

JOSHUA N. WEISS, PhD

Cofounder, Global Negotiation Initiative at Harvard

**THE BOOK OF
REAL-WORLD
NEGOTIATIONS**

**SUCCESSFUL STRATEGIES FROM
BUSINESS, GOVERNMENT, AND DAILY LIFE**



Foreword by **William Ury**,
bestselling coauthor, *Getting to Yes*

WILEY

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*“Whosoever loves much performs much, and can accomplish much,
and what is done in love is done well.”*

–Vincent Van Gogh

*This book is dedicated to my wife, Adina. Thank you for loving me,
letting me love you, and helping me do all the things I love to the best
of my ability.*

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Foreword

It is a great pleasure to introduce this remarkable book of negotiation stories compiled and analyzed by my old friend and colleague Joshua Weiss.

The Book of Real-World Negotiations helps fill a significant gap in the negotiation literature. It complements the many books in the field that introduce concepts, frameworks, and skills. Here in this book, readers can learn not only about the creative outcomes that are reached, but perhaps more importantly, *how* the negotiators were able to achieve mutually satisfying results, often against tremendous odds.

As an anthropologist, I appreciate the enormous power of stories to convey lessons, cautions, and inspiration. The human mind learns best through stories. Yet, because of sensitivities and confidentiality, many of the best stories about negotiations are rarely shared. This is where Joshua Weiss makes a real contribution. He has compiled a compelling range of negotiation stories so that they can be discussed, analyzed, and learned from in a way that only real-world cases can offer. Through these stories, Weiss helps us understand the core principles and best practices that can lead to success, as well as the details and nuances critical to reaching agreement.

The book begins by highlighting business negotiations both here in the United States and abroad, suggesting how negotiation can help parties overcome seemingly insuperable barriers to agreement. Then Weiss leads us into negotiations in the world around us – from political negotiations to working out disputes in the nonprofit sector to hostage negotiation scenarios. In just

about every case, negotiators are required to delve deeply under the surface of the situation in order to discern what is really happening. Only by understanding this hidden dimension of the negotiation are they able to address the needs of their counterpart and reach a satisfactory solution. The key often appears to be the use of creativity, finding ways to expand the pie rather than just divvy it up.

Throughout these stories, Weiss also helps paint a picture of the hard work, tireless persistence, strategy, and creativity that goes into a successful negotiation – from preparation to key moments that shift the conversation to the factors that make an agreement stick.

With this compilation of inspiring case studies, Joshua Weiss has rendered a real service to the field of negotiation. I salute him and hope you, the reader, find much insight and benefit in the instructive stories that follow.

– William Ury

Preface

When I was first approached about writing a book, this is the one that immediately leapt to mind. Why, you might ask, was this so high on my list of things to write about? The rationale for the book and its focus is quite simple – there are a plethora of real-world negotiation success stories, in all walks of life, that convey critical lessons about effective negotiation. Unfortunately, most of those examples are hidden or never shared publicly, for various reasons. Thus, people are not learning from what has happened in the past to use in the future. These examples have much to teach us about what masterful negotiation looks like, and the world needs access to them.

What Am I Trying to Accomplish?

My belief, based on years of anecdotal evidence from a multitude of realms, is that there is a rather narrow and limited view of negotiation amongst the general public. Many laypeople believe negotiation is a win-or-lose endeavor that forces the parties to compromise on their essential goals. This perspective could not be further from the truth when it comes to successful negotiation. Instead of talking at people and trying to convince them that they are missing much of the promise that negotiation holds, I decided that I would rather try to demonstrate the value of negotiation through actual examples and let the reader make their own determination. The negotiations that follow hold invaluable teachings that are undeniable and will help to broaden

people's perceptions on negotiation and how to overcome difficult obstacles and challenges that are often part of the process.

