15 Tools, in Brief

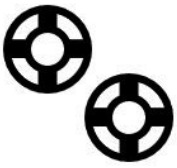
How it helps-
What it's called

Break through impasse-
Three Little Words

Get really ready-
I FORESAW IT

Bring a 1-pager-
Topics, Targets, and Tradeoffs Grid

Manage emotions-
Roleplay



Find powerful helpers-
Who I FORESAW

Find a dream counterpart-
Targeted Negotiation

Help meetings work-
Golden Minute

Talk good-
Reframe

Do Good for Them, Great for You-
Win Warmly Recipe Card

Deescalate-
***Exactly!* Challenge**

Unify your group-
Common Interests Hack

Be a boss whisperer-
APSO

Change a mind-
If We Agree/If We Disagree

No other offers? Find wisdom-
Notional BATNA

Test an offer-
Measures of Success Dashboard

Introduction

Imagine you're at work one day when you get a call that could decide your company's fate—and yours. It's Brenda, an executive from the healthcare center that's your firm's biggest client. Your team is hard at work designing a computerized welcome screen that the client's patients will use when they first arrive. Brenda asks you, "How close are you to finishing?"

"Everything's fine," you tell her. "We're on track to have it ready for you, as we promised, in sixty days."

There's a pause. "Yes," she says, "that's why I'm calling. We need it in thirty days." You almost drop the phone.

"Brenda," you tell her, "I *really* don't think that's possible."

She is not pleased. "Well," she asks, "would you please check with your team?"

"Of course," you say, and you excuse yourself to talk with your designers, who immediately laugh you out of the room. You report the bad news to Brenda. The call ends, and you return to your work, only to get a message ten minutes later from your boss, Dave: "Get in here now." You race over.

Dave is on a speaker call with Brenda's boss, Betty. Betty is very unhappy. If the firm doesn't deliver the welcome screen in thirty days, she says, it will lose them as a client. Dave looks stunned, like a rabbit in front of an oncoming truck. Wisely, you push the mute button and whisper, "Tell her you'll call her back." He does.

"OK," Betty says, "but I need to hear back from you in twenty minutes because I'm going into a meeting with my bosses." She hangs up.

"Get. Everyone. In. Here. Now," says Dave, and you quickly summon all the designers. But as soon as Dave states the challenge, all hell breaks loose. Every designer shouts it's impossible to deliver the welcome screen in thirty days. Dave pushes back, saying, "Look, these people can turn our lights off. We have *got* to deliver it in thirty days." The conversation spirals down a hole:

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"Can't!" "Must!" *"Can't!"* "MUST!" What would you do at a moment like this?

Shanice, a student of mine, faced this crisis; she was the manager who received Brenda's call. And what Shanice did in the next few moments was not normal: she deployed her negotiation training. But because she did, something strange happened. By the time the boss called back, Shanice had helped him and the team discover a response—a counteroffer, really—that thrilled Betty. Hours later, Betty called back to sing the firm's praises, promising more work, and Shanice was a hero.

How do you turn around a near-death business experience like that? How do you save the day, negotiating when you feel powerless and you're pressed and distressed? And more generally, how do you advocate for yourself, your family, your team, your charity, or your company when you feel as weak as Bambi, and the other side seems as powerful and determined as Godzilla? That's what this book is about.

The Challenges You Face

It's hard to negotiate. I know; I've worked with thousands of students and clients around the globe, and when we first meet, they often tell me so. They find negotiation difficult whether they're UN diplomats or small business owners, senior executives or junior managers, lawyers or clients, graduate students or kindergarteners. In fact, the word "negotiate" comes from two Latin words, *neg ōtium*, that literally mean "not leisure." Which means that for at least two thousand years, people have struggled with negotiation. And they've struggled especially when they've faced serious adversity, like Shanice faced, even though it's at just such moments that we need to be at the peak of our powers. If there's one question negotiation instructors like me get more than any other, it's this: "Yes, but what if you're negotiating in a tough situation?"

Specifically, what if

You face a "Godzilla" counterpart—a powerful or intimidating person who makes you feel so weak on the eve of talks that it feels like you will have no ability to respond if they start by saying no, or "you must"?

You feel so stressed that you forget what you planned to say and struggle to keep your mind in the game as the talks unfold?

You're under time pressure and don't know how best to use the limited time you do have?

You face a damned if you do/damned if you don't dilemma as you try to convince a boss to change course?

You feel you have no choice but to say yes?

You feel pressure to agree, but you can't tell if yes is wise?

You face stress from anxious colleagues and counterparts because of recession, inflation, or another economic crisis, and don't know how negotiation can help you turn things around?

You want to be decent and humane *and* solve your problem, but the adversity you face seems to make it impossible to do that?

There are hundreds of books about the art of negotiating. Many are excellent, offering time-tested principles for reaching wise and satisfying outcomes. These include, for example, intentionally preparing, knowing and developing your best alternative to a negotiated agreement, setting a range, getting creative, and cushioning your first offer. As my students and I have found, and as research shows, these principles can help you (and your counterparts), often in remarkable ways. But they don't offer some important things you need to actually negotiate well under pressure.

First, they leave out some vital insights—like what to do with your emotions, or what to do when you seem to have no choices, or how to know when to say yes and when to say no. And second, most books assume that once you've encountered principles, you've learned them and you're ready. But real life is more demanding than that.

Alas, while knowing about principles helps, what matters most is being able

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to deploy them in real-life situations. That's especially true in times of stress, adversity, or powerlessness—the times we most need these principles, and the times they're hardest to recall and apply. Our minds go blank; we feel overwhelmed and confused.

That feeling is normal: pilots, nurses, military commanders, surgeons, athletes, and others who perform in high-pressure situations all struggle to cope with stress and adversity. And yet, they've all found something that helps them overcome these challenges and perform well, even when it seems impossible.

