Chapter 6

“[N]o appeal to reason that is not also an appeal to a want can ever be effective.”
-- H.A. Overstreet, *Influencing Human Behavior* (1925)

“The shortest and best way to make your fortune is to let people see clearly that it is in their interests to promote yours.”
-- Jean de la Bruyere (1645-1696)

A story goes that Andrew Carnegie had two nephews who could not find the time to write home from college. The boys’ parents had tried everything to encourage their sons to write, but to no avail. Finally, Carnegie bet $100 he could get the young men to contact home immediately without spending a nickel and without making a threat. They told him to go ahead and try, but they doubted he could do it. Carnegie then wrote his nephews a short letter wishing them well and saying that he had enclosed some money for each of them, which he hoped they would enjoy spending.

But he did not enclose any money.

The nephews wrote home immediately, asking if their uncle had forgotten something when mailing the letter.

Carnegie won his bet because he understood that the best way to attract and hold people’s attention is to follow this chapter’s Woo Rule:

➢ Woo Rule #5: Address Their Interests, Solve Their Problems.

Another man named Carnegie – success guru Dale -- once summed up the importance of interests as follows: “The only way on earth to influence other people is to talk about what they want and show them how to get it.” We agree – up to a point. Self interest is not the only motive for human action. In the last chapter, for example, we saw how George Washington’s offer of additional pay to his army failed to persuade his men to re-enlist. They responded instead to Washington’s call for them to do their duty for “one month more.”
Moreover, Dale Carnegie’s implicit assumption that people always know what they want may not be true. In practicing the Art of Woo, you can often educate people about their own interests and needs.

Despite these reservations, we respect self interest as a motive when you are trying to win someone over. So in this chapter we show you how to appeal to people’s natural desires to advance their own goals. First, we explore how effective idea sellers frame their proposals in terms of other people’s interests. Second, we look at how you can effectively negotiate solutions when you confront a mix of shared and conflicting interests. We will be returning to some of these themes in Chapter 9, when we look at how to overcome politics and sustain organizational commitment to your idea after you make a sale.

Everybody’s Favorite Topic: Their Own Needs

At the very center of human influence, like the bull’s eye in the middle of a target, are the self interests, problems and needs of the people you are trying to woo. If you can show people your idea furthers their interests, you will usually have a much easier time gaining their support.

A popular book on conventional selling, *Soft Selling in a Hard World*, advises salespeople to eliminate the word “I” from their selling presentations. The customer is mainly interested in his or her own needs, author Jerry Vass argues, and could care less who the salesman is. The best salespeople therefore focus on asking questions, listening closely to the customer’s underlying needs and showing how what they sell solves a problem related to these needs.

The same advice applies when you are selling ideas. When you approach people in your stepping-stone strategy, you must not only use their language and honor their beliefs – you must also find ways to frame your idea in terms of their needs and problems.

Academic studies in psychology confirm two important findings about the role of self interest in persuasion. First, as the story about Andrew Carnegie’s nephews suggests, people pay much closer attention to messages they see as having important personal
consequences for them than ones that do not. Even a glance at nonfiction bestseller lists in publishing, which is perennially littered with titles such as You, on a Diet, Why We Want You to Be Rich, and Younger You, confirms this basic truth.

Second, people’s self-interest bias the way they think about proposals. Naturally enough, people tend to favor ideas that benefit them and oppose those that will force them to shoulder significant costs. But research has also shown that audiences see arguments as more persuasive when they stand to gain from an idea and less persuasive when they stand to lose. In short, people’s interests serve as windows through which they see your ideas. When you can find and address their interests, they open their window to let your ideas in; if they see your idea as running against their needs, the windows close.

To think about your audience’s interests in a systematic way, you should ask three important questions: 1) Why might it be in the other party’s interests to support my idea? 2) What do other parties want that I can give them to gain their support? and 3) Why might they say no? Your answers to these questions will help you frame your idea so that it appeals to others’ underlying interests. Let’s look closely at each question.

Why Might It Be in the Other Party’s Interests to Support My Idea?

This question helps you think of the interests – personal as well as professional -- your counterpart might share with you. What problems, hopes, needs, fears, desires and goals do they face that your idea might help them with? Framing your idea in terms of these goals will get their attention.

When Donald Trump was just starting off as a New York City real estate developer, for example, one of his first projects was to take an old, boarded-up hotel near Grand Central Station called the Commodore and turn it into the Grand Hyatt. At the time, this area was an urban eyesore and getting worse by the month. Many people thought Trump was crazy to take this project on because lenders would charge extra-high interest rates for loans on such a risky property.

