

**Laurent COMBALBERT • Marwan MERY**

# **NEGO TIATOR**

**The Reference for all Negotiations**

Translated from French by Louise Bongiovanni

**DUNOD**

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# Introduction

Negotiations have never been so central to companies and organisations and even in all of our daily lives—wage discussions, trade agreements, diplomatic negotiations, commercial agreements, regional disputes, reforms of states and institutions, and conflicts in everyday life. Negotiations are everywhere, at all levels and include everyone. Everyone tries to negotiate as best they can with varying levels of success and shorter or longer-lived triumphs. Although learning through experience has long been the rule, some methods have been developed over the last twenty years. However, none of them have tackled negotiations in the way the PACIFICAT® standard does.

In an environment where everyone agrees that complexity and uncertainty govern interactions, leaders, decision-makers, teachers and managers have become aware of several clear-cut facts:

- **Negotiation is not just a *soft skill*\***, the privilege of a chosen few born with this talent, but a key skill that must be learned, worked on and developed, practically every day. This skill must be taught as early as possible, in professional schools and universities, but also in secondary schools.
- **Negotiation isn't something you can just learn in books.** While knowledge learned in school and books is important—and we hope this book will contribute to yours—negotiation is a 'working' skill that is learned and perfected in practice and on the ground.
- **Negotiation can't be based on pre-established procedures**, chiefly because its main ingredient is the human element, with its varieties, diversities and uncertainties. The best negotiators don't have good answers, they just have good questions, and a very high level of expertise and experience.
- **Negotiation is a school of life:** every student, parent, manager, leader, individual, is faced with dozens of mediation or negotiation situations every day. They will only be able to remain in charge of and master the situations through their ability to create value from conflict or to master situations that have deteriorated too much.

The PACIFICAT® standard, the negotiation bible, is based on the practices of professional negotiators and mediators, proven by hundreds of successful negotiations. The aim of this book is to address complex negotiation key issues, providing the skills to prepare, conduct and debrief all types of negotiations, whether they concern everyday situations or the future of the world.



# Before we start...

## The examples

Negotiations are generally surrounded by discretion and secrecy. For some, if not the majority, confidentiality is written into the contract. Therefore, to give the reader the benefit of the many concrete cases encountered by the authors or members of the ADN Group, all examples used in this book have been made anonymous, except when they have already been published in the press or books published for the general public.

## Vocabulary

We use the term 'the negotiator' or 'a negotiator' or 'they' or 'their' in its generic sense and to simplify reading. It includes both male and female negotiators.

A glossary is provided at the end of the book with useful definitions. The terms explained in the glossary are identified by an '\*' in the text.

### Our advice

Please take the time to take the ADN Insider test at [www.adninsider.com](http://www.adninsider.com) before starting this book.

## The ADN Insider Negotiator Profile Test

ADN Group (the Agency of Professional Negotiators) is an agency of professional negotiators founded by us. We travel the world conducting hundreds of negotiations every year, in many fields (finance, diplomacy, patient relationships, crisis, commercial, social). Drawing insights from our different, yet complementary backgrounds, we offer our services to companies and government organisations as speakers and trainers, sharing our experiences and expertise both in France and abroad. As part of our many activities, we have developed several negotiation tests, including the ADN Insider negotiator profile test.

The ADN Insider test is made up of around 50 questions focusing on key topics that are based on our experience from hundreds of negotiations. In 8 minutes, each reader will be able to assess their profile, identifying affinities and points for improvement concerning the 10 key negotiator skills.

Throughout the book, wherever the STOP Insider logo appears, the reader will find feedback from the ADN test and they will be able to compare the analyses with their own personal results. This is why we strongly recommend that you take the ADN Insider test at [www.adninsider.com](http://www.adninsider.com) before you start reading.



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PACIFICAT® is a standard that we have created; the fruit of our proven experience from hundreds of negotiations. As a registered trademark, it benefits from intellectual property protection. The name PACIFICAT may therefore not be used or reproduced for commercial purposes or distribution without our permission.

This also applies to the methods and tools that we have developed as part of the standard: ADN Insider®, POS®, SCO®, Socioplan®, Combalbert-Mery Classification®, RapFor®, Mandascan®, MOOL®, TOTAC®, NSTAA®, TLS® (*Tactical Listening Skills*),



Listening TLS®, Questioning TLS®, Relational brakes®, PORPA®, PORSA® and PACIFICAT Network®. We thank you for your understanding and hope you enjoy reading.

# Acknowledgements

This work is the fruit of forty years of accumulated experience—many successes, a few failures, and always the same passion for the extraordinary profession that is negotiation. We would not have been able to write this book without the help of all the negotiators who have crossed our paths since our beginnings—our friends, our colleagues, our clients, without whom we wouldn't have had the same motivation to write this book and to reveal our 'secrets'.

Thank you to the teams at ADN Group, ADN Talents and ADN Research for providing us non-stop with the questions, experiences, debriefings and case studies that make this book so interesting.

