Empathic negotiation: Addressing the need for putting feeling into the negotiation process

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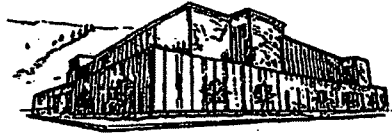
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Empathic Negotiation:
Addressing the need for putting feeling into the negotiation process

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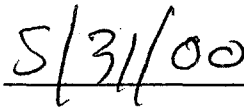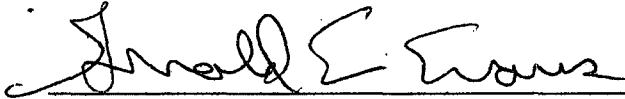
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Empathic Negotiation: Putting Feeling into the Negotiation Process

Chair: Dr. Jerry Evans, Ph.D.

Abstract of Thesis

Empathic Negotiation is a leadership discipline designed to improve the facilitation of options and issues towards a mutually beneficial resolution. It involves the building of greater trust between parties by being empathic to the needs wants, and feelings of the opposing side. It injects feelings and emotions back into the business environment where they can be used to enhance the relationships between business partners. It involves utilizing empathy or "putting yourself i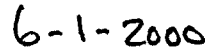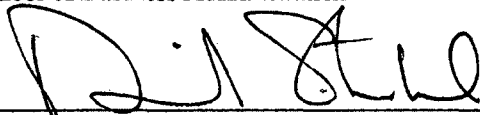n the other person's shoes" mentality in a variety of negotiating situations. The ultimate goal is to arrive at a win-win conclusion for all parties. The need for this discipline is a based on the changing landscape in today's business world. There is a trend of moving away from the traditional command and control management style to a more collaborative leadership style. The collaborative leadership style is defined as providing leadership that includes recognizing the thoughts, ideas, and feelings of members of organization. Through collaborative leadership, organizations can thrive with new energy in developing a learning system, which supports the shared vision of the firm and allows its members to work together in resolving differences.

The framework of Empathic Negotiation is based upon the it being the support system for two other key leadership components; principled negotiation and a new distributive leadership style called servant leadership. Empathic Negotiation is a leadership discipline that acts as the means to facilitate communication that would allow principled negotiation and servant leadership to take root in an organization's culture. It appears that all too often, leaders rely on the old school management style of command and control to govern their actions. It is now time to recognize the need for different way to do business.

I began to notice there were changes in the business landscape during my fifteen years of experience in retail management. Day after day, I would see conflicts due to a lack of interpersonal skills on the part of mangers. These misunderstandings were a result of a lack of understanding between the mangers and their employees, business partners and customers. These observations led me to study various leadership styles, organizational behavior, and various negotiation techniques to determine if there was a better way. I also conducted empirical filed research to determine the attitudes of business people in relation to empathy, negotiation and workplace values. The results indicated that empathy and negotiation are important parts of their business relationships but no formal training existed or was supported by their firm. The result of these efforts is this thesis which introduces a new leadership discipline; Empathic Negotiation.

Empathic Negotiation will be the basis of a discussion on the "soft skills" that leaders and mangers need to develop in order to guide today's ever-changing organizations. These changes include the transformation of managers to leaders, recognizing the need for including emotions in the negotiating process, and the recognition of the new social contract amongst today's workers. This new social contract encompasses the new expectations that workers have of their bosses as well as the revised expectations of business partners have of each other. This thesis will explore how leadership development and empathic negotiation will be the next evolutionary step in management styles.

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Introduction

The information age has brought about nothing short of a revolution for

businesses across the globe. People who were once considered cogs in the machinery are

now the agents of change and bastions of knowledge. The demands of this new age of

technology and information are vast and possibly overwhelming at first glance. People

are expected to be tuned in, on line, networked, connected, in touch, and above all one

step ahead of the competition. All these attributes of this new age in business share a

common theme. The key to how successful an individual will be is dependent upon a

person's ability to negotiate.

Negotiations are not solely limited to dealings between management and labor or

suppliers and customers but extend to everyone in business. The scenarios include

business-to-business relations, conflict management situations, and educational or

training opportunities. The key element to these negotiations is to build a quality and

long lasting relationship between business partners. Transactions without this type of

quality relationship building are often singular in nature. There is no connection made

between parties, only the transfer of goods and services for a moment's satisfaction.

Business activities today require long-term commitment and care. Business leaders need

to learn how to nurture these fragile relationships in order to cultivate future rewards,

both material and emotional. The real question is "What is the missing element from this

negotiation equation?"

The answer lies in exploring the "soft" skills within the business world. These

"soft" skills include compassion, concern for the human moment at work, sympathy for

those who deserve it, and listening to one's intuition. All of these attributes can be labeled with one word: empathy. Empathy is defined as *the action of understanding, being sensitive to the feelings, thoughts, and experiences of another person.*[1] Empathy brings together these "soft" skills in order to make them a part of a person's business skills brief case. Managers, supervisors, and front line workers who work together on a daily basis need to develop these "soft" skills because now is the time for a change. *Most notably, the switch in focus from yesterday's "hard" assets such as property, plants, and equipment to today's "soft" assets such as patents, processes, creativity, and customer satisfaction.*[2]

Problem Statement and Rationale

The problem statement that this thesis will attempt to answer is:

What type of communication method or discipline needs to be developed to facilitate better, longer lasting business relationships?

The answer to this question also leads to these supporting questions that will also be addressed:

- **How can the concepts of empathy and negotiation practices be combined to create an effective leadership discipline?**

- **What changes have occurred in the traditional relationship between employers and employees that demands a new method of communication?**

- **What role does the principled negotiation approach play in the future of building these better, longer lasting relationships?**

It is a combination of these two traditionally separate ideas of empathy and negotiation that produce a new leadership discipline: Empathic Negotiation. Empathic

Negotiation is designed to support the building of quality relationships by putting feeling into the negotiation process. The framework of Empathic Negotiation is based upon the it being the support system for two other key leadership components; principled negotiation and a new distributive leadership style called servant leadership. Empathic Negotiation is a leadership discipline that acts as the means to facilitate communication that would allow principled negotiation and servant leadership to take root in an organization's culture. It appears that all too often, leaders rely on the old school management style of command and control to govern their actions. It is now time to recognize the need for different way to do business.

This thesis will define this new leadership discipline by examining the "Big Picture" surrounding today's business leaders and followers. This exploration will include an examination of these questions about the current working environment: What are the traditional attitudes about empathy and negotiation? These attitudes are the foundation for introducing a new discipline. What has changed between employers and employees that prompt career changes measured in months instead of years? This development of a new social contract between workers and their employers will be explored to identify the trends that are developing. What skills are necessary for a traditional manager to evolve into an effective leader capable of leading a diverse workforce? This challenge of evolution of managers to leaders will examine the roles that empathy and negotiation plays in this leadership growth. And lastly, what style of leadership is needed to meet these challenges? Distributive leadership styles will be discussed focussing on servant leadership, which shows how effective empathy and

negotiation become the tools to use to forge new, stronger relationships amongst business

partners.

This discussion of Empathic Negotiation will follow a path highlighted by an

examination of the traditional views of empathy and negotiation in the workplace. The

next step will be the introduction of an original concept called the New Social Contract.

The New Social Contract is the next step in the evolution in the working relationship

between employers and employees. It outlines how the expectations of both sides of the

equation have changed and what employees now want from their employers. The

discussion then follows the principled negotiation approach, which is the foundation of

Empathic Negotiation. Principled negotiation embraces a different approach to

negotiating that offers more options to better resolutions of disputes. This discussion

includes a section on the important role that persuasion has in the negotiation process.

This journey also demonstrates how to develop the empathic and listening skills

necessary to the development of an emotional connection with the other party in a

relationship.

Empirical Research Questions and Methodology

Field research on the topics of empathy and negotiation will include an empirical

research study via e-mail. The focus of this research is to bring to light the current

attitudes and perceptions of empathy and negotiation in the workplace. The e-mail

survey will begin with a small group of respondents who will be encouraged to forward

the survey to their friends and colleagues. The hope is to obtain a cross section of

respondents in both exempt and nonexempt positions.

The primary research question this survey will be trying to answer is:

How do business people regard the role and scope of empathy and negotiation in the development of business relationships?

To answer this question, this survey also addresses these secondary questions:

- **Have the opinions and attitudes of today's workers changed towards demanding more a "soft" skill approach?**

- **Are "soft" skills, such as empathy, compassion, leadership, as important as "hard" skills such as finance, accounting, and command/ control management style?**

- **How do people feel about the role that negotiation plays in the workplace?**

- **What attributes are the most important to workers in the workplace?**

- **How do people view the empathic and negotiation skills of their supervisors/leaders?**

Empathic negotiation will be defined and each of its components explained not only clinically but also in a practical, applied manner. This new mental model in leadership development has far reaching benefits in business relationships like customer service, contract negotiations, training and development situations, and resolving conflict situations. The ultimate goal of empathic negotiation is to provide an appreciation for the impact that empathy can have in the negotiation process to build better working relationships.

Section 1: Macroenvironmental Factors-"The Big Picture"

The Traditional View of Negotiation

The honest truth about how many people view any negotiation process is that they would rather have a root canal without novocaine than negotiate anything. The word "negotiate" brings to mind such other words as, "awful," "stressful," and "avoid, if possible". Negotiation is seen as the hammer in the business world that is used to pound one party's position into another party. It conjures up images of submission and learning to live with the bittersweet agreement that neither side is entirely happy to sign but feel they must. This agreement is better than fighting over issues and positions. Negotiation is seen as a necessary evil in the business world's communication process. It promotes an adversarial relationship between parties where one side expects to lose more than it gains. Lastly, it supports the old style of command and control style of management where the "Boss" is always right and employees do as they are told.

The command and control style of management was a popular form of managing workers in the forty years prior to the 1990's. Managers were normally better educated and experienced in running the organization than the front line workers. The demands on these mangers were high; long hours, having to make all the decisions, and of course following up on the employees to make sure they were not hanging out by the water cooler. Negotiations in these organizations basically came down to "It's my way or the highway!" This led to proliferation of union activity so employees could have a stronger voice in such critical areas as working conditions, rates of pay and benefits, and feeling

like they had some control over their working environment. This scenario cast the two

sides; management and labor in opposing roles where negotiations often were less than

productive with strikes and work slowdowns as the result.

The result of this stance promoted by this old school style of management has

participants in a negotiation situation digging in as opponents. They are gearing up for

battle with each other armed with a confrontational attitude that suggests no mercy on

either side. Distrust, a lack of cooperation, a lack of trust is fostered between parties. It

leads to taking positions, deciding how to attack the other side's position to the point

where the real issues are lost in the scuffle. *When negotiators bargain over positions,*

they tend to lock themselves into those positions. The more you clarify your position and

defend against attack, the more committed you become to it.[3] Positions are cast in

concrete and can only be dislodged with the power of a strike, an arbitrator, or no

agreement at all.

This leads to how people act during the negotiation process, holding their

positions close to their chests and hearts. Traditionally, they are two ways to negotiate,

hard or soft.

> *The soft negotiator wants to avoid personal conflict and so makes*
> *concessions readily in order to reach agreement. He wants an amicable*
> *resolution; yet he often ends up exploited and feeling bitter. The hard*
> *negotiator sees any situation as a contest of wills in which the side that*
> *takes the more extreme positions and holds out longer fares the better. He*
> *wants to win; yet he often ends up producing an equally hard response*
> *which exhausts him and his resources and harms his relationship with the*
> *other side.* [4]

Another aspect of the traditional view of negotiation surrounds how people view

themselves as effective negotiators. They seem to gloss over their true ability by buying

into certain myths about negotiation and their abilities as they participate in a negotiating

situation.

