Resolving Project Shareholder Differences

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Course Overview

This course takes the approach that at some point in your professional career, you will have to act as a calm voice of reason between two or more stakeholders with differences that threaten the success of the project.

We will help you understand the risk involved in a traditional "win-win" approach to resolving project stakeholder differences.

Then you will be able to develop a new strategy and supporting tactics that will either assure "satisfaction" on both sides or at least maintain good will if an agreement cannot be reached. You will learn to analyze the requirements of their satisfaction for every negotiating situation and develop tactics to achieve it.

It begins with a look at the major working styles of the stakeholders involved in the disagreement. Once you are able to identify these traits within each of the participants, you will be able to plan an effective strategy for resolution. Then we explore the fundamentals of differences resolution to identify the skills and concepts that apply in any kind of project setting.

Finally, we show you how to lead the stakeholders into identifying what a successful relationship with each other would look like to them. It **does not** discuss developing or negotiating contracts, risk management, nor provide legal advice. Those topics are beyond the scope of this work.

Learning Objectives

At the conclusion of this course, the students will know:

1. How to identify the four major working styles they will encounter on a project
2. Their own personal working style
3. How to take a flexible approach to deal with the different working styles that would be on a project
4. How to adapt their different resolution tactics to work more effectively with styles unlike their own
5. How to view the situation through the eyes of the other side
6. How to develop an overall strategy for the upcoming intervention
7. How to select tactics for use that will support the selected strategy
8. How to approach and resolve these stakeholder differences more confidently
9. How to preserve good will even if you cannot reach agreement
10. How to ask questions that help you develop your strategy
11. How to use outside standards to reduce the potential for conflict
12. How to recognize and deal with disruptive tactics from the either side
13. A variety of ways to close a differences resolution and get agreement
14. The value of "interests" and the danger of "positions" when constructing a differences resolution strategy
15. How to define what a successful outcome looks like from your perspective and theirs

Relating to Your Project Stakeholders

You probably have many team members with whom you get along very well because they seem to be very like you! Maybe it is the way they present their problem or the way they respond to your answers that makes you think you have a lot in common. Additionally, there are probably many with whom you feel absolutely no connection, and it is difficult to deal with them successfully.

The reason may be that your individual *working style* –the way you interact with the world – is like some of your team's working styles and very different from some others. This applies to stakeholders, too. Your interaction with them or their interaction with each other depends on individual working styles, too.

Before we can help you deal effectively with the various personalities with whom you may try to resolve differences, it is important that you know what your working style is so you can identify theirs. Once you can understand the clues and characteristics of the four major working styles, it will become easier for you to become flexible in your approach to others who display a different style than yours.

1. Self-Assessment Survey

We all are *combinations of the four major working styles* and, depending on the situation, we may display different aspects of our individual style.

For example, at work we may allow the "take charge" aspect of our personality to lead others while after work, with friends, we may pull back the take-charge element and bring out the "friendly and feelings" aspect of us. <u>Please remember this – we are a blend of these styles and the one that we call upon most is our working style.</u>

Select the response in the following questions which is most likely how you would respond. The answers are neither right nor wrong. Just base your responses on how you are today, not how you think you need to be or want to be in the future.

1) When talking to a vendor or co-worker....
   a) I maintain eye contact the whole time.
   b) I alternate between looking at the person and looking down.
   c) I look around the room a good deal of the time.
   d) I try to maintain eye contact but look away from time to time.

2) If I have an important decision to make....
   a) I think through it completely before deciding.
   b) I go with my gut instincts.
   c) I consider the impact it will have on other people before deciding.
   d) I run it by someone whose opinion I respect before deciding.

3) My office or work area mostly has....
   a) Family photos and sentimental items displayed.
   b) Inspirational posters, awards, and art displayed.
   c) Graphs and charts displayed.
   d) Calendars and project outlines displayed.

4) If I am having a conflict with a co-worker or customer....
   a) I try to help the situation along by focusing on the positive.
   b) I stay calm and try to understand the cause of the conflict.
   c) I try to avoid discussing the issue causing the conflict.
   d) I confront it right away so that it can get resolved as soon as possible.

5) When I talk on the phone at work....

   a) I keep the conversation focused on the purpose of the call.

   b) I spend a few minutes chatting before getting down to business.

   c) I am in no hurry to get off the phone and don't mind chatting about personal things, the weather, and so on.

   d) I try to keep the conversation as brief as possible.

6) If a co-worker is upset....

   a) I ask if I can do anything to help.

   b) I leave him/her alone because I do not want to intrude on his privacy.

   c) I try to cheer him/her up and help him/her to see the bright side.

   d) I feel uncomfortable and hope he/she gets over it soon.

7) When I attend meetings at work....

   a) I sit back and think about what is being said before offering my opinion.

   b) I put all my cards on the table, so well known.

   c) I express my opinion enthusiastically but listen to other's ideas as well.

   d) I will try to support the ideas of the other people in the meeting.

8) When I make a presentation in front of a group....

   a) I am entertaining and often humorous.

   b) I am clear and concise.

   c) I speak relatively quietly.

   d) I am direct, specific, and sometimes loud.

9) When a customer is explaining a problem to me....

a) I try to understand and empathize with how he/she is feeling.

b) I look for the facts pertaining to the situation.

c) I listen carefully to the main issue so that I can find a solution.

d) I use my body language and tone of voice to show her that I understand.

10) When I attend training programs or presentations....

a) I get bored if the person moves too slowly.

b) I try to be supportive of the speaker, knowing how hard the job is.

c) I want it to be entertaining and informative.

d) I look for the logic behind what the speaker is saying.

11) When I want to get my point across to customers or co-workers....

a) I listen to their point of view first and then express my ideas gently.

b) I strongly state my opinion so that they know where I stand.

c) I try to persuade them without being too forceful.

d) I explain the thinking and logic behind what I am saying.

12) When I am late for a meeting or appointment....

a) I do not panic, and I call ahead to say that I will be a few minutes late.

b) I feel bad about keeping the other person waiting.

c) I get very upset and rush to get there as soon as possible.

d) I apologize profusely after I arrive.

13) I set goals and objectives at work that....

    a) I think I can realistically attain.

    b) I feel it is challenging and would be exciting to achieve.

    c) I need to achieve as part of a bigger objective.

    d) Will make me feel good when I achieve them.

14) When explaining a problem to a co-worker whom I need help from....

    a) I will explain the problem in as much detail as possible.

    b) I sometimes exaggerate to make my point.

    c) I try to explain how the problem makes me feel.

    d) I will explain how I would like the problem to be solved.

15) If customers or co-workers are late for a meeting with me in my office....

    a) I keep myself busy by making phone calls or working until they arrive.

    b) I assume they were delayed a bit and do not get upset.

    c) I call to make sure that I have the correct information (date, time, and so on).

    d) I get upset that the person is wasting my time.

16) When I am behind on a project and feel pressure to get it done....

    a) I make a list of everything I need to do, in what order, by when.

    b) I block out everything else and focus 100 percent on the work I need to do.

    c) I become anxious and have a hard time focusing on my work.

    d) I set a date to get the project done by and go for it.

17) When I feel verbally attacked by a customer or a co-worker....

   a) I tell him/her to stop it.

   b) I feel hurt but usually do not say anything about it to him/her.

   c) I ignore his/her anger and try to focus on the facts of the situation.

   d) I let him/her know in strong terms that I do not like her behavior.

18) When I see a co-worker or customer whom I like and haven't seen recently....

   a) I give him/her a friendly hug.

   b) I greet him/her but do not shake his hand.

   c) I give him/her a firm but quick handshake.

   d) I give him/her an enthusiastic handshake that lasts a few moments.

Now transfer your response to each question to the table below. Then write the number of responses you have for each working style in the summary below the table.

1		4		7		10		13		16	
a	Driver	a	Expressive	a	Analytical	a	Driver	a	Analytical	**a**	Analytical
b	Amiable	b	Amiable	b	Driver	b	Amiable	b	Expressive	**b**	Driver
c	Analytical	c	Analytical	c	Expressive	c	Expressive	c	Driver	**c**	Amiable
2		5		8		11		14		17	
a	Analytical	a	Driver	a	Expressive	a	Amiable	a	Analytical	**A**	Driver
b	Driver	b	Expressive	b	Analytical	b	Driver	b	Expressive	**b**	Amiable
c	Amiable	c	Amiable	c	Amiable	c	Expressive	c	Amiable	**c**	Analytical
3		6		9		12		15		18	
a	Amiable	a	Amiable	a	Amiable	a	Analytical	a	Expressive	**a**	Amiable
b	Expressive	b	Analytical	b	Analytical	b	Amiable	b	Amiable	**b**	Analytical
c	Analytical	c	Expressive	c	Driver	c	Driver	c	Analytical	**c**	Driver

Write your total score here:

Driver = _____ Amiable = ____ Analytical = _____ Expressive = _____

Working styles from *Personal Styles and Effective Performance: Make Your Style Work for You* by David Merrill and Roger Reid (Chilton, 1981)

There are four distinct Working Styles and each of us is a combination of them in varying degrees. This makes the odds astronomical that you will encounter someone exactly like you. You may encounter some who are very like you or a few more who are a little like you. It is obviously very wise to understand something about the rest of the world if you want them to get to like working with you.

