

CHRIS VOSS

TEACHES THE ART OF NEGOTIATION

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MASTERCLASS

I. INTRODUCTION

“I’ve got a really bad reaction to bullies.”

Chris Voss is a leading authority on the art, science, and practice of negotiation. During his 24 years of service with the Federal Bureau of Investigation—many of them spent as the bureau’s lead international kidnapping negotiator—Chris engaged with some of the world’s most dangerous criminals in some of the most high-pressure situations imaginable. As founder and head of the Black Swan Group, he draws from his wealth of knowledge and experience to train businesses and individuals to become highly effective negotiators in their own right.

Chris began his federal law enforcement career as a SWAT officer at the FBI’s Pittsburgh field office. Determined to join the bureau’s elite hostage negotiating team, he spent five months as a volunteer at a suicide prevention hotline and honed his powers of persuasion with people who sometimes had to literally be talked off the ledge. Chris rose through the ranks of FBI hostage negotiators stationed in New York, eventually becoming lead crisis negotiator and a key player in the New York City Joint Terrorism Task Force. From there, Chris’s focus became international in scope. He was appointed as the FBI’s hostage negotiation representative to the National Security Council’s Hostage Working Group and earned both the Attorney General’s Award for Excellence in Law Enforcement and the FBI Agents Association Award for Distinguished and Exemplary Service.

In 2008, Chris transitioned to the private sector, founding the Black Swan Group. The firm empowers business executives, public servants, and other individuals with a crucial set of tools that enable them to effectively negotiate for themselves. Chris has also taken his knowledge into the classroom as an adjunct professor of business negotiations at both the University of Southern California’s Marshall School of Business and Georgetown University’s McDonough School of Business. He has lectured on business negotiation at Harvard University, the Kellogg School of Management at Northwestern University, and the International Institute for Management Development in Lausanne, Switzerland.

Connect With Your Fellow Negotiators

Want to talk more about mirroring, labeling, and accusations audits? Head to **community.masterclass.com** to meet Chris’s other students and share your negotiation experiences.

Welcome to Chris Voss’s MasterClass.

II. PRINCIPLES OF NEGOTIATION

“The adversary is not the person across the table; the adversary is the situation.”

Negotiation was seen as a zero-sum game for a long time. The goal was to get as much out of the interaction as possible—but always at your opponent’s expense. Your counterpart was your enemy, and the negotiation was a battle.

A lot of people who consider themselves crack negotiators still take an adversarial posture toward their counterparts across the table, but as Chris tells you, there’s a better way. The idea is to realize that the situation is the adversary, and that the person across the table is actually your negotiating partner—a partner who is to be worked with, not against, in pursuit of a mutually beneficial outcome. In short, effective negotiation is collaborative. In the spirit of collaboration, Chris says your overarching goals in a negotiation should include:

- * **Doing all you can to show the other side that you are negotiating in good faith.** The idea is to demonstrate that you are not here to deceive or exploit the other side—sometimes showing deference can be key.
- * **Becoming genuinely interested in what drives the other side.** Understanding their goals, motivations, wants, and fears will help you navigate the negotiation effectively. An authentic connection with your negotiating partner will help lead to an optimal outcome for both parties.
- * **Building trust-based influence through the use of tactical empathy, or deliberately influencing the other side’s feelings.** By appealing to your counterpart’s emotions, you can build rapport, mutual understanding, influence, and—ultimately—deals.

Negotiators used to assume that eliminating emotion from the process would create the most logical (i.e., best) outcome. But what we understand now through neurological research is that there is no way to cut people’s feelings out of the process. (Nor is it desirable to do so.) In reality, suppressing emotions—specifically negative emotions—will hurt the process. Here are some pointers for taking emotions into account when negotiating:

- * **Work to deactivate negative feelings**—fear, suspicion, anger, aggression, and distrust. From a neurological standpoint, this means trying to defuse activity in the amygdala, the part of the brain that houses those feelings.