> *Myth #1: "Good Negotiators Are Born"*
>
> Good negotiators are not born; they are self-made. Effective negotiation, like other skills, requires practice and study. The problem is that most of us don't get an opportunity to develop effective negotiation skills in a disciplined fashion. Rather, we learn by doing. Although experience is helpful, it is not sufficient.
>
> *Myth #2: "Experience Is a Great Teacher"*
>
> It is only partly true that experience improves negotiation skills. Can you imagine trying to learn math without ever turning in homework, taking tests, memorizing tables, and getting graded? Without diagnostic feedback, it is very difficult to effectively learn from experience. Experience tends to improve our confidence, but not our accuracy. Unwarranted confidence can be dangerous because it leads people to take unwise risks.
>
> *Myth #3: "Good Negotiators Take Risks"*
>
> Effective negotiators do not take risks-they know how to evaluate a decision situation and make an optimal choice given the information that is available to them.
>
> *Myth #4: "Good Negotiators Rely on Intuition."*
>
> Effective negotiators are self-aware. Their negotiations are proactive, not post-hoc. They can articulate the methods and strategies they use. Moreover, they can apply these principles to different situations. They are not the victims of arbitrary features of the situation.[5]

But in the 1990's, there was a change in the make-up of the American worker.

They were no longer meek and passive, sitting back waiting for direction. American

workers were more sophisticated, better-educated, and knowledgeable about how to

operate a business. They were informed and empowered to take control of their own

destines and expected their managers to lead and respect their involvement. *Today,*

businesses are run largely by cross-functional teams of peers and populated by baby

boomers and their Generation X offspring, who show little tolerance for unquestioned

authority. These fundamental changes, more than a decade in the making but now firmly

part of the economic landscape, essentially come down to this: work today gets done in

an environment where people don't ask, "What should I do?" but "Why should I do it?"[6]

The stage is set for a new way to view negotiation and how parties participate in the negotiating process. There are many steps to climb to this next level of leadership development. These steps include how an organization's culture impacts its performance, how workers relate to their leaders, how organizations are responding to these demands and which style of leadership should replace the old command and control style of management. The bottom line is that the traditional view of negotiation is outdated and must be replaced by a fresh look into how negotiations can occur more effectively and have better end results.

The Importance of Culture on Negotiation

In a negotiation situation, what is really being discussed and decided on? Is it higher salaries, a better price for supplies, or who works this weekend? No, not really. The real issue camouflaged by these points of discussion is the essence of the firm: its organizational culture. Organizational culture is a combination of the values, beliefs, and goals of the firm. These values are the foundation of what the organization truly portrays to the world. These beliefs represent the cornerstones of what the organization has struggled to build as its image both publicly and privately. These goals are the guideposts the organization uses as markers in its future landscape in its quest for further development. *A positive culture instills in its employees values that commit both employees and customers to the organization's financial goals and lead to innovation and productivity-key drivers of profitability.*[7] It seems reasonable to assume that any discussion of how negotiation and empathy affect the big picture of today's business world should include a discussion of organizational culture.

The Growth of Managers to Leaders

The wheels of change are in motion as far as management styles are concerned. The demands of the new social contract and expectations of employees need to be respected. The command and control style manager is evolving into a different type of leader. There is a definite difference between a manager and a leader. Managers want to do things right. Leaders want to do the right thing. *General Electric's CEO Jack Welch said, "Anyone who is in a position of managing people is expected to be a leader, but very few managers understand what it takes to a good leader." *[8] At a local Shopko, Inc. store, a major discount retailer, the leadership team has struggled with this very question of how to develop managers into leaders for the past three years.

The ShopKo Way: Growing from Managers to Leaders was a formalized program to develop the management staff at the store level by the introduction of a new corporate culture, three years ago, which embraces the idea of growing managers into leaders. The essence of the ShopKo Way is to turn away from a command and control management style towards a distributive leadership style. This distributive leadership style is marked by empowering and enabling teammates at all levels of the organization to use their own good judgement in making the right decisions for the customer. It falls in line with delivering the Comprehensive Value Position, ShopKo's commitment to its customers on adding value to their shopping experience, on a consistent basis.

This new culture brought with it new expectations that asked these former managers to develop new skills in teaching, training, coaching, and motivating teammates to develop a stronger sense of ownership in their stores. But it takes more than just changing the title from "Manager" to "Leader" to meet these higher expectations. The

new culture was not effectively communicated to the stores. There was not a clear

champion at the upper levels of the company to act an as standard bearer for this culture.

The result was confusion and apprehension at the store level because team leaders were

unsure how to develop their skill base to meet these new expectations. The main

directives from the general office revolved around reading books about leadership, which

was a sound idea, but without any coordinated discussion materials or clear direction

from upper management. The end result was a great deal of speculation as to how to

interpret the messages.

This confusion and uncertainty created a void of leadership in the stores, which

left the teammates out in the cold. They were being asked to participate in committee

meetings to address customer service issues, team relations' issues, and profit

improvement issues without the benefit of adequate leadership to guide and support their

efforts. This void led to a lack of trust and respect between the team and the leadership

team which needed to bridged in order bring about a cohesive group: a single-focused

team dedicated to servicing the customer.

A Leader's New Job Description

It is time for new job description for the leaders of business organizations. They

are responsible for more than just making the bottom line look good. Their job has a

broader scope than just being a manager. It requires new skills and new demands which

are placed on the table.

> Your job as a General Manager is the same as any true leader's. Let people know
>
> that the work is worthwhile. Decide where you're going. Make the team share the goal.
>
> Help set the values. Get the resources in place. Hold the rule makers in check. Ensure

you have to the support you need both inside and outside the organization. Keep your

eye on the future to ward off trouble and be ready to change direction.

   As for the team? You have to let the people who really do the work *do the work.*

It's your job as leader to know where the plant is going. It's the team member's job to

get you there.[9]

This evolution needs to be a self initiated process for individuals to pursue. It is

dependent upon an individual's commitment to change and growth. It involves

embracing both the "hard" and "soft" skills of business which include the development of

Emotional Intelligence. Emotional Intelligence is comprised of these components:

➢ *Self-Awareness-the ability to recognize and understand one's moods, emotions, and*

   drives, as well as their effect on others

➢ *Self-Regulation-the ability to control or redirect disruptive impulses and moods*

➢ *Motivation-a passion to work for reasons that go beyond money or status*

➢ *Empathy-the ability to understand the emotional makeup of other people*

➢ *Social Skills-an ability to find common ground and build rapport* [10]

Servant Leadership as the New Status Quo

With the command and control style of management being pushed aside, there are

several questions that need to be asked. What will take its place? How will

organizations be led? In what direction are leaders, managers, and supervisors supposed

to turn? As more attention and discussion is focussed towards distributive leadership

versus custodial management, there appears to be certain common characteristics to

effective leadership. *Successful leaders are embracing a "people first - activities*

second" style. They are putting trust in the human asset to develop and achieve, as opposed to controlling the workforce.[11]   One of these characteristics is the emphasis of building trust between leaders and their followers. This trust is the result of a genuine caring and concern on the leader's part. This trust factor leads not only to greater trust but longer lasting relationships, i.e. higher rates of retention. *Talk to your people. Discover what's important to them. Describe what's important to you. Find the areas of congruence to reinforce a stronger sense of partnership.*[12]

Another characteristic is the development of a shared vision. Gone are the days of the "Boss" coming down to the plant floor like Moses from Mt. Sinai with the corporate goals etched on stone tablets. Today's leaders solicit ideas and support form their followers. People support best that which they help create. *Most workers support the idea of building efficiency so the company can build its profitability: they want to support improvements, not become a victim (of these improvements). A sense of control of those improvements will enhance the feeling of security that will build loyalty.*[13] This vision points towards the horizon that the whole team will achieve together. It is a picture of what can be accomplished through the utilization of a distributive leadership style.

There is one relatively new style of distributive leadership that embodies the characteristics of a distributive, effective leader: servant leadership. Servant leadership is best defined in Leadership by The Book by Ken Blanchard, Bill Hybels, and Phil Hodges. In this book, servant leadership is defined against the backdrop of three men who discover this road to distributive leadership by following the leadership style of Jesus of Nazareth. Here is servant leadership defined in the authors' own words:

Servant Leadership

Leaders who are servants first will assume leadership only if they see it as the best way they can serve. They're "called" to lead; rather than driven, because they naturally want to be helpful. (42)

And they love feedback, because they see it as helping them serve better. They truly have servant hearts. (43)

And they freely follow their natural motivation, which is to serve in whatever way is appropriate for the situation: as a leader, a follower, or a teammate. (43)

People with servant hearts have certain characteristics and values in common as they make leadership decision. Their paramount aim is the best interests of those they lead. Servant leaders must get personal satisfaction from watching the growth and development of those they lead. (66)

Leaders with servant hearts want to be held accountable for their behavior and results. (67)

There are two aspects of leadership, a visionary part and an implementation part. I consider both the visionary role-"doing the right thing"- and – the implementation role-"doing things right"- as leadership roles. (121)

When the job of a leader is to be responsive or to serve his or her people, that means that leader will give people whatever they need to win-accomplish the goals. If they need direction, they should get it. If it's support they need, then that's what their leader should provide. (139)

> After all, for servant leaders, life is all about helping people get A's. They
> want their people around them to win. They aren't threatened by people around
> them who perform well. (152)
>
> In other words, how you take potential winners and make them winners.
> First, you have to tell them what to do. Second, you have to show them what to do.
> The third step is to let them try what you want them to do. And the fourth step is to
> observe their performance. It sets up the fifth step, which is to praise progress or
> redirect. (153-154)

It is possible that servant leadership will become the new model as a distributive leadership style for today's managers. It embodies the necessary components that are needed in today's workplace. It features the development of a shared vision; it emphasizes the importance of organizational culture on the firm's activities including negotiation. It highlights the role that empathy plays in an organization. It promotes the growth of managers into leaders who serve their followers. And it recognizes that there is a new social contract that is being written every day to accommodate the needs of the individual as well as the organization. It is now time to explore how this new model of distributive leadership or servant leadership can be supported through a new leadership discipline.

Section 2: Empathic Negotiation and The New Social Contract

Empathic Negotiation as a Leadership Discipline

Today, facing competitive pressures an earlier generation could have hardly

imagined, managers need employees who think constantly and creatively about

the needs of the organization. Leaders and subordinates alike- those who ask and those who answer- must all begin struggling with a new level of self-awareness, candor, and responsibility[14].

This new level of self-awareness, candor, and responsibility will require new leadership skills or disciplines in order to meet these competitive challenges. Effective leadership disciplines are those that enable, teach, and empower leaders to champion positive growth for an organization as well as for the individual. Empathic Negotiation as a leadership discipline provides today's business leaders with the means to this end. Empathic Negotiation is a leadership discipline designed to improve the facilitation of options and issues towards building greater trust between business partners.

Empathic Negotiation is defined as leadership discipline within the parameters *of a body of theory and technique that must be studied and mastered to be put into practice. A discipline is a developmental path for acquiring certain skills or competencies.[15]* It requires commitment to the components of Empathic Negotiation. It demands daily attention to one's empathic, listening, and negotiation skills development. Empathic Negotiation requires a measure of trust that utilizing "soft" skills will be profitable for the firm. Simply put, it will take practice to hone one's new skills. *But anyone can develop proficiency through practice. To practice a discipline is to be a lifelong learner. You "never arrive"; you spend your life mastering disciplines.* [16]

Empathic Negotiation as a leadership discipline allows people to break free from the old command and control management style shackles. They are able to learn from one another by listening, understanding, and persuading as opposed to telling, ordering, and complying. The need for a new leadership discipline is real. And once this

discipline is established, it becomes effective. *When personal mastery becomes a*

discipline - an activity we integrate into our lives - it embodies two underlying

movements. The first is continually clarifying what is important to us. The second is

continually learning how to see current reality more clearly.[17] The current reality

displays a picture of leaders who need to learn how to lead more effectively through the

adoption of Empathic Negotiation as a leadership discipline.

Empathic Negotiation and Organizational Culture

The first question to be asked is "How important is culture to the members of the

organization?" Sears and Roebuck, Co. answered this question in 1995 during a

comprehensive turnaround campaign. This campaign was driven by 150 of its senior

management echelon with the sole purpose of revamping the ailing retail giant. The

cornerstone of this turnaround was to find out what the employees wanted and what

values were foremost in their minds. Here are the results:

The Six Core Values

(Sears Employees Felt Most Strongly About)

1. **Honesty**

2. **Integrity**

3. **Respect for the Individual**

4. **Teamwork**

5. **Trust**

6. **Customer Focus**[18]

These employees' main interests were not raises or stock options. They wanted respect, honesty, and integrity. These were the values that the Sears employees demanded be part of their organization's culture. They understood the importance that these values could have on the morale and productivity of a service-oriented company.