But Trump did not see the project as a private development; he saw it as a private-public partnership. His target audiences for the idea, therefore, were not banks or other
lenders. His targets were public officials whom he could address in terms of their interests in rejuvenating the city and their cravings for positive personal publicity. As Richard Kaplan, head of the New York City Urban Development Corporation said, Trump “saw that lenders…would throw away the usual rules [if public officials got behind the idea.]” This meant that banks might actually lower their rates so they could jump onboard for the public relations value. He succeeded in selling the entire project as a “rescue mission” for the “heart of Manhattan” – something all the relevant players wanted a piece of. And when he got it approved, Trump made sure that everyone involved – himself first of all – were seen as the people who had “saved” New York.

Similarly, when Steve Jobs was trying to persuade Steve Wozniak to start what would become Apple Computer, he showed his persuasion skills by shifting the discussion away from an issue they disagreed about to an interest they shared. Jobs’ idea was to build printed circuit boards that local hobbyists could use as the base for building their own PCs. He intended to build each board for $20 and sell it for $40. If he and Wozniak each put in $1,000, Jobs argued, they could build 100 such boards and double their money.

Wozniak objected that there were only about 500 local hobbyists to whom they could sell these boards and most of them were already using Altair machines that did not need one. Wozniak did not think there were even 50 people who would buy the product Jobs wanted to sell, much less 100. They would lose their shirts.

Jobs then shifted his pitch to shared interests that went beyond finances: their relationship and their independence. As Wozniak describes the conversation his autobiography, Woz, “We were in his car and he said – and I can remember him saying this like it was yesterday: ‘Well, even if we lose our money, we’ll have a company. For once in our lives, we’ll have a company.’” That appeal was just what Wozniak needed to hear. “That convinced me,” he wrote. “And I was excited to think about us like that. To be two best friends starting a company. Wow. I knew right then that I’d do it. How could I not?” Within a matter of weeks, the pair had scraped together the needed money, come up with the name “Apple” based on the name of an Oregon commune Jobs had visited called the “Apple Orchard,” and launched what would rapidly become a successful enterprise doing something neither of them had anticipated: building entire PCs.
What Do Other Parties Want That I Can Give Them To Gain Their Support?

Even if your idea does not directly further someone’s interests, there may be other things you can do at relatively low cost in return for their support. In the course of selling your idea, therefore, it always pays to think about the problems and issues the other party faces and then create a package deal that advances your respective interests. A key point to remember is that people’s self esteem and pride can be rich sources of low-cost tradeoffs in such packages.

For example, a medical center we know faced a serious crisis when a change in government regulations forced the hospital CEO to take away a major insurance benefit enjoyed by a low-paid but important group of workers: hospital residents (doctors in training). As the CEO prepared his formal announcement to make this change, rumors spread that the residents were organizing a job action to demand compensation to make up for the loss. The hospital, meanwhile, was in no position to give this group a raise without also raising the pay of many other workers, something it could not afford to do.

Finding himself between a rock and hard place, the CEO asked the residents’ leaders to join a committee to explore their overall situation at the hospital. His charge to the administrator leading this committee was simple: find out as much as possible about what the residents’ real interests were. His hope was that something would turn up that he could take action on. After a week of meetings, his administrator reported back that the residents would be willing to accept their reduced insurance benefit if the hospital would agree to one very important demand: they wanted to wear the same, somewhat longer white coats that full-fledged physicians wore so patients would treat them with the same respect. The CEO ordered the new coats without delay.

Good old-fashioned human vanity helps to close sales surprisingly often. For example, when Andrew Carnegie was a young boy, his mother let him keep a number of pet rabbits in the back yard. He persuaded the children in his neighborhood to gather the food for these pets by promising them he would name the new baby rabbits after the kids who brought the food. In today’s world, fund raisers for churches, schools and
universities follow the young Carnegie’s example every day, selling ideas for new pews, classrooms, and physics labs by promising to place donors’ names on them.

To summarize: look for items the other side values that you can provide cheaply in return for their support. And remember that the human need for self esteem and a “feeling of importance” (Dale Carnegie’s phrase in *How to Win Friends and Influence People*) is one of the dominant motives in human life. Never underestimate its power to help you sell an idea.