As such, this book will satisfy a need for real-world negotiation cases and solutions that exhibit effective negotiation. While there are certainly different examples embedded in other works in the field, there are very few books with a sole focus on case studies. This has happened for a good reason, which is that negotiators involved in these processes, or those privy to what has happened in different examples, are often not comfortable sharing the details due to confidentiality issues or other sensitivities. On this last point, many of the examples herein necessitated the changing of names so the negotiators cannot be identified. From my perspective, the actual names are not at all essential to the learning objectives. What is key to grasp are the lessons to be gleaned from these examples.

In addition to sharing these rare windows into the process and outcomes of various negotiations, certain lessons will be culled at the end of each scenario. While I will provide my own perspective on those lessons for discussion purposes, readers will certainly have the opportunity to decipher their own insights.

Who Am I Trying to Reach?

There are four groups of readers for this book. The first group is the lay public. Many people do not realize how much they negotiate on a daily basis, nor do they understand what really successful negotiation encompasses. It is my hope that, by reading these cases, people will come to understand the value of negotiation more fully.

The second group of readers are academicians who teach negotiation. There are an increasing number of negotiation classes in law schools, business schools, and other liberal arts programs at the university level and in high schools. Academicians and teachers will be able to use this book as an accompaniment to some of the more theoretical work that pervades the field.

The third group are students who take negotiations classes and who, I believe, will benefit greatly from real-world examples. These cases will help students to connect theory to practice and to imagine how they can use negotiation in their own careers.

Fourth and finally are trainers of negotiation. As the world changes and grows, most companies and organizations are coming to understand the critical importance of negotiation to their workplace. Whether it is internally or externally, most people are negotiating regularly and need to know how to do it as best as possible. The wide-ranging examples of negotiation in the book will also assist trainers in making different points and in helping participants envision what effective negotiation looks like practically.

How Is the Book Organized?

The book is broken into three broad sections based on the context in which these negotiations transpired. The first part covers domestic business cases, the second international business cases, and the third are cases from government and daily life. Each of these sections begins with an introduction and an overview of each of the cases to be covered within that section.

Introduction

The Power of Stories to Teach About Negotiation

“Storytelling is the most powerful way to put ideas into the world.”

– Robert McKee, Professor¹

“Tell me a story.” That simple phrase has been at the heart of how conversations between people have begun for millennia and a significant vehicle for how knowledge is passed from one generation to the next. People have a knack for remembering stories, especially those with powerful lessons at their core.

Stories stemming from real-world negotiations are no different. In fact, actual negotiations that happen in business, government, and the world around us stay lodged in our memories better than theories, concepts, or facts. Why are these negotiation stories so powerful? An important part of the reason is because they often challenge our assumptions and preconceptions about what is achievable when people sit down together. As but one small example, consider the following story that a colleague shared with me a number of years ago.² It is conveyed from her point of view.

Many years ago, I was hired as a negotiation advisor to help a small company with a merger they were seeking to engage in. Initially, I met with the company numerous times to prepare—discussing what their best-case scenario would look like (Aspiration Point), what they really hoped to achieve (Target Point), and at what point the deal no longer made sense and they would walk away (Reservation Point). All pretty standard notions. We also talked about the dynamics, such as power, that were involved in this situation. From our point of view the power issue was fairly balanced

between the parties given they were equal in size and net worth. As the negotiations drew closer, the company representatives asked that I sit in the room with them, away from the table, and give them advice during the breaks as the negotiation progressed. I had done this arrangement before, so I agreed.

As the negotiations began, both sides showed up with three negotiators as they had previously agreed. Almost immediately the other company's primary negotiator, named Oliver, took control and started to lay out the agenda in a *very* aggressive manner. He shared that they had run the numbers and that the offer they were putting on the table was more than fair. In particular, Oliver also claimed that they were bigger in size and brought more value to the table so they wanted control of the company after the merger. They would respect my client's company and their employees would all keep their jobs – for the time being. But that was the deal. Then Oliver said, "Take it or leave it."