2. Demonstrating Our Working Style

Our everyday behaviors can go a long way to identifying our style. If you are observant, you can pick up clues from:

What people say - How they say it

How they act - Their work environment

What People Say: How do you express yourself? Do you use colorful phrases, "down home-isms", or larger-than-life expressions, or do you tend to say things in a more modest, low-key manner? The types of words you use and the way you use them is a direct reflection of your working style.

How they Say it: Do you speak quickly in your normal mode and speed up even more when you get angry? Or do you speak slowly and distinctly and grow quieter if you get angry? Does your voice have a lot of inflections and tonal changes, or does it stay essentially the same regardless of the topic? Is there excitement in your voice or calmer and more relaxed? The way you speak tells people as much about you as you say it.

How they Act: Have people ever said to you, "If we hold your hands, you won't be able to talk!" Do you gesture broadly when you speak or do your hands rest quietly in your lap or at your side while you speak? Do people have to move quickly to keep up with you or do you stroll at a leisurely pace? Your body movements are a very natural aspect of your working style.

The work environment: Do you have reports, files, and papers strewn over your desk or is it neat and tidy? Do you have pictures in your area? Are they family, generic scenery, or both? Are the pictures of your family casual or formally posed? What about the wall decorations? Are they achievement oriented (#1 in the golf tournament) or (attention seeking) "here's the governor and me at a luncheon?" The office environment can tell a lot about the inhabitant to an alert observer.

Here are four distinctive behavior patterns that you may see in the workplace. As human beings, we are mixtures of these four traits regardless of culture, age, sex, or national origin with varying degrees of "specific behavioral purity" within each of us. This means that some are extreme examples of these, and others may be so thoroughly blended that it is difficult to tell just what they are.

The easiest way to understand these four different traits (**Driver, Analytical, Expressive, and Amiable**) is to think about who we may typically see in a medium-sized engineering firm. Specifically, we're talking about the **CEO** (Driver trait) and the department heads of **Engineering** (Analytical), **Sales** (Expressive), and **Human Resources** (Amiable trait).

Analytical Behavior

Our fictional head of the engineering department has a strong **Analytica***l* nature (a basic requirement for a successful engineering career) with a mixture of a *Driver* (which we'll cover soon) that has helped him become the leader of all the company engineers.

Their behavioral style has a low degree of assertiveness (they listen more than they speak) and a low degree of emotional expression. People with this style *focus on facts more than feelings*. They evaluate situations objectively and gather plenty of data before deciding.

They prefer an organized work environment where they know exactly what is expected of them.

Colleagues often perceive them as deliberate, constrained, and logical. They tend to be good listeners who follow procedures, carefully weigh all alternatives, and remain steadfast in purpose.

Coworkers see them as disciplined, independent, and unaggressive, and as people who are likely to let others take the social initiative.

They may be judged as conservative (*meaning a preference for status quo* – not in a political context), businesslike, and persistent in their relationships with others and strongly risk-averse.

They pursue their goals only after they have compiled plenty of data to support a project's purpose, practicality, and policy. For them, the *process* is as important as the outcome.

Here are some more of the behaviors that you will see in an **Analytical**:

- Seem technically oriented, often seeking structure, certainty, and evidence before making decisions (show them the warranty!)
- Appear quiet and unassuming; may show little emotion when dealing with others (they are listening much more closely than it appears)
- Tend to take little social initiative with others; may remain guarded until a strong relationship has been developed
- May push to extend existing ideas and procedures before going on to something new
- Will meticulously check every word and term in a contract or agreement before signing it

Their office environment:

- It probably has minimal wall decorations. If there are some, they are probably off-the-shelf graphics, nothing frivolous, everything is utilitarian
- If there are documents on their desk, they are neatly stacked and everything looks orderly
- Family pictures, if any, are formal portrait settings, not candid shots of vacation, the dog, etc.
- There are probably charts, graphs, or other statistical measurements in their office.

Strengths of this behavior include:

- Seem able to approach problems on the basis of facts and logic and to create solid solutions
- Tend to make the most practical decision by being thorough and open to ideas
- Like to discover new ways of solving old problems
- Often productively competent in working out a problem and in getting a job done right

Potential sources of friction with them:

- You must realize that their need to collect data it makes it difficult to meet a deadline – they will always need "just one more piece of data"
- Their need to make zero errors makes it difficult to provide an estimate or make an off-the-cuff suggestion
- Their need for orderliness makes it uncomfortable when someone with whom they are working jumps from one topic to another randomly
- They will suppress feelings of frustration, irritation, or anger until they reach a boiling point and explode suddenly and unexpectedly over what will seem to others like a small point. But, for the Analytical, things have just gotten to a boiling point and that small thing was the "straw that broke the camel's back."

Strategies for dealing effectively with them

- You must meet their need for data by providing charts, graphs, warranties, or statistics. (Always check your data first because they will.)
- Give them some room for error when asking for an estimate or opinion otherwise you will *never get an answer because they will never have enough data*. For example, ask for an estimate "with a 95% confidence level." If you give them an 'out' (95% instead of 100%) so they do not have to be perfect, you allow them to reduce their inner drive for error avoidance.
- Set some preliminary milestones so you can check on progress instead of an all-or-nothing final date. Their drive for perfection and analysis of data may cause them to get so bogged down in the details they lose track of the overall schedule.
- Support their principles and thinking, provide evidence and service; and answers that explain HOW as often as possible. When explaining something, proceed in a logical sequence and do not make any leaps of logic.
- Give them time to reach the desired conclusion. If they feel rushed, they will dig in and become nearly impossible to move.

WHO IN YOUR WORK GROUP EXHIBITS THESE TRAITS? ________________
WHAT SPECIFIC TRAITS DO YOU RECOGNIZE? ______________________________

WHAT STEPS CAN YOU TAKE TO DEAL MOST EFFECTIVELY WITH HIM/HER?

Amiable Behavior

Our head of Human Resources is a key element of providing the source and example of warm relationships that every organization needs.

She, as an **Amiable**, is often seen as quiet, unassuming, and supportive. Perceived as a warm, friendly listener who seems easy to get along with, she attracts people who enjoy personal contact and shared responsibility ("teamwork" is something they enjoy).

They tend to pursue goals by first establishing strong personal ties (i.e., first the personal relationship then the business relationship) and may be perceived as avoiding risks and decision making unless they have strong support or data to back them up.

They like time to build relationships and to seek support and feedback from others before they make decisions. "Where do you want to go to lunch? What about you?" they will ask everyone in the group but make no decision themselves for fear of offending someone.

This is the opposite of the analytical behavior who makes decisions on objective fact, not the opinion of others. Naturally, they are very cooperative in their interaction with others because they want to be liked and "fit in.

Some phrases you may use to describe perceived Amiables in your group include:

- Seem to accept others and place a high priority on getting along
- They appear quiet, cooperative, and supportive as they seek approval
- They seem easy to get to know and work with
- They tend to minimize interpersonal conflict whenever possible

Their office environment probably includes:

- "Happy" decorations included candid pictures of family & friends
- "Have a Nice Day" slogan variations
- Probably some clutter giving it a comfortable and homey feel
- Some emphasis on teamwork in an award, a slogan, or books on the shelf dealing with relationships and/or communication

Strengths of this style include:

- May help others and provide positive strokes for other people's work and accomplishments
- May have a deep sense of loyalty and dedication to those in their work and peer groups
- Seem able to communicate trust and confidence in other people
- Function very well on teams and other social settings
- Tend to make people feel comfortable about themselves

Potential sources of friction with them:

- They often have trouble asserting themselves and making decisions quickly because they don't want to leave anyone out or hurt someone's feelings.
- Generally, they do not like confronting disagreements with co-workers.
- They are tempted to base everything on feelings and less on tangible results.
- Their reluctance to deal with conflict means that they do not always get what they really want and may internalize feelings until a blow-up over something seemingly insignificant. (This is like the analytical.) Their frustration about not resolving such issues can turn into resentment that is directed toward the same co-worker in later interactions.