The secret is tools: acronyms, checklists, mnemonics, sayings, recipes, roleplays, cue cards, and the like, each of which by design helps them cope and succeed. For example, astronauts and pilots use checklists (as pilot Sully Sullenberger did to help pull off the miracle landing on the Hudson River). Military leaders in the heat of battle use acronyms like ADDRAC (Alert! Direction! Description! Range! Assignments! Control!). And Olympic athletes use visualization, a kind of roleplay, just before they perform. Like them, you as a negotiator need tools—well-customized instruments that work unusually well, even when you feel flooded, or you're the least influential person at the table—that enable you to *deploy* key insights in high-stress moments.

But tools aren't just coping devices, they're also valuable learning aids, as teachers know. That's why teachers break up learning into chunks and give scaffolds for each chunk: steps, templates, charts, rubrics, cues, maps, and so on. Each makes learning digestible, memorable, and portable. Each makes it easier to practice and master core skills.[1] Negotiators need scaffolds too.

How the Tools in This Book Can Help You

Having a strong tool kit helps you learn the great principles of negotiation and actually apply them. It can help especially when you're short on time, lacking in confidence, and under stress. For example, these tools can help you

- manage emotions that often defeat negotiators, and cope as Olympic athletes do

remember and apply key insights when stress makes your brain blur, as astronauts and football coaches do
find nonobvious, satisfying solutions to big problems under pressure, as top Silicon Valley designers do
know what to say to a boss in a crisis, as nurses and copilots have learned
quickly get everyone collaborating when they seem hostile and alienated, as seasoned mediators do
discover ways to overcome power imbalances.

As professionals in many fields have learned, good tools are like apps that equip you the moment you need them. They're a way to cope with adversity. They ease your cognitive and emotional load so you can think and act more effectively in real time. They distill a wealth of wisdom and experience into a ready-to-use packet.

15 Tools to Turn the Tide will equip you for these challenging real-life situations. It includes a host of unique, ready-to-deploy methods that, by design, help you to not only gain key principles but also to use them. They help you get ready, perform, assess, and even lead when you face difficult conversations, challenging conflicts, and tough negotiations. While many negotiation books offer you tools, what they usually mean are principles. Here, you'll find portable, memorable instruments that help you turn principles into wise action.

I've written this book to serve you whether or not you have formal negotiation training. Like thousands of my students and my junior clients, novice negotiators will find the tools are an excellent scaffold for learning. Like my senior clients, experienced negotiators will find that the tools refresh and enrich what you once knew, and add a lot. And whatever level you're at, you'll find the tools help you negotiate well when it counts.

We start the book with tools you can use to prepare, then explore ones that help you handle the talks, and then ones that help you decide whether to accept an offer. The tools here have helped thousands of people deal well with adversity and stress, whether they're novice or veteran negotiators. As we'll see, even children can use—and have used—these instruments to reach excellent results.

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You can use the tools alone or in combination as your needs require. While most are easy to remember, you don't have to; simple templates I'll give you can prompt you, supporting you and reminding you as you go.

Especially written for you if you *don't* love to negotiate, *15 Tools to Turn the Tide* reassures you that you can often do remarkable things. One reason: while we often think negotiation means sharp, aggressive bargaining, experienced negotiators know you can achieve more for yourself and others with integrity and wisdom, creating agreements that make the other side happy and your side *very* happy. In the process, the tools help you shift your dealings with others from the freaked-out premise of scarcity to a reasonable premise of abundance; from knee-jerk competition to wise value creation and claiming; from a "shoot first, aim later" approach to problems to a purposeful one that moves with deliberate speed; from inhumane to humane dealings. From being ineffectively defensive to wisely being strong and kind. The key is to have the equipment for that journey.

Drawing on my decades of experience and research, I've designed most of the tools myself. Each bakes in one or more critical negotiation insight. Since many of these insights focus on being hard on the problem but soft on the person, they can help you deal with big problems with humanity in ways that often enrich the relationship—and do very well for yourself. Many capture the great negotiation principles; several add important new ones. And because each gives you power, often in surprising ways, each is particularly useful when you face adversity, which is key.

The Tools in Action

To make the tools come alive, I'll illustrate them with stories of negotiators who survived "near-death" negotiation experiences and triumphed. For example, you'll learn the story of a young executive who saved a ruined merger, preserved his and his boss's careers, and created millions of dollars in value when everyone thought it impossible. A homeless singer-songwriter who turned down a $1 million contract from a record company, avoiding traps in

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the offer and negotiating a far better deal that allowed her to soar—unlike so many other recording artists, who wind up bankrupt. An alternative energy company that overcame rising supply prices and negotiated unique deals suppliers loved that saved it $100 million in a single year. And a fundraiser who convinced her initially reluctant corporate donor to enthusiastically increase its donation fivefold—in a recession.

Many other stories are not about money at all but about something at least as important. You'll meet the dentist who negotiated the release of his despairing fellow passengers after their plane had been waiting on the tarmac in a hurricane for six hours. The eleven-year-old boy who finally convinced his reluctant father to get their family a cat. The young man whose fiancée's bereaved father excluded him from everything having to do with his late daughter—the circumstances of her death, her personal effects, her memorial service—until the young man used tools to help turn the father's hostility into inclusion and friendship. And the all-but-fired U.S. general in World War II who persuaded his highly resistant commanding officer to let him land on Utah Beach in the D-Day invasion, perhaps saving that part of the invasion and resulting in his being awarded the Congressional Medal of Honor. (To protect privacy, I've changed names and other identifying facts of nonpublic figures, always erring on the side of understating how well the stories went.)*

Nothing always works. As enthusiastic as I am about what I want to share with you, I will trust you to understand that even the best equipment won't always save the day. But knowing how to deploy good tools definitely can improve the odds.

So, how *did* Shanice save the day? She listened and asked pivotal questions

* Except when I explicitly note that I'm sharing a hypothetical narrative, each story is based on a true case and retains the essential challenge, circumstances, principles, arc, and results. The protagonist intentionally used the ideas I'm illustrating in each case. In a couple of instances, I've combined such stories into a composite to illustrate an insight more succinctly. Where numbers are involved and might help identify someone, I've typically chosen more conservative ones. I'll also share studies throughout the book to add depth and empirical breadth. One thing about studies: as you may know, the sciences (natural and social alike) have been struggling lately with a reproducibility crisis; a third to half don't bear scrutiny. Ugh. So, while I'll draw on studies, take them with a grain of salt. But be encouraged: the ones I'll share reflect insights I've seen evidence for in my own and other practitioners' work.