Needless to say, this was not what we expected, but the team I had worked with knew enough that this was not acceptable to them – from both a process and an outcome perspective. The team tried to redirect the negotiation back to a problem-solving process. Oliver was not at all interested in that type of shift, even though it looked like his two colleagues were quite uncomfortable with the stance their team was taking. The two team members were shuffling papers, not making eye contact, and squirming in their seats in a noticeable fashion.

After a few minutes of back and forth with little progress Oliver started to take his papers and jam them, frustratedly, into his briefcase. He glared at our negotiators and simply said, "Well!" Our team said nothing. Oliver vaulted himself from the chair. The other two gentlemen looked puzzled, but began to pack up as well. Oliver, visibly annoyed, did not wait for them. He hurriedly marched across the room, opened the door, walked through it, and slammed it behind him. There was silence. Then laughter burst out from our negotiators and the other two men on the other side of the table. It turns out that Oliver, in his anger, had stormed right into a walk-in closet. But that was hardly the end of the story. Fifteen seconds passed. Then thirty seconds. Nothing happened. Oliver stayed in the closet.

Everyone's laughter turned to amazement as the situation continued. After what I imagine was another ten or fifteen seconds, the door began to creak open. Oliver could hear the laughter. He sheepishly crept out of the closet with his proverbial tail between his legs.

One of our team members, named Kurt, regained control of himself and began to engage Oliver's two colleagues. Kurt explained to them that he could see a different way to approach the negotiation and would like to share it with their team. Oliver slinked back into the seat on the end. Before Oliver could reply, a member of his team leaned forward and asked Kurt what he had in mind. Kurt explained a few different options, and the two other members of Oliver's team began to engage. Oliver sat on the sideline, not saying anything, eyes firmly planted on the floor.

After a few hours of productive back and forth, working through broad concepts and then the details, the parties were able to reach a tentative deal that was more balanced and reflected a true partnership. The merger eventually happened, worked well, and the new company is still thriving today.

There are many morals to this story. First, emotions, when not properly managed, can lead to big mistakes in negotiation. Interestingly however, in this case, they also led to a breakthrough. Thus, a second moral to be drawn from this story is that negotiation is inherently unpredictable, and anything can happen that can shift and move a process in unexpected ways. Approaching negotiations with a flexible and adaptable mindset, therefore, becomes another key takeaway. I am certain all the negotiators involved in this case will remember these lessons, and perhaps some others.

Coming back to negotiation stories in general, the stark reality is that there is not nearly enough public sharing of negotiation stories that exhibit the power of this process. Negotiations occur daily, but very few people know about them. Confidentiality and sensitive information often block the dissemination of these valuable lessons and anecdotes. However, if these stories are not shared, people won't be able to learn the vast potential of

negotiation to forge new relationships, create productive deals, and resolve difficult conflicts.

There is a way to share these valuable stories, while shielding those who need to be protected. Some of the sensitive details found in negotiations are not critical in order to learn the lessons of how negotiators made their way through often improbable obstacles to reach creative solutions. The purpose of this book is to show you exactly *how* people went about doing this in their negotiations.

Why the Story Arc Is So Memorable for Negotiation

“There’s always room for a story that can transport people to another place.”

– J.K. Rowling³

Real-world stories are some of the best ways to learn and remember key ideas and concepts. Nary a person who hears the story of the negotiator and the closet forgets it. For skeptics of negotiation, of which there are many, real stories are also very difficult to refute given that they *actually* happened.

The best stories have a memorable arc from beginning to end, overcoming obstacles, conflicts, and controversies, while ultimately conveying a lesson in an easy to understand manner. Let’s briefly analyze these components to grasp why they are so compelling and leave an indelible mark in our memories. By doing this you will be able to identify these phases as you read the case studies.

As was mentioned, the best stories have an arc where the scene is set and the characters are introduced, the character’s encounter a dilemma or problem to be overcome, and the

characters usually land on a solution that very few saw coming. First, when it comes to the scene being set and the characters introduced, contemplate the *Harry Potter* series. The series begins with Harry's parents dying at the hands of Voldemort with only the infant, Harry, surviving. Harry's dilemma evolves into an epic conflict with Voldemort – good versus evil – that highlights the next part of any effective story.