*Why Might They Say No?*

If your audience thinks your idea might make it worse off, count on stiff resistance. We have a working assumption about this: *people seldom do anything that is directly against their interests, at least as they understand those interests.* In the worst case – when you determine that there really is a strict conflict of interest that cannot be overcome by any amount of persuasion, framing or creativity – you will have to accept that no sale is possible. When Columbia Aircraft’s Charlie Levine looked across the conference table in the Woolworth Building in New York (see Chapter 4) and told Charles Lindbergh that he wanted someone else to fly his Balanca plane across the Atlantic, Lindbergh had to walk away. He was not going to give up control over the flight, so he picked up the $15,000 check he had brought to buy the plane and went home. Time was short and he did not waste any more of it on Levine.

But you will be amazed at the number of times an objection that looks on the surface to be an idea-stopper turns out on closer examination to be something you can handle relatively easily. As part of your preparation, therefore, ask yourself why you might say no if you were sitting across the table. Then use your answers to refine your proposal. And when you hear unanticipated objections during the idea-sell process, probe to see if there is any way you can work around them. Don’t give up until you are sure, as Lindbergh was, that your interests cannot be reconciled.

When James Webb, whom we met in Chapter 5 struggling to sell his idea of “foreign policy indicators” to the U.S. State Department, returned to Washington, D.C. in the 1960s to run the Apollo lunar-landing program, he faced enormous obstacles. One
serious dispute arose over control of the space program and pitted him against the Air Force and Defense Secretary Robert McNamara. President Kennedy had announced that America would put a man on the moon, but he had not specified exactly how the government would allocate power to direct its space efforts. The Air Force wanted to extend its franchise from air to space, while Webb wanted to control everything about the space mission through his own agency, the National Aeronautics and Space Administration (NASA).

Both Webb and McNamara had, as one commentator noted at the time, “imperialistic tendencies.” And both were tough, tested administrators. Webb later wrote that McNamara’s bureaucratic style was to “knock you down on the floor with a sledge hammer, and then, while you [were] down, ask you to sign off on a particular decision.”

The battle took shape when McNamara formally proposed in late 1962 that the Air Force “take over all manned flight in earth orbit,” leaving NASA with “all flights beyond earth orbit.” That meant that NASA would have the moon mission but would be stripped of all the activities that would lead up to that mission. In other words, the Defense Department would be the lead agency for space. This was a direct attack on NASA’s mission as an agency, and Webb fired back a memo noting that the proposed change would “place in doubt” the space program’s image as an effort “dedicated to the peaceful exploration of space.”

Webb did not like McNamara’s brusque style and had been careful to insulate himself from McNamara using study groups and task forces staffed by lower level officials at the two agencies. But in this case it was obvious that a show down between the two men was the only way to resolve the matter. Webb went to McNamara’s office ready for a winner-take-all battle.

Once at the meeting, however, Webb was astonished at the way McNamara proceeded. After Webb stated his strong opening position that NASA had no intention of ceding control over orbital space flights, McNamara immediately backed down. It turned out that space was the Air Force’s issue more than it was McNamara’s. McNamara, in other words, was making a public fuss over who controlled space mainly to demonstrate loyalty to his Air Force generals, not because he believed they were right. To Webb, he acknowledged that manned space flight, which was NASA’s main reason for existence,
was only a secondary concern for the Department of Defense. The two men then agreed on language for a memo that was sent to all concerned parties in the weeks that followed. The memo conceded that NASA was in full charge of the space program but noted that orbital flights would carry certain military experiments – at military expense. Any further joint programs would be developed, the memo concluded, “only by mutual agreement.”

As Webb’s story shows, conflicting interests are not always the end of idea sales. If the interests you share with the other party outweigh the areas of disagreement, you can still move forward. And, as the Webb-McNamara dispute illustrates, two sides can have different intensities on an issue, making compromises possible. Finally, if the number of people who will win with your new idea outnumber or outrank the people who will lose, then you might still succeed.

But in all these cases, you will need to resort to one or both of two specialized processes supplement the Art of Woo: bargaining (treated below) and politics (handled in Chapter 9). Bargaining helps people find resolutions for conflicting interests in one-on-one or group encounters, while political strategies provide the mechanisms for determining the winners and losers in larger organizational settings.

**Using Negotiation to Sell Ideas**

Whenever there is not enough of something to go around, you face the possibility of negotiating to decide who will get how much of it. Inside organizations, such things as budgets, hiring authority, control over programs, and project assignments are often subject to some form of bargaining.