In any organization, values are the real boss. Values speak volumes of what the organization plans to do today and tomorrow. Companies like Starbucks have successfully tapped into the secret that a strong organizational culture can have on a firm. Starbucks grew from six stores and 100 employees in 1987 to over 13,000 locations and 25,000 employees worldwide in 1998. *CEO Howard Schultz writes, "Our first priority was to take care of our people because they were the ones responsible for communicating our passion to our customers. If we did that well, we'd accomplish our second priority of taking care of our customers."[19]*

The important role organizational culture plays on the success of the enterprise has been discussed. But how does Empathic Negotiation influence or enhance an organization's culture? How important is it to build long-lasting relationships in and out of the workplace? When it comes down to the bottom line, who really cares and how do they show it? Empathic Negotiation is the "how" and the "why" behind the "who" when it comes to enhancing an organization's culture.

Employees have a strong desire to understand that what they do has value to the firm's future. It is not enough to work 9-5 and then start living again. Organizations are not just buildings where people assemble automobiles or enter data into computers all day. Organizations are living, breathing communities. *If you create an environment in*

which people feel alienated and only do what's required of them, then you won't get

commitment and loyalty. Commitment and loyalty are nurtured by affiliation; which is a

product of the progressive management approaches that we are associating with when

we talk about attention to spirituality.[20] Empathic Negotiation taps into this commitment

and loyalty factors by enlisting support from the leaders for the teammates.

Through the development of empathic skills and listening, leaders are able to

communicate to the teammates. This communication or acknowledgement of teammates

contributions is the validation that their work is valuable. *People need to feel more*

connected to the outcome of their work and the larger strategies of the corporation.[21]

People need to feel they <u>belong</u> to an organization in order to support its cause. The

support in this case is for the organization's long term goals; customer service,

profitability, growth, success. Teammates look to the organization's leaders for direction

in terms of understanding the firm's culture. They pick up on the subtle or not so subtle

cues of the leadership teams. Tom Peters stated it most appropriately when he said,

"Employees don't watch what we do as much as what we don't do."

So when a firm sits down to negotiate, it brings its culture to the table along with

its proposals. Its compassion, its ability to show empathy or not, is scrutinized.

Everyone from Housekeeping to the Board of Directors is aware of the culture that

permeates the firm. It is impossible to ignore that changes have occurred in the

workplace. Employee expectations have changed. Employers demands are being

revised. Organizational cultures are struggling to meet these expectations and demands.

The time has arrived to look more closely at the changes that have taken place in the

workplace that have elevated organizational culture to such an important role. Empathic

Negotiation can play a role in this cultural development for an organization but there is more to the Big Picture. It is time to rewrite the social contract that employees and employers abide by to meet these expectations and demands. This new social contract must include the impact that organizational culture has on the firm in its negotiation and empathy roles.

The New Social Contract: "Why should I work here?"

The purpose of this section is to introduce the idea of a different perspective in the area of employer and employee interaction. There has been a traditional nonwritten list of expectations or "contract" that employers offered to employees in return for their time and effort. *Most of us understood that respectable companies would offer at least a measure of job security in exchange for adequate performance and some exhibition of loyalty.*[22] This traditional longevity contract was appropriate for one's father and grandfather, but it is time to question whether or not a new contract should be drafted for today's workforce.

Change is a constant factor in today's workplace. Employers and employees are being tested and challenged to be more productive with fewer and fewer resources. A manager's ingenuity and leadership skills are being pushed to the brink while employees are poised ready to either join the fight or revolt against an organization's misguided goals. It is time to reevaluate how both sides treat each other and tailor their expectations to the job at hand. First, it is important to explore the past and look to the traditional employment picture, and then look to the factors that make up this new covenant between employers and employees.

The Traditional View of Longtime Longevity

In the beginning, the employer or "Big Boss" called all the shots. This command and control style of management worked well because, for the most part, employees were uneducated and less sophisticated than their bosses. The expectations were simple: Show up on time, and pass memos from the left side of the desk to the right side. Thirty years later, the reward was a gold watch and a nice pension. Employees muddled along and were content with having little voice in the goals and direction of the company. They were seen as expenses rather than assets. "I'm the boss, and I know what's best for MY company," was the credo in most companies.

There are other factors that reinforced this line of thinking. After WWII, the American economy was booming with many years of bottled up desires to have the new television set and dishwasher. Factories were being built and people were needed to work in them. Assembly line operations that had been perfected during the war were now applied to producing a number of consumer goods. A high school diploma was considered a high level of education to most people with the lucky few going off to college. Then they returned to run the factory. Bosses and supervisors controlled the flow of information and limited access so the rank and file did not know what the company was earning or doing. It was a male dominated, "good ole boy" network that protected the managers from looking to employees for support. The employees had traded in their initiative for a bi-weekly paycheck.

What are some of the disadvantages of this traditional view? First, there is the adversarial relationship that is promoted by this command and control style of management. Command and control has led to an environment of mistrust between

mangers and associates because the levels of trust and respect have not been fortified. In

an attempt to gain a voice in their organizations and over their own lives, employees have

turned to unionization and collective bargaining to secure adequate wages and working

conditions. Secondly, a valuable, precious resource has been squandered. Human

resources of talent, ideas, and drive have been underutilized.

Lastly, this view has stifled the opportunities for everyone at various levels of

the organization. The corporate ladder was only for a chosen few that were in the

network. This stagnation eventually led to cynicism and low morale amongst workers

that is best characterized as the "Dilbert Syndrome." The "Dilbert Syndrome" refers to

the characterizations found in the syndicated comic strip that portrays the bosses as ego

maniacs who have no idea what the employees want, need or even are working on. This

syndrome is a fairly accurate portrayal of the evolution of this traditional view of the

command and control managerial style.

That was then, this is now.

Now, fast forward to the 1990's where workers are expected to be empowered

and enabled to perform not only their assigned tasks but also the duties of the person in

the next position on the assembly line. Expectations have changed on both sides of the

equation.

The first significant change has been the sophistication of the workforce.

Employees today have greater access to information in various forms, i.e. the Internet,

magazines, newspapers, television. These information outlets have educated the

workforce in a myriad of areas including how a business is supposed to run and what

impact their organization has on the world at large. This social awareness can have a

significant impact on how an employee views their role and their organization.
Employees are more business-minded today in matters from their own 401k savings plan
to how the company is financing its operations, compensation plans, wage compression
effects, etc.

This evolution of the workforce also has included how the age of the workforce
has changed and the different expectation these different age groups have of their
employers and their organizations. Generation X'ers and Y'ers come complete with
totally different expectations of what their employer should be doing for them. This
class of workers has never faced the tragedy of war, the despondency of an economic
depression, or the pain of losing their life's work to a disaster. Their basis of reality is far
removed from that of those who are supposed to motivate and supervise them.

The development of a global marketplace also has contributed to redefining the
social contract between employers and employees. Global competition has forced
companies to develop a more open and aggressive attitude towards doing business across
the globe. It is not enough to be able to compete with the company across the nation;
now it is the company halfway across the world. In opening new markets, there are new
opportunities being developed every day. Not all these opportunities are in the physical
world. Virtual organizations are being created now where people come together to create
new products and ideas to add value to the world around them.

Another area of development in the new social contract is how expectations of
employees has changed. According to recent surveys, employees want more recognition
and respect than money or job security.

Motivational Factor	Level of Importance to Employees[23]	
Ranked in order of importance on a scale of 1-10, 1 being most important	Worker's Response	Supervisor's Response
Full appreciation for work done	1*	8
Feeling "in" on things	2	10
Help in personal problems	3	9
Job Security	4	2
Good wages	5	1[24]

This chart clearly shows the disparity between supervisors and workers on the key issues. But it goes deeper than this chart reflects. Workers have evolved to where they need to know that the work they do has meaning beyond the bottom line. Maslow's Hierarchy of Needs classifies this awareness as the level of self-actualization where people find life-fulfilling purpose for their efforts. Employees want to know that what they do is *worthwhile*. And that is where is the new social contract takes root.

In the process of writing this thesis, I was struck by the lack of written material concerning this New Social Contract. It seems that in the business world today, there is a great deal of discussion on contracts and the changes occurring but nothing in black and white. I decided that the business community needed a written contract to follow that would address these new expectations in clear simple language so all parties could understand what the conditions of the contract were. The example on the following page is what I feel is the appropriate and timely New Social Contract that should be signed and executed.

The New Social Contract (Clauses and Addendum)

Clause #1: Everyone in the organization shall be treated with respect

It is only through an environment of mutual respect and trust that true commitment can be found. Respect leads to the recognition of a common purpose where everyone in the organization can see the goals and more importantly, everyone can feel like they contributed to the development of these goals. People support best that which they help create.

Clause #2: Values are the real boss in the organization.

The new social contract has no room for a command and control style of management. The new social contract depends upon people being enabled and empowered to make the smart decisions and do the right things when they need to be done. Collaborative leadership is the key to success. Trust is the value that needs to be elevated to new heights in this organization. Values are how we act every day, not the vision and mission statement that hangs on the wall. Values guide the movements of the organization.

Clause #3: Empathy is necessary for your own growth as well as the group's.

Empathy is the capacity for feeling what the other person is feeling. It is the ability to listen with more than just hearing the words. It is the human moment that all people need, especially now that everything is spinning out of control. Take the time to stop. Listen. Feel. Then make a decision that is not only the right decision for the organization but for yourself.

Addendum:

There are challenges that both employers and employees face in the development of this new social contract. Employers/managers need to learn how to become leaders in their organizations. Leaders are those who inspire, motivate, and guide their teams to achieve the group's goals and visions. Leaders know how to bring out the best in each member of the team in order to benefit not only the team but also that particular teammate. Leaders need to look ahead and spot trouble on the horizon to prepare the team for new challenges.

The employees need to commit themselves to being active participants in the goal setting and forward progress of the group. They cannot sit on the sidelines and wait for success, they have to be part of the success. It requires effort and teamwork. It requires commitment. It requires being open to new ideas. It requires courage to make decisions even though they may be wrong.

If you feel you can fulfill the conditions of this contract, please sign below and good luck. The best is yet to come.

_____

Your Signature Here

Section 3: The Components of Empathic Negotiation

Negotiation: Why Now?

Negotiation is not a tool to use to swing a sweeter deal but rather an opportunity to facilitate better communication between parties.   It is a means to discover new information about the other parties. It allows a manager/leader/supervisor/organization to affect change in the organizational culture. Negotiation should be the means, not the end, to resolving conflict or introducing change into an organization. *Although the outcome of a single negotiation may not have much effect on a business's fortune; the thousands of negotiations a typical company undertakes have, in combination, an enormous impact on its strategy and its bottom line.*[25] If the stakes of the negotiation are so high, then the negotiation process must be chosen carefully with regard on how it will lead to successful resolutions.

It is important to establish the negotiation framework that best underscores Empathic Negotiation's focus of building better, long-lasting relationships. The one negotiation framework that supports the ultimate goal of Empathic Negotiation is principled negotiation. Principled negotiation is outlined in <u>Getting to Yes</u> by Roger Fisher and William Ury.

