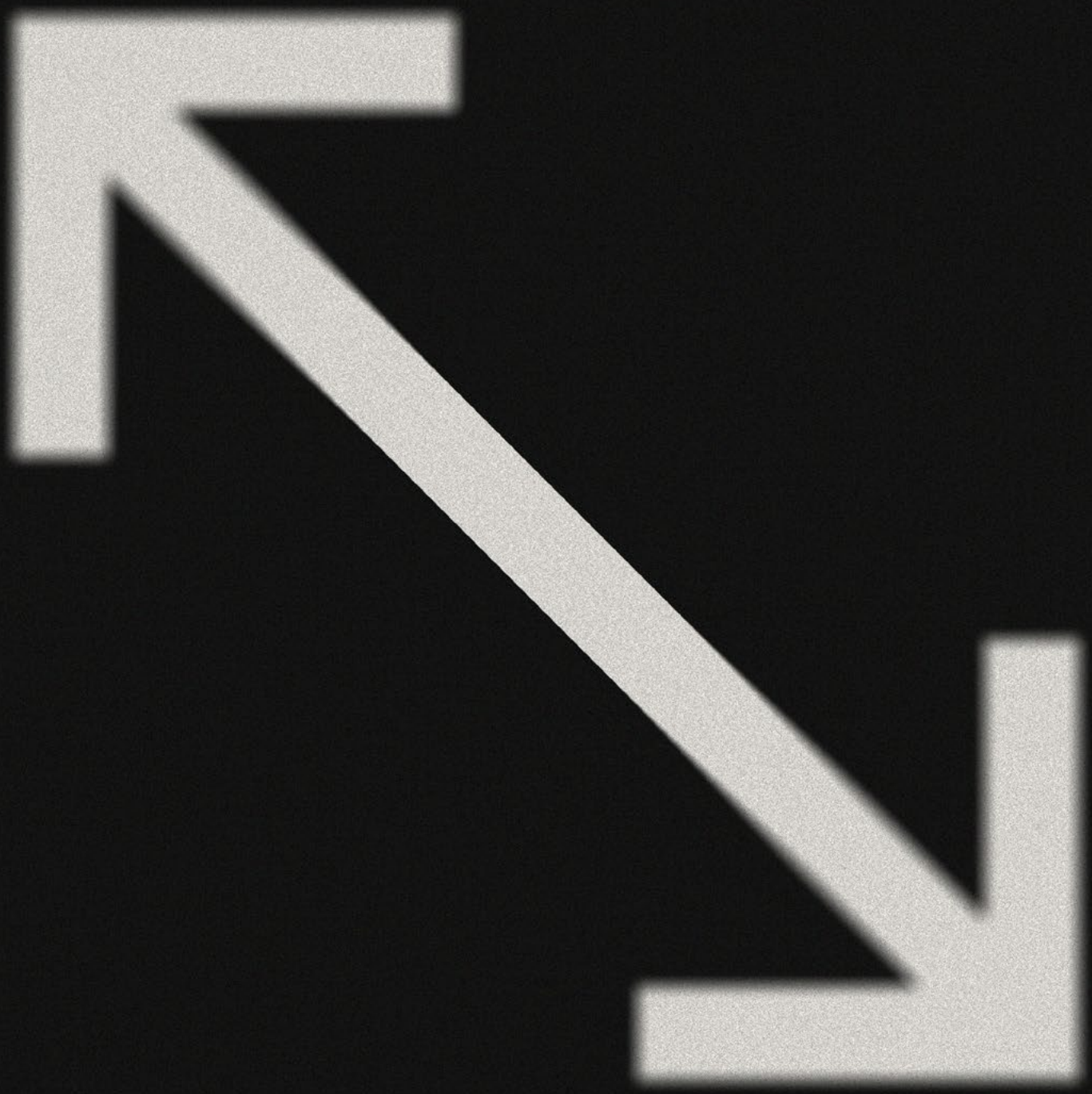
Huthwaite® International

Developing effective negotiation skills

Learn the behaviours skilled negotiators depend on to achieve successful negotiations.



Change Behaviour. Change Results.™

Introduction

Persuading people to do what you want them to do, resolving day-to-day conflicts, negotiating agreements and influencing senior management colleagues are all activities which require considerable skill if they are to be successfully accomplished. How, then, can such skills be developed?