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when everyone else was arguing, drawing out insights and information when everyone else could only use their reptile brains, and so summoned from the group an idea that no one would have otherwise imagined. That's great, but seriously, how are you supposed to do something like that? Is there anything that can make it easier, especially when you're under pressure? As we'll see, the answer is yes: you can do everything Shanice did and more by deploying the very first tool we'll explore in Chapter 1, something called Three Little Words. Those three words capture the insights she used and prompt you when you need them so you can save the day too. It's the first of many tools we'll explore to help you know what to do—and then do it.

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PART I

Get Ready

There is no such thing as bad weather, only bad clothing.
—Scandinavian proverb

Break through impasse:
Three Little Words

Get really ready:
I FORESAW IT

Bring a 1-pager:
Topics, Targets, and Tradeoffs Grid

Manage emotions:
Roleplay

Find powerful helpers:
Who I FORESAW

Find a dream counterpart:
Targeted Negotiation

Heavyweight prizefighter Mike Tyson famously said, "Everyone has a plan until they get punched in the mouth."[1] But consider his title bout with Buster Douglas.

Douglas, a journeyman heavyweight, was an extreme underdog when Tyson fought him in Tokyo on February 11, 1990: oddsmakers had pegged him at 42 to 1. The press gave him no chance. To make matters worse, his wife had left him, and his mother died days before the bout. Tyson, the reigning heavyweight champion, was a lethal fighter who had routinely knocked out oppo-

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nents in the early rounds. He approached the Douglas bout as another easy payday and hadn't bothered to train much for it.

But unbeknownst to Tyson, Douglas took a different approach. Studying his opponent, he noticed Tyson had so dominated adversaries that he hadn't needed stamina for later rounds, and that previous opponents had allowed Tyson to attack from the start. To capitalize on those insights, Douglas worked out a plan to use superior quickness to attack early, evade whenever Tyson attacked, clinch whenever he got in trouble, and make Tyson move. The idea was to tire him out for the first several rounds, then go on full attack. To everyone's surprise, it was apparent from the start of the fight that Douglas was not afraid. More shocking still: the bout unfolded almost exactly the way Douglas had planned. To Tyson's and the world's astonishment, Douglas knocked Tyson out in the tenth round to become the new heavyweight champion.

It was Tyson's first loss, and it made his famous line ironic. Tyson had dismissed planning and lost; Douglas harnessed it and won, against staggering odds. As Tyson himself put it later, "I learned a valuable lesson: you always need to prepare."[2]

The same holds true for negotiating. So, in Part I of the book you'll find tools that help you do the kind of preparation that can dramatically improve your odds for success.

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CHAPTER 1

Use Three Little Words to Find Hope

THE TOOL: THREE LITTLE WORDS

Use this tool when . . .

- you face a painful impasse
- you face a serious conflict
- you have too much responsibility and not enough authority
- your firm or industry faces strong price pressure
- you face a resistant prospective customer
- you face a resistant donor.

Use this tool to . . .

- break through impasse
- resolve a serious conflict
- influence even when you lack authority
- turn a commodity business around
- make a sale
- raise money for charity.

My purpose in this chapter is to prove a claim that, on its face, seems outrageous: whether you are a manager faced with an existential business crisis, a head of state trying to end a war, or an eleven-year-old boy longing to get a cat, you can overcome seemingly impossible odds, and often quickly, with the help of Three Little Words: Interests, Facts, Options.

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What If You Have Twenty Minutes to Save Your Firm?

Remember Shanice, the manager we met in the introduction whose firm faced an impossible deadline from their biggest client? How exactly did she save the day? As soon as she saw the design team and the boss were getting nowhere arguing about it, Shanice asked a seemingly dumb question:

"Wait," she said, "*why* can't we deliver the welcome screen in thirty days? What are we concerned about?" The team immediately overwhelmed her with a long list of software issues. "OK, OK," said Shanice. "Why do you suppose the client needs the welcome screen in thirty days? What are they concerned about?"

An odd silence filled the room. No one knew. So, Shanice asked follow-up questions to suss out the Facts. Doing that revealed a strong hypothesis: the client probably needed the welcome screen to launch its new pilot health care center in thirty days. Then Shanice asked about Options: "Well, is there any way we can help them launch in thirty days, even if the software isn't ready then?" Suddenly the team shifted from arguing to brainstorming. Moments later, Shanice called time. "That's twenty minutes. We've got to make the call now," she said.

With Shanice standing by, Dave called Betty back. "Betty," said Dave, "we think we have something for you, but before we share it, we wanted to check: *Why* do you need the welcome screen in thirty days?" They'd guessed correctly: the client needed to launch the pilot health care center then, and the welcome screen was critical.

"Well," said Dave, with Shanice prompting him, "Betty, if you need the finished welcome screen in thirty days, I must tell you that *no* reputable design firm could get it to you that quickly; some of the key features will take two months to complete. But if your goal is to launch the pilot health care center in thirty days, we can help." He then listed several ideas they'd come up with, including this: "The missing features can be done manually in a back office, and we have staff here we could lend you who can perform those tasks during the launch, and then step down when the welcome screen is fully functional. Would that help?"

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"You would do that for us?" said Betty. Suddenly, Betty was thrilled. She had a potential solution to offer her own bosses. The call ended happily.

Hours later, Betty called back to say they'd try to manage without help for now but might use the support later. And then Betty added this: "Regardless, you are going to get a lot more business from us because you guys are rock stars."

How did *that* happen? When Shanice got that initial call, she had seen her job flashing in front of her eyes. But somehow, she had managed to turn the crisis around so that by the end, the client was *more* excited to work with Shanice's firm, and Shanice was a hero. How?

Three Little Words: Interests, Facts, Options

By in effect asking her team to think the way a creative negotiator does, Shanice turned a potential crisis into a triumph. The client was delighted with the solution Shanice's questions had revealed, and the relationship between the firms *improved* because of the conflict. There's a word for what Shanice offered: service. Even when she couldn't give the client what it thought it wanted, she found a way to serve its Interests.