<u>**Principled Negotiation**</u>

➢ <u>**Negotiating on Principles**</u>

Participants are problem solvers

The goal is a wise outcome reached efficiently and amicably

➢ <u>**Separate the People from the Problem**</u>

Be soft on the people, hard on the problem

Proceed independent of trust

> Focus on interests, not positions

Explore interests

Avoid having a bottom line

> Invent options for mutual gain

Develop multiple options to choose from; decide later

> Insist on using objective criteria

Try to reach a result based on standards independent of will

Reason and be open to reason; yield to principle, not pressure
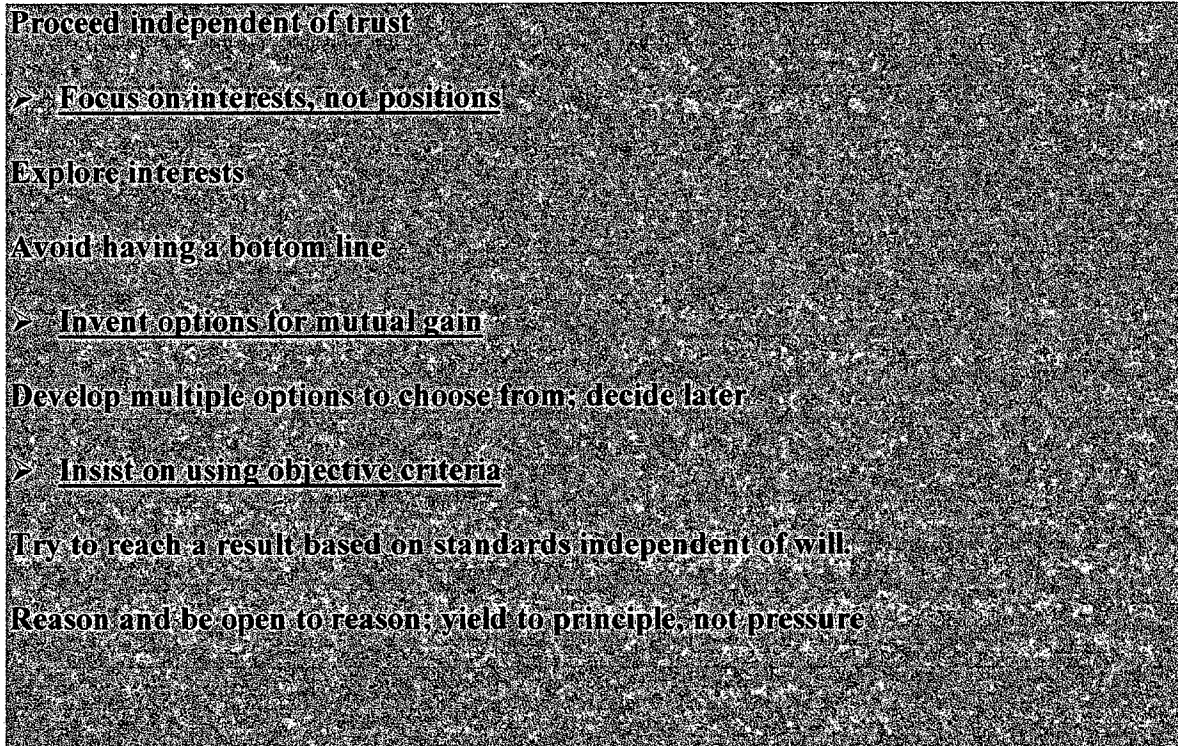
Principled negotiation focuses on a process that _is used to decide issues on their_

merits rather than through a haggling process focused on what each side says it will and

won't do. It suggests that you look for mutual gains whenever possible, and that where

your interests conflict, you should insist that the result be based on some fair standards,

independent of the will of either side.[26] This negotiation process works towards removing

the negative emotions and position taking of traditional negotiation approaches. This

traditional view of negotiation hampers the forward movement of culture changes within

many business organizations. _They (companies) have moved beyond the old doctrine of_

strategy, structure, and systems to a softer, more organic model built on the development

of purpose, process, and people.[27] With this type of change occurring, it requires a

different approach to negotiation such as principled negotiation.

The argument can be made that every situation is a negotiation situation. In the

workplace, these situations could be categorized as discussions with coworkers, conflict

management discussions, and interactions with customers. Customer expectations are increasing which includes those with cash in hand as well as those who are being paid to do the work. Many individuals fail to realize the impact of negotiation in their daily work lives. This need for communication is part of the New Social Contract where employers and employees are learning new ways to create a dialogue of ideas with each other.

If negotiation situations present themselves constantly, then the ultimate goal should be building a feeling of trust and a perception of increased value between parties. Trust and value are important concepts in a negotiation. *A strong relationship creates trust, which allows the parties to share information more freely, which in turn leads to more creative and valuable agreements and to a greater willingness to continue working together.*[28] If the subsequent agreement does not include this building of trust between parties, then it can lead to an agreement that results in distrust between parties. But perhaps even more important to the negotiation process is the amount of value added to the end agreement. People will agree to a deal if they feel it has value even if there is very little trust between the parties. Agreements lacking trust and holding little value can be considered very ineffective. The question that needs to be answered is "How can negotiations be enhanced so trust and value can be preserved as part of the final agreement?"

Empathy: Who Should Care?

There are many different definitions of empathy as it applies to the workplace. *Empathy means thoughtfully considering employees' feelings-along with other factors- in the process of making intelligent decisions.*[29] It means adding that extra ingredient, the x-

factor, into a decision-making process to produce better, effective results. It is a systematic approach that one can apply to a myriad of business situations.   This systematic approach begins with realizing the basic concepts that create the use of empathy in the workplace.

1. **Recognition of the Human Moment**- the Human Moment is best described as *an authentic psychological encounter that can only happen when two people share the same physical space.*[30] The Human Moment provides the reassurance that someone is there. It involves empathy in that feelings are recognized and acknowledged, perhaps understood. It is important to keep in mind the need for face-to-face communication when learning how to use empathy. E-mail, telephone tag, and fax machines can never replace a handshake to seal a deal.

2. **The Need for Communication**- People need people. It is as simple – yet as complex as that. The information age has produced technology that quickens the pace with which ideas flow, but is real communication taking place? The need for communication is universal and this communication could be as simple as a "Hello" in the morning to a multi-page business report later in the day. *Skills in communication and interpersonal relationships are high in importance as noted by 37.3% of respondents to a survey by Personnel Decisions International (PDI).*[31] With communication and interpersonal communication skills rated so high, empathy must be considered as a cornerstone to this process. *The good news for managers on this front is that empathy and friendliness are, in general, positive dynamics to have around*

the organization. It pays to empathize with customers, for instance, and we

can assume that things like commitment and loyalty grow when employees are

friendly to one another[32].

3. **"Soft" does not mean "Weak"** - An important distinction that needs to be

made about showing empathy in that it is not a weakness. It is not a detriment

to the individual leader or to the organization a whole. Empathy is the key

that unlocks the door for a greater communication process to occur; the

sharing of information and feelings. It sets the stage for leaders to play a more

pivotal role in the development of their teams. *People wonder how leaders*

can make a hard decision if they are "feeling" for all the people who will be

affected. But leaders with empathy do more than sympathize with people

around them; they use their knowledge to improve their companies in subtle

but important ways.[33] These ways include personal development,

encouraging others to grow outside their current duties and accept new

responsibilities, and learning how to share this concept of empathy with their

peers.

The Key Elements of Building Empathy Skills

The following key elements outline the techniques to use to build stronger

empathic skills:

Step 1. Be Aware:

This awareness involves tapping into the emotions of those parties involved in the

discussion, negotiation, conflict, etc. It does not mean becoming too emotionally

involved but at least recognizing that emotions are involved. There are many negotiation situations that are left unresolved due to one party or the other's lack of an emotional investment.

Step 2. Be Sincere:

Empathy is dependent on true sincerity. This does not translate into codependency, where one party assumes all responsibility for the situation and its outcome. Sincerity means knowing how much of an emotional investment is required and putting forth the necessary effort to support or walk away from a negotiation.

Step 3. Be Thoughtful:

It is crucial when being empathic to consider all dimensions of a situation. "Haste makes waste" Benjamin Franklin said, and this saying should be updated to include being rash and immature. This type of behavior can have a devastating impact on delicate relationships during a negotiation. There is no substitute for careful consideration of how to approach a negotiation, especially after recognizing the emotional investment involved.

Step 4. Be Honest:

Honesty is a crucial cornerstone to building long-lasting relationships. It requires self-awareness as well as being forthright with customers, employees, and coworkers. Most completed business transactions are multifaceted as opposed to being singular in nature. The days of doing just "one deal" with someone are gone. Firms constantly are striving for ways to build repeat business from existing customers. It makes good business sense to keep the customers coming

back. These customers know what to expect. The investment had been made.

Now it is time to nurture that relationship into fruition. Also, it is important not

make the mistake in assuming that the term "customers" does not include the

employees of the firm.

Empathy is a skill that can be taught, learned, and practiced in day-to-day

business. It requires effort. It requires practice. It requires commitment. *In other words,*

you must engage in human moments on a regular basis for them to have a meaningful

impact on your life. For most people, that's not a tall order.[34] The need to utilize

empathy is also compelling and timely. *Empathy is particularly important today as a*

component of leadership for at least three reasons: the increasing use of teams; the rapid

pace of globalization; and the growing need to retain talent.[35] Leaders who want to build

strong organizations will need empathy as part of their stockpiled skills. Employees,

customers, and peers all expect empathy as part of this daily interaction with these

leaders.

Listening Skills: "Is Anybody Out There?"

It is a reasonable premise to state that most people do not listen as well as they

hear. Misunderstandings occur when information is garbled as it is passed from one

person to the next. One way to test the validity of this premise is to conduct the

"Barnyard" Test. A group of individuals line up next to each other, using at least six

people. Then a facilitator whispers a sentence to the first person, "The red hen scurries to

the hen house." The first person in the line then whispers this same sentence to the

person next in line and so on until the message gets to the end of the line. The end result

is normally a fair facsimile of the original statement. ("The red pen hurries to the penthouse.")

Listening should be the foremost skill that is developed in a business environment. Information, ideas and concepts are continually being verbalized but not recorded. The key to a successful organization can arguably be how well it communicates to everyone within the organization. *A survey of 350 HR directors from Fortune 100 companies found that 78% of the respondents ranked a manager's interpersonal skills as the No. 1 factor necessary for the overall success of the organization. Rounding out the list of important managerial skills is:*

Listening	**74%**
Persuasion/Motivation	**63%**
Presentation Skills	**57%**
Small Group Communications	**52%**
Advising	**51%**
Conflict Management	**47%**

*These percentages are listed in the order of how important they were to the respondents as skills in managers.[36]

It is critical in the development of strong, useful listening skills to realize there are two main components of listening: verbal and nonverbal. Nonverbal listening focuses on observing the other party to capture those bits of information they are not verbalizing. *Tone of voice, body posture, eye contact, and other body language can spotlight interests. Whenever there is some incongruence- such as a person saying pleasant words while frowning-the odds are that there are other issues in the conflict not being addressed.*

Nonverbal cues "leak out" a warning to be alert to unacknowledged interests.[37] It is

through this heightened awareness of nonverbal cues that additional information is

obtained. Sometimes what is not being said is as important as what is being said.

The other key component in listening is developing strong verbal listening skills.

The aim here is to attentively record what the other party is communicating. This

technique involves registering the tone and articulation as well as the words that are being

spoken. The tone of the conversation can speak volumes as to its meaning. *Active*

listening involves a sequence of steps so a third party becomes clear about what two

other parties are saying, and helps the parties listen to each other. When used

effectively, it also helps the parties to be congruent; the nonverbal messages and the

verbal messages agree with one another.[38]

The Key Elements of Listening 101:

How to listen with more than just your ears

Step1: Be Present-

An important first step to building listening skills is to focus on the other party.

"Being present" means listening to what the other person is saying instead of

preparing a response. This approach allows for the free flow of information

between parties. An excellent technique to use during this step is to paraphrase

what the other party has said before offering a response. This approach

demonstrates attentiveness to what already has been said.

Step 2: Be Considerate-

Another critical step is to consider the opinions, thoughts, and feelings, both

spoken and unspoken, of the other party. It is not enough just to hear the words

but also to consider another point of view. This type of consideration opens the door for new possibilities to enter into the discussion. A technique to employ at this stage is to ask probing questions. These type of thoughtful inquiries show interest in the other's point of view.

Step 3: Be Open-

One of the more difficult aspects of developing listening skills is to open one's mind and heart to differing opinions. This openness will allow the other party to recognize the sincerity of the discussion so ideas and information can be exchanged. A technique to use during this stage is to reflect the feelings of the other party. This reflection is an expression of how the other side feels about the issue. This can be done by using phrases like, "So you feel this way about this issue," during the negotiation.

Step 4: Be Observant-

What is the posture of the other party? How does the individual sit or stand? Where are their hands? What gestures does the other party make? These questions need to be answered in order to gather more information. These nonverbal cues will flesh out the meaning of the entire conversation. An excellent technique for developing stronger observation skills includes focusing on the body language of the other party. It is critical to pick out those mannerisms that are part of the conversation.