Strategies for dealing effectively with them

- Use a friendly tone of voice while making frequent eye contact and smiling
- They seek approval – provide it as much as you can.
- Use no aggressive or no dramatic gestures because this may be seen as unfriendly
- Speak slowly and in soft tones with moderate inflection (because that's how friends talk with each other)
- Use language that is supportive and encouraging with guarantees and assurances

WHO IN YOUR WORK GROUP EXHIBITS THESE TRAITS? ________________

WHAT SPECIFIC TRAITS DO YOU RECOGNIZE? ______________________________

WHAT STEPS CAN YOU TAKE TO DEAL MOST EFFECTIVELY WITH HIM/HER?

Driver Behavior

The CEO of our company is the consummate **Driver.**

He is results-oriented, tending to initiate action and give clear direction. Drivers seek control over their environment and want to know the estimated outcome of each option when making deals.

They are willing to accept risks but want to move quickly and have the final say. They love competition – especially when they win.

In relationships, they may appear uncommunicative, independent, and competitive and tend to focus on efficiency or productivity rather than devoting time and attention to casual relationships. They seldom see a need to share personal motives or feelings.

Drivers feel most comfortable pursuing their goals when they're in charge and taking the initiative. They are often seen as thriving in situations in which they can create plans and have others carry them out.

Drivers in your workplace may be described as:

- Heartless, bottom-line oriented, will make direct eye contact as a way to intimidate exerting influence
- Able to move quickly and briskly with purpose while others hurry to catch up
- Speaking forcefully and fast-paced using terms such as will (not should), can (not try), and sound very certain of themselves
- They seem to make things happen, take risks, and view problems as just another challenge.

Their office environment probably includes:

- Planning calendars and project outlines displayed in their offices
- Wall decorations include achievement awards ("#1 in the golf tournament demonstrating their competitiveness and achievement)
- Furniture is "executive" style and of the best available (or best they can afford)

- Probably many communication methods available – desk phones, tablets, cell phones, email, Zoom or Teams, - because they want to stay in touch, solve problems, and keep moving people ahead toward goals.

Strengths of this style include:

- The ability to take charge of situations and make quick decisions are what often make drivers high achievers.
- They put a single-minded focus on the goals they want and are not afraid to take risks to accomplish them.
- Often confident and strong-willed and like to initiate, control, and serve as own motivator
- Appear efficient, hardworking, results-oriented, and direct and to the point

Potential sources of friction with them:

- When feeling stressed, drivers can be so focused on getting things done quickly that they can overlook details and make mistakes.
- They may push aside their own and other's feelings to get the job done, which can create tense situations with co-workers.
- Because of their hard-driving, competitive nature, drivers can sometimes become workaholics and expect others to do the same.
- Their failure to consider the feelings of others can drive off a lot of good employees from their organization and create a lot of friction and bad feelings within a workgroup.

Strategies for dealing effectively with them:

- Don't waste their time with a preamble– get to the point and be efficient
- Allow them to build their own structures when possible
- Give them choices between options and probabilities – allows them to be 'in charge'
- They measure value by results – show them how your product achieves results

WHO IN YOUR WORK GROUP EXHIBITS THESE TRAITS? ________________
WHAT SPECIFIC TRAITS DO YOU RECOGNIZE? ______________________________

WHAT STEPS CAN YOU TAKE TO DEAL MOST EFFECTIVELY WITH HIM/HER?

Expressive Behavior

If the description of an **Expressive** *is "often excitable, fun-loving, and talkative; loves an audience and applause or recognition may be a cherished reward,"* then the head of our sales department is the perfect example. They are motivated by recognition, approval and prestige. They are very communicative and approachable, while freely sharing their feelings and thoughts.

They move quickly, continually excited about the next big idea, but they often do not commit to specific plans or see things through to completion. They are better with strategy than the tactics needed for execution.

Like drivers, they enjoy taking risks. When making decisions, they tend to place more stock in the opinions of prominent or successful people than in logic or research. Though they consider relationships important, the Expressive's competitive nature leads them to seek quieter friends who are supportive of their dreams and ideas, often making relationships shallow or short-lived.

Colleagues described like this are very likely to be Expressives:

- They appear to be risk-takers, competitive, and spirited (much like the Drivers)
- Often futuristic, creative, and inspirational
- They are out-going, spontaneous, persuasive, gregarious, and humorous
- The see the "big picture" but don't care much for the details
- Their approach toward projects may be, "Ready, FIRE, aim!"

- They think quickly and are more solution than process focused (Analyticals – the engineers in our company - believe the proper process will lead to the appropriate solution. Expressives identify a solution and ask, "*How can we get there*?")

If you had a large engineering project, the various behaviors would broadly work like this:

- The *expressive dreamer* lays it all out
- The *take-charge driver* leads it and makes it happen
- The *amiable team builder* keeps the workforce together and morale high
- The *analytical data manager* maintains the records and documents

Their office environment probably includes:

- Their pictures shout "look at me" such as with celebrities, unique locations (The Golden Gate Bridge), or exciting events such as skydiving. (The Driver's pictures would show competition or achievement like #1 in the golf tournament. The Expressive's would be *'Here are the Governor and I playing golf'*.)
- Bright colors
- Candid pictures of the family and their dog
- Many different projects or topics that they are working on

Strengths of this style include:

- Their lively nature allows them to motivate and generate excitement in others.
- They work at a fast pace and are good at building alliances and relationships to accomplish their goals.
- They are well suited for high-profile positions that require them to make public presentations, such as trainers, actors, salespeople, and so on.
- Like to share dreams and may stimulate creative exchange of ideas

Growth opportunities for this style include:

- When upset, they can often communicate their feelings with considerable intensity, and if criticized, they may lash out with a verbal attack.

- They may seem overwhelming to less assertive styles, because when they're enthusiastic about an idea, they press for a decision and may overlook important details.

WHO IN YOUR WORK GROUP EXHIBITS THESE TRAITS? _________________
WHAT SPECIFIC TRAITS DO YOU RECOGNIZE? ________________________________

WHAT STEPS CAN YOU TAKE TO DEAL MOST EFFECTIVELY WITH HIM/HER?

- They may need to stay with a project longer than just the initial start-up phase to make sure everyone understands the concept
- Rely less on intuition at times and dig for more facts

Potential sources of friction with them:

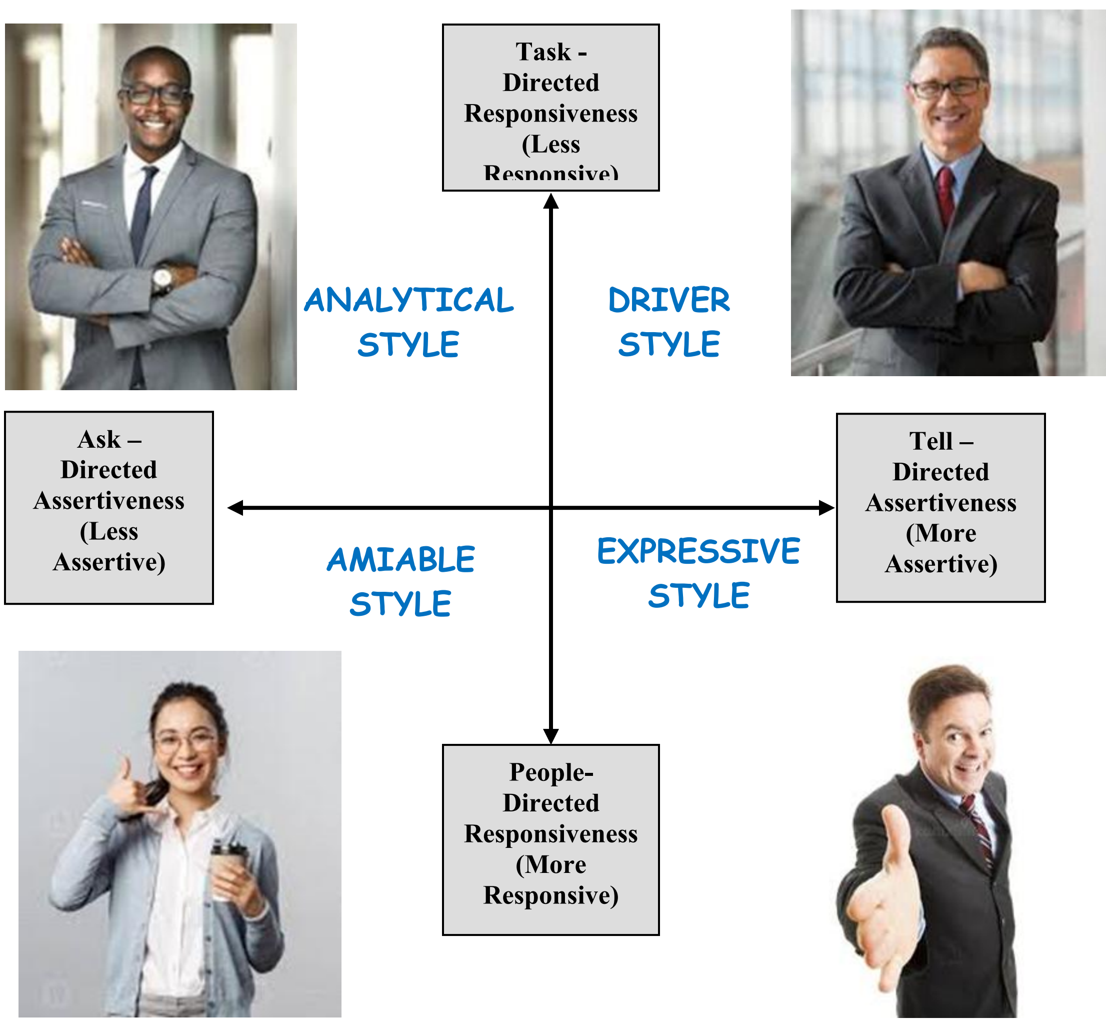
- They are more consumed by generalities rather than details.
- They usually respond better to people who focus on the big picture instead of the minutiae of details.
- Avoiding direct eye contact or lacking an energetic and fast-paced approach. (If you cannot keep up with them, they will lose interest, and your relationship starts to deteriorate.)
- Failure to allow time in the meeting for minimal socializing, talking about experiences, people, and opinions, in addition to the facts. Otherwise, you may not get their best when you need it most.
- Ignoring or ridiculing their intuitive sense of things (They rely on a "gut feeling" and it is frequently correct. Learn to encourage it when possible, not minimize it.)
- Failure to support your ideas with testimonials from people whom they know and respect
- Failure to paraphrase any agreements made and maintain a balance between minimal levity and reaching objectives

3. The Working Styles Grid

The concept of Working Styles is based on where people fall along two behavioral ranges. These ranges address:

- How (or the extent to which) people ***assert*** themselves to others (outgoing communication meaning whether they typically 'tell" or "ask") and,
- How (or the extent to which) they **respond** to others with focus more on people or task issues.

Here is a grid to help visualize it from the company example we just used.



BACKUP STYLE IN RESOLVING DIFFERENCES

Many people, when under stress, usually revert to their "backup style" of behavior.

We mentioned that people fall into two broad categories of assertiveness: *more or less assertive*. The <u>more assertive types</u> are the **Drivers** and **Expressives**; the <u>less assertive</u> one are the **Amiables** and **Analyticals**.

Under stress, people will become more of whichever assertive styles they are.

The **Drivers** become more demanding (their controlling trait); **Expressives** attack verbally (their verbal and quick-thinking abilities); **Amiables** give in and put their personal feelings aside; and **Analyticals** withdraw into a shell avoiding the situation.

How is knowing this useful for making it easier to develop a strategy for resolving differences between project stakeholders?

4. Working Style Flexibility

Earlier, we indicated that four distinct styles means that 25% of the world's working styles is like ours (we do not include ethnic, religious, geographic, etc. factors but rather the basic working style as we have used in this course) and 75% is different.

This means if we can find a way to approach the other person *in a way most like their working style,* we increase the odds we can communicate effectively from 1-in-4 to perhaps 1-in-2 or 1-in-1 depending on our skills. *The greater our attempt to see the world through their eyes will make them like to work more with us.*

Suppose your two stakeholders were an **Analytical** (the Engineering Manage) and an **Expressive** (the Sales Manage). From our guidelines on dealing with the various working styles, here are some of the strategies to use when working with them.

Expressive

- Start by focusing on generalities rather than on details.
- They usually respond well to up-beat people who focus on the big picture.
- It is important to make direct eye contact, having energetic and fast-paced speech,
- Support your ideas with testimonials from people whom they know and like

Analytical

- Meet their need for data by providing charts, graphs, warranties, or statistics. Always check your data first because they will.
- Support their principles and thinking, provide evidence and service; and answers that explain HOW as often as possible.
- When explaining something, proceed in a logical sequence and do not make any leaps of logic.

Can you see what a disaster it would be to use the **Analytical** approach of providing a lot of data and statistics first when an **Expressive** just wants generalities? Or when the Expressive just wants the "big picture" and the Analytical insists on the logical sequence without making any leaps of logic?

Flexibility means that "you temporarily adapt so you can be successful in the encounter"; *it does not mean becoming the other style.*

Think of someone with whom you work and identify his or her working style.

- What clues do you notice?
- Based on those clues, what is their probable working style?
- How should you approach them?
- What is your working style?
- What potential conflicts are there between your style and theirs?
- What will you do to avoid these conflicts?

The most successful anglers look at the world *from the perspective of the fish.* They ask, *"What kind of water conditions, visibility, temperature, and light is best? What about time of day? Which is best, incoming, outgoing, slack, or flood tide? What is their favorite bait?"*

They do not try to become a fish!

Be a Working Styles Detective

- Is the Stakeholder ASSERTING his/her ***needs, wants, and opinions*** a LOT (Driver & Expressive) or a LITTLE (Analytical & Amiable)?
- Is the Stakeholder EXPRESSING his/her **feelings and emotions** a lot (Expressive & Amiable) or a little (Driver & Analytical)?

Understanding Project Stakeholder Differences

The popular feel-good phrase usually associated with resolving project stakeholder differences is, *"We are trying to achieve a "win-win" situation"* or something like that. Unfortunately, this attempt to make everyone feel good rather than address the actual differences and resolution outcomes probably does more to limit potential success in this situation than it does to help. That is because each side is *still thinking about whether they won more* regardless of how altruistic they try to sound to the other side.

Remember, the stakeholders in a project got to that position because they are not wallflowers! They are probably very competitive and feel good, soft and cuddly clichés will probably do more to antagonize them than soothe them!

When you stop to think about it, humans are fundamentally competitive, and there is no real way that two people can say with honesty (notice we do not say 'sincerity') *"we each won in this situation!"* The very definition of winning is that someone emerged from a competition in a more advantageous position than did the others. Even if both sides agree to say, "We each won", one will still tell themselves (and anyone else who will listen), 'Yes, but I won MORE than they did!" Winning is a measurable that everyone can understand. Just look at the scoreboard: we scored more than they did!

<u>Satisfaction is what we want from a difference's resolution – not winning</u>. Each side can be satisfied even if they end up with different outcomes. I may have paid more for it than I had planned , but you agreed to deliver it sooner than you expected. You got more money, and I got it. **We are both satisfied.**

Winning requires that each side values the same thing: i.e., a greater score in a competitive situation. In the example above, if you said, "I won because you gave me more money than you wanted to", I could say, "Yes, but I had plenty of money. However, you promised delivery sooner than you wanted to. That means I won!" Obviously, if we do not share the same values, then talking about winning is meaningless.

In reality, the two sides do not always share the same values in the same topics under discussion. Back to the previous example, you valued the money while I valued time. Therefore, we describe the outcomes of resolving differences more in ***degrees of satisfaction*** than the either-or concept of winning or losing as we do in competitive events. The extent of our satisfaction is not so easy to measure because it is an internal factor. Since it is internal, and usually very personal, we do not focus much on analyzing it. In resolving stakeholder disputes or differences, we rarely deal with either of our situations. Even when it comes down to the dramatic "take-it-or-leave-it" confrontation, we have still considered many other aspects within the differences resolution before we finally take it or leave it.

Think about when we buy a car. Our final decision to take it or leave it results from the extent to which it meets our needs regarding concerns of safety, mileage, passenger capacity, color, audio equipment, comfort options, etc.

Although *outwardly* the decision appears to be an either-or/take-it-or-leave-it choice, the reality is that we considered all of our needs and thought about how well the car met them. If we are ***satisfied overall*** that the car meets our needs, we buy it: even if it is at a higher price than we wanted.