I love Shanice's story because it illustrates that even when it seems improbable, you can discover hidden harmony and hope with negotiation principles. But there's also a reason I *don't* love Shanice's story: it's hard to remember principles like that in an emergency. We need help, a mental app, if you will, that can guide us in the moment. We need a tool.

So, let's take a closer look.

Three Little Words

Interests. One of the most powerful ideas I've found for fostering peace and prosperity is a practice called interest-based bargaining, which was pioneered in the 1920s by management scholar Mary Parker Follett and popularized decades later by the excellent book *Getting to Yes*. If you're already familiar with it, rest

assured there is much more insight to gain in this chapter and throughout the book. For example, later you'll discover several nonobvious ways to apply the idea to help you lead, sell, find new business opportunities, and even raise money for charity. If you're not familiar with it, I'm delighted to introduce it to you.

The heart of the idea is simple, yet not obvious: focus on Interests, not positions.

A position is a demand: "Deliver in thirty days!" Or "higher salary!" An Interest is the *why* behind that demand. It's the deeper concern: the underlying need, the motivation. Thinking about Interests can often change the game for the better, shifting the conversation from impasse toward mutual satisfaction.

Shanice shifted her group's futile argument over positions into a conversation about Interests. That shift became the foundation for her transforming work. Similarly, while a job candidate may think the only thing that matters to them is a higher salary, asking "Why do I want it?" can reveal a valuable insight, such as this: "I need to provide more for my family."

Focusing on Interests allows you to look beyond demands and envision creative solutions. Instead of just pushing for a higher salary, the candidate might be happy to get better benefits, an accelerated raise, a guaranteed bonus, stock options, tuition reimbursement, moving expenses, day care, and so on. Knowing your own Interests can help you ask for good things that are easier for the other to give you. And knowing the *other's* Interests can help you offer Options that serve the other well. So, the first step in deploying the Three Little Words is simply to jot down what Interests you each have. Usually that means listing some deeper needs. You don't have to delve into the utterly profound; just a few material and perhaps emotional needs is fine. For example, our job candidate might list "provide more for my family, opportunities for advancement, fairness, and satisfying assignments."[1]

Facts. Before you talk to the other person—learn, learn, learn. Excellent negotiators are invariably excellent researchers. They work the Internet. They call friends. They run the numbers. They live, in short, by the four-hundred-year-old wisdom of Sir Francis Bacon: "Knowledge is power."

To the point: top sports agents like Bob Woolf and Scott Boras earned their reputations as excellent negotiators in part by becoming outstanding learners.

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Woolf kept files of every NBA player's salary and benefits, including unpublished information he learned from fellow agents, which sometimes enabled him to know more about a team's payroll than they knew themselves.[2] Boras hired economists and statisticians to help him craft evidence-based $100 million offers for his baseball clients.[3] Learning Facts saves you from many negotiation traps, enables you to understand your counterparts, and reveals benchmarks you can use to set your targets. It also builds your confidence and helps you discover Interests and Options you might have missed.

Shanice, of course, didn't have time to do in-depth research. But she did the next best thing: she asked follow-up questions so that her team could at least make educated guesses about the Facts of the client's situation, the technology, the team's capabilities, and so on.

Similarly, a job candidate or an HR executive is typically more relaxed, confident, and open when she learns several things before a job negotiation. She might, for example, find the going rates for similarly qualified candidates in similar places and what demand is for the people with those qualifications. She might also learn what creative deals other firms are offering, and what the candidate's (or the firm's) budget looks like. The key is to err on the side of learning too much.

One reason you rarely see truly excellent negotiating on TV or in movies is that much of what really matters is not very exciting. Hollywood screenwriters always want to up the stakes: increasing the risk, the danger, the action, and the time pressure, which is precisely the opposite of what excellent negotiators do.[4] Skilled negotiating is boring to watch. Contrary to popular belief, the idea isn't to think quickly on your feet, talk fast, bluster, and bluff your way to glory. Negotiation can create feelings of anxiety and fear in part because we think we have to carry on like hyperaggressive talkers to be effective. While some negotiators succeed that way, for most of us, the strategy backfires and creates needless stress. So, don't worry if you don't feel nearly as tough or adept at negotiating as people on TV seem to be, or if doing research seems disconnected from what "real" negotiators do. Great negotiators do their homework.

Beyond the obvious ways to do Factual research, there are several, less common ways worth considering:

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Phone for power. Calling an expert can produce a wealth of insight. A traveler can learn valuable things from a travel agent, a house hunter from a broker; just make sure you're discreet and appropriate. Likewise, reaching out to friends and contacts for guidance and referrals can give you valuable information and, as we'll explore more fully later, allies who can help in several other ways too.

Information interview. Chat with appropriate people you know and those they refer you to and ask them for information and additional referrals and so on, a method journalists and agents swear by. Learn about Facts, personalities, feelings, relationships, norms, "how we do things around here," needs, and more. Just be thoughtful and discreet.

Play with spreadsheets. Playing out how different offers could affect your budget, your cash flow, and the like can reveal crucial negotiation insights.

Research like your counterpart. One of my favorite practices is to search the Web as if I were my counterpart. For example, if I'm a supplier weighing an offer from a purchasing agent, I'd do well to check, among other things, a top purchasing agent website called Procurious.com. It includes blog posts about purchasing agents' worries, constraints, and preferred Options, along with tips, news, discussion boards, reports on the latest trends, and more.

Look at financials. Another valuable way to understand the other side is to review its financials, or have a financially skilled teammate do it. And of course, checking your own financials is vital too. To the point: any time you can review a budget, you're implicitly learning about Interests: "Hmm, we have pretty high housing expenses. Covering them is one reason I need more compensation—an Interest. I wonder if that suggests any Options. Does the employer offer a home buyer's program?"

Talk to a lawyer. Experienced attorneys can be wellsprings of knowledge about what is reasonable in the market and, of course, what the law is.

Read your counterpart's public information. Often a firm reveals a lot about itself online, such as its mission, vision, organizational structure, and competitors, and, in its SEC filings, blogs, and handbooks, surprising details about its policies and concerns.