Step 5: Be Responsive-

The ultimate goal of any dialogue is to pass information between parties. This two-way communication hinges upon the responsiveness of an active listener. An

active listener is one who listens attentively and is able to respond appropriately.
This response can be advice, criticism, persuasion, or providing additional
information. The key technique at this stage is to have listened thoughtfully and
then respond. An axiom to coin here is "Listen before you speak."

The development of strong listening skills leads to a progression from a
discussion towards a dialogue. *Dialogue differs from "discussion," which has its roots in*
"percussion" and "concussion," and literally means a heaving of ideas back and forth in
a winner take-all competition.[39] This definition of "discussion" is contrasted with
"dialogue" in terms of how information flows *through* a conversation. *In contrast with*
discussion, the word "dialogue" comes form the Greek word "dialogos."
"Dia" means through, "Logos" means the word or more broadly the meaning. The
original meaning of dialogue was the "meaning passing or moving through"...a free
flow between people, in the sense of a stream that flows between two banks.[40] Strong
listening skills can be viewed as the path to this stream called dialogue that leads to
greater understanding between parties.

Persuasion: The Lost Art of Negotiation

Persuasion is an often under used aspect of negotiation and a critical component
of Empathic Negotiation because it addresses how the messages are communicated to
other parties. Effective persuasion becomes a negotiating and learning process through
which a persuader leads colleagues to a problem's shared solution. This facilitator,
mediator, guide, who leads everyone towards this shared solution is called the Persuader.

The Persuader. -(noun): 1. One who is open-minded, able to adjust their point of view to incorporate others ideas and concepts, 2. One who is willing to compromise; flexible, willing to make sacrifices, 3. One who uses empathy in the negotiation process.

The Persuader's role in an organization shifts from person to person as the situation changes. This role is crucial as an agent of change, promoting new direction for the organization to follow. The Persuader fully embraces the responsibility of a particular course change or cause and then works tirelessly in bringing others around to his/her position through implementing the key elements of persuasion. There are four essential steps to effective persuasion that relate to becoming a strong negotiator:

1. **Establishing credibility with the team through expertise and relationships**

   ✓ People identify with someone who they perceive as having some concrete experience in the area being negotiated.

   ✓ People also can relate well to someone who they feel can be trusted to listen and work in the best interests of others

2. **Seek common ground for every one to stand on**

   ✓ Persuaders are able to shine as much positive light on what they are promoting so everyone can see the benefits. It is key to build a solid foundation so more support can be generated.

3. **Provide information, but use more than slides and charts**

   ✓ The Persuader makes the information come alive in the minds of the audience. The Persuader uses language to breathe life into lifeless numbers and figures which can mean the difference between acceptance and rejection by the audience.

4. Connect emotionally-show your passion and listen for theirs

✓ The Persuader does not hide their lantern under a bush, they let it SHINE! This is how to show everyone how exciting this project really is.

✓ But ...the Persuader does not forget to listen to the audience and tap into their passion and their wants/needs because the potential for a misunderstanding is too great.

Persuasion as a Skill and an Art

Persuasion is a skill that leaders need to cultivate to meet the challenges faced by their organization. *If there ever was a time for business people to learn the fine art of persuasion, it is now. Gone are the command-and-control days of the executives managing by decree.*[41] The New Social Contract imposes these new rules on both employers and employees. Employers need to consider the benefits and advantages of a particular course of action and then utilize persuasive measures to sell it to those who actually do the work. Employees need to recognize their expanded role in the firm and utilize persuasion to sell their ideas and revisions to the leaders in order for the firm to continue to grow.

The argument can be made that persuasion is akin to personal selling with a few adaptations. Effective personal selling involves tapping into a person's natural communication skills to sell products and services; ideas and concepts; and even themselves in job interviews and presentations. The Persuader is aware of the similarities between persuasion and personal selling. The Persuader then incorporates these techniques to better influence and persuade the audience. The Persuader understands that the first rule in the art of persuasion and personal selling is to be genuine. The mistake is

to try to be something or someone other than who they truly are. The remaining

techniques are:

1. Setting the Stage

The Persuader begins by using a unique approach to open the dialogue between

the parties involved. (Remember that a dialogue is the flow of information

between two banks) The purpose is to open an exchange of ideas and information

between parties. It is helpful to think of this as an icebreaker to get the

conversation started.

2. Asking Probing Questions

The Persuader then begins mining for information about the other parties interests

through asking probing questions. These probing questions revolve around open-

ended questions that not only bring forth information but communicate to the

other parties that the Persuader is genuinely interested in what they have to say.

3. Demonstrating the FAB's

For the Persuader, FAB is an acronym for Features-Advantages-Benefits. This

approach allows the Persuader to utilize the FAB's; the **Features**-those physical

or metaphysical attributes of a position; the **Advantages**-the strengths of these

attributes; and the **Benefits**- how these strengths add value to the shared solution,

to influence the other parties to incorporate these concepts into the final

agreement.

4. Overcoming Obstacles

The Persuader understands that there will be disagreements and objections raised

during the negotiation process. The key factor to meet and beat these objections

is to ask more probing questions to gather additional information from the other party. These objections could also be a smoke screen for hidden interests that need to be explored. The bottom line is not to give up but persevere until new avenues open towards a shared solution.

5. Asking for a Commitment

The Persuader knows that a critical part of this persuasive process is to ask for a commitment to a shared solution. Timing is important on both sides of this request. It is important not to wait too long because the persuasiveness of the FAB's can lose their potency if left on the table unattended. The reverse is also true. Resistance and ill-fated agreements can be the result of pushing too soon without building sufficient value and trust in the minds of the other parties. The Persuader is looking for any type of commitment, including a verbal commitment. Verbal commitments can be the first domino that falls in a long line of dominos that leads to final shared solution.

> *Verbal commitments in such situations do two important things. First, they indicate the willingness of others to cooperate. In this sense, they reduce the uncertainty that people have about others in such situations and provide a measure of reassurance to decision-makers. People are extremely reluctant not to follow through with their word, even when their words are nonbinding. If people are prevented from making verbal commitments, they will make nonverbal ones.* [42]

6. Sending Thank You's and Confirmations

It is said that "Courtesy is contagious " and for the Persuader this is especially true. Thank you's and confirmations are a way of not only acknowledging the other party's efforts but paving the way for future interaction. The Persuader knows how important long-lasting relationships are to their persuasion efforts.

A simple "thank you" note - using a pen and paper - will mean a great deal to the recipient. It is part of the reinforcement of the Human Moment. (See: Empathy: the Human Moment section). People need to connect and when they do, persuasion is possible because there is the exchange of information between parties.

The Persuader's goal is to influence his/her audience towards developing a shared solution to their situation. This goal is never lost in the rhetoric or noise that can be created during a negotiation. Times will call for flexibility and ingenuity from all parties involved. But the Persuader uses the key elements and personal selling techniques to steer through troubled waters onto calm shores. *It is important for people to understand what it [persuasion] is-not convincing and selling, but learning and negotiating.*[43] The Persuader follows this path towards this learning and negotiating process because it will lead to an exploration of various options rather that just digging into one position on an issue.

Options vs. Positions

In negotiation, people reveal their positions rather than their interests. (Fisher, Ury, and Patton, 1991) Positions are a negotiator's stated demands. Interests are a person's underlying goals. Often, the negotiator's stated positions may be in complete conflict, but their underlying interests may be compatible.[44] It is this compatibility of interests or options that is the focus of Empathic Negotiation. "Positions" translates into "digging in," "entrenchment," or "drawing a line in the sand." It offers no room to maneuver. **Positions** are taken. **Positions** are rock solid. **Positions** are established. "Options" translates into "possibilities," "alternatives" and "what can we do together."

Options are explored. **Options** are shared. **Options** are flexible. This approach opens

the doors of creativity and ingenuity to exploring ideas that will satisfy these common

interests between parties. *In many negotiations, a close examination of the underlying*

interests will reveal the existence of many more interests that are shared or compatible

than ones that are opposed[45]. This approach presents key questions that need to be

answered:

> ➤ How can these interests be revealed?

> ➤ How can options be explored?

These answers can be found through utilizing the technique of exploring the

options that will satisfy the interests of both parties. The goal of exploring options versus

taking positions is to find the common ground upon which all parties can stand. This

shared solution should be viewed as a starting point as opposed to being a resolution or

an ending. It begins with brainstorming sessions, throwing out ideas until there are some

options to discuss. This preparation includes speculating about the other party's options

and interests. This adds an element of three-dimensional thinking to the negotiation

process. Once all interests and options have been presented, then the negotiation can

progress towards a shared solution.

There is a caveat in this approach... beware the allure of positional bargaining.

Positional bargaining is easy, so it is not surprising that people often do engage in this

tactic. It requires no preparation, it is universally understood and in some contexts it is

entrenched and expected. In contrast, looking for mutual gain, and finding and using

objective criteria takes hard work.[46] This hard work pays for itself in benefits of leading

a negotiation in a new direction. All parties can then join in a shared solution brought about by developing options through exploring common interests.

This approach can be used to outline the interests involved in a negotiation for both parties. It was inspired by Getting to Yes: Negotiating Agreement Without Giving In by Roger Fisher and William Ury. This outline assists in removing the emotional aspect from the negotiation process. Now both sides are discussing interests and brainstorming about various options to meet each side's interests. It is useful at this point in a negation to utilize the following form to outline clearly the interests of both parties. The goal of this approach is to find some commonalties that leads to a shared solution.

My interests	Possible options	Their interests
1.	1.	1.
2.	2.	2.
3.	3.	3.
4.	4.	4.

Before leaving this topic of options vs. positions, one needs to consider how to handle a negotiation situation where there is resistance to the exploration of interests and options. In this scenario, inviting the other side to offer some feedback about the negotiation thus far can facilitate the process. This feedback could be in the form of constructive criticism, which may lead to new dialogue. The point is to use whatever means possible to get both sides talking to each other.

BATNAS:

the Best Alternative To A Negotiated Agreement

Of what use is talking about interest, options, and standards if the other side has a stronger bargaining position? What do you do if the other side is richer or better connected, or if they have a larger staff or more powerful weapons?[47] Another key component of Empathic Negotiation is deciding when and how to walk away from an agreement that is either the least desirable one or makes poor use of scarce resources. It is commonly believed that once a negotiation has begun, it must be completed, i.e. some type of agreement must be signed. *Once a negotiation has begun, going back to the drawing board no longer seems a viable option.*[48] But the real question is:

➤ "At what point do we walk away and what do we do after we leave the table?"

The answer lies in preparing a strong BATNA. BATNA is an acronym for:

BATNA:

BEST ALTERNATIVE TO A

NEGOTIATED AGREEMENT

Roger Fisher and William Ury explored this aspect of negotiation and developed a technique called the BATNA. *They showed that negotiation results could be greatly improved by identifying the best alternative to completing the deal and then carefully evaluating the negotiated agreement against that alternative. If the negotiated agreement is better, close the deal. If the alternative is better, walk away.*[49] This aspect of negotiation forces the parties to closely examine the alternatives to a particular situation

in order to avoid certain traps that lead to unsatisfactory agreements.   It involves

preparation on the part of the negotiators to set an objective standard so they know what

their "walk away" point is before going to the table.   These are some of the common traps

that inexperienced negotiators can fall into:

> **"Buying into a bad agreement is better that no agreement."**

   This is simply not true. Cowards may die a thousand deaths but they are still

   alive tomorrow. This is also true about negotiators who walk away from a

   bad deal. It is more heroic and more business savvy to walk away from the

   table than to live with a bad agreement.

> **"We need this deal!"**

   Possibly. But what about exploring the options? How about finding another

   buyer or developing another supply chain? Especially in Empathic

   Negotiation, it is important to remember that options may appear in the most

   unlikely scenarios. *Negotiators, like salespeople, believe that their success*

   hinges on their ability to close a deal. If a negotiation falls apart, they see it

   as a failure- for themselves and for their companies.[50] Empathic Negotiation,

   when used properly, can provide a way out of a negotiation with a sense of

   dignity.

