

Departments

Best Practices: Reptile at the Bargaining Table

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Humans still carry a few leftovers from our evolutionary past. One of them sits at the top of our spinal column: the brain of a reptile. It's just like the brain of an alligator or gecko, and it's the source of our most primitive instincts, emotions, and behavior. Over millions of years, the uniquely human brain that would give us music, quantum physics, and crême brulee evolved around—but didn't replace—our reptilian brain.

Most of the time, our modern brain, with its reason, logic, and proportionality, runs the show. But when the lizard brain is aroused, it instantly takes control. And that's when things get ugly.

It's aroused whenever we lose face—when we're embarrassed, humiliated, lied to, insulted, betrayed, cheated, or treated unfairly. Unfortunately, the lizard brain's portfolio of responses to a loss of face is limited to one: revenge. And forget about proportionality. In lizard-think, the tiniest offense can warrant the most appalling retaliation, which makes the other side lose face, lights up their lizard brain, and compels them to retaliate. Things quickly spiral out of control.

So, what does this have to do with win-win negotiating? Everything. The victim of a win-lose negotiation doesn't just lose the transaction, they lose face. A win-lose negotiation instantly transforms both sides: the loser into a revenge-seeking beast, the winner into a target.

Win-win negotiating is the only way to pursue, conclude, and maintain successful agreements. Any serious discussion of win-lose negotiating is ridiculous nonsense, for at least two reasons. First, the other side won't let it happen. They're not stupid, and they're not likely to sit still and play victim for you. Not for long, anyway. Second, even if you somehow managed to do it, you wouldn't get away with it. The other side wouldn't rest until they found a way to get even with you. In the end, everybody would lose.

We're all trying to maximize our results. Win-lose negotiators try to maximize them immediately (in the present transaction) without regard to the consequences. Win-win negotiators try to maximize them over the long run by doing reasonably well in a boatload of transactions with counterparts who feel they did reasonably well, too.

These two approaches yield profoundly different results. Win-win negotiators consistently outperform win-lose negotiators. In the very shortest of runs, win-lose negotiators sometimes appear to outdo win-win negotiators, but only because their results, while attractive, are incomplete. By the time vanquished counterparts finish settling accounts, the sad, lose-lose truth will be clear.

Win-win negotiating puts severe limits on a deal's allowable lopsidedness. The larger the disparity, the more difficult it becomes for the "loser" to view the deal as a success. Eventually, the imbalance becomes so great that they can no longer deny the obvious, face-losing truth: they got whipped.

Giving out concessions

There's only one situation where win-win negotiating isn't required: a one-shot deal. If you'll never be dealing with the other side again, they can't retaliate. In such a case (from a purely economic perspective, anyway), win-win negotiating isn't just unnecessary, it's positively wasteful. Bargain as aggressively as your conscience allows. Car deals? Hose 'em. House deals? Hose 'em. Buying or selling something through a private-party classified ad? Hose 'em.

If you were hoping for more examples, I'm sorry to disappoint you. Only the smallest fraction of our negotiations are one-shot deals. Cars, houses, and the odd classified-ad deal are pretty much it. In the other 99.99% (the everyday deals where real or potential relationships are at stake), win-lose negotiating is out of the question.

How do you do win-win? Give the other side concessions. We feel good when we get concessions. They give us bragging rights. They're unmistakable proof of a successful hunt. We drag them back to our corporate den and celebrate them with the negotiating equivalent of an end-zone dance: "Oh, yeah! Look what we got! We hammered 'em! Check it out!"

Getting concessions is also one of the best ways to relieve the pain of making concessions. They let us tell ourselves that we didn't just give, we traded. "Sure," we can say, "I gave a little, but look at what I got in return."

How do we give concessions without giving away the ranch in the process? By doing the two most



Negotiating guru Jim Thomas explains how our reptile brain affects negotiations and describes the benefits of win-win negotiating.

important things negotiators do. First, getting something in return (trading our concessions, not just giving them away). Second, doing the old negotiating two-step: opening with an assertive offer, and then, as the talks progress, deliberately dropping back to our real target.

Start high, drop back

That little maneuver (start assertively high, then drop back) is a central feature of win-win negotiating. But what an inefficient way to come to terms—why start high only to drop back to a “fairer” position? Why not just tell it like it is with a firm, fair initial offer and skip all the rest? Because the other side needs to save face.

From your viewpoint, a firm, fair, reasonable initial offer, seeking only what you truly need with no fluff added, is a logical and honest thing to propose. From your counterpart’s viewpoint, your offer doesn’t look firm, fair, and reasonable at all. Instead, it looks inflexible, self-righteous, and pigheaded. The other side neither knows nor cares that you pared your offer to the bone before you made it. They know only that nothing they say or do is having even the slightest influence on what they thought was an offer but with each passing second looks more like . . . an ultimatum!

Whoda thunk it? That fair, prudent, uninflated offer you made is an ultimatum? Yep, and I have more bad news. Thanks to your “firm, fair” gambit, your discussions now have only two possible outcomes, and they both stink: unconditional acceptance of your offer (and loss of face) by the other side, or deadlock. So much for telling it like it is.

If that start-high-drop-back routine feels a bit theatrical, it’s no accident. Theater permeates negotiation. Bargaining is like a ritualized kabuki play in which the negotiators are both actors and audience. It would all be so much easier if we could just state our needs without embellishment and be answered with dispassionate logic. The elaborate pas-de-deux of negotiating is a frustratingly inefficient, roundabout, sometimes tortuous process.

But it’s what humans do. It’s us. We do it because it fulfills some deep human needs to make a difference, to have control, to be competent, to do well. Like it or not, we’re wired for the melodrama of negotiation.

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