1. Characteristics of a Good Resolution of Stakeholders' Differences

Regardless of the subject, there are some common elements shared by all successful resolutions of stakeholder differences:

- It should reach a **mutually beneficial agreement** (meets the legitimate interests of both sides to the extent possible, resolves conflicting interests fairly, will last for some time, and considers community [workplace, neighborhood, family] interests.)
- It should be **"efficient"** (able to be implemented with a minimum of "moving parts", other people or factions, and contingencies on future events)

- Should **improve** (or not damage) t**he relationship** between the parties involved
- It should create an environment in which we would be willing to work with each other again to resolve future differences.

2. Why Many Attempts at Resolving Stakeholder Differences Fail

Unsuccessful resolution can result from many things:

- Poor preparation by failing to define desired outcomes, limits, possible issues for trades, consequences of not reaching a desirable outcome before starting
- Failure to consider the other side's potential needs, wants, and working style
- Failure to identify combinations of desirable solutions within the context of the "big picture" (i.e., pay more for faster delivery, charge less for lower quality, etc.)
- Failure to maintain a long-term view on the ultimate goal(s) by getting distracted on short-term issues
- Failure to "know when to hold 'em, when to fold 'em, when to walk away, and when to run!" (Kenny Roger's, "The Gambler")
- Failure to understand the difference between positions and interests (our next topics)

3. Positions and Interests

Suppose there is a house for sale (by owner) in a neighborhood where you have wanted to live, and you are looking to move into that area.

Here are two possible scenarios that could occur which will demonstrate the difference between resolving differences from ***positions*** or from ***interests.***

Positions are the **visible fact**s about the deal such as price, delivery date, quantities, terms and conditions of the sale. Interests are the **invisible reasons** behind the positions. If you take time to find out as much as you can about the invisible reasons behind their pricing, delivery dates, quantities, and terms and conditions, you may be able to offer alternative options that will still satisfy them and allow them to be more flexible on their positions.

A Focus on Position #1

Your Comments	The Owner's Comments
How many bedrooms and baths does it have?	3 bedrooms and 2 baths
How old is it?	It is 13 years old.
How much are you asking?	$495,000
We would not want to pay more than $475,000.	That is your choice, but it will not be enough for this house!
Maybe we could go to $480,000.	We might consider $490,000.
We would not go much higher!	We will not go much lower!

At this point, it may break off entirely or antagonisms begin to develop because one side starts thinking the other side is trying to take advantage of them. The relationship turns into competition and becomes personal about whether one side can persuade the other to give in.

The chance of a successful differences resolution where both sides are satisfied becomes very slim.

A Focus on Interests #1

Note: Words that would indicate the seller's interests are **bold blue**

Your Comments	The Owner's Comments
This looks like a very nice house you have. May I ask **why you want to sell?**	It has been a great house for us, but I have been relocated, and we are trying to sell here and **get settled there before school starts.**
How many bedrooms and baths does it have?	3 bedrooms and 2 baths
How old is it?	It is 13 years old.
How much are you asking?	$495,000
I am sure it is worth every bit of that, and you will **eventually** find a buyer. However, if it were a little less, we would be very interested in it, and it may help you **get on with getting your family moved and settled before school starts in your new neighborhood.**	Well, our interest is more about **getting on with our lives** than staying here hoping the right buyer shows up. How much less would it have to be for you to be interested?
We would not want to pay more than $475,000 but we have **excellent credit,** and my lender has **already approved us** to this amount and assured us it would go through **quickly**!	That is a lot below what we were thinking. I guess I can come down a little **if it closed quickly** but I really could not go below $485,000.
Maybe we could get up to $485,000 **if the appraisal supports that much**. If it is more, it is still $485,000 and if it is less, the price will match the appraisal if we agree to buy it.	That sounds fair. It is a deal!

In this example, the buyers have already done their homework by looking at real estate listings in this area to get a feel for the market value of the house. Although the market value and final sales price are not directly tied together, it will give them a feeling of whether they can afford to be looking in this area. In addition, this means they do not have to start with the position (price).

Once they know they can afford it, they talk with a lender to get an approved limit so they can speed the paperwork afterwards in case they find a seller that wants to move quickly.

By asking the seller why he/she wants to sell, they are trying to determine the interests <u>behind</u> the price. If the seller had said, *"Our family has grown and we're looking for a smaller house"*, they may not be as much in a hurry to sell as the family needing to relocate and be firmer in their pricing.

Since they took time to determine the sellers' interest of getting to their next neighborhood in time for their children to register in their new school, they were able to touch those interests by making the statements they did. ("Excellent credit > already approved> close quickly")

This also gave the seller a graceful way to reduce the price to speed the sale without appearing to be "beaten down" by an aggressive buyer.

The more time spent trying to identify the other person's interests behind the deal will give you more opportunities to **present various options** that may appeal to the seller. In other words, there are more chances to satisfy each side.

Here is another situation that should help you understand the difference between positions and interests.
You are a department manager who had a key project leader go on leave and will be out for the next 8 weeks. The executive sponsor for an important department project just told you that it has changed from a "hold" status (why the former project leader was able to take leave) to "active" and she wants it ready for implementation ASAP.

As the manager, you have met a consultant that you believe could do the job and want to call her/him in to negotiate a contract for this project. This is confidential information known to you as the department manager:

- You can only spend $10,000 and do not want to "borrow" against any other accounts or projects you have planned. You have a 6-week deadline on this project.

- You would like to get it back in 4 weeks in case it needs rework before the deadline. It would be nice to have a reliable resource like this consultant you can count on for unexpected events just like this. It would be good to see how they work on a small project like this before you consider them for larger ones.

The consultant likes the manager and thinks he/she would enjoy working there. This is the consultant's confidential information:

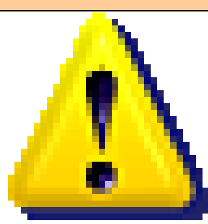
- You normally charge $20,000 per month and do not have anything else planned for that month. It would be great to "get your foot in the door" with this company but do not want to appear too anxious. You fear that going below your normal rate will set a dangerous precedent that will keep future billings here lower than you would like.
- It will take about $11,250 worth of expenses to complete the project, and you want to make at least $8,000 of clear profit.

A Focus on Positions #2

Department Manager	Consultant
I have a short-term project in your specialty that I need completed in one month. (The project is described to the consultant.) Are you available and how much do you charge?	Yes, I am available and can do that for you. My monthly rate is $20,000
I am sorry but $20,000 is way beyond what I have available? I only have $9,000. Will you take any less?	I may be able to come down a little but certainly not that far.
The discussion becomes a 'classic give and take' as each side tugs on that $20,000 amount. The manager is trying to pull it down and the consultant is trying to keep it up without looking like they are giving in too easily. They may or may not reach a satisfactory agreement.	

A Focus on Interests #2

Department Manager	Consultant
I have a short-term project in your specialty that I need completed in one month. (The project is described to the consultant.) Are you available and how much do you charge?	Yes, I am available and can do that for you. My monthly rate is $20,000
I am sorry but $20,000 is way beyond what I have available? **Can you help me understand what all goes into that amount?** (These are the invisible reasons behind the position.)	Well, there will be a significant amount of expenses doing this project in relation to duplication, administrative support, leasing some specialized equipment, and of course, there is the profit I need to stay in business.
I don't want to know what your profit is but if there is a way we can provide the duplication and administrative support you need plus allow you to use our equipment, would that reduce your expenses, still allow for your profit, and come within the $9,000 that I have available?	Yes, let me look at it a little more but I think that will work.
The manager has been able to get what he/she needs by taking time to find out the **invisible reasons** behind the **position (price)**. If they had started with the **position (price)**, they may have never gotten off it. By focusing on interests, many alternative options become apparent, and each ends up with what they want.	



WARNING!!

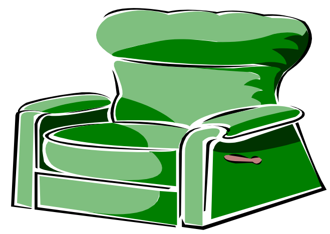
For your piece of mind, NEVER tell anyone what you paid for your new car, boat, house, etc. This is because, *regardless of how happy you are about the great deal you got*, they will always say, "Gee, my cousin (uncle, father, sister, or friend) could have gotten you a better deal!" and that will destroy any pleasure that you had in getting the deal.

Simply smile and say, "I got a great deal" or "I'm very happy with this car" or anything to avoid the specific answer. Remember, if you give them a way to burst your bubble, they will even though it may be without any specific intent to hurt your feelings. It usually happens!

Three Kinds of Interests

We will explore the kinds of interest differences resolution participants may have.

