

Getting to Yes, Parts I and II

This book is in my top five of well-loved and highly marked books along with titles from Dale Carnegie and Mahan Khalsa. I read Getting to Yes several years ago as part of a course on negotiation. Some of the key concepts really stuck; like win-win, principled negotiation, and compatible interests. I still apply these in both my business and personal lives. Using the term BATNA in casual conversation has brought an occasional and pleasant surprise when met with understanding and agreement.

The story of the orange is one that I have used to explain conflict resolution to my children. Little did they know, they were also getting a lesson in negotiation. I find leadership techniques to be highly effective in parenting. This approach has pros and cons that could be the subject of an entire research paper.

As part of accepting a senior level role I had to attend a corporate leadership seminar. This was a class of my peers as the training was focused on our specific level. On the second day of training, the facilitators gave us an interesting problem to solve. It seemed our supplier of Ostrich eggs was doubling the price due to some catastrophic event. To make matters worse, our production required us to obtain all the available eggs. Constrained by the previous year's budget we had to figure out how to make our product under these new market conditions. The opposing team was in competition for the same eggs and needed the entire supply. Both sides needed all the eggs! I should mention that we were broken into twelve buzz groups, with six teams pitted against each other six teams. This gave us up to six different approaches for discussion in the debrief.

A few team pairs never moved past haggling over their positions. I asked our opposing team what they needed, remembering the story of the orange. We asked the moderator about our business needs. The teams had been somewhat separated to prevent cross-pollination. She quietly told both of our teams that one needed the yolk and that the other needed the shell. Once we realized that we needed different parts of the egg, we started to move away from conflicting positions. Shifting into principled negotiation, we worked through transport, terms, and reached a solid agreement. Both of our teams stayed within their budgets and got what they needed.

Other team pairs were not as fortunate. During the debrief, we discussed a wide range of outcomes, from no-deal to win-lose deals. One outcome that really stood out for me was one team who really took advantage of their opposing team. They negotiated full control of the eggs and charged additional fees for fees and transportation. I suspect using hard negotiation to squash soft negotiation would have likely damaged an actual relationship. They seemed pretty proud of the deal they had struck. In my experience, the party on the losing end of a win-lose deal will often disengage for one reason or another. The bridge had been burned. I took this as a good example of how hard negotiations, when pitted against soft negotiations, can be detrimental to working relationships. I have experienced this in business and witnessed its materially negative impacts. I had selected a vendor and had been working with their technical team for several weeks. It was a good fit. Their salesperson, with knowledge of my time investment and our desire to deploy their solution, flat-out refuse to negotiate on business terms. The result was no-deal and the firing of their salesperson.

A good example of high-stakes positional negotiation can be found at car dealerships. When a customer takes a position, the dealer has multiple ways to apply hard tactics to close the sale. Some folks take a position on sale price, on monthly payment, or trade allowance. The

dealer will determine the customer's top priority in order to meet the requirement. Then they will adjust other factors to ensure maximum profitability for the dealer.

My strategy has always been to focus on the numbers. Several years of negotiating with car salespeople led me to my "close the gap" strategy, which is highly positional. First, I establish a difference between the approximate value of my trade and my expected price for the new vehicle. If my trade is worth \$10,000 and the new vehicle is \$30,000, I focus on the \$20,000 gap. To take finance off the table, I arrive pre-approved by my lender. My BATNA is that I go elsewhere to buy a vehicle. This was a workable approach until dealers started shifting to no-haggle models. Well dang. Years of Academy training wasted. But wait! It turns out you still get to haggle over the price of the extended factory warranty. So, all was not lost.

Shopping for vehicles certainly has changed over the past decade. Dealers seem to have run out of tricks. Or have they? For example, rebates and incentives may or may not be shared with the vehicle buyer. The Internet has proven advantageous for the buyer. Online resources have given power to the consumer, enabling them to seek out the best price. I have given some effort to thinking about how principled negotiation can be applied to the car buying experience. I have moved toward it with statements like, "I understand this is a business and I don't fault your requirement to make a profit." Followed with, "But, you're not going to make your month off of this one sale." The first statement moves toward focusing on interests, while the second takes us right back to positional negotiating. I think intentionally focusing on mutual interests could build trust. Establishing trust and a collaborative rapport could be great improvements to the car negotiating process.

The techniques and the lessons taught in Getting to Yes can be applied in both business and personal life. The material is made relatable and easy to understand through examples. Using active listening and by seeking first to understand, we can encourage more effective negotiations. Focusing on interests over positions allows us to arrive upon mutually beneficial outcomes. One of my favorite parts of principled negotiation is how it gets better, not worse, when the other side learns the approach. Getting to Yes is a reference that is best studied, reviewed, and revisited. I find that multiple readings of the book continue to enhance my understanding while increasing the relatability of the lessons as I gain more experience. Getting to yes, getting to a win-win agreement, is a positive outcome that is beneficial to all parties.