As we noted in the introduction, this book is a sequel to Richard’s work on the art of negotiation, *Bargaining for Advantage*. We refer you to that book for an in-depth treatment of this subject. Here we will summarize the most important aspects of bargaining when it comes to selling ideas. As you explore this section, note the subtle yet important differences between bargaining inside organizations – where ongoing relationships are always an important factor – and negotiating in other, more market-based contexts.
To begin, let’s look at a simple example of negotiation within an organizational setting. It comes from the history of the famous Manhattan Project during World War II, which led to the development of the first atomic bomb. The job of coordinating the efforts of the world’s most brilliant – and quirky – geniuses to beat Nazi Germany in the race to create the world’s first atomic bomb fell to a man named Robert Oppenheimer, one of the top physicists in the 1930s and 1940s. As a colleague later observed, leading the Los Alamos Lab in New Mexico, where the Manhattan Project was housed, transformed Oppenheimer from a “hesitant, diffident” academic into a “decisive executive.” Oppenheimer’s success in this effort depended on his being able to discover and address various individual needs and interests of the scientists working below him and then use his negotiation and management skills to keep the project moving forward.

One situation he faced involved Edward Teller, the man who later invented the hydrogen bomb. Teller grew frustrated because Oppenheimer insisted he concentrate on fission development, which Teller considered “too routine.” In a display of diva-like anger, Teller withdrew from the fission-development team and threatened to leave the Manhattan Project entirely unless his demands for more interesting work were met. Oppenheimer’s job was to sell Teller on the idea of staying.

Oppenheimer called Teller into his office and let him vent his frustrations about his work assignment. Then he started asking questions, quickly uncovering two things Teller wanted. First, Teller was eager to spend time investigating the possibility of a hydrogen device, a much longer-range prospect than the atomic bomb but one that had a great deal more theoretical interest in terms of physics. Second, Teller wanted more face time directly with Oppenheimer – an interaction he missed because of the Manhattan Project’s bureaucratic structure.

Oppenheimer then offered a deal. First, he agreed to let Teller dabble in his hydrogen project – but only during limited times. Second, he agreed to schedule Teller for a weekly, one-hour brainstorming session – a concession he positioned as a major imposition because Oppenheimer’s hectic schedule as director of the overall project did not leave much free time. In return, Teller had to agree to stay on the all-important fission development project and follow orders.
Teller agreed. The beauty of this arrangement from Oppenheimer’s point of view was its low cost to the overall effort. True, he had to compromise a bit on the hydrogen research project. But he welcomed the excuse to schedule some dedicated time to theorize with his brilliant colleague. He would get just as much stimulation from the meetings as Teller would. By uncovering Teller’s interests instead of going to war with him over “who was in charge,” Oppenheimer kept both Teller and the Manhattan Project on task.

The Stages of Negotiation

The Oppenheimer-Teller story illustrates a number of patterns that characterize the negotiation process. First, unlike persuasion, which can have a fluid, hard-to-predict structure to it, negotiations follow almost ritualized steps: preparing, probing, proposing, and closing. Second, because of the presence of conflicting interests, certain psychological factors play predictable roles in the way negotiations play out. We review these factors within the context of the four negotiation stages outlined below.

Stage 1: Preparing

Preparing to negotiate involves checking off six key elements – what *Bargaining for Advantage* called the “Six Foundations” of effective negotiation. These include how each person’s bargaining style may affect the process, your goals and bottom lines, the standards and norms that the parties will bring to the table, the background relationship you have with your counterpart, whether shared or conflicting interests dominate the situation, and which party enjoys the advantage in terms of leverage.

**Bargaining Styles.** Research has shown that people have distinct styles for handling negotiations. Unlike the five persuasion styles we discussed in Chapter 2 – Driver, Commander, Promoter, Chess Player and Advocate -- bargaining style preferences relate to resolving conflicts. The styles include competing (looking for ways to win the negotiation game), collaborating (seeking and exploiting mutual interests), compromising (splitting the difference between respective positions), accommodating
(conceding to the other party’s demands), or avoiding (trying to dodge or defer the
conflict of interest altogether). *Bargaining for Advantage* includes a specific Bargaining
Styles Assessment Tool as an appendix and we encourage you to consult both that
assessment and the associated analysis to dig deeper into your bargaining styles when
your idea-selling campaign requires you to negotiate.

One shorthand way to assess your preferred styles is to take what we call the
“table test” – a test Richard gives at the beginning of his earlier book. Imagine you are at
a big round table with nine strangers. You can look across the table and see the person
sitting opposite you. Someone enters the room and proposes an offer: “I’ll give $1,000 to
each of the first two people who can convince the person sitting opposite to get up, come
around the table, and stand behind his or her chair.” Think about this situation for a
moment and note the immediate responses that come to mind.