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Laurent Combalbert and Marwan Mery







# Complex negotiations



We live in a complex world. We are not aware of this, or perhaps prefer not to be. The belief that our environment is extremely complicated, but *just* complicated, is actually reassuring—in a complicated environment, hundreds of factors interact with each other. But all of their interactions are predictable and can be anticipated. The clockwork mechanism of a watch with ‘complications’ is the best example of this. This type of mechanism contains more than 1,500 components, but their extremely precise interactions lead to a result that is always the same—the exact time. There is no uncertainty in this system, as we know in advance what the result will be when the mechanism runs smoothly. In such a universe, procedures reign supreme, because everything can be thought out in advance. Unfortunately, or fortunately some would say, our environment is not complicated—it is complex. Unpredictable human factors, fluctuating economic rhythms, hidden objectives, stock market crashes and bubbles, adverse weather events, industrial organisational psychology etc.—so many unpredictable elements that throw a fundamental ingredient into the heart of procedures: uncertainty. Negotiations taking place in such environments, contributing to their smooth-running and the permanent adaptation of organisations in them, are called ‘complex negotiations’.

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## SECTION 1

## INTRODUCTION TO COMPLEX NEGOTIATIONS

‘Complex negotiations’ is a recent term. It was used for the first time in 2001 in a lecture by Laurent Combalbert upon the invitation of the late Professor Patrick Audebert before an audience of executives at HEC Paris. The addition of the term ‘complex’ to that of ‘negotiation’ followed a meeting with Edgar Morin a few days earlier, during which the topic of the complexity of the world was discussed. We concluded with the observation that companies now needed a new form of negotiation, both in terms of techniques and philosophy. And so the concept of ‘complex negotiation’ was born.

“  
Forecasting is difficult,  
especially when it comes to  
the future!”

Pierre DAC

## 1 An increasingly complex environment

### a. The inescapable complexity of the economic environment

The economy does not like complexity—it is synonymous with unpredictability and uncertainty, both of which are extremely detrimental to confidence and overall economic activity. The first economists to broach the subject were Knight and Keynes. Initially rejected by ‘traditional’ economists who wanted their speciality to be a ‘hard’ science, they are now taught in schools and their theories are integrated into economic analyses or are the subject of works dedicated to economic uncertainty<sup>1</sup>. Probability is often used to transform *uncertainty*\* into risk and enable companies or governments to make choices based on the probability of something happening and its impact. However, it is impossible to dismiss the complexity of the economy by implementing complicated analytical processes. During the subprime crisis in 2007, no one was able to predict the chain of consequences that unfolded for more than five years.

### Example

#### The subprime crisis

- In 2005, the rise in the U.S. Federal Reserve’s key interest rates pushed up the cost of repaying U.S. home loans, and the default rate on these loans exceeded 15% in 2007. Property prices also fell unpredictably for the first time since 1945, leading to the bankruptcy of many banks, unable to sell the mortgaged properties (whose prices had fallen dramatically) to compensate for the losses from their customers’ repayment defaults. The ‘securitisation’ of these debts created a contagion effect in banks around the world, some of them holding ‘toxic’ securities. The loss of confidence led to a halt in interbank lending and triggered a major crisis whose outcome no one could have envisaged until it stabilised in 2012.



1. Nathalie Moureau and Dorothée Rivaud-Danset, *L'incertitude dans les analyses économiques*, Paris, La Découverte, 2004.

Recognising the importance of uncertainty in the economy profoundly challenges traditional analytical and forecasting tools. Associated activities, such as trade negotiations, are impacted by this inherent *complexity*\*

## b. The globalisation of trade

Economic liberalisation and the acceleration of global trade in goods and services have completely changed the traditional negotiating references. The gradual removal of regulatory obstacles, first within the GATT (General Agreement on Tariffs and Trade) and then the WTO (World Trade Organization) at the end of the 1990s, has reshuffled the cards. We have moved from a culture of supervised negotiation, a kind of 'gentlemen's' negotiation, interacting in a known world, to a fabric of complex relations governed by specific cultural codes and new rules, creating a new and evolving playing field.

### Example

#### Culture shock

- An Italian company sends several of its employees to China to present a technical product, the result of their research and development work. The Italian sales representatives, aware of their technical superiority, prepare a presentation of their product and give a spectacular demonstration. But seeing the puzzled expressions of their Chinese counterparts, they realise that something isn't right. They then increase their efforts to highlight the advantages of their product, but the Chinese reaction doesn't improve. After two hours, the meeting ends, and the Italian company's potential customer doesn't follow up. The Italian sales reps ignored a crucial phase in Chinese culture: preliminary talks. In negotiation, they allow us to get to know each other, to identify common interests and motivations. By being too direct and assertive, the Italians were perceived to be aggressive and unworthy of interest by the Chinese. The latter are 'long-distance' negotiators and never in a hurry to get to the heart of the matter.