The first step is to recognise that we are talking about skills, not knowledge. Skills are developed through practice, but the old adage that 'practice makes perfect' is only partially true. There are plenty of senior people in organisations who have been using their skills for many years but who are clearly far from perfect. In order to gain from the practice opportunities we need to be sure we are developing the 'right' skills. We need a clear picture of the skills we should be using to bring success, plus some objective feedback about our own performance and how it compares with this success model.

Huthwaite International is one of a relatively small number of organisations that have carried out detailed research studies to investigate the skills used by people who are particularly effective in these management skills.

This research has produced skill models for a wide range of activities including selling, negotiating, appraisal skills, chairmanship and conducting effective meetings. The same technique used to conduct the research can also be used to analyse the performance of people wishing to develop their skills, so that an objective comparison can be made against the success model. This form of measurable feedback can produce significant skill improvement.

The following account of the research carried out to identify the behavioural skills of effective negotiators may serve to illustrate the value of this approach.

The successful negotiator

In theory, given a suitable method, the study of negotiating behaviour should be a simple matter. Find some successful negotiators and watch them during actual negotiations to find out how they do it. But, like many apparently simple procedures, it is not so easy.

We had some problems in deciding how to define what constitutes a skilled negotiator, and we eventually decided on three success criteria.

- **They should be rated as effective by both sides**

  This criterion enabled us to identify likely candidates for further study. The condition that both sides should agree a negotiator's effectiveness was a precaution to prevent picking a sample from a single frame-of-reference.

- **They should have a track record of significant success**

  The central criterion for choosing effective negotiators was track record over a time period. In such a complex field we were anxious for evidence of consistency. We also wished to avoid the common trap of laboratory studies – looking only at the short-term consequences of a negotiator's behaviour and therefore favouring those using tricks or deceptions.

- **They should have a low incidence of implementation failures**

  We judged that the purpose of a negotiation was not just to reach an agreement but also to reach one that would be viable. Therefore, in addition to a track record of agreements, the record of implementation was also studied to ensure that any agreements reached were successfully carried out.

We picked a total of forty-nine negotiators who met all of these three success criteria, and they were then studied over a total of 103 separate negotiating sessions. For the remainder of this article these people are called the 'skilled' group. In comparison, a group of negotiators who either failed to meet the criteria or about whom no relevant data was available were also studied. These were called the 'average' group. By comparing the behaviour of the two groups it was possible to isolate some of the crucial behaviours that made the skilled negotiators different. It's important to point out here that the comparisons were of 'skilled' versus 'average', not 'skilled' versus 'poor'.

The research method

We met the negotiators before the negotiations and encouraged them to talk about planning and objectives. We were then introduced into the actual negotiations where we observed and noted the frequency with which certain key behaviours were used by the negotiators, using Behaviour Analysis methods.

In this article we shall concentrate on the area of face-to-face behaviours used by skilled negotiators and compare their frequency with those used by average negotiators.

Face-to-face behaviour

Skilled negotiators show significant differences in their interactions compared with average negotiators. They use certain types of behaviour more frequently while avoiding others.

Behaviours used

Seeking Information

The skilled negotiator seeks significantly more information during negotiation than the average negotiator

	Seeking Information as a % of all negotiator's behaviours
Skilled negotiators	21.3
Average negotiators	9.6

This is a very significant difference in behaviour, and it is interesting that other researchers and practitioners, such as Chester Karrass and Gerald Atkinson, recognise the utility of Seeking Information is a useful behaviour at two levels:

- Obtaining the necessary information with which to bargain
- Using questions as a deliberate strategy, for example:
  - questions give control over the discussion
  - questions can be an acceptable alternative to direct disagreement
  - questions keep the other party active and reduce their thinking time
  - questions can give negotiators a breathing space to allow them to marshall their own thoughts.