Interests can be:



"SHARED INTERESTS" = we both want that same item. Example: The husband and wife each think a recliner would be good to have in the family room.

"NON-CONFLICTING" = one side wants something, and the other side does not care one way or the other. Example: The wife wants a beige recliner to match the carpet while the husband does not care what color it is.

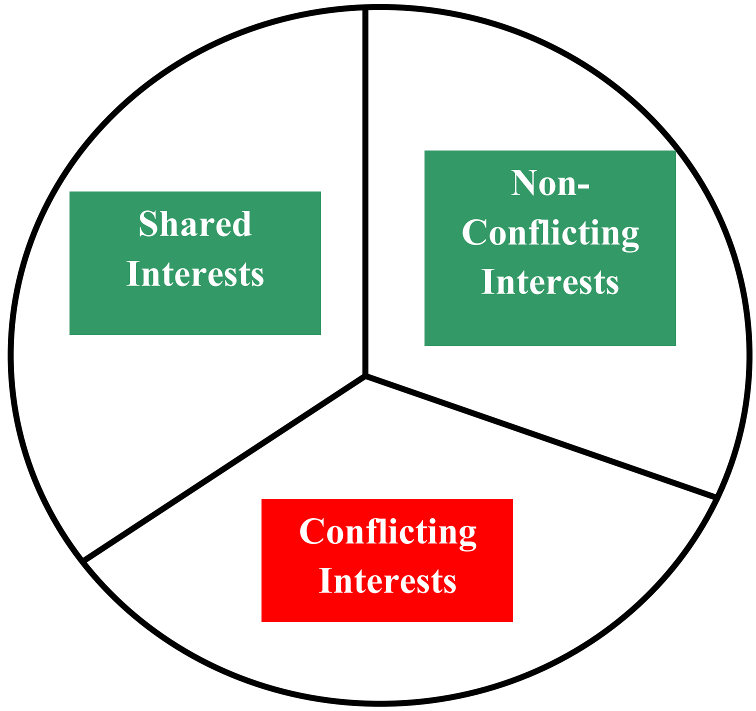
"CONFLICTING" = if you get your interest, I cannot get mine. Example: The husband wants a recliner, his wife wants a new carpet, but they cannot afford both.

What would be examples of these interests when a couple is planning a vacation?

SHARED	NON-CONFLICTING	CONFLICTING

Think of the three kinds of interests in a graph like this:

If there is a way you can discover their interests *before you get down to discussing positions,* you may help them discover that they have more **shared interests** or **non-conflicting interests** than they realized.

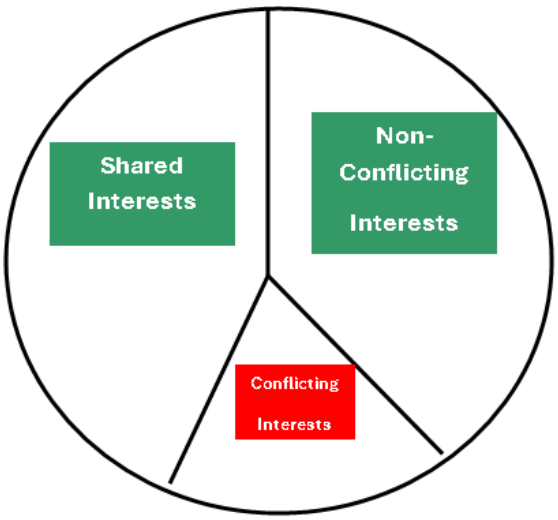


As shared and non-conflicting interests expand, conflicting interests must contract! The more you can identify the smaller you can force the conflicting issues portion.

Another way you may be able to reduce the size of the conflicting interests wedge is through identifying EXTERNAL REFERENCES as you work through the process.

You can reduce the potential conflict between the stakeholders by suggesting the use of some external references that neither of them can influence.

Suppose that you wanted to buy a used car. What could you use to determine a fair value that neither you nor the salesman could influence? (The 'Kelly Blue Book' or the NADA Value guide)



What kind of external reference could you use when trying to resolve these differences?

This issue	Use these EXTERNAL references
You want to determine a fair price for a piece of used equipment you want to buy.	An appraiser, a skilled mechanic you trust, a banker, or look at comparable sales in the area
You want to determine a fair and long-term price for delivering material to the jobsite.	Negotiate the load price with a variable pegged to the cost of fuel that will probably vary over the term of the deal.

For example, if you can base the price of the house you are buying from an owner on the appraisal value + a small markup, you have instantly removed a major obstacle to the resolution. This is because someone who has no stake in the outcome of your situation does the appraisal (an external reference); therefore, each side can trust them!

Always look for external references that could apply to your differences resolution BEFORE YOU BEGIN TRYING TO RESOLVE THEIR DIFFERENCES.

4. The Secret of "WIIFT*"

*<u>**W**</u>HAT'S <u>**I**</u>N <u>**I**</u>T <u>**F**</u>OR <u>**T**</u>HEM

How does the question, *"What's in it for them?"* relate to our previous comments about interests vs. positions?

This gets you thinking about their interests <u>behind their position</u>. It helps you ask, "If I were in their place, why would I want to have that position? Are there ways I can help them meet their interests while helping me get what I want, too?"

Why would it be useful for you to make that connection before you start trying to resolve their differences? (Without knowing their interest, you're just floundering around trying to find an answer.)

"When your employees get what they want, you'll get what you want!" That is from Zig Ziglar, (https://en.wikipedia.org/wiki/Zig_Ziglar) a famous motivational speaker. How would his statement about dealing effectively with employees help you deal with the differences between project stakeholders?

You can ask each one privately, **"Can you help me understand the reason for your position about that issue?"** (In Ziglar's terms if you understand their "why," you can figure out a "how.")

The phrase, "help me understand" is an honest, non-threatening request for information. It is clear that you are not being judgmental about their thinking: you are only seeking to understand it. You are admitting they are good reasons from their perspective that you just do not know about.

If each side has a reason for their position, you may be able to produce a way to resolve their differences.

5. Positions & Interests – A Childhood Story

Once upon a time, two chefs-in-training decided to make a dessert for dinner that night. And, although they had recipes for two entirely different desserts, each one called for three eggs.

They went to the refrigerator, saw there were only three eggs remaining, and each immediately claimed them because their recipe called for exactly three eggs. Since each needed all three, there was no way they could cook with less than all available, so no compromise was possible. Then, as children will do, they immediately started fighting over who had the best recipe and deserved all the available eggs.

Fortunately, Mom was nearby and heard all the noise. “What’s the problem?” she asked her two little chefs-in-training.

They immediately began talking at the same time, getting louder all the while so their argument could prevail. Surely, each one thought the loudest voice will win.

“So your *position* in this situation is that each needs three eggs for your recipe. And, since there are only three eggs available, you can’t reduce the number of eggs without harming your product. Will either of you try to make something else that doesn’t require eggs?”

“NO!” came the immediate response in unison.

“OK, then, let’s look at ***WHY*** you each need three eggs,” their smart Mom said.

“Because that’s what the recipe says,” cried he younger one. “Yes, “it’s right here” the older one agreed as she pointed to the item on her recipe list of ingredients.

“No, you didn’t listen,” Mom told them. “***WHY*** do you need three eggs? The inventor of that recipe didn’t just pull that item and number out of the air for no reason.”

“Because I need three egg *whites*,” the younger one explained.

“Because I need three egg *yolks*,” the older one explained.

Immediately, a blast of insight struck each junior chef: “We can share the eggs because we each need a different part of it,” they said as they started broke into big chef-smiles.

“Try to remember the lesson of the eggs, girls,” Mom said, “If you know the WHY of something, you can usually figure out the HOW!”

--- (And they each made a great dessert for dinner than night. The End) ----

Three Powerful Questions
If you find yourself at an impasse in negotiating with someone, these three questions can be very useful in getting things moving again.

The stakeholders must agree to whatever outcome is reached.
If it is somehow imposed from a higher authority, they will never feel comfortable with it.
You must facilitate their journey to find their solutions. Also, that way, if the resolutions do not work out, they cannot hide behind blaming someone else. They must take responsibility for the results.

1. ***"What would you suggest?"*** (Maybe they have an idea that hasn't come up yet and they've not seen an opening to present it. If you're at a stalemate, anything is worth a try.)
2. ***"What would it take for you to agree?"*** (Maybe they have an interest that hasn't been revealed yet.)
3. ***"Can you live with it?"*** You're testing the current offer. They may be a little hesitant to say "OK", but if you prompt them, they may agree. *If they can't live with it, what would they suggest?*

You may have to bounce back and forth between the three questions as you offer different combinations of solutions but eventually you may arrive at something that satisfies all parties involved.