> **"Won't we look stupid if we walk away?"**

   In beauty contests, appearances are important. But in a negotiation, saving

   face can lead to disaster. The use of BATNA's is designed to focus attention

   on alternatives that will be employed if an agreement is not reached.

Sometimes walking away actually can be seen as a very smart move.

Managers need to make sure negotiators understand that they always have alternatives to closing a deal. [51]

The Key Elements of Developing a BATNA

1.	**The first step is to look at a list of alternatives and decide what which ones would be applicable if no agreement were to be reached (your party's BATNA).**

   ✓ Take a close look at the alternatives that are outlined. Which one(s) can be translated into actions?

2.	**Now think about the ways this BATNA can be improved**

   ✓ What are the concrete steps that can be taken to improve this BATNA even before the negotiations begin?

3.	**Great. Now it is time to turn attention to the other side's BATNA. What alternatives are available to the other side?**

   ✓ Which of their alternatives looks the best for them?

4.	**(Here's the best part.) List the ways their BATNA can legitimately be made less attractive.**

   ✓ How can these alternatives be made harder to pursue?

   ✓ How can one influence their perceptions of how unwise or costly it might be to pursue these alternatives?

The first step is to list the possible alternatives you have if an agreement is not reached. It is important to list all the alternatives, then examine each one closely to find the ones that are actionable.

Possible Alternatives	Pros	Cons
1.	1.	1.
2.	2.	2.
3.	3.	3.
4.	4.	4.

Now it is time to do the same outline for the other party's key interests and list what that party can do to satisfy their interests if no agreement is reached? Remember to look at the issue from their point of view.

Possible Alternatives	Pros	Cons
1.	1.	1.
2.	2.	2.
3.	3.	3.
4.	4.	4.

The final step is to determine how to influence the other party's perception of their alternatives to make them less attractive.

Their Alternatives	The Ways to Make them Less Attractive
1.	1.
2.	2.

Section 4: Market Research into the Real-world View of Empathy and Negotiation

Research Questions

This discussion of Empathic Negotiation would not be complete without exploring

the real world and examining the attitudes and views of a variety of business people from

different disciplines and types of businesses. The primary research question this survey

will be trying to answer is:

How do business people regard the role and scope of empathy and negotiation in

the development of business relationships?

To answer this question, this survey also addresses these secondary questions:

- **Have the opinions and attitudes of today's workers changed towards**

   demanding more a "soft" skill approach?

- **Are "soft" skills, such as empathy, compassion, leadership, as important as**

   "hard" skills such as finance, accounting, and command/ control management

   style?

- **How do people feel about the role that negotiation plays in the workplace?**

- **What attributes are the most important to workers in the workplace?**

- **How do people view the empathic and negotiation skills of their**

   supervisors/leaders?

Methodology

This survey was distributed via e-mail to 120 MBA students and business people

who were encouraged to forward it to other business partners in their address book. The

idea was to create a "virus marketing" effect, using the Internet as the primary medium to

reach a larger cross section of people in business and education disciplines. "Virus

marketing" refers to the geometrical impact e-mail can have on the Internet when it is

passed on from one person to another person. As a particular e-mail grows in popularity,

it spreads like a virus throughout the country.

The focus of utilizing this type of survey distribution was to reach a greater

variety of people instead of a narrow sample group, such as a particular segment of

people, for example, only human resource managers. This type of survey distribution

lends itself to reaching a large number of people across the entire spectrum of vocations

from executives to frontline workers. This survey was released for a two-week period.

Ten additional paper surveys were distributed for those respondents who did not have

access to e-mail.

The survey consisted of three parts: one section on empathy, another section on

negotiation and the last section on ranking workplace values. The section on empathy

was designed to explore peoples' attitudes towards the role of empathy in the workplace

as a way to establish a baseline for further analysis. The section on negotiation focused

on determining respondents' opinions of negotiation and its role in leadership

development. The sections of the survey about empathy and negotiation utilized a Liekert

scale of 1 - 5, where 1 - Strongly Disagree, 2 - Disagree, 3 - Neutral, 4 - Agree, and 5 -

Strongly Agree for the participants to use in selecting their responses. The next section

asked the respondent to rank a list of ten workplace values from most important to least

important. This ranking was based on a scale of 1 - (being the most important) to 10 -

(being the least important).

The overall response rate in this type of survey is hard to express because there is not a finite number of surveys that were distributed. In using e-mail as a primary distribution method, it precludes any definite number in the sample size. This mode of distribution was chosen as a way to overcome "territorial bias." Territorial bias is defined as the attitudes and prejudices of a certain geographic area exerting a strong influence on the overall results.

A copy of the complete survey is featured in Appendix A. The following is a short synopsis of the responses solicited for by each question.

Empathy Section

A. Leaders/Managers are trained on empathy
B. The concept "Emotions have no place in the workplace" is prevalent
C. My Boss demonstrates empathy towards me and my coworkers
D. My working relationships would be more effective if empathy was used
E. My firm listens to my concerns, feelings, and ideas
F. I feel my work is considered worthwhile and valuable
G. I practice empathy towards my coworkers, including those I supervise

Negotiation Section

H. Negotiation is a major part of what I do each day.
I. I feel my negotiation skills are adequate
J. My company supports the improvement of my communication skills
K. I look forward to negotiating situations
L. Additional training would help me feel more confident
M. My supervisor is a skilled negotiator
N. My supervisor is a respected leader
O. Stronger negotiation skills would lead to better relationships

The section on ranking the values of the workplace to each respondent was broken down into the following attributes:

_____Listening	_____ Wages
_____Cooperation	_____Supervision
_____Empathy	_____Communication
_____Security	_____Challenges
_____Worthwhile Work	_____ Customer Focus

Respondents were asked to rate these values in order from the most important to the least important using a 1 for "Most Important" through 10 for "Least Important".

Gender, age group, salary breakdown, and job classification were the categories for the demographic information for this survey. Respondents were given the choice of how to describe their vocation, being a Manager/Supervisor, Front line Worker, Executive or Educator. The demographic information solicited in the survey was broken down as follows; Gender: Men or Women; Age: 18-24 years old, 25-34 years old, 35-49 years old, 35-49 years old, 50+ years old; Salary: Exempt, Nonexempt; Job Type: Manager/Supervisor, Frontline Worker, Executive, Educator.

Results

There were 42 responses to this survey with the overall breakdown per demographic category shown in Table 1.

Table 1

Gender:	
Male	50%
Female	50%
Age:	
18-24	5%
25-34	24%
35-49	48%
50+	21%
Pay Status:	
Exempt (Salary)	66%
Nonexempt (Hourly Wage)	33%

Job Type:	
Manager/ Supervisor	26%
Frontline Worker	40%
Executive	19%
Educator	9%

The means, standard deviations, and confidence levels for the total sample group

are featured in Table 2 and are in order of magnitude of respondent agreement.

Table 2-Means and Standard Deviations and Confidence Intervals for Total Sample

Empathy Section	Mean	S.D.	C.I.
I feel my work is considered worthwhile and valuable	4.17	0.70	+/-0.21
I practice empathy towards my coworkers	4.05	0.54	+/-0.21
My working relationships would be more effective	3.88	0.89	+/-0.20
My Boss demonstrates empathy towards me	3.71	0.97	+/-0.22
My firm listens to my concerns, feelings	3.52	1.04	+/-0.19
Leaders/Managers are trained on empathy	2.90	0.96	+/-0.17
The concept "Emotions have no place in the workplace" is prevalent	2.48	1.13	+/-0.16
Negotiation Section			
Stronger negotiation skills would lead to better relationships	3.76	0.76	+/-0.21
I feel my negotiation skills are adequate	3.71	0.78	+/-0.21
Additional training would help me feel more confident	3.48	1.00	+/-0.21
My supervisor is a respected leader	3.48	1.07	+/-0.21
My supervisor is a skilled negotiator	3.31	1.12	+/-0.21
Negotiation is a major part of what I do each day.	3.19	1.07	+/-0.19
I look forward to negotiating situations	3.02	1.09	+/-.017
My company supports the improvement of my communication skills	3.02	1.11	+/-0.18

The question about "I feel my work is considered worthwhile and valuable" has a

mean of 4.17/SD 0.70 which indicates that respondents felt positive about the

contribution they are making to their firm's performance. It is interesting to note that a

95% confidence level was used for this question. This confidence level indicates that the population mean is 4.17+/- 0.21. This would lead to the conclusion that overall people feel their work is meaningful at least from their perspective. This also coincides with the ranking of values in the workplace section where Worthwhile Work was rated the as most important attribute to respondents.

Another interesting highlight is the question "I practice empathy toward my coworkers" which has a mean of 4.05/SD 0.54. This seems to reflect that most of the respondents agree that they are practicing empathy on a consistent basis. "My Boss demonstrates empathy towards me" had a mean of 3.71/SD 0.97 would seem to suggest that respondents felt that their supervisors were not as consistent with the use of empathy as they think they are. This coupled with the question on "Leaders/Managers are trained on empathy" which had a mean of 2.90/SD 0.96, begins to paint a picture of empathy being used but not really being formally taught as an important business skill.

The question on "Stronger negotiation skills would lead to better relationships" with a mean of 3.76/SD 0.76 indicates that respondents were leaning towards agreeing that negotiation can lead to more effective relationships. This question when viewed with the other top three rated questions displays an emerging pattern; respondents feel that negotiation skills are important; they have a solid foundation in this area and they support more training in negotiation. This interest signals a desire for more negotiation training but not necessarily in the traditional sense. In the question about "Negotiation is a major part of what I do each day," there is a mean of 3.19/SD 0.1.07, which seems to show that indicate people do not view their daily interaction as negotiations. Further study through

in-depth interviews would be necessary to determine how people view these negotiation situations.

The question on "My company supports the improvement of my communication skills" garnered a mean of only 3.02/SD 0.1.11 which would indicate that respondents felt that company support for communications skills improvement including negotiation skills was not a high priority. And with a confidence level of 3.02 +/-0.18, it appears that the population mean is also hovered around the Neutral area. This is another sign of the lack of support or real commitment on the part of firms in improving the communication skills so necessary in today's marketplace.

The following section highlights a comparison of the means for a variety of the demographic categories. This comparison is provided to show the differences between the different groups.

"I feel my work is considered worthwhile and valuable"

Total	Men	Women	25-35	36-49	50+	Executive	Frontline	Manager	Educator
4.17	4.40	3.95	3.80	4.35	4.11	4.50	3.94	4.27	4.17

"I practice empathy towards my coworkers"

Total	Men	Women	25-35	36-49	50+	Executive	Frontline	Manager	Educator
4.05	4.10	4.00	3.90	4.10	4.11	4.00	4.00	4.09	4.17

"Leaders/Managers are trained on empathy"

Total	Men	Women	25-35	36-49	50+	Executive	Frontline	Manager	Educator
2.90	2.85	2.95	3.00	2.95	2.67	3.125	2.82	3.00	2.67

"My Boss demonstrates empathy towards me"

Total	Men	Women	25-35	36-49	50+	Executive	Frontline	Manager	Educator
3.71	3.50	3.90	4.10	3.65	3.33	3.75	3.76	3.55	3.83

"My company supports the improvement of my communication skills"

Total	Men	Women	25-35	36-49	50+	Executive	Frontline	Manager	Educator
3.02	2.89	3.24	3.40	2.95	2.56	2.875	2.94	3.27	3.00

"I look forward to negotiating situations"

Total	Men	Women	25-35	36-49	50+	Executive	Frontline	Manager	Educator
3.02	3.32	2.86	3.00	3.10	2.78	3.25	2.76	3.36	2.83

Ranking of Workplace Values/Attributes

This section was designed to give the most comprehensive selection of values or attributes for the respondents to rank. These attributes were selected based on their individual importance to a work environment as well as their role in the "soft" skill arena. Here is the ranking of these workplace values from most important to least important to the respondents.