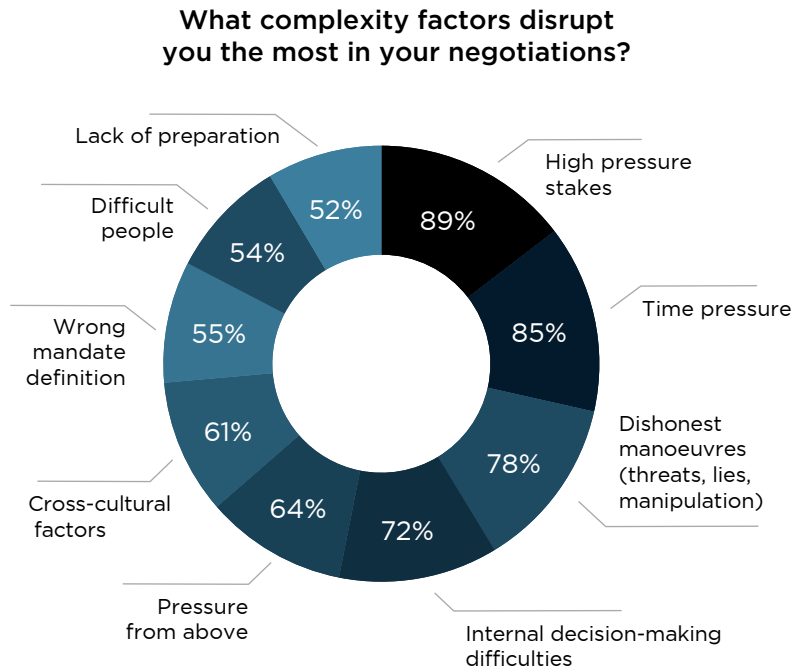
Paradoxically, the emergence of the competition following new rules—which should have motivated companies to focus on their negotiating skills to maintain their margins—has instead inhibited many negotiators by pushing them to yield much more quickly than before—give in rather than lose. The arrival of new players, many of whom come from cultures where relationships are viewed differently, and the pressure from management to seek performance at all costs, have pushed many negotiators to the limits of their skills.

## c. The limitations of traditional negotiation methods

In the face of this complexity, traditional negotiation methods have lost their effectiveness. Based on a reasoned analysis of the situation and the environment, they have been slow to take into account the uncertainty factors that are now unavoidable in any negotiation:

- **The human factor in general:** the human element is the main ingredient of negotiation, both in the definition of the *strategy*\* (CEO, executive committee) as well as at the *tactical*\* implementation level (sales, HR, negotiators in the field). However, it isn't possible to enter the human factor into equations and structure it into procedures listing typical answers learned by rote.

- **The shortening of strategic visions:** some companies have favoured 'hits', short-term and highly profitable deals, sometimes carried out using aggressive or even unfair strategies, to the detriment of trust and long-term commitment.
- **Intercultural factors:** the concept of negotiation itself isn't the same in different cultures. As a result, methods providing ready-made answers, theoretically useful in one culture, may not work in different cultures.
- **Dishonest manoeuvres\*:** in the face of increased competition and constant pressure for financial performance, there are no holds barred. Threats, ultimatums, sales at a loss, lies—all practices that are harmful to lasting negotiations, but which have become acceptable, justified by the fierce competition.



**Figure 1.1 Complexity causes in negotiation<sup>1</sup>**

1. Source: 'Complex Negotiations' survey conducted in 2018 by the PACIFICAT Network (multiple choice questions).

## 2 Negotiation, a fundamental skill in a complex environment

In an ever-changing, uncertain and unpredictable world, interpersonal and inter-organisational conflicts and blockages abound. To address this and turn obstacles into advantages, the only skill needed is negotiation.

*Negotiation\** is the way to reach an agreement in a conflict situation between two or more stakeholders with differing positions, objectives or stakes, so that each party can obtain what they feel is fair for them.

### EXPERT POINT OF VIEW

#### Michel Rocard, negotiator

**Alain Bauer, Professor of Criminology at the National Conservatory of Arts and Crafts, New York and Shanghai; former advisor to Michel Rocard, French Prime Minister**



We are used to opposing war with peace—as if there is no middle ground.

Negotiation is an art made up of subtleties, tactics, adaptation, versatility, firmness, flexibility. Michel Rocard would no doubt have said that it was the art of the possible; even beyond politics. An uncompromising witness in Algeria; a constructor capable of manoeuvring his way through all the complexities of the left, from the PSU (Unified Socialist Party) to the PS (Socialist Party); Prime Minister campaigning for peace in New Caledonia and the war in Iraq; a passionate negotiator for the defence of the biodiversity of the North and South poles—Rocard was a true peacemaker who knew how to use his words, his pen and his sword.

His experience and his words have meant a great deal in the public and private missions I have carried out over the last thirty years—building the anti-terrorist service of the New York Police Department after September 11; the CSFRS (*Conseil supérieur de la formation et de la recherche stratégiques*—French High Council for Strategic Education and Research), the centre of the reform of support for strategic thinking in France; modernising the intelligence services; creating the CNAPS (*Conseil national des activités privées de sécurité*—National Council of Private Security Activities); overhauling private security; and finally teaching criminology and intelligence in France.

This is why negotiation needs to be taught and with real skilled negotiators to make it a success.

Negotiation, used as a significant solution for getting something positive out of disagreements, is not just a *soft skill*\*. It is a key skill that needs to be developed on a daily basis in companies, not only for HR or sales teams, but for every member of the organisation, regardless of their place in the system.

### a. The appetite for conflict

Etymologically, the origin of the word 'conflict' comes from the Latin *conflictus*, meaning 'clash' and *confligere*, meaning 'to collide'. A conflict therefore implies an opposition between two positions that clash and collide. The term 'conflict' is generally used negatively, often as a synonym for 'war'. In this book we use the term 'conflict' in a broader sense; as a disagreement between several parties, constituting the genesis of the conflict, seen not as an end but instead as an origin, with negotiation being one of the solutions for settling the conflict.

The word '*conflict*\*' generally suggests negative ideas—confrontation, aggression, even war. Yet it has these negative connotations only because we want it to. If we decided to add value to this notion, for example by teaching children in schools that conflict, in the sense of positively expressed disagreement, brings added value, we might be able to change the world.