Read journals. Industry magazines can reveal surprisingly helpful information about trends, rates, and likely Interests your counterpart has.

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Find other hidden gems on the Web. Industry surveys can be revealing, and bloggers have valuable stories and data. Also, some sites aggregate critical research, saving you time. And online groups may have members who can share practical wisdom.

These research methods (and others) are catnip to a seasoned negotiator.

When we explore our next tool, ⛬ [Chapter 2], we'll look more fully at some research questions that are so valuable they deserve special attention and separate treatment. Suffice to say for now that gathering the Facts is a core component of any good negotiator's toolkit.

Options. Now that you know the Interests and Facts, you can generate possible creative deal terms to satisfy the Interests. An Option is anything you could offer or ask for that might partially serve at least one person's needs. It can be a small part of a rich, complicated package—or the one solution by itself. Each should be an idea you and the other negotiator might accept. In Shanice's case, her effort to learn the Interests and Facts led the group to develop several Options. One of them—for Shanice's group to manually operate the welcome screen—so served the client's Interests that Betty was immediately pleased. The first Option we think of doesn't work most of the time. That's precisely why experienced negotiators don't quit with one or two Options.

In a milestone study titled "The Behaviour of Successful Negotiators,"[5] Neil Rackham and John Carlisle compared forty-eight widely acknowledged excellent negotiators with forty-eight mediocre ones. What distinguished the excellent from the so-so? One striking finding: excellent negotiators, on average, developed many more Options, typically five *per topic*.[6] Well, I don't want you to be an excellent negotiator, I want you to be outstanding, so I recommend brainstorming six or more per topic. Brainstorming many Options improves the odds you'll find at least a few that work well. In fact, generating *lots* of Options is a hallmark of leading design firms like Silicon Valley's renowned IDEO, founded by David Kelley, a collaborator of Steve Jobs. IDEO designers don't develop five but dozens or even hundreds of ideas, then cherry-pick the best.

One easy way to generate Options is to simply look at your list of Interests, pick one, and ask, "What creative ideas would satisfy this Interest?" Then pick another. Or pick two, one for each negotiator, and ask, "What Options would

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satisfy both Interests?" Another way is to require that at least one idea must be silly, strange, or weird, simply because giving yourself license to go crazy can often reveal good, unusual ideas. For example, Shanice might have thought, What if we invite Betty to kidnap our design team? That might have led to an idea that proved brilliant: sending Betty a couple of temporary volunteers.

I've found that in five minutes, one person can readily generate a few Options, a pair can produce six or more, and a class can come up with two to three dozen. So, you can often come up with more and better Options if you can brainstorm with one or more teammate(s).

There's no need to worry about getting precisely six Options per topic when you're brainstorming; just jot down lots of ideas and then see if you can group them into logical categories. Then, when you spot one set that has only a couple of ideas, you can add more to it.

Help in the Face of Different Business Challenges

As we'll see, the Three Little Words can help you overcome many different business challenges. Here, consider one most entrepreneurs dread: dealing with landlords. That was the problem my future student Frank faced when he was operating a deli in a strip mall in northern New Jersey, hoping to make enough to earn the tuition to business school. Alas, he made little profit at first. A key reason: a terrible lease. It charged Frank a high rent and barred him from putting up a big sign or serving hot food. The saving grace was a clause promising the landlord wouldn't rent space to competing delis. Then one day, Frank noticed a new deli opening at the far end of the mall. Furious, he went to his lawyer and asked him to sue the landlord. The lawyer listened and agreed the landlord probably had breached the lease. But then the lawyer did something odd. Rather than recommending litigation, he asked Frank to tell him more about his needs and his situation. Then he asked Frank to give him a couple of weeks to see what he could do. A couple of weeks later, Frank's lawyer called saying, "How would you feel if I could get you permission to put up a big sign, permission to serve hot food, and a thirty-three percent cut in

your rent if you'd agree to let the other deli into the mall?" Frank was stunned. "You could get that for me?!" The lawyer said, "Yes, the landlord's willing. And you'll probably get more business having a competitor nearby." Frank happily agreed, and found the deal helped him make so much money he got to business school a year earlier than he'd expected. What changed? In effect, the lawyer had used the Three Little Words, shifting the focus beyond winning to satisfying Frank's Interests, mastering the Facts, and developing creative Options both sides could accept.*

Strong and Kind: Why the Three Little Words Are So Powerful

One of the most compelling reasons to use the Three Little Words is that they help you be something that often seems impossible: strong *and* kind. How? By letting you be hard on the problem, soft on the person. They let you say, in effect, "I must fight for my concerns, but I'm happy to do it in a way that serves you well too." That means you can enhance the relationship, even as you care for your needs.

Years ago, one rainy Thanksgiving eve, I found myself in Queens, trying to catch a taxi to take me into Manhattan. Finally, a cab pulled over. I got in and told the driver my destination, only to hear him say, "No, I'm not going there."

I was stunned and angry. "What do you mean?" I said. "You have to!" (It's illegal for an on-duty New York taxi to refuse a fare.)

But he was adamant. So was I. So, we each sat there. He refused to move. I refused to get out. Time passed. What to do? Then I asked him, "Can you tell me please why you won't take me to Manhattan?" (Interest.) He replied, "Because I'm just about to go off duty and head home for the holiday away from Manhattan, and I don't want to spend the next two hours fighting traffic back and forth." Long silence. I started to look through the window to gauge the sit-

* His story was so compelling that Harvard's Program on Negotiation chair Robert Mnookin later featured it as the iconic opening narrative in his book for lawyers, *Beyond Winning: Negotiating to Create Value in Deals and Disputes*.

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uation: the weather, the availability of other cabs, demand for cabs, proximity to the subway, and so on. (Facts.) Suddenly, I saw another available cab two blocks away—too far for me to run to in the rain, but waiting for a fare. That gave me an idea. (Option.)