Strategic Elements of Stakeholder Differences Resolution

Here are some critical concepts, tools, and suggestions that can help you bring your disputing stakeholders back into alignment for a successful project outcome.

1. Determining Value

What or who determines the "value" of an object?

Each side decides for themselves what the value <u>is to them</u>. Remember, both sides may not share the same idea of the object's value or <u>value</u> may not always mean money. One side may pay more for a quicker delivery date.

What or who determines the "price" of something?

Each side decides for themselves what they are willing to pay for something or for what they are willing to sell it. Remember, price may not always mean money.

Could the value and the price of an object be widely different? Yes

How can they?

Suppose you were having a garage sale, trying to clear out some of the objects your family has been accumulating for the past 30 years. One of the items is the family piano on which your grandmother taught you to play simple songs. Later, you taught your children to play those same songs on it. That old piano has many treasured memories for you. You have a written appraisal stating the value is $750 and that is on the piano for customers to see.

Two people are looking at it. One is the local antique dealer (you see the sign on his truck in your driveway) and the other is a young mother with a five-year-old child with her. The antique dealer has been trying to get your price down by pointing out the scratches on its legs (where your puppy once scratched it trying to get your attention when your grandmother was teaching you a song).

The young mother is watching her child trying to pick out notes on the keyboard as she tells you they want to get her piano lessons someday but just cannot afford the cost of a piano and lessons right now.

Do you think the seller, the antique dealer, and young mother all have the same concept of the piano's price and its value?
Who do you think would 'value' the piano more: the antique dealer who is looking for an object to sell for a profit or the young mother looking to find a way to help her child learn about music? Would they value it in the same way? Do you think the price would be the same to both prospective buyers? Do you think part of the price to the young mother may be 'take care of it and let it give your family great memories like it did for ours'?

Can you see now why price and value many be different from each perspective? Why would we ask that question in a course about resolving stakeholder differences?

2. The Power of Pause

If things start going too fast and you sense issues are becoming too emotional, do not hesitate to call "time out" and pause to take a break for a few minutes (or until tomorrow). Remember, a successful differences resolution is based on mutual satisfaction (page 24) and cannot occur if one of the parties involved feels he or she is being pressured into a decision.

3. Split the Difference

When the resolution process seems to have stalled, you could suggest they split the difference between them if such an idea is reasonable. However, while it may sound like a reasonable thing to do, make sure you clarify what the proportions will be. *Don't assume equal shares until it is spelled out that way.*

Another favorite tactic of moms with young children learning to share something is by having one make the division (such as cut the piece of pie into two parts) while the other gets first choice.

That way, each is assured the other doesn't have an advantage and they are actively engaged in settling their own differences.

4. The Reality Check

Sometimes it may be necessary to give the participants a peek at reality to get them to budge from their position. This "reality check" is actually an appeal to their interests as you are trying to help them see they are better off working with you than against you.

For example, you and the disputing stakeholders all work for the same project client but are negotiating about allocation of resources on the project. (Suppose there is no contractual allocation existing.) You may say something like, *"I hope we can find a way to resolve this without getting the client (or some other high-ranking person) involved. If they have to get into it, we lose any control over the allocation."*

The 'reality check' aspect of this is your letting them know that you won't hesitate to escalate this if they won't work with you in good faith. The reality they need to understand is that you are determined to get a resolution and will not let games, egos, or possibly hurt feelings stand in your way.

5. Disruptive Tactics

Here are some typical disruptive tactics that one of them may use against the other or against you while trying to help them resolve their differences and ways you can counter them.

Disruptive Tactic	The Counter Move
They put you in a stressful or distracting situation. Sitting facing the sun, an unstable (or too low) chair, a noisy background, etc.	**Confront the behavior – not the person**. "I'll have to get out of the sun (find another chair, find a quieter place) before I can concentrate on our differences resolution."
They take an extreme position. ("We won't settle for less than $X" "You'll have to deliver it by the 1st of the month or no deal." They offer you $100,000 for a house that is clearly worth $175,000")	**Look for the rationale behind the extreme position**. ("Why is $X the specific amount? Are there other factors involved that force you to say $X? Are you not aware of what property values are in this neighborhood? Help us understand why you think we would agree to something like that.")
Obvious Distortions ("This car was only driven by a little old lady who never went faster than 30 mph nor drove more than 3 miles at a time.")	**Pretend belief but ask for verification.** ("You can imagine how surprised I am to find such a little-used car. Do you have documentation that can help me believe this isn't a dream?")
Quasi-authority ("I'll have to take your offer to my boss for final	**Clarify their authority first** ("Before we get into this, do you have authority to sign a final agreement or are

Disruptive Tactic	The Counter Move
approval.")	you collecting data for someone else?")
Doubtful intentions You are not sure of their intent to comply with the decision. ("We agree to buy the manuals from you and not make any copies.")	**Give yourself a contingent** ("While we are confident no one [don't say 'you' here] will make copies of the manual to avoid buying them from us, would you consider a minimal purchase amount based on the intended audience you told us you will have?"
Remember, in many situations…less than full disclosure is not lying. This is information for you – not a disruptive tactic!	**Make sure before you start that you have identified and addressed as many of their interests as possible**.
Good guy-bad guy They work in pairs while the "good guy" tries to get the bad guy to calm down while asking for a concession from you to help him (good guy) satisfy the bad guy.	**Recognize it for what it is and confront them**. ("Look, if you two need to have a moment alone to work this out, I don't mind waiting outside for a moment.")
Threats or final positions ("Take it or leave it!" "We just don't do things *that way* in our company!")	**Ask for clarification** ("Are you saying that you are willing to let all the time and effort we both have put into this to be wasted if we do not do X?" "Can you tell me just how your company *does do things?)*
Refuse to negotiate ("We'll see you in court!")	**Realizing it may be a negotiating tactic.** (Look at their interests. Why would they not want to negotiate? Are they hoping to get you to make the first offer? Maybe they really cannot afford it and want to save face. Try to communicate with them through a 3rd party that both sides trust.)
Escalating demands ("Now that we have that out of the way, there is one additional, *very small*	**Confront it or reverse it** ("Where did this come from? Why do you think we would be willing to agree to a final amount only to have another *very small*

Disruptive Tactic	The Counter Move
consideration…” “I know my curfew is 10:00 but I’d like to stay out with my friends until 10:30.”)	consideration come up? Why would I think it would not keep happening?” “What assurance can you give us that it won’t keep happening?” “I can understand that you would like to be out later but, you know, the more I think about it, I would be more comfortable if you were back home by 9:30”)

Reaching the Agreement

"It ain't over until the fat lady sings!"

-New York Mets Manager and Baseball Hall of Fame Catcher Yogi Berra when asked by a reporter for his opinion about an opera currently playing on Broadway in 1969

Your differences resolution is not complete until both sides have agreed on issues like these:

- What will happen?
- Who else is involved?
- When it will happen?
- Who does what?
- Who pays how much and when if money is involved?
- A confirmation that we both understand the same thing with a written contract if anything of value is involved or a tangible review if nothing of value is involved

(Note: This is not a legal definition of what is necessary! It is only "thought starters" for this course.)

1. Some Closing Tactics

The best way to close the deal is just ASK! This is not the time to be vague! If you think you have helped them meet all their requirements, then politely say something like, *"It sounds like both of you will be satisfied with this, so can we sign it and start working on making it happen?"* Some people will have no problem signing while others have difficulty taking that final step (even if they get everything they need) and will need a little nudging to help them make the commitment.

These are some of the most common and effective closing tactics used in business negotiations. You may have used some of them already or have them used with you.

Closing Tactic #1 - The "If, then" approach

If either side (or both) still has a point that cannot be given up so the deal can close, look back over the whole proposal. Try to find a place where one side did not get everything they wanted and link that to a closing.

Suppose that one thought a monthly service checkup was a little too expensive and was using that to avoid signing the contract, you could offer, *"**If** the service agreement on the copier also provided for one free service call within a six-month period, **then** would you be willing to sign now?"* You will have linked their hesitation about the per-price call to a remedy that helps them feel they are getting more for their money.

WARNING!! Never ask people to "concede" something because that suggests they are giving in or getting less in the deal. Instead, suggest the parties involved "trade" something with each other.

"Would you trade an earlier delivery date if he could come up with a little more money?"
"Would you trade buying her lunch if she drove us over there?"