Testing Understanding and Summarising

	% of all behaviours by		
	Testing Understanding	Summarising	TU + S
Skilled negotiators	9.7	7.5	17.2
Average negotiators	4.1	4.2	8.3

We found that the skilled negotiator used two behaviours with a similar function, Testing Understanding and Summarising, significantly more. Testing Understanding is a behaviour that establishes whether or not a previous contribution or statement in the negotiation has been understood. Summarising is a compact restatement of previous points in the discussion. Both behaviours clear up misunderstandings and reduce misconceptions. The higher level of usage of these behaviours by a skilled negotiator reflects concern with clarity and the prevention of misunderstanding. It may also relate to two less obvious factors:

- **Reflecting**

  Some skilled negotiators tended to use Testing Understanding as a form of reflection behaviour – turning the other party's words back in order to obtain further responses, for example: *"So do I understand that you don't see any merit in this proposal at all?"*

- **Implementation concerns**

  Average negotiators, in their anxiety to obtain an agreement, would often quite deliberately fail to test understanding or to summarise. They would leave ambiguous points to be cleared later, fearing that making things explicit might cause the other party to disagree. In short, their predominant objective was to obtain an agreement and they would not probe too deeply into any area of potential misunderstanding that might prejudice that agreement, even if it was likely to give rise to difficulties at the implementation stage. The skilled negotiator, on the other hand, tended to have a greater concern with the successful implementation (as would be predicted from the success criteria earlier in the article).

  Consequently, they would test and summarise in order to check out any ambiguities at the negotiating stage rather than leave them as potential problems for implementation. While skilled negotiators use Testing Understanding to bring clarity to the negotiations, there is little doubt that they also use these behaviours for the same strategic reasons as Seeking Information.

Behaviour Labelling

Skilled negotiators tended to give an advance indication of the class of behaviour they were about to use. So, for example, instead of just asking *"What is the unit cost?"* they said *"Can I ask you a question – what is the unit cost?"*, giving warning that a question was coming. Instead of just making a proposal they began *"If I could make a suggestion...?"* and then followed this advance label with their proposal. Average negotiators were significantly less likely to label their behaviour in this way – with one exception – the average negotiator was more likely to label Disagreeing.

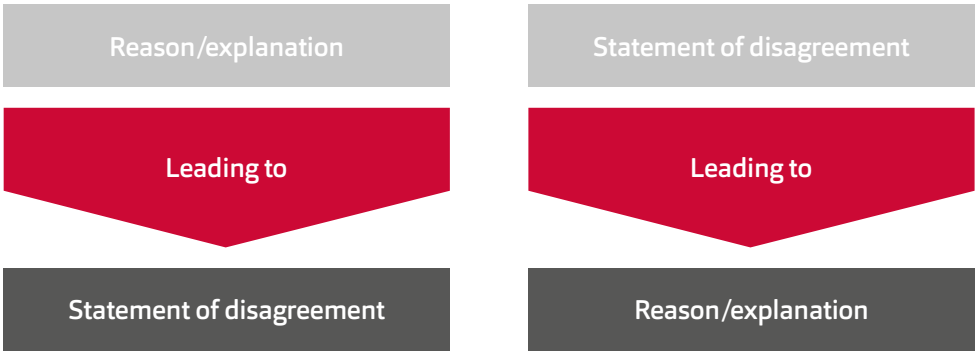
	% of all negotiator's behaviours immediately preceded by a behaviour label	
	Disagreeing	All other behaviours
Skilled negotiators	0.4	6.4
Average negotiators	1.5	1.2

Why does the skilled negotiator label behaviours? Our view is that it gives the negotiator a number of advantages:

- It draws the attention of the listeners to the behaviour that follows. In this way social pressure can be brought to force a response
- It slows the negotiation down, giving time for the negotiators using labelling to gather their thoughts and for the other party to clear their minds from the previous statements
- It introduces a formality which takes away a little of the cut-and-thrust and therefore keeps the negotiation on a rational level
- It reduces ambiguity and leads to clearer communication.

The skilled negotiator does, however, avoid labelling Disagreeing. While average negotiators will characteristically say, *"I disagree with that because of..."* thus labelling that they are about to disagree, the skilled negotiator is more likely to begin with the reasons and lead up to the disagreement.

Alternative modes of Disagreeing



Why don't skilled people label Disagreeing? If one of the functions of Behaviour Labelling is to make a negotiator's intentions clear, then it is hardly surprising that skilled negotiators avoid making it clear that they intend to disagree. They would normally prefer their reasons to be considered more neutrally so that acceptance involves minimal loss of face for the other party. At the very best, they want the other party to listen to the reasons – something which doesn't necessarily happen when Disagreeing is labelled.