Second, a story has to have a significant conundrum, dilemma, or conflict to overcome. This apex is where folklores and legends come from. Whether it is Pip in *Great Expectations* who desperately wants to be in the British upper class but is shunned, the tiny Hobbit Frodo Baggins in the *Lord of the Rings* who must undergo a virtually impossible journey to destroy the ring of power and save the world, or the simple and apparently meek shepherd boy David in *The Book of Samuel*, who improbably walks to the bottom of the Valley of Elah to fight the behemoth Goliath when nobody else will do so. This is the moment – unexpected and exhilarating – that keeps our attention and sets the stage for the culmination of the tale.

Third and finally is the finale, the sense of relief that the characters in the story come to a creative solution against all odds or a surprise ending that alters the way we think. The end – sometimes happy, sometimes not – is filled with lessons and morals that stay with us and teach us something that is unforgettable. Dorothy gets back to Kansas in the most improbable of ways, completing the *Wizard of Oz* saga in epic fashion and teaching us to look within for our strengths. Agatha Christie's *And Then There Were None* leaves us spellbound and surprised that the end was not all what we expected. Returning to *Harry Potter*, in the end Voldemort's demise is partly rooted in Harry himself and the inexorable connection they shared until the very end.

As you might imagine, negotiation stories, generally speaking, follow a similar pattern. They begin with an introduction,

reach some kind of apex in terms of a quandary, and culminate with either a constructive way forward, the parties walking away to something else, or a stalemate. The connection between stories and negotiation is deeper, however. In difficult moments in negotiations we are much more likely to summon up a story with a happy or dramatic ending, a lesson or anecdote, than we are a concept or theory. In fact, according to Professor Jennifer Aker of Stanford Business School, stories are remembered up to 22 times more than facts alone.⁴ Negotiation stories, simply put, stay with us and are easy to recall in critical moments.⁵

How to Read the Chapters: As Straight Case Studies or Puzzles to Be Solved

Given that this book is about these real-world negotiation stories, what is the best way to engage with them? Of course, there are a number of ways in which you can read the chapters. You can simply read them straight through and take in the background, preparation, negotiation, and lessons – looking for the aforementioned arc. By taking that approach you will see the natural progressions that negotiations often take, even if that progression is not always linear.

There is, however, perhaps another more interesting way to read the cases. Read the introduction, background, and preparation to the negotiation sections and then stop. Before reading further, ask yourself the following questions:

- Where do I envision this process heading, based on what I know?
- What impediments to the negotiation seem to be most critical to grasp?

- If I were one of the parties to this negotiation, where would I try to take this situation from this point forward? Why?
- What kind of creative solutions can I imagine based on what I know?

By approaching the cases in this interactive manner, they become negotiation puzzles to be solved and not just cases to be studied. Thinking through what you would do puts you in the role of the decision maker and highlights how challenging all of this can be to manage.

Organization of the Book and the Case Studies

While this book has a number of themes running through it that you will be able to identify, the cases have been grouped into three sections. The first group of cases are domestic business cases. These run the gamut through many different kinds of industries, but all the negotiations are situated within the United States. The second group of cases are international business examples. These have been separated out from the domestic cases primarily due to the cross-cultural elements that need to be managed as part of the negotiation and different norms that underlie the process. The third and final group of cases are from the public, or governmental, sector as well as the world around us. Each of the cases in this section have a very distinct character to them. While these situations are diverse in nature and cover some varied realms, all have something important to contribute to the overall story of negotiation.

Some of the cases in the book are straightforward negotiations between two or more parties. Other cases include the negotiating parties who are aided by a negotiation consultant or consulting firm. The prevalence of these external parties, who

help negotiators reach solutions, has increased over the years and continues to grow due to their efficacy. Finally, the remaining cases involve a third party – a mediator, team of mediators, or facilitators – who also help the parties to reach a solution. These third parties serve less as advisors to one side and more as a process cop helping the negotiating parties to communicate more effectively and to solve difficult negotiation problems when they become entrenched in their positions.