If your inclination was not to play this strange game, that is the “avoider”
response. Why risk looking like a fool for a mere chance to win this race? Underneath
this response is a lack of confidence in or familiarity with the negotiation tools that might
be needed to win.

If you offered the person sitting opposite a 50-50 split of the $1,000 prize, that is
the “compromiser” response. This is a perfectly fair solution but leaves an important
question unanswered: which of you will run around the table? And while you are sorting
this out, some people at the table will already be in motion.

One of those people will be the accommodator. This type of person does not
waste time haggling. He or she just solves the problem for the other party by
immediately getting up and racing to stand behind the opposite chair. There is just one
problem with this response: the other side gets all the money. Perhaps that person will
share; perhaps not. No one knows each other, so who can tell?

The fourth response is the competitive one. The competitor will devise a strategy
that *forces* the other person to do the running, perhaps by claiming to have broken leg.
This means the competitor gets the $1,000, but he may have a hard time selling this
proposal unless the other person is accommodating.
The final and most creative response is collaborative. You shout “Let’s both get moving! We can both make $1,000!” And off you go. Instead of trying to divide $1,000, you find a way for both sides to win.

**Goals and Bottom Lines.** Goal-setting in negotiation is much more targeted than goal-setting in persuasion – and aimed squarely at the issues or issues in conflict. Each side is likely to have walk-away positions – or “bottom lines” -- on the toughest issues (a level that would prompt them to terminate the negotiation rather than say “yes”) and an aspiration level (what they optimistically hope to achieve). By contrast, as we discussed in Chapter 3, goal-setting in persuasion can be much more general – ranging from gaining access to a decision maker to changing attitudes and securing endorsements.

Specific bargaining goals help to focus and energize the negotiation process. Research has shown that people with specific, ambitious goals tend to outperform people with do-your-best or modest aspirations. If you are negotiating for a reassignment of work, for example, it is wise to go to the meeting with a specific new job in mind that would satisfy your interests – as Teller did when he met with Oppenheimer to change his assignment from the fission to the hydrogen bomb research effort.

The specificity of negotiation goals can sometimes become a trap inside organizations because they make shared interests between the parties – such as Jobs and Wozniak’s mutual desire to own a company of their own -- harder to locate and exploit. Both sides get so wrapped up in jockeying for advantage vis a vis their bargaining targets that they lose sight of larger interests they may hold in common. Skilled negotiators such as Oppenheimer, however, recognize this trap and spend the early part of the negotiation process asking questions that can help them identify any shared interests that might be used to help build bridges over the issue in conflict.

**Standards and Norms.** Authoritative standards and norms, such as company policies, operating procedures, or budgetary practices usually form the background for idea-selling negotiations within organizations. Your preparation should therefore include a survey of the standards-based arguments you will use to advance and defend your position, and you should expect the other side to come prepared with their own arguments and their own preferred readings of relevant policies.
If you are negotiating a budget for your idea, for example, try to find budgets for similar programs or initiatives that you can cite as precedents. And be ready to defend your numbers against arguments that your program is more like an initiative that got fewer resources than like the one you cite which got more support. Standards derived from sources outside an organization are often less persuasive than standards that come from the practices and procedures inside it.

Regardless, the most powerful standards at the bargaining table are not the ones you like the best or even the ones most people would agree with. They are the ones that the other side genuinely believes are fair and legitimate. Thus, in the negotiation process, skilled negotiators listen carefully to how the other party justifies its demands, searching for clues that will lead them to the standards and norms the other party will find hard to reject. Two psychological phenomena form the basis for why standards are so important in negotiation: the human need to behave in ways that are consistent with past behavior and the human tendency to defer to authority, noted in Chapter 2.

Within organizations, authoritative standards resolve many potential disputes because a decision maker’s credibility depends on his or her being even-handed and consistent in applying company rules and policies. Thus, when a standard favors your preferred solution, be sure to put that argument front and center. And when you are asking for an exception to be made, make it as limited and principled as possible.

**Relationships.** The relationship factor plays much the same role in negotiation as it does in ordinary persuasion. Our discussion of relationships in Chapter 4 therefore carries over to the negotiation context. The psychology of similarity and liking help you build rapport at the beginning of a negotiation, and the norm of reciprocity helps set the rhythm of both information exchange and concession-making as the bargaining process proceeds. Finally, as the example of Apple’s two founders shows, you will negotiate differently with people – often in a more mutually accommodating and beneficial way – when you enjoy a Trust-Level relationship with them.