The appetite for conflict is anything but natural. In a conference or training session, when asked about this topic, less than 5% of participants consider conflict to be a factor creating added value. It is therefore difficult to deal positively with disagreements and blockages if the perception of them is negative, to begin with.

#### Our advice

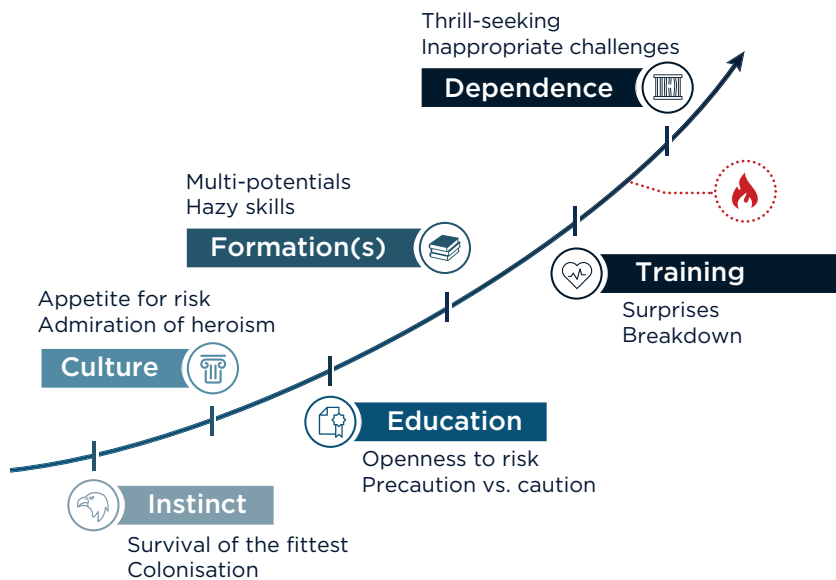
The appetite for uncertainty develops through practice in complex and crisis situations. Volunteer to be involved in your organisation's crisis measures, participate in exercises and training sessions on this topic.

### b. The appetite for uncertainty

Nobody likes uncertainty—it generates insecurity, stress, tension and discomfort. This fear is innate, which explains why it is difficult to convince a person who is resistant to change that new can be good. There are multiple reasons for this basic fear:

- **Instinct:** our instinct is to reject anything we can't control. Thousands of years of evolution have led us to consider that behind an unknown or uncertain situation, there may be a predator or life-threatening danger.
- **Culture:** most children's stories encourage children not to take risks. Take Hansel and Gretel, Goldilocks and the Three Bears for example. These stories are told to children when they are unable to understand the danger for themselves. So it is natural for them to consider that taking risks is dangerous.
- **Education:** some parents never put their children at risk by reducing the uncertainties around them and strictly supervising their activities. This has the advantage of providing maximum protection for children but reduces their desire to take risks and live with uncertainty in the long run. On the contrary, other parents encourage risk-taking in their offspring, which has the effect of developing their appetite for risk and uncertainty.
- **Training:** some training courses, for so-called '*hard skills*\*' such as scientific training, reduce the appetite for uncertainty. The answer for a mathematical equation isn't random, there is no uncertainty. On the other hand, other training, in so-called '*hazy skills*\*, such as legal studies, increases an appetite for uncertainty. In law, legal texts are always subject to the judge's interpretation and the weight of case law.
- **Life experiences:** all of us go through life either taking risks or not. This may be related to the reasons previously stated (culture, education), or to negative experiences. The way we perceive our environment allows us to develop what we call the *appetite for insecurity*\*.





**Figure 1.2 Make-up of the appetite for insecurity**

The development of the appetite for insecurity, i.e. the desire for uncertainty—and therefore its follow-on, a taste for improvisation—is a significant issue in negotiator training and the bolstering of the person's self-confidence. To adapt to the counterpart and to a complex environment, the uncertainty of any negotiation needs to be appreciated.



Look at your ADN Insider test results to find out your appetite for insecurity.

**FOCUS**

**Thrill-seeking**

Be careful not to fall into the trap of pursuing too much uncertainty. Some people enjoy thrills too much and only live to experience them over and over. Exceeding the confidence threshold can lead to inappropriate challenge-seeking and risk-taking that is detrimental to good negotiations.

**c. Value creation through disagreement**

Creativity isn't possible without disagreement. The confrontation of ideas, points of view and different concepts makes construction, innovation and invention possible. Unspoken disagreements generate frustration. But disagreements which are voiced, but not defended by the person expressing them, also generate frustration. Negotiating is not just debating, i.e. discussing a subject; but each person defending a point of view that creates added value. Negotiating is not manipulation, submission or forcefulness either—the confrontation of ideas and their assertive defence makes it possible, through negotiation, to find an outcome or an idea that brings value to all stakeholders (Figure 1.3).