> ### Rank of Workplace Values
>
> 1. Worthwhile Work
> 2. Wages
> 3. Challenges
> 4. Communication
> 5. Cooperation
> 6. Customer Focus
> 7. Listening
> 8. Empathy
> 9. Security
> 10. Supervision

It is interesting to note the ranking of the workplace values, especially the top three. Respondents are saying they enjoy work that is meaningful, pays well, and is stimulating. And when the next two attributes are included, they seem to support the

ideals present in the New Social Contract. *What worked to motivate and inspire people*

30 years ago, won't necessarily work today...workers are motivated by constant

challenge, stimulation, and taking ownership[52]. People want to be part of the success of

their firm. Another interesting highlight was the 6th place rank of Customer Focus in this

list of workplace values. It seemed odd that this value was rated so low on this list,

especially since the American economy is primarily service oriented. This is an excellent

opportunity for empathy and negotiation to be employed as a means of providing better

customer service.

Defining Empathy: In Their Own Words

The beginning of the survey asked the respondents were asked to respond to the

following question.

> ➢ What does "empathy" mean to you?

This was designed as way to encourage respondents to define what the word

"empathy" meant to them and form their own parameters for the rest of the survey

instead of interjecting a personal bias by moving ahead with questions about empathy and

offering only the author's definition. Here is a selected sampling from some of the

surveys.

- *"Seek first to understand, then to be understood"*

- *"Compassion, willing to work together to make things better for all"*

- *"Listening to a problem and working toward a solution"*

- *"Having feeling for the position of the other party"*

- *"Understanding the other person's views and attitudes*

    (To walk a mile in their shoes)"

- *"The ability to show compassion and understanding towards a person regarding a personal situation, work situation, and in general towards another's feelings"*

- *"Concern for the customer, caring, compassion...willingness to learn and understand what their situation or problem may be, and then a desire to help solve the problem or work with them."*

- *"Having a sensitivity towards the emotions, beliefs, and values of other people"*

- *"Being more concerned with people than with business"*

- *"The ability to understand issues from another person's perspective"*

- *"Empathy is understanding the other party's point of view in a negotiation session"*

- *"The ability to be aware of and sensitive to other's feelings"*

- *"Understanding is rooted in experience"*

- *"Empathy should not be confused with sympathy"*

The overwhelming theme in these comments was the use of the word, "understanding." This word seemed to take on different meanings with references to understanding feelings, situations, and different points of view. The respondents' repetitive use of this word demonstrates that "understanding" is the foundation to practicing effective and sincere empathy. These comments highlight the idea that a "soft" skill like empathy, the act of recognizing emotions and respecting their existence can be part of doing business. These comments also contain a caveat that being too sensitive to another person's feeling can be misinterpreted. One respondent offered this

advice that empathy should not be confused with sympathy. For example, it would be a mistake for an employer to feel overly sympathetic for an employee, especially if it leads to glossing over poor performance instead of addressing the real issues behind the poor performance.

Empathy's Role in an Organization

It is time to turn attention towards the role that empathy plays in an organization. Empathy is defined as the *action of understanding, being sensitive to the feelings, thoughts, and experiences of another person.*[53] But there is a warning attached to using the words like "empathy" or "feelings" in the workplace because these terms have traditionally conjured up images of being "soft," "weak," and "inefficient." Business people have avoided emotions lest they appear weak and ineffective at their particular job.

Hence more attention has been focused on the "hard" emotion terms such as "ruthlessness" (the lack of love), "domination", "destroying the competition", "aggressive", and "hostile takeover". These terms are glorified in day-to-day work conversation. Terms such as these are used to demonstrate an organization's or individual's prowess in the conquest of a competitor or keeping a subordinate (employee) in line with organizational goals. It can be argued that this type of mindset is being encouraged by the very institutions that are responsible for the initial training of tomorrow's business leaders. *Also, managers today are not trained to think about people issues because managers who came out of business schools probably took no required course in human resource management, took one course in organizational behavior and then took a ton of courses in finance, accounting, and economics.*[54] *Today,*

businesspeople are often trained to dispense with emotions in favor of rational analysis and urged to make choices using logical devices such as decision trees or spreadsheets. But evolutionary psychology suggests that emotions can never fully be suppressed.[55]

But as organizations and individuals have evolved, so has the atmosphere changed from one of dominance to one of support for coworkers, employees and customers. Empathy is a skill and understanding that is being recognized as necessary equipment to build a strong support system within an organization. This type of support system can have tremendous benefits for a firm. Southwest Airlines is an excellent example of an organization that views empathy as an important part of its corporate direction. *Southwest's Airlines mission statement says it all, "employees will be provided the same concern, respect, and caring (emphasis added) attitude within the organization that they are expected to share externally with every customer.*[56] This airline has grown in size and stature through focussing its every activity in taking care of the people associated with organization. This management philosophy also has produced 26 years of annual profits that also rebukes the argument that emotions cannot add to the bottom line. *Libby Spartan, vice president of people, (another name for human resources) presents Southwest's philosophy this way, "I would say that the people choose to work as individuals and feel they can make a difference. Employees know that if they have a suggestion, someone listens to them and appreciates what they have to say.*[57]

The emergence of empathy and other "soft" skills is part of growing trend in leadership styles to become more responsive and in tune with the thoughts and feelings of the members of the organization. Leaders are learning that empathy can bring greater rewards without sacrificing the standards of productivity and quality that the organization

has established. *But empathy doesn't mean a kind of "I'm okay - you're okay" mushiness. For a leader, that is, it doesn't mean adopting other people's emotions, as one's own and trying to please everybody.*[58] It means setting the example that all standards need to be met both on the production line and in the conference room. The tide is turning away from the cold, hard emotionless managerial view towards a new empathic leadership view. "Soft" skills are no longer being deemed as a weakness but a strength that can be leveraged to make an organization stronger and more competitive.

Section 5: Discussion and Implementation

The Future of Empathic Negotiation

The driving force behind any business venture is to satisfy the needs or wants of its customers. Who are the customers in Empathic Negotiation? What are their needs and/or wants in the area of building better, longer-lasting relationships? Is there a need in the workplace for a leadership discipline like Empathic Negotiation? All these questions deserve a resounding "Yes!" especially when considering the changes in the business environment. Globalization, modernization, increased competition, shrinking employment pools and the New Social Contract are all pressures that are molding and changing today's business leaders. Business leaders are on the edge of a new frontier, but before they take that crucial first step there seems to be something missing.

This missing link is a discipline that teaches leaders/managers/frontline workers how to understand each other's feelings and concerns with the same proficiency as they can interpret a purchase order or balance sheet. Empathic Negotiation provides the tools to build better relationships. It brings into play the ways to learn how to be empathic; to listen with more than just their ear; to be open and honest; to be considerate and

thoughtful of others. It teaches them the importance of learning how to persuade; to influence their audience; to explore options during a negotiation, and to analyze alternatives to avoid getting into a bad agreement. Empathic Negotiation is a way for people to reach others on many different levels where true Human Moments can occur.

The best part about Empathic Negotiation is that it is good business, too.

Empathic Negotiation can aid leaders/managers in building teams that can accomplish anything. They can literally move mountains! But they need a leader to guide their efforts. These employees are crying out for strong leadership. They are looking for a leader who possesses the business savvy to make sound decisions plus a desire to serve their interests in addition to the firm's interests. Servant Leadership is this type of leadership style whose time has come. Servant Leadership needs a strong support structure in order to succeed. Empathic Negotiation is that support structure. Servant Leadership calls for leaders to be responsive to the needs of their employees. Empathic Negotiation teaches leaders how to be responsive to the feelings, concerns and ideas of their team members and how to communicate changes effectively to the team. This winning combination is best expressed in the following formula.

The Successful Team Formula

Empathic Negotiation + Servant Leadership = Team Success

The need is real. The time is now. Business leaders are on the brink of a new frontier where the corporate goals are achieved only through teamwork. But only those firms that include their employees as part of the equation will succeed. Empathic Negotiation is one way for leaders and teams to work together towards success.

Implementation: Empathic Negotiation in Action

The true measure of a leadership discipline is how effective it is in practice. There are several hurdles between Empathic Negotiation and its successful implementation. These include overcoming the culture produced by the command and control style of management, recognizing the impact and scope of the New Social Contract, and learning how to apply Empathic Negotiation to everyday situations. The first hurdle to clear is how to introduce a new culture in the organization. This process requires shocking or disabling the old culture so the new culture has an opportunity to take hold. The advancement and sophistication of today's workers have shocked the old school of command and control management. The time is now to introduce Empathic Negotiation as a new culture.

The second hurdle is recognizing the New Social Contract and its implications for the organization. Employers and employees who become part of this new covenant will be better able to communicate ideas and strategic plans for new directions. This communication will be facilitated by the techniques outlined in Empathic Negotiation. The New Social Contract provides the common ground from which new direction can be launched. It requires employers and employees to cast aside old expectations in favor of new behavior patterns. These new behavior patterns incorporate understanding, respect, and sensitivity, all aspects of being empathic. They also include developing a new means of communication, persuasion, and exploration, all aspects of negotiation. The New Social Contract heralds the concept of change that promises greater opportunities and freedom for both employers and employees through utilizing the techniques of Empathic Negotiation.

The process of teaching Empathic Negotiation involves introducing this leadership discipline in a workshop setting. These workshops should be conducted in an atmosphere of open discussion where ideas and feelings are encouraged. Role playing exercises may be used to highlight and reinforce certain behaviors. Another technique may be the assignment of homework relating to the particular component being discussed. Appendix C features a page from a handbook that could be used during these workshops on Empathic Negotiation. There could be follow-up sessions scheduled with participants over a three, six, and nine month period as means of providing support for this new culture.

The key to implementing Empathic Negotiation is to embrace it as a new leadership discipline. There will be doubters who will not be able to trust themselves or those around them. Empathic Negotiation aids leaders in putting aside their misgivings and invest this trust into building better, longer-lasting relationships. Empathic Negotiation is the first step into uncharted territory for most leaders and the rewards of increased understanding, better communication and longer-lasting relationships are worth the journey.

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Appendix A-Empathic Negotiation Survey

<u>Empathic Negotiation Survey</u>
Congratulations, you have been selected to participate in a comprehensive survey on the roles that empathy and negotiation have in the workplace. This survey is being conducted in conjunction with a paper that I am writing. As a fellow business professional, I need your help. This two-page survey focuses on what your opinions are towards empathy and negotiation. And as a way to make the results of this survey more dynamic, could you please forward this survey to your circle of business partners so we can achieve a diverse group of responses. Your responses will be strictly anonymous. This survey is being initially sent to 120 e-mail addresses. Thank you for your help.
Garth W. Ferro
406.449.4638
ferros@uswest.net
A two page executive summary will be available to all participants by this summer. If you would like a copy of this executive summary, please indicate here_____.
Empathy in the Workplace:
➤ What does "empathy" mean to you?

➤ Today's leaders/managers are trained how to show empathy towards their staff and customers.

Strongly Disagree   Disagree   Neutral   Agree   Strongly Agree

➤ The concept "emotions have no place in the workplace" is prevalent in day-to-day business matters, i.e. dealings with subordinates, disputes with customers.

Strongly Disagree   Disagree   Neutral   Agree   Strongly Agree

➤ My boss or supervisor demonstrates empathy towards me and my coworkers on a regular basis.

Strongly Disagree   Disagree   Neutral   Agree   Strongly Agree

➤ My working relationships would be more effective if empathy was used.

Strongly Disagree   Disagree   Neutral   Agree   Strongly Agree

➤ My company /firm listens to my concerns, feeling, and ideas.

Strongly Disagree   Disagree   Neutral   Agree   Strongly Agree

➤ I feel like my work is considered worthwhile and valuable my firm.

Strongly Disagree   Disagree   Neutral   Agree   Strongly Agree

➤ I feel I practice empathy towards my coworkers, including those I supervise.

Strongly Disagree   Disagree   Neutral   Agree   Strongly Agree

➢ Please rate the attributes of your workplace in order of their importance to you:
Rank them in order of 1-10, 1 - being the highest priority and 10 - being the lowest
priority to you in your work environment:

_____Listening	_____ Wages
_____Cooperation	_____Supervision
_____Empathy	_____Communication
_____Security	_____Challenges
_____Worthwhile Work	_____ Customer Focus

Negotiation in the Workplace

➢ Negotiation is major part of what I do each day.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

➢ I feel that my negotiation skills are adequate considering what I do.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

➢ My company trains and supports the improvement of my communication skills.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

➢ I look forward to a negotiating situation, i.e. asking for a raise, closing a deal, etc.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

➢ I would like additional training in the area of negotiation so I feel more confident.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

➢ My supervisor is a skilled negotiator (communicates effectively).