**Interests.** As we have noted in this chapter, successful persuasion often depends on showing how your idea furthers other people’s interests, and when you find your audience pushing back hard on your idea, that is often a sign that you have touched a conflicting interest. The three questions we introduced at the beginning of this chapter --
1) Why might it be in the other party’s interests to support my idea? 2) What do other parties want that I can give them at low cost to gain their support? and 3) Why might they say no? – are all important in preparing to negotiate. And, as the examples in this chapter have demonstrated, the more shared interests you find, the easier it is to resolve the conflicting ones.

**Leverage.** When it comes to negotiation, the final decision as to who will compromise often comes down to a question of something called “leverage” – the balance of hopes and fears at the table. Whichever side thinks they have the least to lose from saying “no deal” generally has the most leverage and whichever party thinks they have the most to lose has the least leverage.

In market transactions, one of the most important measures of leverage is something negotiation scholars call your “BATNA” – or Best Alternative to a Negotiated Agreement. This is what each party will do if they walk away from the deal. Everything else being equal, the better your walk-away alternative, the more leverage you have.

But when you are selling ideas within the flow of ongoing relationships, the concept of BATNA does not apply quite as neatly. People do not – and often cannot -- “walk away” from a relationship just because a boss, colleague or controller is being stubborn. Indeed, a threat to walk away in such circumstances is, eight times out of ten, made in anger – as was the case with Teller’s threatened resignation from the Manhattan Project – or delivered as a high-stakes bluff. For example, the founder of Phillips Petroleum -- Frank Phillips -- once resolved a major dispute with his board of directors by submitting a formal, detailed letter of resignation. He knew that the board could not accept it because the company was too closely associated in the financial community’s mind with him and his family. But by refusing to accept it, the board was in effect conceding to Phillips on the issue they were debating. His bluff worked and he won his point.

So if people do not walk away from organizational negotiations very often, what determines leverage?

In general, the parties with more control over resources -- future decisions, budgets, services and staff -- enjoy the most leverage in ideas-selling negotiations. And take note: this is not always the person with the highest rank or most prestigious title.
At another point in the bureaucratic bickering that surrounded the Apollo program, James Webb got into a fight with the White House science advisor, Jerry Wiesner, over a technical issue related to the program. A British diplomat, hearing of this disagreement, asked President Kennedy how the dispute would come out. “Jerry’s going to lose,” the President said. “It’s obvious.”

“Why?” the diplomat wanted to know.

“Webb’s got all the money,” Kennedy rejoined, “and Jerry’s only got me.”

In addition to controlling resources, you gain leverage whenever you make the other party more dependent on you. We once interviewed a financial advisor by phone for a research study we were doing. We happened to catch him on his car phone and asked where he was going. To our surprise, he said he was driving from his home in western Virginia to a small town in the neighboring state of Tennessee — a 300 mile drive — to fix a computer belonging to one of his investment clients. “Are you a computer consultant on the side?” we asked. “No,” he replied, “but this guy has $10 million with me, so I try to make myself as indispensable as possible.” The advisor was, in short, building leverage within this important relationship.

Thus, as part of an effective preparation, you should always assess your leverage and see if it can be improved before you begin the negotiation. What do you control that the other party needs? What could you withhold that they might miss?

In Oppenheimer’s case, he had leverage over Teller as the director of the Manhattan Project. But he did not have all the leverage: he needed Teller’s genius to keep the mission moving forward. Thus, some sort of interest-based compromise was the best solution for everyone. Oppenheimer’s secret to success in using his leverage was his skill in managing volatile emotions and quirky personalities, not his ability to hammer on the table. Like John D. Rockefeller in Chapter 2, Oppenheimer was an effective Chess Player.

Stage 2: Probing

The second stage of negotiation is the reciprocal exchange of information about the problem under discussion. This stage generally begins, as do many persuasion
encounters, with rapport building based on similarity and liking. It then proceeds to an exchange of information on what the agenda is before narrowing to the issues that the parties have to resolve.

As this chapter has suggested, smart negotiators realize that the most important part of information exchange is the search for interests that can be used to help resolve the issues in conflict. Thus, they defer the discussion of these difficult issues until they have had a chance to find out if the other side has problems or concerns that can be used to enrich the bargaining mix.

Unless time is very short, therefore, always begin the information exchange stage of negotiation by asking questions about the current situation facing your counterpart and what might be done to improve it. The more you know about the other side’s problems and needs, the better you will be at structuring a wise concession strategy. The opposite is also true: the quicker you get to the issue in conflict, the less likely it is you will get beyond it to other interests. Once people begin bargaining over what they disagree about, they have a harder time seeing what they have in common – much less looking for new things they might be able to do together.