"Look," I said, "if you'll drive me to that other cab and he says he'll take me, I'll get out." The cabdriver brightened. "You got it," he said. We reached the cab, confirmed he was willing to take me to Manhattan, and I gladly got out. "Hey, man," the first cabbie said, "thanks. Sorry I couldn't take you." I said, "No problem at all. Happy Thanksgiving." Deploying the Three Little Words changed me from being angry, ineffective, and silly to being strong and kind—and helped us both feel satisfied and grateful.

Three Little Words Lead to Nobel Peace Prizes: How the Tool Reveals "Impossible" Agreement

The Three Little Words can help resolve conflicts that might seem, on their surface, intractable.

In 1994, Israel and Jordan found themselves at an impasse over a long-sought treaty to end their hostilities. A core problem was that both sides demanded control of precious water rights to Lake Tiberias. For years the two countries had treated talks about the water as a zero-sum game, fighting over the water and often wasting it. But then negotiators began to think about the water differently. They realized Jordan needed a way to store water for periods of drought, and find more, while Israel needed to protect its long-term water security (Interests). Drawing on extensive scientific and technical knowledge (Facts), they found a novel solution (Option). The idea was to let Jordan store a substantial amount of water in the lake during the winter—that is, agree not to draw on it then but in the dry summer—and get additional water by using Israel's desalination technology. In return, Israel got year-round access to a goodly amount of lake water. That solution pleased both sides and led to the Israel-Jordan Treaty of 1994.[7]

Similarly, two of the Three Little Words helped Israel, Egypt, and the United

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States resolve a critical dispute over control of the Sinai Peninsula. Early in the Camp David peace talks with U.S. president Jimmy Carter, both Israel and Egypt insisted on sole control, a seemingly unsolvable impasse that nearly ended the talks at the start. Then someone asked each nation's leader *why* they wanted the Sinai. Egypt's Anwar Sādāt explained Egypt wanted sovereignty; Israel's Menachem Begin said Israel needed security. What did they mean by this? Sādāt meant Egypt wanted the maps of the world to recognize the Sinai as belonging to Egypt, the Egyptian flag to fly there, and Egyptian civilians to settle there. Military presence wasn't essential. Begin meant Israel wanted no surprise attack and a buffer zone with no military. All of which revealed a set of Options: What if Egypt got the maps, the flag, and the civilians as it wished for the Sinai, but both sides agreed there'd be no military in most of the territory, creating a buffer zone protecting Israel (along with real-time U.S. satellite images to help Israel track any Egyptian troop movements)? Both leaders said yes. That breakthrough removed one of the key stumbling blocks that helped both countries enter the Camp David Accords in 1978.[8] The accords, though controversial, ended long-standing hostilities between the two nations, producing peace between them that's lasted for decades. For their efforts, each nation's leader—Begin, Sādāt, and Carter—won the Nobel Peace Prize.[9]

The Limits of the Three Little Words

The Three Little Words have their limits. First, you can't resolve every conflict using an Interest-based approach. For example, it often doesn't work when conflicts are mainly about tribalism, ethnic rivalry, or so-called wicked problems, which by definition have such a tangle of causes that they're all but impossible to solve.

Second, there will be times when you find your problem demands more insight, more savvy, more perspective, more power, and more care than even the Three Little Words can give you. Fortunately, the second tool, ✈ [Chapter 2] I FORESAW IT, can help.

Third, the Three Little Words don't tell you how to *divide* the pie. That's important: negotiators who naively focus on being creative, with no thought

about how they'll deal with the competitive side, can get hurt. But rest easy: other tools we'll explore will give you that support—most important, much of the Topics, Targets, and Tradeoffs (TTT) grid, [Chapter 4] and the Winning Warmly Recipe Card, [Chapter 7], among others. Indeed, if, like me, you've felt uneasy negotiating for more of the pie, you'll find those tools handy and valuable since claiming wealth can often be a vital form of justice and a vital way to care for those you serve.

All that said, we can achieve remarkable harmony, even between longtime adversaries, using the Three Little Words. I've witnessed this goodness hundreds of times in my students' work. I've seen the Three Little Words help my clients thrive. And I've also seen those words work in my own service as a trained mediator, where I've used them to broker agreement between many people who at first could barely stand to be in the same room with each other.

But if the Three Little Words are as simple as they are powerful, can they work even for a child?

So Simple an Eleven-Year-Old Can Do It

Jamal, eleven, had been trying for months to get his dad to buy him a cat. Jamal had used all the bread-and-butter persuasion gambits eleven-year-old boys usually rely on: nagging, pleading, pouting, complaining. But, his efforts had only succeeded in making him and his dad frustrated with each other. Then one day, Jamal found himself with his babysitter, Yiling, who happened to be a graduate student of mine. Jamal shared his frustrations with Yiling, who offered to teach Jamal the Three Little Words.

After Yiling left, Jamal readied for a conversation with his dad by putting the Three Little Words to use. Then he went to his dad and asked him if they could have lunch together. "O-K," said his puzzled father. Over lunch, Jamal said, "Dad, I wonder if we can have a conversation about getting a cat." His father sighed. "Jamal! We've been over this! Look, *I* want a cat too. But you know we can't get one. Your sister's allergic, I can't spend time cleaning up all the cat hair, and you're eleven—how do I know you'll take good care of it? It's out of the question."

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But then Jamal said something that shocked his father: "Dad, you're right: those are good things to be concerned about. So, I did some research, and I found out there's a kind of cat that most kids aren't allergic to. I think it's called a Bengal. It doesn't shed much at all—that's why they're popular. And I found this group—I think it's a charity—that can lend us a cat for a few weeks so you can see if I keep my promise to take good care of it." Stunned silence. Then his father said, *"Then, we're getting a cat!"*

In my professional life, I've seen thousands of negotiations, some for hundreds of millions of dollars, but Jamal's is one of my favorites. His story illustrates that even an eleven-year-old can overcome adversity by deploying the Three Little Words. Learning them helped develop Jamal's maturity, creativity, poise, proactivity, and respectful engagement, qualities we want in our children and ourselves. How did Jamal do it?

When Yiling asked, Jamal was quickly able to list his father's Interests: protect Jamal's sister's health, keep the apartment neat, and avoid unwisely trusting an irresponsible child to care for a cat. That insight became the foundation for Jamal's transforming work.

