- Goal People want to be understood and accepted. 2 primal urges:
 - Need to feel safe & secure
 - \circ Need to feel in control
 - Listen intensely → demonstrate empathy + show a sincere desire to better understand what the other side is experiencing
- Prepare Goal: reveal surprises in the negotiation
 - Hypotheses vs. assumptions: Use negotiation to test hypotheses
 - Uncover as much information as possible (not battle of arguments)
 - Uncover what counterpart actually needs (money, emotional, otherwise) → get them feeling safe to talk more
 - Sole focus: the other person and what they have to say

Tone • Smile

- Slow. It. Down
- Three voices:
 - <u>Late-night DJ voice</u>: Use selectively to make a point. Inflect voice downward. Calm and slow. Creates aura of trustworthiness without triggering defensiveness
 - <u>Positive & playful:</u> Default voice. Voice of easygoing & good natured person. Relax & smile while talking
 - <u>Direct / Assertive:</u> Used rarely

Mirror • Repeat the last (or critical) 3 words of what someone else has said • Insinuates similarity which facilitates bonding

• Connectors because they help your counterpart connect thoughts

Mirror Process 1. Use Late Night FM DJ Voice

- 2. Start sentences with *I'm sorry...*
- 3. Mirror
- 4. Silence, at least 4 seconds to let mirror work it's magic
- 5. Repeat

Tactical Empathy

- Imagine myself in the counterpart's situation
- Recognize their perspective and vocalize that recognition
- Understand counterpart's feelings & hear what is

Labels
• Validate someone's emotion by acknowledging it
• It seems like .

- It sounds like .
- It looks like .

Pause to let the label sink in. Other party will fill in the silence
 Every 4th verbalization should be a label

Neutralize the Negative

Process:

1. Observe without reaction & judgement

2. Label each negative feeling

3. Replace with a positive, compassionate & solution-based thought

• List the worst things my counterpart can say about me first • Use labels to reinforce & encourage positive perceptions • Remove *I*

Accusation Audit

understand from your vocabulary. Never use it

• Focus first on clearing the barriers to an agreement • Label fears to diffuse their power

Look I'm an asshole

behind those feelings • Bring my attention to the emotional obstacles to getting an agreement done • Look at words, tone, and body language. Spot changes and look for incongruencies

- Start with No Need to feel in control \rightarrow get by saying No
 - Saying Yes makes people defensive
 - If I hear $No \rightarrow$
 - What about this doesn't work for you?
 - What would you need to make this work?
 - It seems there's something here that bothers you?
 - 3 types of Yes
 - Counterfeit: Yes as an escape route (want to say No)
 - Confirmation: Reflexive response question. Affirmation with no promise of action
 - Commitment: True agreement that leads to action
 - Trigger a No: Is now a bad time to talk?
 - Might sometimes need to force counterpart into a no
 - Intentionally mislabel an emotion
 - Ask a ridiculous question that can only be answered by a No

Email Magic Have you given up on this project?

That's Right • Good: That's Right

• Bad: Yes, You're Right

Summary to trigger That's Right

show I'm paying full attention 3. Mirroring: Listen & repeat back

4. Labeling: Give feelings a name & identify with how they feel

5. Paraphrase: Repeat in my own words to show I'm really understanding 6. Summarize: Re-articulate meaning of what is said + acknowledgment of the emotions = Paraphrase + Labeling

Never Split the Difference

Trigger *That's Right* with a Summary:

Leads to a bad outcome for both sides, eg 1 black + 1 1. Effective Pauses encourage the counterparty to keep brown shoe

talking

2. Minimal Encouragers: Yes, OK, Uh-Huh, I see \rightarrow

Deadlines • Deadlines make people do impulsive things • Resist the

- urge to rush as a deadline approaches
- Take advantage of the rush in others
- Share my deadlines: information asymmetry is the worse for me

Three uses of Fair

and go back to where I started treating you unfairly and we'll fix it

Nefarious accusation: We've given you a fair offer Jab meant to distract my attention • Correct response: Fair? It seems like you're ready to provide the evidence that supports that. Positive: I want you to feel like you are being treated fairly at all times. So please stop me at any time if you feel I'm being unfair and we'll address it Extreme Bend counterpart's reality by anchoring the starting point Anchor 1. Before making offer, emotionally anchor by saying how Defensive move: We just want what's fair bad it will be 2. Set an extreme anchor to make my real • Emotionally rattled negotiators will raise their number seem reasonable counteroffer 3. Use a range to seem less aggressive Correct response: OK, I apologize. Let's stop everything