Stage 3: Proposing

Stage 3 of negotiation begins with the first concrete proposal that offers a solution to the issue in conflict – either on its own or wrapped in a package that includes other issues and interests. It continues until the parties either reach an agreement or break off discussions because they cannot make a deal.

The initial tactical question that arises in negotiation relates to openings. Should you make the first offer or wait for the other side to propose something? There are possible advantages and disadvantages either way.

If you make the first offer, you get the benefit of what negotiation scholars call the “anchor effect:” you set the other party’s expectations about the range of final agreements that may be possible. Teller was trying to anchor Oppenheimer on his demands when framed his opening offer as “Let me work on the hydrogen project or I’ll quit!”
There is an art to opening. If your demands are ambitious but still plausible, you get the benefit of the anchor effect. If they are too extreme, however, you lose credibility – a price you cannot afford in relationship-sensitive, organizational negotiations.

Here is how the anchor effect works in a traditional, price-based negotiation. Suppose you are being recruited for a job and the salaries range from $100,000 to $125,000. If you open at $130,000 (an ambitious but still plausible request), the employer is likely to anchor on your high opening and his or her expectations will shift toward the higher end of the possible range. On the other hand, if you guess wrong about the range and open at $150,000, you will probably discourage the employer from countering at all – leaving you with the awkward choice of either walking away or apologizing for your aggressive opening. Lesson: the more you know about the range of “fair” outcomes, the better luck you will have constructing an opening and taking advantage of the anchor effect.

Letting the other side go first also has a big advantage: you get information about what your counterpart is willing to do before showing your own hand. We were leading a negotiation seminar for a major bank once and covered this point about openings in the morning session. After lunch, one of the executives returned with a story. He had had an important meeting with the divisional vice president over the lunch break to discuss a major reorganization the bank was going through. Staff cuts were on the table and the question on our executive’s mind as he went into this meeting was, “Should I open with an offer of the cuts I would be willing to take – and try to anchor the discussions on my numbers -- or should I hear vice president out first?”

He decided to let the vice president make the first proposal. “I figured that he knew a lot more than I did about this whole process,” he said, explaining his decision. “I had no idea what he might have in mind for our unit.” The decision paid off: the vice president proposed fewer cuts than our executive would have opened with.

In general, the less you know about the range of appropriate solutions, the better off you are letting the other person make the first offer. But when you let the other party go first, protect yourself against the anchor effect. If they put a surprisingly aggressive opening on the table, take a break before responding. Go back to your research and re-
anchor yourself on your own goals and perspectives on what is fair. Otherwise you may unconsciously modify your expectations of what is possible.

With the opening round over, there are three standard methods for managing the actual give-and-take part of the negotiation process.

First, you can follow a “concession bargaining” procedure. This is the conventional ritual used in simple market transactions such as car sales, where each party stakes out optimistic opening ground and concedes slowly to some point between the two opening offers.

As common as this process is in transactions, it often looks clumsy and even a little disrespectful to your counterpart when ongoing relationships are important. You are negotiating to sell an important idea, after all – not buy or sell a used car. You can lose credibility when you bring the tactics of the bazaar into the executive suite. Oppenheimer showed both patience and skill in choosing not to respond to Teller’s opening “I quit” gambit with an equally extreme “you can’t quit because you’re fired.”

As ill-fitting as concession bargaining may be for structuring an entire idea-selling negotiation, however, you may come down to a mini-version of this procedure on small matters that are relatively unimportant to the overall proposal. Quick-and-easy strategies to “split the difference” or round up or down to the nearest focal point may then be perfectly appropriate.

A second way to manage the bargaining process is to offer a “package deal” containing several elements, some of which address conflicting interests and some of which address shared interests. The parties can then move the pieces in the package around until they find an arrangement that suits them both. This is what Oppenheimer and Teller did. Oppenheimer conceded on both of Teller’s issues – but not 100%. With some tweaking about just how much time Teller could spend on his pet project and exactly how they would work out the weekly meeting, the two men were able to reach an agreement on the package.

The third way in which the proposal stage is handled in an idea-selling environment – and this happens surprisingly often in organizations -- is for there to be no haggling or tweaking whatever. The opening proposal is assumed to be a good-faith attempt to incorporate everyone’s needs, the justification for its elements are viewed by
everyone as perfectly legitimate and fair, and everyone agrees that time can be saved – and relationships preserved -- by putting a first, firm and fair proposal together that solves the matter.

