



Best Negotiating Practices®

Bringing Emotional Intelligence into Bargaining

by Sara Rigler

Negotiation consultant Ruth Shlossman was perplexed. The CEO of a Fortune 1000 company had hired her to coach the CFO, Mr. Huxley, for a forthcoming important and complicated negotiation. Ms. Shlossman, the Director of Washington-D.C.-based Watershed Associates, had trained Mr. Huxley in key negotiating skills and strategies. Together they had thoroughly rehearsed possible scenarios. Mr. Huxley was highly intelligent and seemed to have mastered the necessary skills. However, when he actually sat down at the table, he botched the negotiation.

“He has a higher IQ than mine,” recalls Ms. Shlossman, “and the strategies I taught him were not overly complicated. Yet, he failed to implement them successfully. I asked myself, ‘Why?’”

By integrating the development of emotional intelligence into bargaining practices, she found her answer.

Emotional Intelligence (EQ) is a measure of an individual’s ability to be aware of, understand, facilitate, and control his/her own emotions and the emotions of others. Using emotional intelligence as a negotiator means

aligning one’s emotions with one’s thinking and actions to effectively achieve one’s goals.

The science of Emotional Intelligence traces its roots back some three decades, when the U.S. State Department hired Harvard psychology professor David McClelland to solve a vexing problem which was costing the U.S. both money and the good will of other nations. Finding competent diplomats cost the State Department thousands of dollars to place each person. Despite the credentials and education of the diplomats selected, half of them received low evaluations from the governments and citizens of the countries to which they were assigned. The State Department commissioned Prof. McClelland to investigate the cause of these failures. Prof. McClelland discovered that, in addition to intelligence and education, successful diplomats evince the ability to read other people’s emotions—even when they couldn’t understand their language.

Subsequent research by Peter Salovey of Yale and John D. Mayer of the University of New Hampshire was popularized by former New York Times Science Editor Daniel Goleman in his 1995 bestseller, *Emotional Intelligence: Why it can matter more than IQ*.

Ms. Shlossman applied the concepts of Emotional Intelligence to the field of negotiation. She found that without a highly developed EQ, even skilled negotiators will flounder at certain points in the process, plagued by fears of upsetting their counterparts or losing the deal or being bested, etc. In the case of Mr. Huxley, for example, despite his brilliance and business acumen, he was sabotaged by his own emotional limitations.

The negotiating pitfalls into which a person with a low EQ can stumble are legion:

- A successful negotiator always opens with his most desirable outcome (MDO). Yet, Ms. A. pre-negotiates with herself and makes concessions in her mind before introducing her first offer, because of her fear of not being able to manage the reaction of her counterpart.

For example, Ms. A. wants 10 days to finish her report. But, she is afraid that her colleague will get angry if she asks for that much time. So, she tells her colleague she can complete the report in a week. But, her colleague has no idea how flexible she is being. On top of that, if her colleague says she needs it even sooner, she is now forced to become inflexible (no, I really need 7 days) or meet a deadline that will be almost impossible.

- When his counterpart makes hostile statements, Mr. B. reacts with hostility, or makes unwarranted concessions.

For example, if Ms. A. does ask for 10 days to finish the report, and Mr. B

responds by calling Ms. A. incompetent. Instead of probing why he thinks the report can be done sooner, she simply agrees to get it done sooner.

- Ms. C.'s impatience causes her to close the deal prematurely, leaving on the table items that she should have received.

For example, if Ms. C is so anxious to tackle the next deal, that she agrees to the present deal, and doesn't take the time to negotiate an extended warranty. She could cost her organization thousands of dollars more than she brought in by going to the next deal quicker.

Four stages of Emotional Intelligence

- **Identifying Emotions**- accurately assessing own and others' emotions
- **Facilitating Emotions** – generating emotions to solve problems
- **Understanding Emotions** – understanding causes and changes of emotions
- **Managing Emotions** – using emotional awareness to make ideal decisions

**Based on work of Salavoy and Mayer*

As a negotiator moves through the four stages of the negotiating process, she must conjure up vastly different moods for each stage. A successful negotiator needs to possess the emotional ability to flip back and forth between the big picture and the small picture, talking and listening, saying "yes" and saying "no." In addition, successful negotiators deftly create different moods in their counterparts, managing both their own emotions and those of their counter-parts. These are EQ skills.

Often a negotiator's emotional needs and negotiating needs conflict. For example, one's emotional need to be right might collide with one's negotiating need to make a concession. Or, one's emotional need to be liked may conflict with one's negotiating need to get a trade for a concession made. The more a negotiator is aware of his personal collision patterns, the more he can manage them for effective results.

A typical negotiation may have Ms. Jones in marketing negotiating a deadline for a tracking program with Mr. Smith in I.T. Let's say that Mr. Smith is a difficult personality, inflexible, with a tendency to see everything as black or white. To negotiate successfully, Ms. Jones needs to be able to listen through Mr. Smith's objections, to find points of agreement, then to make requests. This strategy will produce a win-win conclusion.

If, however, Ms. Jones has an emotional need not to be challenged, she might lose the deal as soon as Mr. Smith blurts out: "That's impossible! You people in marketing live on Mars! You're always asking for unrealistic things!" Ms. Jones's ability to handle such a reaction will keep Mr. Smith from digging his heels in deeper. When she puts her negotiating need to get the deadline moved before her ego need to not be challenged, she will be able to negotiate the win-win outcome she seeks.

DEVELOPING EQ

The good news, according to Ms. Shlossman, is that, unlike IQ, a person's EQ can be developed through training and practice. For example, Watershed Associates offers an advanced seminar

in "Bargaining with Emotional Intelligence." The seminar includes deceptively simple exercises such as the following one in productive self-talk:

- *Take a minute and focus on everything in the room that has a square shape. (Do it.)*
- *Now, without looking around the room, name everything in the room that has a circular shape.*
- *Can you do it? Probably not, because you were not seeing everything in the room, just the square shapes.*

When you concentrate on the positive, you diminish the significance of the negative.

When you only notice what is difficult about a certain negotiation, you may get so frustrated that you walk away from the table too soon. But, if you are able to put yourself in a positive frame of mind when the going gets rough, you can often push through the contentious points to find a win-win outcome.

Ms. Jones from Marketing in our example above may be convinced of the value of listening through Mr. Smith's objections in order to neutralize his emotional resistance, but how does she do it? Practice in the following methods will help:

Assume that your counter-part says no to an offer in a loud and negative manner. You could argue with him, make another offer, threaten or walk. Or you could ask open-ended questions that clarify, expound, and dig deeper.

For example, "What about the agreement is not satisfactory?" "How

Bargaining with Emotional Intelligence

is the offer different than what you were expecting?” “Where are we most misaligned?”

These questions will keep the negotiation moving forward, versus turning the negotiation into a battle of wills.

Another example is to use silence, which is one of the most powerful tools of negotiating. For example, if someone

says no to your offer. Your silent response will often motivate them to reveal the real objections to the offer you made. This keeps you from wasting time on negotiating around the less important issues and getting the real objections onto the table.

A higher EQ means greater success in the workplace and at home — and at the negotiating table. ■

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