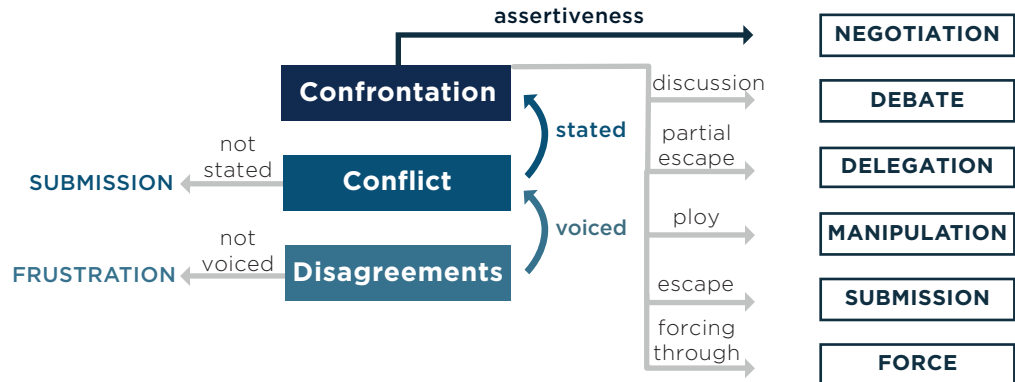


Figure 1.3 Value creation through disagreement

## EXPERT POINT OF VIEW

### Conditions necessary for dialogue to be possible

Raphaël Enthoven, Professor of Philosophy



We are working on the conditions for dialogue to be possible in a democratic space. The paradox is that our democracy has never had so many forums for dialogue, yet there has never been so little dialogue.

People believe that all they have to do to talk to each other is to state their opinion after one another. There is no exchange, no interaction, no learning from each other. In *The Essays* in Book 3, Chapter 8 (on the art of conversation), Montaigne states that he feels stronger (or prouder) of the victory he obtains over himself when he bows to the arguments of a powerful opponent, than of the victory he gets over the other through the other's weakness.

The conditions necessary for dialogue to be possible need to be strong enough to change someone's mind (i.e. to open oneself up sufficiently to other people's arguments to genuinely receive them without seeing them as aggression or hostility). But there is no room for modesty in a world of strong opinions—it is seen as a weakness. It is rare for people to be able to talk to each other, to make enough concessions to be able to hear words other than their own—people who don't stifle their conversations with their prior beliefs are like diamonds in a mountain of coal. It is they, though, who are the winners, even when they are defeated. If their opponent hits them below the belt in arguments, it is the opponent who loses. Dialogue is about awarding someone who would like to be your enemy the dignity of being your adversary.

## SECTION 2

## THE PACIFICAT STANDARD

In the face of this growing uncertainty and to carry out these new types of negotiations, we have designed a reference guide dedicated to complex negotiations. Initially intended for negotiators and mediators, it is now used worldwide, in all types of negotiations.

### 1 A standard based on practice

#### a. A standard created by professional negotiators

In organisations of professional negotiators, the team's major asset is also its main challenge—the diversity of negotiators and their profiles. To be able to operate in diverse cultural and economic environments, it is essential to use local negotiators who are fluent in the language, networks, customs and traditions. So how can negotiators with cultural differences work together? By adopting a *negotiation standard*\* that doesn't impose any right answers, just the right questions (Figure 1.4).

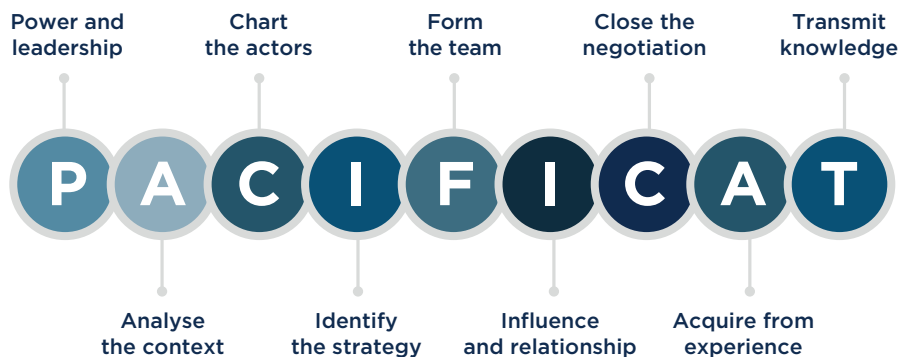


Figure 1.4 The nine steps of the PACIFICAT standard

## EXPERT POINT OF VIEW

### The PACIFICAT standard

**Julien Morel**, former Nespresso Commercial Director, Global Head of Supply Chain Rimowa (LVMH)



The PACIFICAT negotiation model has brought about a real cultural change within the Nespresso executive committee. First of all, it has enabled us to develop both

our individual and collective intelligence in complex negotiations. For example, the necessity of giving our teams clear mandates before sending them to negotiations has become a reflex, a routine.

The PACIFICAT standard has also made it possible to understand the importance and even the need for confrontation to create value, between ourselves and with others—not to run away from it, but on the contrary to take a liking to it, to identify the shared common goals<sup>1</sup> and build value-added solutions together.

The PACIFICAT standard, used worldwide by professional negotiators and mediators, has many features that have made it the global standard for complex negotiations.

1. This notion will be approached in chapter 3.

- **A universal standard:** translated into more than 10 languages, PACIFICAT is used in more than 40 countries around the world.
- **A flexible core:** the standard doesn't impose any techniques, just the use of each of the nine steps in order.
- **A series of key questions:** no right answers, just key questions to which each user gives the most relevant answer for the situation.
- **An evolving level of technicality:** regardless of the level of training (*Initiation, Essentials, Advanced, Expert*), the standard is the same; it is just the tools which evolve.
- **Practical and powerful tools:** PACIFICAT's tools, methods and techniques are backed up by hundreds of negotiations and as many debriefings and feedback.