“To try and take emotions out of negotiation is a fool’s errand.”

- * **Aim to magnify positive emotions.** People are actually smarter when they’re in a positive frame of mind. Building trust, comfort, and rapport will help you accomplish your goals.

It will also benefit you to abandon the whole notion that “they’re crazy.” Know that the other side has a rationale, motivations, and some strong feelings for wanting what they want—even though their goals may be diametrically opposed to yours. In short, use curiosity, deference, empathy, influence, positivity, and rapport to craft the best deal possible.

Another crucial element in negotiation is the existence of **black swans**—those seemingly innocuous pieces of information that, once revealed, can change the entire negotiation process. Imagine this: You’re a vendor, and you’re sitting across the table from the executives at a company that has been failing to pay you for your goods and services in full and on time. As you press for an ironclad payment schedule, your knowledge that the company posted record profits last quarter—aka your black swan—could boost your position immensely. It’s much harder to defend late payments when everyone at the table is aware that business is booming.

III. TECHNIQUES OF NEGOTIATION

VOICE

“Your inner voice becomes your outer voice.”

Achieving your goals in a negotiation requires the adoption of a positive, collaborative mindset, but it also requires command of a certain set of skills. Perhaps the most important of these is the way you employ your voice. In the negotiating room, there are three main tones of voice:

* **Assertive**

This voice is declarative, straight up, and delivered like a punch in the nose. (Always counterproductive.)

* **Playful/accommodating**

This voice is a bearer of truths delivered gently. It promotes collaboration. This should be your go-to voice in negotiations. (Use it approximately 80 percent of the time.)

* **Late-night FM DJ**

This voice is straightforward with a soothing, downward lilt. It's best employed when establishing points of negotiation that are immovable. (Use it approximately 10 to 20 percent of the time.)

In addition to the three tones of voice, master these two essential inflections:

* **Inquisitive**

Speak with an upward inflection, as if you're asking a question. This tone should convey genuine curiosity and interest in the other person's point of view. This should be your default inflection.

* **Declarative**

Speak with a downward inflection, as if you're stating a fact.

Your voice will inspire your counterpart to feel the same kinds of emotions that you are expressing by activating an empathetic response from their brain's **mirror neurons**.

By contrast, if your voice is hard-edged and cold, you will most likely get an equally hard-edged and cold reaction. This is why it's so important to maintain a voice that inspires confidence. If you can nail the right tone, you're that much closer to building trust-based influence and moving together toward a great deal.

MIRRORING

“Mirroring is critical... to the art of letting the other side have your way.”

Mirroring, or the repetition of key words used by your negotiating partner, is another essential negotiating tool. In most situations, you should identify one to three key terms for mirroring (but never use more than five). The technique can be especially effective when you're repeating words that your counterpart has just spoken. Mirroring lets the other side know you're paying attention to what they're saying and treating their views with the close consideration they believe they deserve. An example of mirroring might look something like this:

- * **Your negotiating partner:** “I've had a really difficult year, and it seems like you're discounting all of the financial and personal stress I've been under.”
- * **You:** “Financial and personal stress?”

Mirroring is a rapport-building technique with wide applicability. It works as well at cocktail parties as it does during hostage negotiations. When you combine it with inquisitive inflection, mirroring can be an effective means of quelling the often-reflexive hostility of confrontational people.

Mirroring can also be used to gather intel. Using it with the inquisitive inflection will lead your counterpart to not only repeat themselves but to elaborate and offer additional details. This expands what you know about them and their position.

LABELING

Labeling is used to give voice to the other side's feelings. Good labels take the form of:

- * **“It seems like...”**
- * **“It looks like...”**
- * **“You look like...”**

To label effectively, you must avoid all use of the first-person pronoun, as in, “What I'm hearing...” or “I think...” First-person phrases signal that you are your number

one priority and everyone else in the room is an afterthought. At its core, labeling is designed to let the other side know that you understand their feelings, to help build relationships, and to gather information. Think of it like this:

Imagine you're on the phone with an airline customer service agent who's helping you with a reservation in the thick of the hectic holiday travel season.