The success of this last procedure depends on there being relatively clear precedents and standards available that assure the parties they are working within a comfortable zone of agreement. It also presumes some degree of initial trust and continuing oversight that can be relied on to provide for adjustments should the original agreement prove to be unfair or unworkable later.

Stage 4: Closing

The closing stage of negotiations secures the agreement and confirms everyone’s commitment to the deal. We will discuss commitments as part of idea selling in Chapter 9. For now, suffice it to say that a commitment at the end of an idea-selling campaign is designed to achieve the same goal as one at the end of a negotiation: you want other people to carry through on their agreements. Putting the agreement in writing, having witnesses who know what everyone agreed to, announcing the deal, having performance benchmarks and reviewing progress periodically all help to secure a negotiated agreement and make it stick.

Best Practices for Uncovering Shared Interests

As we have seen, discovering and appealing to shared interests helps to both frame proposals that are attractive to the other side and negotiate package deals when conflicting interests are part of the mix. How does one go about discovering these interests?

The first step is to make the search for shared interests a regular part of your planning and preparation. Research by two English social scientists – Neil Rackham and John Carlisle – confirmed that one of the best practices of the most skilled negotiators is to make this search a routine part of planning. The best negotiators in their study spent
40% of their planning time on the search for shared interests, compared with only 10% for less skilled negotiators.

One obvious way to do this is by seeking background intelligence on the situation your counterpart faces – his problems, concerns and constraints. In organizational persuasion encounters, you can sometimes gain surprising amounts of such intelligence by chatting with lower level staff in the person’s division or asking for inputs from colleagues.

Another tool is a role reversal. Ask a friend to play you – while you sit in your counterpart’s chair for a few minutes and play him or her. Role-play an encounter similar to the one you hope to have and see what arguments and feelings arise as you hear your own idea pitch coming at you. Your skills in taking other people’s perspectives (recall the ability we discussed in Chapter 2 that characterized everyone from Lenin to Lincoln) will be an important part of making this effort productive.

Finally, use some of your time in the actual meeting or phone call when you make your pitch searching for information that can help you confirm your assumptions about the person’s interests and, even better, uncover new concerns. Make comments that open the door to learning about the other side’s needs. “It has been hard to think clearly with all the changes going on,” you might say as you start your pitch for a new work-life balance program. “Our group is more stretched than ever with the most recent layoffs, but I was not sure if your division had been affected the same way.”

The same Rackham and Carlisle study that revealed interest-based planning behavior among skilled negotiators showed an equal attention to interest-based questioning during the negotiation process itself. Skilled negotiators spent about 40% of their time at the bargaining table asking questions, testing for understanding and summarizing – while average negotiators devoted only 20% of their time to these behaviors. The rest of their time was spent proposing, arguing, defending their positions and haggling – activities that discourage the candid flow of interest-based information.

Conclusion
This chapter has explored a critical factor in selling ideas: your audience’s underlying goals and interests. If you can position your idea as helping your audience to solve an urgent problem, you achieve four important goals.

First, you will have your audience’s attention – a crucial, scarce resource in today’s busy world. As Andrew Carnegie’s nephews taught us, people pay closer attention to your communications when they think they might have something to gain.

Second, your audience is likely to become biased in favor of your idea. Once people see an idea as furthering their own agenda, they do not press as hard for reasons, evidence or logic. They already want to buy your idea. You just have to supply them with justifications to support you.

Third, you will gain valuable leverage in any negotiation that subsequently takes place to resolve disagreements over your proposal. You now have a “positive” to place in the scales against any “negatives” that others may put there. And your shared interest may be enough to overcome the conflicting ones that later surface.

Finally, as we will see in Chapter 9, shared interests are the glue that holds political alliances together in tough organizational battles over resources, implementation and control. The more problems and needs you address, the wider the base of support you can build within the organization.

As the chapter showed, the negotiation process can help overcome barriers when interests collide. Negotiation is a structured way of handling disputes that begins with preparation and probing and ends with proposing and closing. Your ability to manage the six foundations of negotiation – bargaining styles, goals, standards, relationships, interests and leverage – will greatly increase your success in selling ideas. And the more resources you control and dependencies you create, the better your outcome is likely to be.

With your audience’s interests in mind, you are now ready to start building your case on the merits of your idea. In the next two chapters, we will help you make your best argument and then put some “snap” into your ideas to give them special appeal.

You’ve got a date, so get ready to woo.