#### **b. A continuous improvement**

Used worldwide, the PACIFICAT standard is being improved continuously by users. This method is built and strengthened through feedback and debriefings from the negotiators who practice it. Every year, several hundred debriefings are organised to solidify the tools used, improve them, or open up avenues of research on new techniques or methods likely to enrich the standard. The improvements are being steered by the PACIFICAT international committee, which brings together leading international mediation and negotiation experts.

### c. The validation of tools through practice

There is no magic negotiation method. If you use techniques that work in your negotiations, it means they are good for you. So keep them and just come and position them at the right level in the standard.

## EXPERT POINT OF VIEW

### Adapting to different types of negotiations

Jean-Marc Janaillac, former CEO of the Air France-KLM group,  
former CEO of Transdev, former CEO of Maeva



From my first negotiation in a professional capacity at the Prefecture of Finistère in 1980, where, in the absence of the Prefect, as a very young director of the Prefect's cabinet, I led discussions with a group of

anti-nuclear activists opposed to the Plogoff power plant project, which had taken the departmental directorate of the Communist Party hostage, to the most recent at Air France-KLM where I supervised negotiations with a group of unions demanding an unreasonable pay increase, I was able to experience a large number of different types of negotiation.

Among these negotiations, we think of social negotiations first of all, particularly in France; because strike action is used more quickly than elsewhere to ensure maximum and very often highly publicised pressure. But they are no less comfortable in countries where powerful trade unions are keener to find a solution—which does not mean having any less fighting spirit. Negotiations are incredibly difficult when the cost of a conflict is very high compared to the value of the demands made by the trade unions. This is particularly true of transport companies, especially air transport, which firmly pushes the management of these companies to make the rational short-term choice to give in by comparing the respective costs of a strike

and of giving in to demands—which, however, when combined over the medium term, put a strain on the company's profitability.

Among the most difficult negotiations are those with a supplier that has a monopoly on the service or product it provides. As CEO of Maeva, which managed thousands of beds in mountain resorts such as Les Arcs or La Plagne, I had to negotiate with the Compagnie des Alpes, which operates the ski lifts, to buy thousands of season tickets sold as a package to the tenants of our apartments every year. And when there is no possibility of calling on another supplier in the face of too significant a price increase, the leverage points in negotiation are extremely reduced. Having failed to find win-win partnership solutions, all that remains is the lose-lose threat, i.e. shooting oneself in the foot by threatening to close down residences in the resorts concerned, thus reducing the activity of the ski lifts, in the hope of being able to make up for some of the losses in other resorts.

The complexity of a negotiation can also result from the magnitude of the stakes, the number of stakeholders and the media coverage. In this respect, the SNCM case (a company providing maritime links between mainland France and Corsica, a subsidiary of Transdev, of which I was the CEO), ticked all the boxes. Plagued by a lack of competitiveness caused in part by huge overstaffing, leading to significant





chronic deficits in the face of effective competition, SNCM was continually losing market shares and, moreover, was faced with an order from the European Commission at the end of 2013 to repay 440 million euros of undue aid, which would inevitably have led to its collapse with its 1,500 employees and would have risked seriously jeopardising the parent company, Transdev—which largely financed the deficits of its subsidiary. Faced with this prospect, the only solution was to cause the company to file for bankruptcy, thus erasing the debt and making it easier for a new shareholder to take over the business. It took two years of all-out negotiations to implement this solution. SNCM filed for bankruptcy at our initiative at the end of 2014, and in November 2015 it was taken over by the Marseille Commercial Court. The fact that today Corsica Linea is growing by having taken over two-thirds of the former employees of SNCM is thanks to the decisions taken despite all opposition.

Faced with this variety of situations, is there a single negotiation strategy to be followed? I don't think so, because apart from these different situations, negotiation isn't the same if it is done to obtain something or to avoid something.

For me, the rules consist in Analysing, Anticipating, Adapting, a basic approach that can be made more

sophisticated and deepened according to the importance of the case or its stakes, which may mean that it is useful to call on external specialists, which is what I have sometimes done.

Understanding the position of your 'opponent' and their expectations, deciphering the environment and the play of the secondary players, being clear about your own objectives and the limits you set for yourself is essential before starting the negotiation process.

As in all areas of action, anticipating by having an overview of the follow-up exchanges based on hypotheses of the responses of each of the actors is a plus. All of this with one risk to be avoided—that of 'negotiating against oneself', i.e. making sure you take into account the position of the opposite party in your proposals.

Finally, being able to move away from predefined positions and adapting to changes in the negotiation process, or even showing imagination to find an innovative solution, are decisive assets.

All of this combines both the objective of analytical reasoning and the affective aspect of human relationships and is, therefore, one of the most complete and exciting activities that professional life offers.

## 2 A series of key questions

“

*In negotiation, there are no good answers, just good questions.*

”

Laurent Combalbert

### a. 70% preparation and 30% enlightened improvisation

Complex negotiation is made up of a multitude of random factors, at the heart of which is the human factor. To negotiate in complex situations, one must therefore be able to improvise to continually adapt to the counterpart. As specialists in theatrical improvisation would say, 'improvisation is something that has to be prepared'.

