The Psychology of Negotiation
- a brief introduction
The psychology of negotiation

We are all negotiators and have many different styles, but some themes and structures behind negotiating are constant. So are the techniques of negotiation and many of the core human behaviours behind them. Andrea Reynolds offers a brief psychological insight into some of them:

How to spot a liar

All good practice and published theory suggests that lying to gain competitive advantage is not only unethical but can seriously undermine the relationships between parties.

Yet research suggests that in an average 10-minute business conversation, most people will lie 2.9 times. These lies can take on different forms, including exaggeration about status, position and authority, promises that cannot be kept and white lies, such as “I've got another meeting in 10 minutes”.

But the ramifications of this research are serious, particularly when you are seeking to construct a long-term agreement. Negotiation guru David Oliver warns: “Act dishonestly and you launch a boomerang – it has the uncanny ability of coming back and biting you on the head.”

Lying techniques

Lies are only one thread in the tapestry of human deceit. Fake smiles and strong handshakes are other ways that we try to give off certain impressions. Sigmund Freud wrote: “No mortal can keep a secret. If his lips are silent, he chatters with his fingertips; betrayal oozes out of him at every pore.”

Masking what we are feeling is often used to influence situations by hiding non-verbal cues. However, the mere fact that we are trying to “hide something” can manifest itself in signs such as nose-rubbing. This is known as the Pinocchio Syndrome, which suggests that when people lie their nose becomes engorged with blood and this produces a sensation that is alleviated by touching or rubbing the nose.

Desmond Morris, an authority on “people watching”, says that hand movements and postures are useful clues to deception, as the liar is less aware of them. The legs and feet are of particular interest because they are the furthest away from the brain and
therefore less controllable. However, in meetings they are usually obscured by a desk.

Verbal lies are further enhanced through omission and spin. How often have you deliberately omitted to mention the full facts to favour your own outcome? Be honest!

Understanding the structure of language helps us to interpret what the speaker is really saying. For example, “I think that’s great, but...” usually means, “it isn’t great at all”.

Another language trick is to use generalisation. This has the effect of deleting useful facts such as when, where, who, what, and why. Liars tend to make frequent use of “always”, “never”, “nobody” and “everyone”, distancing themselves from the lie. You can then extract the missing information by asking the right questions.

When we deceive or exaggerate, most of us are fairly clumsy. However, there are “professional non-leakers” whose working lives involve repeated and prolonged lies. What’s more, they are deceptions that must be sustained and are open to challenge. These people have to become adept at contextual manipulation (choosing the right moment to lie) and at “whole-body lying”.

Peter Clayton, body language expert and motivational speaker, suggests that politicians and lawyers are among the best liars. These professionals neutralise their body language, therefore silencing their gestures.

Gender can also play a part. Men and women apparently lie with equal frequency. But research shows that women are more likely to lie to make the other person feel good, whereas men tend to lie to make themselves look better. Women generally tell more complex and more successful lies than men. However, their overall attractiveness also determines success, as good-looking people tend to get away with more deception.

**Spotting the lie**

Bearing in mind that deception is all around us, how do you recognise it? Training and experience provides invaluable knowledge when it comes to reading people and their emotions. But playing poker can also help.

Poker “tells” refer to signals that players unintentionally produce when they are trying to conceal their cards or their strategy. There are two essential skills in poker – one is the capacity to hide your feelings, the other is the ability to read people by observing their actions and listening to what they say. Poker players improve their game by recognising patterns and links in their opponents’ actions.

As 90 per cent of lies are accompanied by tells, this is a useful technique to learn.

The same is true of influencing and negotiation. Success will depend on how sensitive you are to other people and whether you can recognise and understand their tells. Successful negotiators use their instinct to “sniff out a deal” and employ body language and linguistics to help them do this.
There is no research on the truthfulness or otherwise of professional groups such as buyers and sellers. However, Paul Ekman, an expert on the subject, found those who were exposed to continual deception were better able to spot it. With this in mind, who do you think make the best lie detectors?

- Teachers
- Purchasing professionals
- Prisoners
- Salespeople
- Children
- Females

**THE LYING GAME**
Five tell-tale verbal signs

1. **Circumlocution** – Long-winded explanations with lots of digressions punctuated with “ums” and “ers”

2. **Outlining** – Explanations painted with broad brushstrokes. The brain finds it difficult to remember fictitious details

3. **Smokescreens** – Answers/responses that are designed to confuse

4. **Negatives** – The most famous being “I did not have sexual relations with that woman, Miss Lewinsky”

5. **Word choice** – Liars make fewer references to themselves. “I,” “me” and “mine” are used less frequently.

**Bargaining positions**

While not all negotiation is truthful, the majority of what you can expect to deal with is honest and based on the personality with whom you are striking a deal. The trick is to recognise the type of personality you are dealing with and their likely behaviour.

Many organisations employ psychological profiling tools to develop their understanding in this complex field. Most of this is founded on the work done almost 100 years ago by psychologist Carl Jung.

The most commonly used is the Myers-Briggs Type Indicator (MBTI), regarded as the gold standard across all industries.

The results of these profiling tools have a range of applications, including helping managers with team dynamics and individual personal development planning. However, what is not fully explored is how understanding personality types can enhance negotiation prowess.

James K Sebenius, a Harvard Business School negotiation guru, believes: “If you want to change someone’s mind, you should first learn where that person’s mind is.”