Jamal then took the time to research Facts online, and that's how he discovered that Bengal cats are a popular allergy-friendly breed. It's also how he found an organization I'll call Second Chance Rescue, which lets people foster a cat for a few weeks. Jamal quickly realized that discovery also happened to be a brilliant creative Option, one that served everyone's Interests well.

Mastering the Facts nurtures that feeling you get when you've done your homework on the eve of a big exam and know you're ready. One reason Jamal was so relaxed, confident, and solicitous was because he knew his stuff.

Leading Without Authority with the Three Little Words

But Jamal's and Shanice's stories, and Israel's, Egypt's, and Jordan's, only start to capture the power of the Three Little Words. One of the most widespread problems leaders face is that they have too much responsibility and too little authority. As Hedrick Smith points out in *The Power Game: How Washington*

Works, even presidents often find they have far less power than we think they have. If you're a middle-level manager, a project team leader, a committee chair, a C-suite executive, or the nominal head of the family, you probably already know this problem. You've found you can't simply tell people to do everything you need them to do to help you get tasks done. What to do?

A surprising answer: negotiate. As many studies and books have found, a good portion of what leaders do all day is negotiate with colleagues and subordinates.[10] But how?

The Three Little Words can help. By thinking them through beforehand, discussing them with the other(s) you'd like to lead, and seeking outcomes that make them *want* to cooperate. By doing that, you often can get better results and more buy-in than you would if you had unilateral authority.

Consider this story. With no authority over her work colleagues, Rachael used the Three Little Words to lead them so well she helped save their department during tough times at her auto parts company. She enabled them to agree to wise budget cuts, and do it in a way that hurt little and changed her relationship with them from rivals to friends.

As a recession loomed, Rachael's engineering design department needed to give senior management a proposed budget, so Rachael and four fellow engineers who each led small teams all submitted proposals to Wanchee, their department manager. But Wanchee rejected them, saying that the total expenses would be far too high. None of the lead engineers knew what to do. Each stuck to their demands, and discussions soon turned ugly. Worse, everyone was distressed when Wanchee threatened to cut each lead engineer's budget by 33 percent across the board. Tensions rose, and factions started to form. Rachael sensed the department was facing disaster. What to do?

Rachael first carefully reviewed the different teams' budgets, and the projects they had proposed, to discern what Interests each lead negotiator most cared about and master the Facts. She then brainstormed several Options her colleagues and she could use to lower costs. Then she met with the other lead engineers and suggested they work together to see if they could produce a budget that satisfied each of their fundamental Interests. And she further encouraged them to collaborate by reminding them that deadlock could lead to worse

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budget cuts that could cripple the department, hurting everyone. Sobered and encouraged, the other lead engineers shifted from anger to openness.

She then began to ask them each why they needed what they'd requested. Why, for example, did Alexander, one of the lead engineers, need four new 3D printers? After listening to each colleague carefully, Rachael drew from her own research and brainstorming, asking whether Alexander could live with three if, instead, during off hours Rachael shared with Alexander one of the four printers she was ordering? Through their discussion, Rachael helped the other lead engineers satisfy Interests with Options by identifying several creative ways they could share, helping them create complementary schedules, and spotting other low-impact/high-savings compromises. By the time the budget was due, Rachael and the other lead engineers had found ways to share five printers, eliminate requests for four others, and cut their computer hardware order without hurting their projects. As a result, the final budget they submitted came in almost $800,000 below their original proposal. Wanchee praised Rachael for her excellent work. And just as significant, the engineers had gone from seeing each other as competitors to collaborators, and each of them was happy.

Rachael's approach was not unique. As we'll see later, presidents, managers, and even generals often use a similar approach, as many studies confirm.

The idea, then: when you lack the authority and relationship you need to perform your duties, use the Three Little Words to bridge the gap, negotiating with colleagues to win the support you need.[11]

The Most Powerful Way to Sell in Three Little Words

Beyond management, the Three Little Words are also at the heart of one of the most effective, well-researched selling methods ever devised.

Neil Rackham and his team of thirty researchers studied 35,000 sales calls in over twenty countries in the 1970s and 1980s, research salespeople still widely rely on today.[12] The research spanned ten years and may be the largest study of selling ever conducted. It showed that, contrary to popular belief,

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conventional sales methods for small consumer goods failed miserably when applied to more complex transactions. Rather than telling the customer how great her product is, Rackham's team instead advised a salesperson to ask her customer a series of simple questions. See in this example if you can spot the photocopier salesperson using concepts baked into the Three Little Words:

Q: Tell me about your firm and its copying work? [Customer answers.]
Q: I see—you're growing, so cash is tight lately. You copy ~1,000 brochures a week. What difficulties have you experienced with your current copying? How satisfied are you with copying lately? [Customer answers.]
Q: I get it—you feel you're doing OK; you have a jam two or three times a week that stops copying for an hour or two, but you usually fix it. Which business areas are most affected when the copier breaks down two or three times a week? [Customer answers.]
Q: I see; you've often had some late deliveries and some unhappy customers, and some overtime labor charges that typically cost you ~$200/week. So that's about . . . $10,000 a year? How might a more reliable copier reduce overtime and affect repeat business? [Customer answers.]
Q: So, it sounds like your current copier occasionally breaks down, which costs you ~$10,000 a year in overtime. Sounds like better reliability would save you that money and ease your cash crunch. Also, I gather better reliability would improve your odds of not losing another $12,000 customer. Do I hear that right?

Rackham showed that simply by asking a first question about the customer's situation (Facts) and then a series of more penetrating questions about her Interests, the salesperson could make the customer eager to hear what Options the salesperson had to offer to serve those Interests. And the salesperson could do it *without saying anything about the product.* It's the opposite of the old sales saying "Always be closing." Rackham's method, called S.P.I.N. selling, instead says, "Always be listening for the Three Little Words." As Rackham notes, this

approach lies at the heart of consultative selling,[13] also known as needs-based selling, which has become one of the most lucrative selling methods today.