Giving Feelings

	Giving Feelings as a % of all negotiators behaviours
Skilled negotiators	12.1
Average negotiators	7.8

Skilled negotiators are often thought of as people who play their cards very close to their chests and who keep feelings to themselves. The research studies were unable to measure this directly because feelings are unobservable. However, an indirect measure was possible, counting the number of times that negotiators made statements about what was going on inside their heads.

The behaviour category 'Giving Feelings' was used to record any reference by negotiators to their internal considerations such as feelings and motives.

The skilled negotiator is more likely to give information about internal events than the average negotiator. This contrasts sharply with the amount of information given about external events, such as facts and general expressions of opinion. Here the average negotiator gives almost twice as much.

The effect of Giving Feelings is that negotiators appear to reveal what is going on in their minds. This revelation may or may not be genuine, but it gives the other party a feeling of security, because such things as motives appear to be explicit and above board.

The most characteristic and noticeable form of giving internal information is Giving Feelings, where skilled negotiators talk about their own feelings and the impression the other party has on them. For example, average negotiators, hearing a point from the other party that they would like to accept but doubting its veracity, are likely to receive the point in uncomfortable silence.

The skilled negotiators are more likely to comment on their own feelings, saying something like, *"I'm not sure how to react to the information you've just given; I would like to accept it, but I am a little concerned about its accuracy. Can we just check it?"*

It was also used instead of Disagreeing behaviour. For example, if a price quoted seemed too high, the skilled negotiator would say, *"I'm very worried that we seem to be so far apart on this particular point..."* instead of disagreeing flatly with it.

The work of a number of psychologists has shown that the expression of feelings is directly linked to establishing trust in counselling situations. It is probable that the same is true for negotiating.

These, then, are some of the behaviours which skilled negotiators use significantly more than average negotiators. Let's turn our attention now to the behaviours they avoid.

Behaviours avoided

Irritators

Certain words and phrases that are commonly used during negotiations have negligible value in persuading the other party, but do cause irritation. Probably the most frequent example of these is the term 'generous offer' used by a negotiator to describe the proposal.

Similarly, words such as 'fair', 'reasonable' and other terms with a positive value loading, have no persuasive power when used as self-praise, whilst serving to irritate the other party because of the implications that they are being unfair, unreasonable and so on. Most negotiators avoid use of direct insults or unfavourable value judgements. They know that there is little to gain from saying unfavourable things about the other party during face-to-face exchanges. However, the other side of the coin – saying gratuitously favourable things about themselves – seems harder for them to avoid.

We all use such words, 'Irritators', and find that, although the average negotiator uses them fairly regularly, the skilled negotiator tends to avoid them.

	Use of Irritators per hour of face-to-face speaking time
Skilled negotiators	2.3
Average negotiators	10.8

It is hardly surprising that skilled negotiators use fewer Irritators. Any type of verbal behaviour that antagonises without a persuasive effect is unlikely to be productive. More surprising is the heavy use of Irritators by average negotiators. The conclusion must be that most people fail to recognise the counterproductive effect of using positive value judgements about themselves and, in doing so, implying negative judgements of the other party. Anyone watching the TV news coverage of an industrial dispute is likely to hear representatives from both sides using Irritators.

Defend/Attack spirals

Negotiation frequently involves conflict. Negotiators may become heated and use emotional or value-loaded behaviours. When such behaviours are used to attack the other party, or to make an emotional defence, we call it Defend/Attack.

Once initiated, this behaviour tends to form a spiral of increasing intensity: one negotiator will attack, the other will defend, usually in a manner that the first negotiator perceives as an attack. Consequently, the first negotiator attacks more vigorously and the spiral commences. Defend and attack are often difficult to distinguish from each other. What one negotiator perceives as a legitimate defence, the other party might see as an unwarranted attack. This is the root cause of most Defend/Attack spirals observed during the studies.

Average negotiators in particular are likely to react defensively, using comments such as *"You can't blame us for that"*, or *"It's not our fault that the present difficulty has arisen."* Such comments risk provoking a sharp defensive reaction from the other side of the table.

	% of negotiator's comments classified as Defend/Attack
Skilled negotiators	1.9
Average negotiators	6.3

Average negotiators use more than three times as much Defend/Attack behaviour as skilled negotiators. Note, though, that skilled negotiators do not totally eliminate Defend/Attack. The difference is that its use is controlled and unemotional. An observation showed that skilled negotiators, if they did decide to attack, gave no warning and attacked hard.