Please also note that all of the cases in this book are from actual negotiation scenarios. This is not an edited volume in the traditional sense. The owners of the cases and examples were interviewed by the author, the cases were then written by the author, and then shared with the owners for accuracy purposes. You will note that some of the cases list the owners' names and others state that they were contributed anonymously. This approach was taken because some contributors had a desire for confidentiality and anonymity. When confidentiality was needed within the cases, the names of the people and the entities involved were changed. The lessons, however, are all very real and should help you develop your own negotiation solutions in the future.

Finally, there are a number of negotiation terms used throughout the book. For those familiar with negotiation, these terms will be commonplace and easily understood. For those who are new to negotiation and just learning the craft, there is a glossary at the end of the book that should be reviewed before reading the cases and then subsequently referred to as needed.

Notes

1. Quote can be found here: <https://www.inc.com/dave-kerpen/you-need-to-become-a-better-storyteller-heres-some-inspiration.html>
2. The colleague asked that the companies names be kept anonymous.

3. <https://www.goodreads.com/quotes/54870-there-s-always-room-for-a-story-that-can-transport-people>
4. For some very interesting research on the use of story in negotiation, see Rebecca J. Krause and Derek D. Rucker, “Strategic Storytelling: When Narratives Help Versus Hurt the Persuasive Power of Facts,” *Personality and Social Psychology Bulletin*, 2019; featured in *Kellogg Insight* and *Wall Street Journal*. Krause and Rucker found that when a negotiator has a weak or moderate case, the use of a story to sway or compel the other is a powerful tool.
5. <https://womensleadership.stanford.edu/stories>

1

Mistakes Negotiators Make, and What Do Great Negotiators Do Anyway?

Learning to be an effective negotiator is a journey, not a destination. Along that journey you will encounter many notions about what effective negotiation looks like. Certain truisms about negotiation have come to the forefront as a result of the mistakes that people make. Similarly, with all the information out there and centuries of practice, we can also delineate what great negotiators do to solve some of the most difficult problems confronting humanity. Let's take a look at both of these before delving more deeply into the case studies.

Skepticism toward Negotiation, and Common but Inaccurate Myths

While we all negotiate regularly at work, at home, and in the world around us, negotiation still sometimes gets a bad name. Furthermore, there are some commonly held fictions related to negotiation that often lead people astray and away from creating the best deals

or solutions possible. Below are the most common misperceptions of negotiation that are important to dispel from the outset.

A Winner and a Loser – and Nobody Wants to Lose

The first inaccurate belief about negotiation can be encapsulated in the memorable short story from Dr. Seuss, called “The Zax.” To summarize the well-known tale, there once were a North-Going Zax and a South-Going Zax whose paths met. Neither Zax was prepared to move in deference to the other. They were both stubborn and prepared to stay where they were instead of giving the appearance, real or otherwise, that they would be the one to acquiesce to the other. The more they stood face to face, the more they tied their ego to their positions. They became entrenched. As the years came and went, so did progress, with highways and bridges built around them, and neither willing to budge. Alas, they spent the vast majority of their lives standing across from each other – both losing out.

Among the many lessons from this negotiation story is the belief that someone has to win and someone has to lose in a negotiation and neither party will budge if they are going to be the loser. This win-lose way of thinking leads people to conceive of negotiation from this vantage point – thereby limiting the negotiator’s thoughts on what might be possible. This mindset often results in negotiators becoming ensconced in their positions – just like the two Zax. Stated differently, if a negotiator enters with this mindset then they will inevitably end up only looking for solutions that fit this type of outcome. While there are certainly some negotiations that may ultimately end up with a winner and loser to varying degrees, this misnomer pushes people to focus their attention in the wrong place and miss possible opportunities.

In addition, if a negotiator approaches their processes with this win-lose mindset, what impact does that have when they