Surely they've been under enormous pressure all day, and locating that one open seat for you is no easy task. They likely feel as though they're being generous with their time by assisting you, so you verbally communicating that they're being generous with their time will reinforce that positive emotion. Showing them how much you appreciate the efforts they're making on your behalf may well improve their frame of mind and motivate them to go that extra mile to get you that last available seat.

Likewise, labeling can help you overcome negative emotions. Labels are cumulative—often, you may need to use several of them to deactivate a single bad feeling. Labeling a negative emotion that isn't there yet can help you inoculate against it.

The counterpart of labeling is **mislabeled**, or the intentional misidentification of your counterpart's feelings. Why would you ever do that? Because mislabeling gives the other side the opportunity to correct you. People love to feel like they're in the right, and they love it even more when you readily admit your own misunderstanding of an issue they're highly invested in. When the other side corrects you, you can receive new and sometimes critical information. Here's an example of a simple mislabel:

- * **You:** "It seems like you disagree with these terms."
- * **Your negotiating partner:** "I don't disagree with the terms. I'm concerned with the resources needed to execute them."

By mislabeling, you've gleaned that your negotiating partner has no issue with the terms of your deal; rather, he or she has issues with carrying them out.

DYNAMIC SILENCE

Dynamic silence can magnify the impact of your mirrors and labels. By taking a beat after you mislabel, for example, you give the other side the opportunity to set you straight, potentially revealing more information than you could have gotten by asking direct questions.

CALIBRATED QUESTIONS

“Questions are often not the best way to gather information.”

Calibrated questions are *how* and *what* questions structured for maximum effect. They are designed to change the power dynamic of the negotiation and force consideration of your position into the equation. In other words, they allow the other side to see things from your side of the table and allow everyone to keep their sense of autonomy in tact—something that Chris compares to our need for survival. “People will die over their autonomy,” he says. “It’s the reason why we have hostage negotiations in the first place.” Calibrated questions often sound like this:

- * “How am I supposed to do that?”
- * “What’s going to happen if I do that?”

These questions also help cultivate the illusion of control in your counterpart. They can serve the same purpose as *why* questions while sounding less accusatory. Why questions tend to trigger a defensive posture. Think about how you’ve felt in the past when someone has asked, “Why did you do that?” By changing “why” to “what” (as in, “What are you trying to accomplish by doing that?”), you can remove the sting of accusation.

IV. STRATEGIES OF NEGOTIATION

ACCUSATIONS AUDIT

“Unexpressed negative emotions never die. They fester like an infection.”

In preparing for a negotiation, you'd be well served to perform an **accusations audit**, during which you'll create a comprehensive list of all the negative assumptions, thoughts, and feelings you think the other side may be harboring against you.

Accusation audits require you to be bold. They demand fearless and creative brainstorming as you assemble your list. Be exhaustive. Your goal is to list all the possible negative emotions and get out ahead of them. You want the other side to come back and say, “Hold on, you're being too hard on yourself.”

If you're concerned about performing and employing the accusations audit, give it a try in low-stakes negotiations.

YES AND NO QUESTIONS

“No' is not failure.”

When it comes to a line of questioning, there are three types of yes answers :

- * **Yes as a commitment (used to agree)**
- * **Yes as a confirmation (used to affirm commitment)**
- * **Yes as counterfeit (used tactically by someone who doesn't trust you, feels trapped, or wants you to go away)**

Often, a no can be much more valuable than a yes. In certain circumstances, people feel safe and protected by a no. So, a question like “Is this a good idea?” may be better phrased as “Is this a ridiculous idea?”; “Can you agree to do it this way?” could be better presented as “Do you think it's unreasonable if we can both agree to take things in this direction?” When answering a yes question, people are going to feel that every piece of information they provide is another commitment to be made.