Loss Aversion • People will take more risks to avoid a loss than realize a gain • Make sure my opponent sees there is something to lose by inaction

Bend their Reality

1. Anchor their emotions: Start with an accusation audit

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- 2. <u>Let the other party suggest a price first</u>. Especially if neither party knows true market value. Consider alternatives if other party is <u>a shark or a rookie</u>
- 3. <u>Establish a bolstering range</u>: Recall a similar deal. Range high so people will naturally want to satisfy the low end of my range
- 4. <u>Pivot to non-monetary terms</u>: Give things that are not important. Get things that are. Suggest ideas to stimulate brainstorming
- 5. <u>Use odd numbers</u>: Don't use round numbers

6. <u>Surprise with a gift</u>: Generate reciprocity by giving unrelated surprise gifts
 Avoid angry emotional reactions

- Calibrated Questions
- The listener has control of the conversation
- \bullet Goal is to suspend unbelief \rightarrow calibrated questions to ask for help
- Don't use: Can, Is, Are, Do Does

• Avoid: questions that can be answered with Yes or tiny pieces of information • Start every question with *what*, *how* (& sometimes but rarely *why*)

 Only use why when defensiveness it creates is in my favor: Why would you ever change from the way you've always done things and try my approach?

You can't leave → What do you hope to achieve by going?

Phrases to use

- What makes you ask?
- What about _____ is important to you?
- How can I help make this better for us?
- How would you like me to proceed?
- What is it that brought us into this situation?
- How can we solve the problem?
- What's the objective / What are we trying to accomplish here?
- How am I supposed to do that?

How • Yes is nothing without How

- Calibrated *how?* Questions help guarantee execution
- Look for That's Right
- Don't settle for I'll try, You're Right → Those mean I plan to fail

Phrases to use

- How am I supposed to do that?
- How will we know we're on track?
- How will we address things if we find we're off track?

Influence those behind the table

- How does this affect the rest of your team?
- How on board are the people not on this call?
- What do your colleagues see as their main challenges in this area?

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

- Fly great distances to meet people in person
- Pay close attention to tone & body language. See if they don't match up with literal meaning of words
- Use labels to discover source of the incongruence:
 - I heard you say 'Yes' but it seemed like there was a hesitation in your voice
 No, this is important. Let's make sure we get this right

Rule of Three Get them to say yes 3 times

- 1. Get them to give me a commitment
- 2. Label + summarize \rightarrow get a *That's Right*
- 3. Calibrated *How* or *What* questions about implementation. Ask what will constitute success: *What do we do if we get off track?*

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Spotting Liars Liars...

- Use more words than truth tellers
 - Talk about him, her, it, one, they and their. Rarely $I \rightarrow$ distance from the lie
 - Speak in more complex sentences (to cover up the lie)

Spot Decision Makers

Use my own name

Saying No 4 times

My name is Yanda

• What's the Yanda discount?

 How am I supposed to do that?
 Your offer is very generous. I'm sorry that just doesn't work for me 3. I'm sorry but I'm afraid I just can't do that
 I'm sorry, no

of the outcome • We, they, them \rightarrow actual

decision maker leaving options open

Use mirroring and open-ended questions in between. Empathize 3x: • *That's very generous of you* • *That price is more than fair*

Thank you for taking the time to talk to me

- Types of
- Watch pronouns
- I, me, $my \rightarrow$ less important in the decision
- Negotiators <u>Analyst (</u>eg. Ryan)
- Acquiring facts & info > making a deal Time = Preparation Silence = Opportunity to think
- Methodical & diligent. Hates surprises.
- Self-imaged tied to minimizing mistakes
- Prefers to work on their own
- Reserved problem solver
- Information aggregator
- Skeptical by nature
- May appear to agree when just agreeing to think about it

Accommodator (eg. Chase)

Building relationship > making a deal Time = Relationship Silence = Anger

• Communicating \rightarrow happy

• Sociable, peace-seeking, optimistic, distractible, poor time managers

<u>Assertive (eg. me, Merci)</u> Being heard > making a deal Time = Money Silence = Opportunity to speak more • Getting solution perfect is less important than getting it done

- Loves winning above all else
- Most likely to get tunnel-vision. Focus on
- goal \rightarrow miss opportunities to explore Emotions = bad
- Negotiation = intellectual sparring
- Doesn't like calibrated questions Apologies have little value
- Hypersensitive to reciprocity
- \circ Get gift first = it must be a trap
- Give first = you must reciprocate <u>Tools</u>: labels,
- specifically to compare analysis,
- Use data