The first five steps of the PACIFICAT standard are preparatory phases for negotiation:

- **Power and leadership:** what are the decision-making rules, who decides on the mandate?
- **Analyse the context:** what is the common goal, the stakeholders' motivations?
- **Chart the actors:** who are the stakeholders, what connections do they have with each other?
- **Identify the strategy:** what is the balance of power, what is the best strategy to adopt?
- **Form the team:** what is the negotiator's profile and how is the team organised?

The next two steps set out the negotiation in practice:

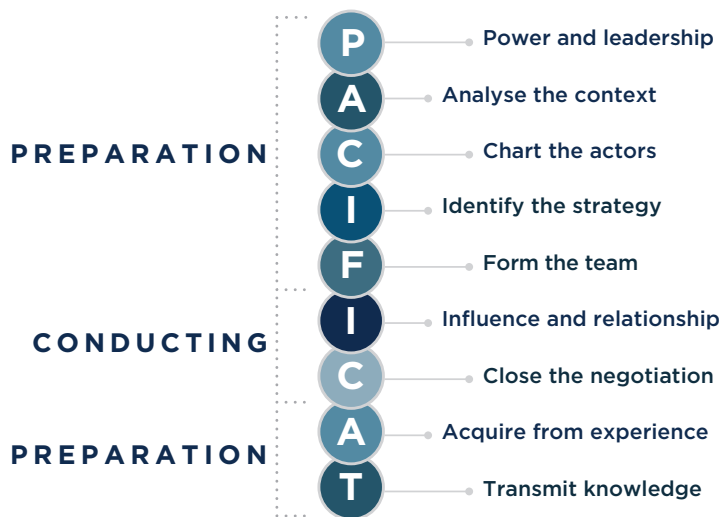
- **Influence and relationship:** how to make the counterpart change to come to a favourable agreement for everyone?
- **Close the negotiation:** when to stop and how to add value to the common agreement?

The last two steps conclude the standard by preparing for the upcoming negotiations:

- **Acquire from experience:** how to give value to the experience to learn from successes and failures?
- **Transmit knowledge:** what should be remembered to add to the training of future negotiators?

### Our advice

The aim of the standard is to simplify the preparation of negotiations by linking the key questions. Start with two or three steps from the standard in your next negotiation to integrate the set of tools gradually.



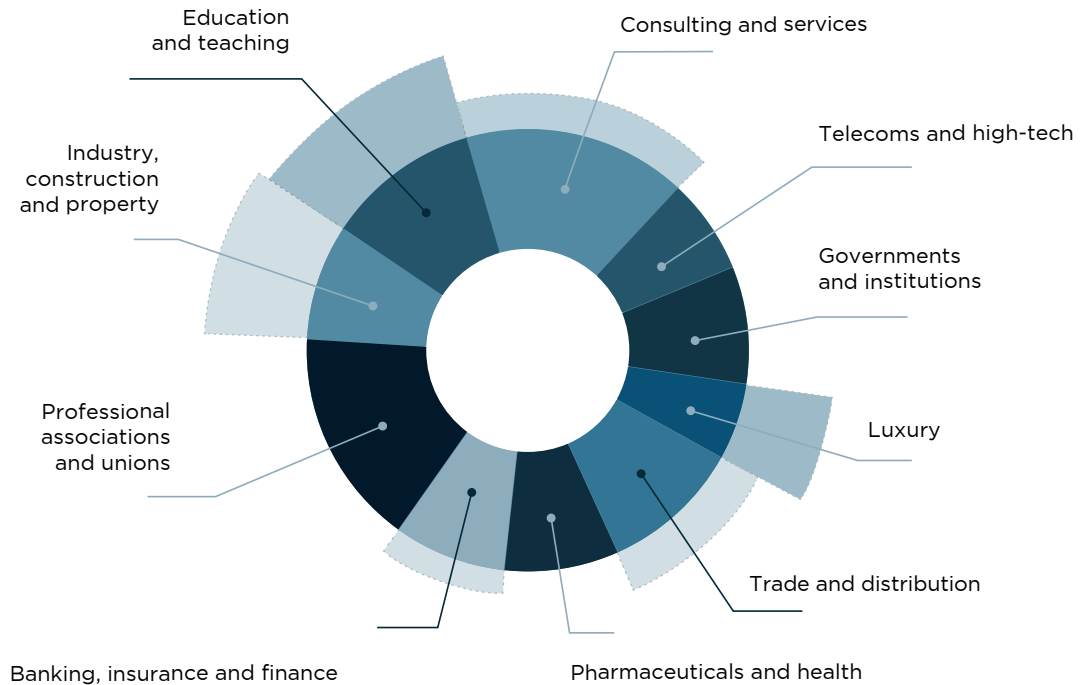
**Figure 1.5** Five preparation stages, two practice stages, two preparation stages

### b. Personal tailoring to each negotiator

Through the nine steps of the standard, each negotiator is free to use the tools that seem most relevant to them, based on their activity and experience. A negotiation student or a beginner negotiator will learn the basic tools, considered the 'essentials' of negotiation. On the other hand, an experienced negotiator will use 'advanced' tools to improve their practice or to prepare the management of negotiations at a higher level.

**c. Used in all sectors of activity**

The PACIFICAT standard can be adapted to all negotiation situations. By not giving good answers but simply good questions, it is possible to deal with all types of negotiations, be they commercial, social, diplomatic or in any other sector of activity.