The popular term among psychologists in this area is “getting into the shoes” of your counterpart. The concept is simple – if you can evaluate the way he/she thinks, reacts and makes decisions in a commercial setting, then you have an immediate upper hand in negotiations. But while the concept is simple, the science behind it is more complex.

So what are the personality types and what attributes are they likely to exhibit? As a guide I have listed the 16 generic personality types in the workplace (see page 6). No single one is better than any other – nor is this an indication of skill and ability. Their corresponding preferred negotiation style has also been established using the available data.
You’ll notice that some of the personality types share negotiation tools.

Being in possession of this knowledge is extremely powerful where there is a need to influence. Once aware of the key characteristics, you can quickly learn to “speed read” people. Much research has been carried out in this area, and the findings consistently prove that those with a psychological understanding produce better negotiated outcomes. For example, Realists are far more likely to negotiate on the basis of logic, owing to their structured approach to decision-making coupled with their reliance on data. Whereas Innovators are more likely to favour the negotiation tool of emotion, which is based upon intuitive thinking.

Interestingly, there is a significant correlation between those who choose to work in creative agencies and the personality type Innovator, while those who choose to follow careers in IT project management often tend to have Realist profiles.

Each of the 16 personality types also reacts differently under stress. For instance, Go-getters may become obsessive about the quality of their work, which in turn leads to complete meltdown. This is known as “being in the grip”. In contrast, the Ideologist may become obsessive about the quality of work of those around him, which can lead to constant and unwarranted criticism of others. However, one always feels sorry for the Mastermind. Not only is he the least common personality type in the UK but, under extreme stress, he is likely to overindulge in sensory experiences such as binge drinking or comfort eating!

Lastly, while similar types bond well, it does not follow that a homogeneous team will perform any better than a heterogeneous team. In fact the reverse is more likely. But it should be borne in mind that assessment tools in the vein of MBTI are not suitable for recruitment purposes.

You may also find this type of assessment useful in pinning down your own negotiation style.

**Andrea Reynolds**
**Negotiation tool:**
- **Emotion**
- **Threat**
- **Logic**
- **Compromise**

**Big Thinkers**
Can be talkative and outspoken. They enjoy looking for opportunities and tackling problems head on but can become bored by routine. Others may find their manner abrupt or challenging.

**Counsellors**
Like to develop insights and are dedicated to helping others reach their potential. However, others may find it difficult to get to know them, as they tend to be deeply private people.

**Go-getters**
Inventive, resourceful problem-solvers who can be tough-minded when necessary. They are often enthusiastic and determined, but may become frustrated by rules and routine.

**Ideologists**
Introverted and led by their heart, they think of themselves as bright and curious. They may sometimes appear stubborn, especially where their value system is concerned.

**Negotiation tool:**
- **Logic**
- **Compromise**
- **Bargaining**

**Innovators**
Energetic and creative, they enjoy flexible work environments with few rules and like to think of themselves as imaginative, sociable and sympathetic. May become rebellious and focus in areas where they can't use their creative talents.

**Leaders**
Can see the big picture and make strategic plans for the future, and enjoy discussing complex issues to spark a debate. However, they can appear bullish and may overlook people's need for emotional support during a crisis.

**Masterminds**
Visionaries who prefer to work independently and dislike inefficiency. They are logical when it comes to decision-making and rarely change their minds. Might cut themselves off from team members if under stress.

**Mentors**
Warm and lively people who focus on the needs of others. They like to bring people together and encourage group participation. Can be very sensitive when it comes to criticism by their boss and peers.

**Negotiation tool:**
- **Emotion**
- **Threat**
- **Logic**

**Nurturers**
Are family-driven and strive for harmony rather than confrontation. Can be gentle and conscientious, although may have trouble making decisions if it means hurting someone's feelings.

**Peacemakers**
Value personal freedom and are particularly sensitive to the feelings of others. Can be mistaken for being weak in the working environment rather than just naturally quiet.

**Performers**
Fun-loving and enjoy being surrounded by people. Good at reading others, but may forget about work commitments because they prefer to engage in rapport-building above all else.

**Providers**
Warm, caring types who value order and tradition, they are loyal workers who follow through on commitments. They think of themselves as easy-going. However, they don’t feel comfortable with radical change.

**Negotiation tool:**
- **Compromise**

**Resolvers**
Good at getting to the heart of a problem and quickly finding a solution. They make rational decisions using the facts available. May tend to focus on short term results and lose sight of the big picture.

**Realists**
Loyal and steady workers who meet deadlines, they believe in established rules and respect facts. May appear too logical or tough-minded and forget their impact on other people.

**Supervisors**
Bring order to the workplace. They like to act on clear, achievable goals and are apt to be stable and practical. However, they may become irritated when those around them don’t follow procedure.

**Strategists**
Quiet, easy-going and intellectually curious. They use logical, objective thinking to find original solutions to problems but may forget about practicalities such as budget.

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Andrea Reynolds

Andrea Reynolds started her career as a Graduate Trainee Buyer in the 1980s and moved swiftly up the ladder to head up Purchasing functions at a number of large blue-chip companies.

Andrea has an MBA from Henley Management College and is a Certified NLP Practitioner, as well as being a licensed MBTI Assessor and a registered EQ Tester. Andrea co-founded the company - CORDIE in the UK, specialising in negotiation and the development of soft skills in 2002.

She has recently published her first book entitled 'Emotional Intelligence and Negotiation' which is regarded as the seminal work on the subject in the UK and is in the process of co-authoring her second book on Personality Theory and Negotiation - due out in 2006.