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

➢ My supervisor is a respected leader, i.e. motivates, listens, uses empathy, and inspires.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

➢ Stronger negotiation skills would lead to better working relationships.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

Demographic information about you:

_____ Male	_____ Female	Age: _____ 18-24		_____ 25-34
_____ Exempt (Salary)			_____ 35-49	_____ 50+
_____ Nonexempt (Hourly Wage)				

Job Type:

_____ Manager/ Supervisor	_____ Frontline Worker
_____ Executive	_____ Educator

Appendix B- Field Research Responses-Men

Empathy Section	Mean	S.D.
Leaders/Managers are trained on empathy	2.85	0.93
The concept "Emotions have no place in the workplace" is prevalent	2.50	1.19
My Boss demonstrates empathy towards me	3.50	1.05
My working relationships would be more effective	4.00	1.08
My firm listens to my concerns, feelings	3.60	1.14
I feel my work is considered worthwhile and valuable	4.40	0.68
I practice empathy towards my coworkers	4.10	0.64
Negotiation Section		
Negotiations a major part of what I do each day.	3.26	0.93
I feel my negotiation skills are adequate	3.74	0.87
My company supports the improvement of my communication skills	2.89	1.24
I look forward to negotiating situations	3.32	1.06
Additional training would help me feel more confident	3.47	1.02
My supervisor is a skilled negotiator	3.32	0.89
My supervisor is a respected leader	3.53	0.84
Stronger negotiation skills would lead to better relationships	3.89	0.81

FIELD RESEARCH RESPONSES-Women

Empathy Section	Mean	S.D.
Leaders/Managers are trained on empathy	2.95	1.63
The concept "Emotions have no place in the workplace" is prevalent	2.52	1.50
My Boss demonstrates empathy towards me	3.90	2.07
My working relationships would be more effective	3.76	1.96
My firm listens to my concerns, feelings ·	3.43	1.85
I feel my work is considered worthwhile and valuable	3.95	2.05
I practice empathy towards my coworkers	4.00	2.05
Negotiation Section		
Negotiations a major part of what I do each day.	3.19	1.79
I feel my negotiation skills are adequate	3.86	2.01
My company supports the improvement of my communication skills	3.24	1.76
I look forward to negotiating situations	2.86	1.61
Additional training would help me feel more confident	3.62	1.99
My supervisor is a skilled negotiator	3.43	1.98
My supervisor is a respected leader	3.57	2.03
Stronger negotiation skills would lead to better relationships	3.81	1.99

FIELD RESEARCH RESPONSES 18-24 year olds

Empathy Section	Mean	S.D.
Leaders/Managers are trained on empathy	3	2.00
The concept "Emotions have no place in the workplace" is prevalent	1.5	1.00
My Boss demonstrates empathy towards me	4	2.31
My working relationships would be more effective	4	2.31
My firm listens to my concerns, feelings	4	2.31
I feel my work is considered worthwhile and valuable	4.5	2.65
I practice empathy towards my coworkers	4	2.31

Negotiation Section		
Negotiations a major part of what I do each day.	3	2.00
I feel my negotiation skills are adequate	3	1.73
My company supports the improvement of my communication skills	3.5	2.08
I look forward to negotiating situations	3	2.00
Additional training would help me feel more confident	4	2.31
My supervisor is a skilled negotiator	3	2.65
My supervisor is a respected leader	3.5	2.52
Stronger negotiation skills would lead to better relationships	4	2.31

FIELD RESEARCH RESPONSES 25-34 year olds

Empathy Section	Mean	S.D.
Leaders/Managers are trained on empathy	3	1.05
The concept "Emotions have no place in the workplace" is prevalent	2.5	0.97
My Boss demonstrates empathy towards me	4.1	0.74
My working relationships would be more effective	3.6	0.70
My firm listens to my concerns, feelings	3.7	0.48
I feel my work is considered worthwhile and valuable	3.8	0.92
I practice empathy towards my coworkers	3.9	0.57

Negotiation Section		
Negotiations a major part of what I do each day.	3.2	1.14
I feel my negotiation skills are adequate	4	0.82
My company supports the improvement of my communication skills	3.4	1.17
I look forward to negotiating situations	3	0.94
Additional training would help me feel more confident	3.5	1.08
My supervisor is a skilled negotiator	3.5	1.27
My supervisor is a respected leader	3.6	1.35
Stronger negotiation skills would lead to better relationships	3.6	0.84

FIELD RESEARCH RESPONSES 35-49 year olds

Empathy Section	Mean	S.D.
Leaders/Managers are trained on empathy	2.95	0.91
The concept "Emotions have no place in the workplace" is prevalent	2.45	1.21
My Boss demonstrates empathy towards me	3.65	1.21
My working relationships would be more effective	3.85	1.12
My firm listens to my concerns, feelings	3.7	0.96
I feel my work is considered worthwhile and valuable	4.35	0.58
I practice empathy towards my coworkers	4.1	0.62

Negotiation Section		
Negotiations a major part of what I do each day.	2.9	1.26
I feel my negotiation skills are adequate	3.45	1.17
My company supports the improvement of my communication skills	2.95	1.33
I look forward to negotiating situations	3.1	1.33
Additional training would help me feel more confident	3.35	1.38
My supervisor is a skilled negotiator	3.45	1.22
My supervisor is a respected leader	3.65	1.21
Stronger negotiation skills would lead to better relationships	3.6	1.12

FIELD RESEARCH RESPONSES 50+ year olds

Empathy Section	Mean	S.D.
Leaders/Managers are trained on empathy	2.67	0.87
The concept "Emotions have no place in the workplace" is prevalent	2.89	1.05
My Boss demonstrates empathy towards me	3.33	0.71
My working relationships would be more effective	4.22	0.67
My firm listens to my concerns, feelings	2.78	1.20
I feel my work is considered worthwhile and valuable	4.11	0.60
I practice empathy towards my coworkers	4.11	0.33

Negotiation Section		
Negotiations a major part of what I do each day.	3.67	0.87
I feel my negotiation skills are adequate	4.11	0.60
My company supports the improvement of my communication skills	2.56	1.01
I look forward to negotiating situations	2.78	1.09
Additional training would help me feel more confident	3.56	0.88
My supervisor is a skilled negotiator	2.78	0.97
My supervisor is a respected leader	2.89	0.93
Stronger negotiation skills would lead to better relationships	4.22	0.67

FIELD RESEARCH RESPONSES- Managers

Empathy Section	Mean	S.D.
Leaders/Managers are trained on empathy	3.00	0.89
The concept "Emotions have no place in the workplace" is prevalent	2.64	1.21
My Boss demonstrates empathy towards me	3.55	1.21
My working relationships would be more effective	4.09	0.54
My firm listens to my concerns, feelings	3.64	1.21
I feel my work is considered worthwhile and valuable	4.27	0.65
I practice empathy towards my coworkers	4.09	0.54
Negotiation Section		
Negotiations a major part of what I do each day.	3.09	1.04
I feel my negotiation skills are adequate	3.82	0.98
My company supports the improvement of my communication skills	3.27	1.35
I look forward to negotiating situations	3.36	1.12
Additional training would help me feel more confident	3.55	1.29
My supervisor is a skilled negotiator	3.55	0.82
My supervisor is a respected leader	3.64	1.03
Stronger negotiation skills would lead to better relationships	3.55	0.69

FIELD RESEARCH RESPONSES Frontline workers

Empathy Section	Mean	S.D.
Leaders/Managers are trained on empathy	2.82	1.00
The concept "Emotions have no place in the workplace" is prevalent	2.35	0.86
My Boss demonstrates empathy towards me	3.76	0.93
My working relationships would be more effective	3.82	0.75
My firm listens to my concerns, feelings	3.35	0.82
I feel my work is considered worthwhile and valuable	3.94	0.72
I practice empathy towards my coworkers	4.00	0.44
Negotiation Section		
Negotiations a major part of what I do each day.	3.24	1.42
I feel my negotiation skills are adequate	3.59	1.09
My company supports the improvement of my communication skills	2.94	1.26
I look forward to negotiating situations	2.76	1.20
Additional training would help me feel more confident	3.47	1.09
My supervisor is a skilled negotiator	3.06	1.57
My supervisor is a respected leader	3.24	1.52
Stronger negotiation skills would lead to better relationships	3.76	1.14

FIELD RESEARCH RESPONSES Executives

Empathy Section	Mean	S.D.
Leaders/Managers are trained on empathy	3.13	0.99
The concept "Emotions have no place in the workplace" is prevalent	2.13	1.46
My Boss demonstrates empathy towards me	3.75	1.04
My working relationships would be more effective	3.50	1.51
My firm listens to my concerns, feelings	4.00	0.93
I feel my work is considered worthwhile and valuable	4.50	0.53
I practice empathy towards my coworkers	4.00	0.76

Negotiation Section		
Negotiations a major part of what I do each day.	3.38	1.19
I feel my negotiation skills are adequate	3.75	1.16
My company supports the improvement of my communication skills	2.88	1.25
I look forward to negotiating situations	3.25	1.16
Additional training would help me feel more confident	3.13	1.36
My supervisor is a skilled negotiator	3.25	1.28
My supervisor is a respected leader	3.63	1.06
Stronger negotiation skills would lead to better relationships	3.88	0.99

FIELD RESEARCH RESPONSES Educator

Empathy Section	Mean	S.D.
Leaders/Managers are trained on empathy	2.67	0.82
The concept "Emotions have no place in the workplace" is prevalent	3.00	1.10
My Boss demonstrates empathy towards me	3.83	0.75
My working relationships would be more effective	4.17	0.75
My firm listens to my concerns, feelings	3.17	0.98
I feel my work is considered worthwhile and valuable	4.17	0.75
I practice empathy towards my coworkers	4.17	0.41

Negotiation Section		
Negotiations a major part of what I do each day.	3.00	0.89
I feel my negotiation skills are adequate	3.83	0.41
My company supports the improvement of my communication skills	3.00	0.89
I look forward to negotiating situations	2.83	0.98
Additional training would help me feel more confident	3.83	0.75
My supervisor is a skilled negotiator	3.67	0.82
My supervisor is a respected leader	3.67	0.82
Stronger negotiation skills would lead to better relationships	4.00	0.89

Appendix C- Sample from Empathic Negotiation Workshop

Persuasion's Role in Negotiation-"How do you sell ice cubes to penguins?"

You can't because they can't open the freezer door.

The same concept applies to discussing persuasion and its role in negotiation. Many people think that persuasion means pushing ideas onto someone else who is not interested. Here is a different definition of a Persuader.

Persuader. -(noun): 1. One who is open-minded, able to adjust their point of view to incorporate others ideas and concepts, 2. One who is willing to compromise; flexible, willing to make sacrifices themselves.

There are four essential steps to effective persuasion that relate to becoming a strong negotiator:

1. Establishing credibility with the team through expertise and relationships
✓ People identify with someone who they perceive as having some concrete experience in the area being negotiated.
✓ People also can relate well to someone who they feel can be trusted to listen and work in the best interests of others
2. Seek common ground for every one to stand on
✓ Persuaders are able to shine as much positive light on what they are promoting so everyone can see the benefits. It is key to build a solid foundation so more support can be generated.
3. Provide information but use more than slides and charts
✓ Make it come alive in the minds of the audience. Use language to breathe life into lifeless numbers and figures will mean the difference between acceptance and rejection.
4. Connect emotionally-show your passion and listen for theirs
✓ Don't hide your lantern under a bush, let it SHINE! This is when you show everyone how excited you are about this project.
✓ But ...don't forget to listen to your audience and tap into their passion and their wants/needs so you don't miscommunicate.

It is important to recognize the connection between persuasion and negotiation. Without the persuasive skills outline, how effective can you negotiate?

Homework assignment:
Ask yourself these key questions- *How will others perceive my knowledge about this change or idea I am proposing? What type of track record do I have? Am I able to make the ideas seem real to my team? And am I passionate about my work?*