This approach has helped my own sales work as a consultant. Early in my career, a bank asked me to pitch my training work, so I came in and gave them a stem-winding presentation they seemed to love. I never heard from them again. Later, once I'd learned from Rackham, I took a radically different approach. I'd begin each conversation with a prospective client by saying, "Let me listen so I can learn more about your needs." Then I followed up with questions similar to Rackham's and tailored what I offered them accordingly. I won more business that way.

Here, then, is a thought experiment: people often say of a great salesperson that "she could sell freezers to people living in the Arctic." How would you sell to them?

Using the Three Little Words and Rackham's approach, you'd discover a little-known Fact: if you leave food outdoors in winter in the Arctic, it often freezes so hard it becomes unusable. This fact reveals a nonobvious Interest: the need to store food more *warmly,* which freezers do. And you'd discover another little-known Fact: warming local temperatures make outdoor storage in the Arctic summer increasingly unreliable, which reveals another nonobvious Interest: steady food temperature control. Which may explain why many people living in the Arctic *do* buy freezers.[14]

Fundraising in a Recession with the Three Little Words

The Three Little Words can also help you raise money.

Bridget was volunteering for an AIDS fundraising event. When she reached Milind, her contact at one of the charity's corporate donors, Milind told her that the firm unfortunately wouldn't be able to contribute that year, even though it had given $5,000 the year before. "I'm sorry to hear that," Bridget said. "I hope you're all right. What's going on with the firm these days?" Milind told her the firm was facing a recession, sales were down, its marketing campaign targeting young urban professionals was fizzling, and the CEO had ordered a spending freeze. Bridget told him she was sorry for their troubles, which Milind appre-

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ciated. A few days later, Bridget called Milind back. "I got to thinking about your marketing problem," she said. "So, I did some learning and found out our annual fundraiser at Chicago's Field Museum next month has historically attracted about one thousand young urban professionals with salaries ranging from $75,000 to $250,000 and average earnings of about $110,000. It occurred to me that's your target demographic, and we've found that corporate donors get a lot of brand awareness and goodwill from participating. We could feature your name and logo and let you set up a booth to give out promotional material. Would that be of interest to you?" Milind was so excited by the idea that he asked Bridget to let his firm cosponsor the event for $25,000, a fivefold increase from the previous year. And all that despite the recession.

Bridget's experience illustrates an insight championed by Howard Stevenson, a Harvard professor who has helped raise over $2 billion. In his book, *Getting to Giving: Fundraising the Entrepreneurial Way,* Stevenson observes that a key to attracting charitable giving is to focus on the donor's motivations and then find meaningful ways to help the donor participate. Put another way, a key is to focus on the donor's Interests, learn Facts, then offer creative Options the donor will likely respond to well. That's just what Bridget did. Her story is particularly apt for our purposes: fundraising is always stressful, she had every reason to feel powerless, and the recession meant she faced particular adversity. Yet she turned everything around beautifully.

In fact, you can use the Three Little Words to turn things around for your entire company—or industry.

Using the Three Little Words to Reinvent Your Industry—No Such Thing as a Commodity

Back in the 1960s, chicken was a commodity—consumers couldn't distinguish one poultry producer from another. Then the head of one poultry firm noticed that consumers cared about more than just the price of chicken; they cared about color, quality, and cut. So, in the early 1970s, after careful research, he started promoting chicken with a pleasing yellow color, packaged with brand tags bear-

ing a quality guarantee, offered whole or in select parts.[15] Those creative Options, backed by memorable advertising, helped Frank Perdue become a household name, turned his company into a top performer in the industry, and ushered in a new age of brand-name chicken. How did he do it? The Three Little Words.

As Tom Peters and Nancy Austin observe in their classic work, *Passion for Excellence,* there is no such thing as a commodity. In industry after industry, from chemicals to dairy to chicken, Peters and Austin found cases where an innovator identified undiscovered, unmet Interests commodity buyers had, learned a lot, and then rolled out a suite of improved choices that transformed the marketplace.

I've witnessed this dynamic in real time. Years ago, l asked students to take fifteen minutes to apply the Three Little Words to the bulk plastics industry, an alleged commodity business. Within minutes they'd produced over thirty creative Options a plastics producer could offer to serve buyer's hidden Interests, from just-in-time delivery to manufacturing advice, from guarantees against currency fluctuations to variations in color, quantity, delivery, storage, and billing. When we finished, an executive raised his hand and said, "I've been in the plastics industry for four years, and it's taken us that long to realize what this class has discovered in fifteen minutes—that we can't just haggle over price anymore and that we have to get more creative."

All of which means you may be able to revolutionize your firm, your industry, and your profession by asking what unmet Interests customers and clients have, what Facts you need to learn, and what creative Options might serve those Interests well.

Getting Seriously Ready for Anything

The Three Little Words—Interests, Facts, Options—can often help by themselves. But there's more. Their initials, IFO, are the first part of a larger tool students and executives prize and rely on, a tool that can help even when the Three Little Words alone can't. Regardless, it's a tool that can ready you in several ways for even the most challenging negotiations. That tool, the

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I FORESAW IT, is rich enough that it deserves its own discussion first as in [Chapter 2]; and second as in [Chapter 3].

Tool in Brief

Three Little Words: Interests, Facts, Options

Challenges

1. ***The Basic Challenge.*** This week, whenever you face a difficult conflict or a negotiation, see what happens if you slow down, focus on Interests, research some Facts, brainstorm creative Options, and then go talk it over with the other person. What does it take to do that? And what effect does it have on the conversation?
2. ***No Such Thing as a Commodity Challenge.*** This week, transform your business (or industry) by thinking deeply about hidden needs your current (or future) customers have. Do some research about it, and then develop creative products and services you could offer them that no one is currently providing.
3. ***Three Little Fundraising Words Challenge.*** This week, think about your donors' Interests, do Factual research about them and your charity, and see what nonobvious creative ideas you might offer your donors to make giving more meaningful for them.
4. ***The Consultative Selling Challenge.*** This week, instead of regaling your prospective customer with lots of reasons to buy, see what happens if you intentionally ask questions about your customer's Facts and Interests, listen closely, ask follow-up questions, and only then welcome conversation about how Options you can offer can serve those Interests.