By contrast, a no relieves them of the sense that they may have just surrendered their entire negotiating position.

Avoiding yes in favor of no helps ease the other side's fear of commitment. Here again, a negative emotion is being deactivated. And don't forget that no is equally valuable to your own cause. After saying no, use dynamic silence to let it sink in, demonstrating to your partner that you stand by your word.

DEFEATING FEAR OF LOSS

“Fear of loss... completely distorts your counterpart's perception so much that it effectively bends their reality.”

One of the primary negative emotions that can derail a negotiation is the fear of loss. Neuroscience teaches us that fear is a dominant factor in human decision-making. Use your skills to try and figure out what the other side is scared of losing. Know that people will begin to talk about a deal being “fair” once they feel backed into a corner. Fairness, in this moment, becomes the end all/be all of the negotiation. People will even walk away from a good deal if they feel like they've been treated unfairly. If you get the sense that the people across the table think you're being unfair, encourage them to speak their minds about it. Then ask for a few examples of how you've allegedly been mistreating them. You may find that the other side's idea of fairness will result in something that's totally unfair for you. The key to negotiation may be deference, but that doesn't equate to subservience.

Do whatever you can to deactivate this fear of loss—remember your mirrors and labels—and keep your negotiation grounded, collaborative, and positive.

BARGAINING STRATEGIES

“Move from leverage thinking to influence thinking and you're a much smarter negotiator.”

When negotiating, it's always best to steer clear of a bargaining situation. But sometimes it's unavoidable. Below are the stages of the Ackerman system. It's paramount to employ tactical empathy between each round:

- * **Establish a target price for the goods you want to buy.**
- * **Make an initial offer at 65 percent of your target price.**
- * **Assuming no deal, raise your price by 20 percent.**
- * **Assuming no deal, raise your price by 10 percent.**
- * **If still no deal, raise by another 5 percent.**
- * **Your final offer should be an odd number, and you should be prepared to include some non-monetary compensation to show them you're committing all of your available resources.**

The point of the Ackerman system is to make the other side feel that every price increase is creating a real burden for you. Resist the temptation to set an anchor price that is unreasonably low. Lowball offers can create negative emotions like resentment, and the deal will be doomed from the start.

Preferable to back-and-forth bargaining are the kinds of collaborative efforts that make for great negotiations. By the time the other side asks you to make the first offer, you should have elicited enough information from them to know what a great deal would look like in their eyes. Alternatively, set a range for yourself that's dictated by the market price and by what you can actually afford.

Again, the goal is to build as much rapport as possible with your counterpart. Even when bargaining, the benefits of trust-based influence will outweigh a zero-sum approach.

DECODING BODY LANGUAGE AND SPEECH PATTERNS

We all have one way of telling the truth. If you can identify how your counterpart looks and sounds when he or she is being honest with you, then you'll be able to detect any deviations from that pattern that may signal a lie. When decoding body language and speech patterns, keep the following in mind:

* **The Pinocchio Effect**

People who are being dishonest tend to use more words and effort than necessary to communicate their point.

* **The 7-38-55 Rule**

In interpersonal communications, 7 percent of a person's effort is conveyed via spoken words, 38 percent by tone of voice, and 55 percent through body language. All of which is to say, your tone of voice is more than *five times* as important as what you're actually saying. If your counterpart's tone of voice and body language indicate that he or she is about to lose their bearings, harness the power of your late-night FM DJ voice—remember those mirror neurons?—to soothe your counterpart and slow down the pace of the negotiation.

When you're at the negotiating table, pay attention to how people speak and act. Do the words they're saying match up with the way they're carrying themselves? Look at the people who are *not* talking—what does their body language signal to you? People who are being sincere don't typically calculate their body language. The opposite is true of people who are being dishonest.