Use the "trade" concept when you are trying to get something from someone.

However, you can use that powerful sense of inequity if you say, *"I will concede that to you if (they do something) ..."* You give them the impression you are giving up something valuable to you and only asking for something small from them in return.

Closing Tactic #2 – Assuming Agreement

If you sense they may have trouble making a commitment by saying, "YES", then **assume their agreement and offer them a choice of options or implementation.**

Suppose you are interviewing an applicant that you would like to hire. You have gone back-and-forth on the offering package and sense they are satisfied with the offer but, for some reason, just can't bring themselves to say 'Yes'!

You can say, *"Would you rather start on Monday the 3rd or the 10th? Either one will get you into the pay cycle starting on the 15th."*

You really do not care which day they pick but only that they do pick one because that means they have agreed to your offer (at least in their minds.) As soon as they select one, you have closed the deal and can mark on the hiring contract the start date and give it to them for signature.

"We have to catch up on a lot of work this week. What night would you prefer to stay late and help me do it?" (You do not ask, "Do you want to work late?")

" It is time for a change of scenery. Where would you like to go for dinner tonight?" (You do not ask, "Do you want to stay home tonight or go out to eat".)

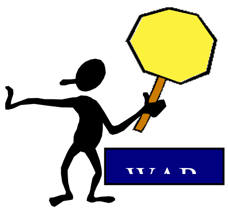
"Would you rather pick up your toys now or before you can go out to play?" (You do not ask, "Do you want to pick up your toys?")

Closing Tactic #3 – Selective Features & Benefits

Determine in advance the major features & benefits of your idea and present only the ones which will have value to the interests of the stakeholder you are trying to persuade.

- **FEATURES** are undeniable facts about the object such as its color, it has a V-8 engine, it requires 2 D-Cell batteries, etc.

- **BENEFITS** are what that feature means to the buyer. Be sure you carefully select the benefits that you highlight.



For example, if you were selling SUVs, you would think twice before making a point of mentioning a big, gas-guzzling V-8 engine (a feature) as a benefit to a customer with bumper stickers on their car supporting energy conservation.

FEATURES	BENEFITS
This new car features air conditioning.	The benefit is you will ride cooler.
What are some features and benefits of working for your organization that you would emphasize to an applicant you would like to hire?	
What would determine WHICH features and benefits you would stress?	

Closing Tactic #4 – Welcome Resistance

Welcome resistance because it identifies what you must overcome for acceptance of your idea! Ask for their reasons for resistance **directly** using **indirect** questions:

- "What obstacles do you see that I may have overlooked?" (A *direct question* to them phrased *indirectly through your possible error.*)

Ask for specifics instead of generalities for resistance:

"I am sorry but 'I just do not like it!' does not tell me much about your viewpoint. What specifically do you have concerns with?"

Resistance of, "We just do not process payments in that way!" should lead you to say, "Please tell me in what way you DO process payments."

If you get the result you want, do you really care about the process leading to it as long as it is legal and ethical? This is a chance to give in to their process ideas while retaining your ultimate result. This satisfies both sides in this situation!

Listen without interrupting (not just hear) to their expression of resistance because:

- They may answer their own objections
- You may realize they do not really understand the situation, and this gives you a chance to clarify and possibly salvage your idea
- They may lose some of their pent-up emotion by talking it out
- They may hear themselves and realize their objection is actually petty
- They may identify a problem that you missed which saves you embarrassment
- They may be able to offer an alternative which will work and still be acceptable to them

Welcome their replies because it gives you an opportunity to find a solution.

Ask if they would agree if you could find a way around their objection:

- "Would you be willing to try it if it cost less?"
- "If I can find a way to get our people trained, would you be willing to do it this way?"

Ask for specifics instead of generalities for resistance:

- "I can understand your saying it costs too much. Can you tell me ***how much too much?"***

Reverse roles with them and ask for their solution:

- "If this were your problem to solve, how would you solve it?" (If you can agree to their solution, then do it! Remember, which is most important to you…**that you get the result you want or the result <u>and the way you want it done?</u>**<u>)</u>

Ask them what they would require for agreement.

- "What would be needed for your agreement?" (Then you can decide whether you want to give it.)

Closing Tactic #5 - Back to Square One

If you must go back to the beginning, ***be sure you come up with fresh ideas, issues, concerns, trades, etc.*** If not, you will end up exactly where you were before when you stalled. Remember, it makes no sense to keep doing things the way you always have and expect different results.

2. Resolution Tips and Last Thoughts

As we said earlier, the more you practice your resolution skills, the stronger they will become, and you will gain confidence as you move ahead in your career.

These are a few tips and last thoughts to keep close as you gain this experience.

- **You cannot do things the way you always have and expect different results**. If something does not seem to be working, do not make the mistake of automatically trying it harder. Ask yourself if there are other ways to approach what you want and consider doing things differently.

- **There are no faulty conclusions, just faulty assumptions**. When you come up with unexpected outcomes, go back and review your assumptions. Two + two always equal four. So, if you keep getting "three", maybe you need to look closer at what you think are twos.

- Do not hesitate to ask, **"Why would I want to do that?**" when someone proposes something that you think is outrageous or unexpected for these reasons:
  - ✓ It gives you time to think a little more
  - ✓ It gives you time to recover if you were caught completely off guard
  - ✓ It makes you appear thoughtful
  - ✓ It gives them the chance to provide more information that may tell you something you did not know
  - ✓ It keeps you from overreacting (in case it is not warranted) which may harm the progress of the difference's resolution
  - ✓ For example, if your teenager wants to extend their curfew, you're asking, "*Why would I want to do that?"* makes you sound reasonable and willing to listen. (You can still say no after hearing their rationale without causing any hard feelings.

- **The more you narrowly define a satisfactory outcome makes it harder for you to be satisfied**. Conversely, the greater the possibility of options to your satisfactory outcomes increases the chances you will be satisfied with the outcome.

For example, if you are looking for a new SUV and have defined your interests as:

- ✓ It scored in the top five of insurance roll-over tests
- ✓ Must get at least X miles per gallon in the city
- ✓ Have A/C and a music package with AM/FM, CD, and tape player
- ✓ Carry six adults comfortably
- ✓ Ranked in top four Consumer Reports of retaining resale value, etc.,

You have given yourself many options of dealers to visit for your "transportation solution." However, if you define your satisfaction as only a Toyota Highlander, your options for a satisfactory difference's resolution are severely limited.

- **How can I make it easy for them to help me get what I want?**

  Suppose a stakeholder likes your proposal but needs some help in selling it to his/her boss. Do not hesitate to ask how you can help them make the sale to their boss because by helping them, you are helping yourself.

- **Trust is historic**

  We must learn that we can trust people based on our experiences with them. Remember that while not every difference resolution may end the way you want it to, it is important that you at least retain goodwill with the other side. You never know when your paths will cross again, and you want them to recall your behavior kindly.

- Signing the contract is the beginning of the relationship. This is NOT the time to show them how tough you can be. If you beat someone down to the minimum and then sign a contract with them, THEY HAVE THE LENGTH OF THE CONTRACT TO TRY TO GET EVEN WITH YOU!

  You *virtually guarantee* they will try to recover self-respect by meeting minimum performance requirements in the contract. You will spend too much time managing the relationship to make it profitable for you.

Developing a Resolution Worksheet

Use this worksheet as a discussion tool with each stakeholder privately before trying to get them together. It can help you develop possible resolution strategy. **Remember, once you have gotten them together and started the resolution process, it is too late to prepare!**

DEVELOPING YOUR RESOLUTION STRATEGY & TACTICS	
1.	Describe the issue you want to resolve between the stakeholders. (This step is critical to make sure you and the stakeholders agree on WHAT – not WHY – is causing the problems.)
2.	What are their priorities associated with resolving it? (Budget, schedule, costs, etc.?)
3.	What do you think is their working style? What clues or information makes you think that? What approach works best with that style? (Review working styles starting on page 10)
4.	What do you think are the other side's interests in this?
5.	What do you think are their priorities within the desired outcome?
6.	List **common interests** you think the disputing shareholders may share:
7.	List options that you can suggest based on the common interests:
8.	List interests that may be **non-conflicting** between the two sides:
9.	List interests that may be **conflicting** between the two sides:
10.	List any **external references** that can be used to reduce potential conflict:
11.	What possible consequences are there for each side in not reaching an agreement? (Personal consequences, their employer's consequences, and the project's consequences.)
12.	What is the least with which you will be **satisfied**?
13.	What is the range of possible offers from each?