Average negotiators, in contrast, usually begin their attacking gently, sometimes using Irritators, working their way up to more intense attacks slowly and, in doing so, causing the other party to build up their defensive behaviour in the characteristic Defend/Attack spiral.

Counterproposals

During negotiation it frequently happens that one party puts forward a proposal and the other party immediately responds with a Counterproposal. Skilled negotiators seem to avoid making these immediate Counterproposals.

	Frequency of Counterproposals per hour of face-to-face speaking time
Skilled negotiators	1.7
Average negotiators	3.1

The difference outlined above suggests that the common strategy of meeting a proposal with a Counterproposal may not be particularly effective. Using Counterproposals has a number of disadvantages:

- They introduce an additional option, sometimes a whole new issue, which can complicate and cloud the clarity of the negotiation
- They are put forward at a point where the other party is least receptive, being preoccupied with their own proposal
- They are often perceived as blocking or disagreeing by the other party, not as proposals.

These reasons probably explain why the skilled negotiator is less likely to use Counterproposing as a tactic than the average negotiator.

Argument Dilution

Most people have a model of argument which looks rather like a balance or a pair of scales. In fact, many of the terms we use about winning arguments reflect this balance model. We speak of "tipping the scales in our favour", or "the weight of the arguments", or how an issue "hangs in the balance".

This way of thinking seems to indicate that there is some special merit in quantity. If we can find five reasons for doing something then that should be more persuasive than only being able to think of a single reason. We feel that the more we put on our scale-pan, the more likely we are to tip the balance of an argument in our favour.

If this model has any validity then the skilled negotiator would be likely to use more reasons to back up an argument than would the average negotiator. We found that the opposite was true. The skilled negotiator used fewer reasons to back up each argument. Although the balance-pan model may be very commonly believed, the studies suggest that it is a disadvantage to advance a whole series of reasons in support of an argument or case. In doing so, the negotiator exposes a flank and gives the other party a choice of which reason to dispute. It seems self-evident that if a negotiator gives five reasons to support a case and one reason is weak, the other party will exploit this reason in response. The more reasons advanced, the more a case is potentially diluted, rather than strengthened.

	Average number of reasons given by negotiator to give back each argument/case (s)he advanced
Skilled negotiators	1.8
Average negotiators	3

Unfortunately, many negotiators who have received some form of higher education place a value on being able to put forward reasons to back their case. As a result they frequently suffered from this dilution effect, not on the principal argument, but on the weakness of the incidental supporting points introduced.

The skilled negotiator tended to advance single reasons insistently, only moving to subsidiary reasons if the main reason was clearly losing ground. It is probably no coincidence that an unexpectedly high proportion of the skilled negotiators studied, both in labour relations and in contract negotiations, had received relatively little formal education. As a consequence they had not been trained to value the balance-pan model and more easily avoided the trap of advancing a whole flank of reasons to back their case.

Conclusion

The behaviour profiles outlined are, of course, only part of the story of what makes a skilled negotiator.

The research also revealed considerable differences between skilled and average negotiators in the way in which they planned for their negotiations. Much further work remains to be done to produce a complete model for successful negotiating.

However, the model as it currently stands does give a valuable insight into behaviour profiles that can help anyone to be a better negotiator. It does give people an objective framework against which to compare their own performance.

This can only be done, of course, if people are given objective feedback about their own performance, from trainers or coaches who are skilled in the behaviour analysis techniques needed to produce an accurate profile of the trainee's behaviour patterns during negotiations.

For many years Huthwaite has conducted negotiation skills programmes for a wide range of multinational organisations, using case studies as a vehicle for trainees to practise their skills, and for behaviour analysis of the negotiations to take place.

From this analysis, the trainees receive hard data about their performance that can be compared with the skill model outlined above. This allows objective decisions to be made about which behaviours to change, and enables the trainees to measure the improvement in performance over subsequent practice sessions.

This form of training consistently produces measurable changes in the performances of trainees. Changes that many organisations tell us have produced significant improvements in the outcomes of real negotiations, which is what skill training is all about.

Research by Huthwaite Research Group Limited.

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