If you sense people are being deceitful, deploy a label using your inquisitive inflection: "It seems like I've missed something here?" A lie indicates that the other side is afraid to tell you the truth—they perceive you as a threat. In short, you've just encountered more negative emotions to be deactivated. To help defuse them, revert again to the late-night FM DJ voice, avoid all traces of accusation, and get your counterparts to drop their guard.

FIND THE BLACK SWANS

"In any given negotiation, both sides are hiding information."

As Chris explains, black swans are pieces of innocuous information that, if revealed, can change the course of the whole negotiation. In many ways, negotiation is all about finding the black swans. To discover them, you must open your mind, maintain an endless curiosity, and be on the lookout for surprises. Consider, for instance, the case of Dwight Watson:

Watson was a distressed North Carolina tobacco farmer and a war veteran whose anti-government grievances led to a standoff in Washington, D.C., in March 2003. Watson, angered by the effect federal anti-smoking regulations had on his livelihood, drove his tractor into a pond on the National Mall and claimed he had explosives. He told the *Washington Post* that God had instructed him to stage the protest and that he was willing to die for his cause. But through conversations with Chris and other negotiators, Watson revealed that he *would* surrender—as long as it was after three days (a rule he picked up serving as a military police officer in the 82nd Airborne in the 1970s). By piecing together information from his discussions with Watson, Chris and his team were able to identify Watson's religious beliefs as a possible door to persuasion. By playing upon the biblical theme of "the dawn of the third day"—if Christ emerged from His tomb and ascended into Heaven after being dead for three days, perhaps Watson could surrender on the dawn of the third day of his standoff—the agents were able to bring the standoff to a peaceful end after 48 hours.

In this example, the black swan was Watson's religion. When Chris and the other negotiators first engaged him, they had no idea how vital Watson's religious beliefs might be to his decision-making. But, by being open and curious, by asking questions and being alert, they were able to discover this black swan and persuade Watson to surrender his own timetable to a biblical one—potentially saving the farmer's own life and the lives of innocent people around him.

“If you can really get at
what’s driving someone,
you can change their outlook...
and their decision-making.”

-Chris Voss

ACCUSATIONS AUDIT

An exhaustive list of all the negative things the other side may think, feel, or say about your side. Compiling an accusations audit helps you get ahead of the types of negativity and objections that could hinder the successful completion of your deal.

BLACK SWAN

A piece of innocuous information that, once revealed, changes the course of the entire negotiation. Negotiation is, in many ways, all about finding black swans and using them strategically.

CALIBRATED QUESTION

A *how* or *what* question calibrated more for emotional impact than for conveying information. The calibrated question can lead to increased empathy for your position and give the other side the illusion of control.

FORCED EMPATHY

Making your counterpart see the situation from your vantage point, often through the use of calibrated questions.

LABELING

Verbally acknowledging the other side's feelings and positions. Labels are powerful tools for reinforcing positive feelings and deactivating negative ones.

MIRRORING

The conscious repetition of your counterpart's words. Mirrors are designed to show the other side that you're listening to them and understanding them.

DYNAMIC SILENCE

Silence employed for effect. Dynamic silence may follow a mirror or a label, or it can create space to let something you've just said sink in (like "no").

THE 7-38-55 RULE

In interpersonal communication, people convey 7 percent of what they really mean through spoken words, 38 percent through tone of voice, and 55 percent through body language.

MISLABELING

Intentionally misidentifying the position of the people you're negotiating with, giving them the opportunity to correct you, and, in so doing, getting them to reveal new information.

THE PINOCCHIO EFFECT

The idea that people's sentences and explanations grow longer as they lie—like Pinocchio's nose.

TRUST-BASED INFLUENCE

The type of positive, collaborative atmosphere you aim to establish during your negotiations. Trust-based influence is durable and low maintenance, and it leads to great deals.

TACTICAL EMPATHY

The deliberate influencing of your negotiating counterpart's emotions for the ultimate purpose of building trust-based influence and securing deals. The ways you employ your voice, labels, mirrors, and dynamic silence all contribute to tactical empathy.