 \circ Use data to drive my reason, no ad-lib \circ Use data comparisons to disagree \bullet <u>Worst-type match</u>: Assertive

 \bullet Watch tone & body language \rightarrow hesitancy won't come in words

• <u>Risk</u>: may overpromise, agree to give you something they can't actually deliver • <u>Tools</u>: What & How calibrated questions focused on implementation

- <u>Worst-type match</u>: Accommodator
- Focus first on what they have to say. Once they are convinced I understand them, only then will they listen
- <u>Tools</u>: calibrated questions, labels, and summaries. Get a *that's right*
- Be careful with reciprocity (give an inch \rightarrow take a mile)
- Wost-type match: Analyst

Never Split the Difference by Deflect the Punch Strategic umbrage Counterparty will start with an extreme anchor. Get ready to deflect the punch • By saying "no" : <i>How am I</i>	 y Chris Voss Summary Cheat-Sheet supposed to do that? By deflecting the anchor: What are we trying to accomplish here? Pivot to terms: detour to non-monetary issues: Let's put price off to the side for a moment & talk about what would make this a good deal? What else would you be able to offer to make that a good price for me? Respond with your own extreme anchor I don't see how that would ever work
I statements <i>I feel when you because</i> . Ackerman Bargaining 1. Set target price 2. Plan your offers \circ Buyer: $65\% \rightarrow 85\% \rightarrow 95\% \rightarrow 100\%$ \circ Seller: $135\% \rightarrow 115\% \rightarrow 105\% \rightarrow 100\%$. 3. At final offer add non-monetary item to show that I'm at my limit • Use an Accusations Audit to pre-empt the first offer to	Use precise, non-round, odd numbers
Black Swans • 3 Black Swans in every negotiation • Every negotiation is new \rightarrow don't	
Listen, listen, listen	Compare notes with team members to discover new information
Similarity Principle Power of hopes & dreams <u>Positive Leverage</u> : I have something they want <u>Negative Leverage</u> : My ability to make my counterpart suffer • More powerful because of loss aversion • To use, first find what is important to them:	 People trust those who are in their in group Look at and mirror attitudes, beliefs, ideas, and even modes of dress Visualize what counterpart wants out of life → use those aspirations to get them to follow • Everyone wants to believe that we are capable of the extraordinary Display a passion for what my counterpart has always wanted and convey a purposeful

Never Split the Difference by Chris Voss Summary Cheat-Sheet

plan on how to get there \rightarrow changes my counterpart's perception of what is possible to change

• We are all hungry for a map to joy \rightarrow be courageous enough to draw it and others will follow

... because ... People respond favorably to requests made in a reasonable tone of voice and followed by a because reason (even if the reason isn't great)

Not crazy People acting crazy are often not. Instead, counterpart:

- is III Informed: has incomplete or different information to me
- is Constrained: may not have power to close the deal
- has Other Interests: hidden interests that justify his behavior

Get Face Time • Get face time

- Observe unguarded moments
 - First few minutes before you get down to business
 - Last few moments as everyone is leaving
 - Interruptions, odd exchanges, etc...
- When something doesn't make sense, there's an opportunity. Dig in!

Negotiation One-Sheet

- <u>The Goal</u>: specific scenario that represents best case
- Set optimistic but reasonable goal & define it clearly • Write it down

 Discuss my goal with a colleague (commitment & consistency)

• Carry the written goal into the negotiation

• Summary: Couple of sentences about the known facts that have led up to the negotiation. Aim for That's Right in How does making a deal with us affect things? response

• Labels / Accusation Audit: 3-5 labels to perform an accusation audit o It seems like is valuable to you

It seems like you don't like .

It seems like you value .

- It seems like makes it easier.
- It seems like vou're reluctant to .
- Calibrated guestions: 3-5 to reveal value & overcome potential deal killers o For my counterpart:
- What are we trying to accomplish?
- How is that worthwhile?
- What's the core issue here?
- How does that affect things?

- How does this fit into what the objective is?
- To identify behind-the-table deal killers
- How does this affect the rest of your team?
- How on board are the people not on this call?
- What do your colleagues see as their main challenges in this area?
- To identify and diffuse deal-killing issues
- What are we up against here?
- What is the biggest challenge you face?
- What happens if you do nothing?
- What does doing nothing cost you?

How does making this deal resonate with what your *company prides itself on*? • Follow up with labels to their answers to the calibrated questions:

- It seems is important.
- It seems you feel like my company is in a unique
- position to . It seems you are worried that .
- Non-cash offers: list of non-cash items possessed by my counterpart that would be valuable?

• What could they give me that would make me do this for free?

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