**Figure 1.6** The PACIFICAT standard fields of activity

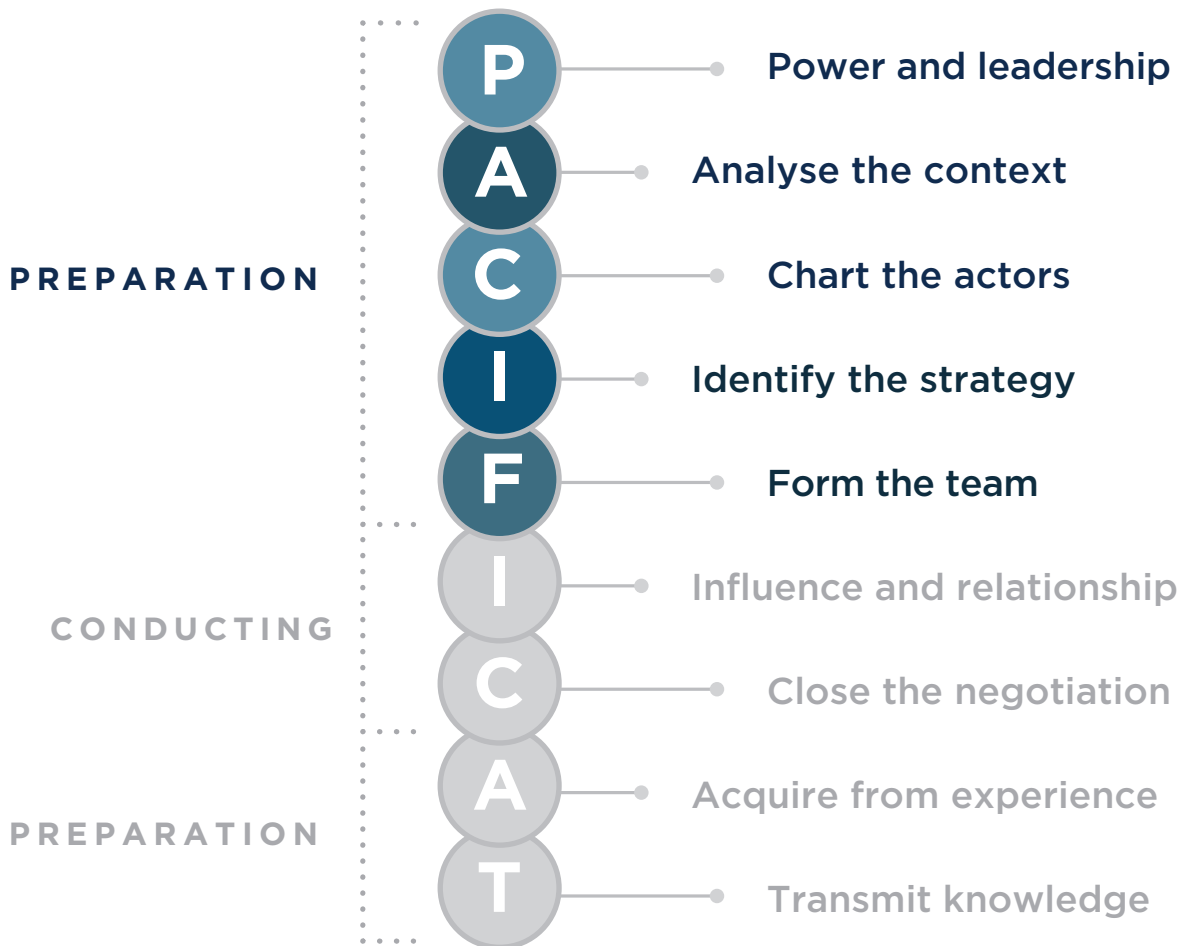


**KEY POINTS TO REMEMBER****Introduction to complex negotiations**

- In a complex world, procedures lose their effectiveness.
- The appetite for uncertainty has become a key skill for companies and organisations.
- Conflict is a factor creating added value for those who know how to manage it through negotiation.

**The PACIFICAT standard**

- In negotiation, there are no good answers, just good questions.
- Negotiation skills are acquired through practice and in the field.
- Negotiation is 70% preparation and 30% enlightened improvisation.



# Part 1

# Preparing for negotiation

The great sports coaches usually say that matches are won in the training sessions. The same applies to negotiation—its success is determined in the preparation phase. You’ve already read, and will often read in this book, that good negotiation is 70% preparation and 30% enlightened improvisation. This phrase is meant to be both educational and easy to remember. The combined experience of this book’s authors and all the experts who contributed to it show just how right this ratio is, and how preparation is essential for a successful negotiation. This first part of this book is about knowing how to ask yourself the right questions before you even start talking.

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Power and negotiation have long been linked, with negotiation generally being seen as a means of peacefully taking or keeping power. International negotiators, diplomats or commissioners working in entities such as the European Commission or the United Nations implement negotiation strategies and techniques on a daily basis. Their sole purpose is to enable their respective governments or the organisations they represent to establish their power or assert their rights.

Negotiation needs power, not as an end, but as a means—without power, a negotiator has no value and cannot achieve anything. They must establish their leadership to be recognised by the other party, ensuring their legitimacy through their ability to ‘take control’ of the relationship without divesting the other party of its own authority.

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## SECTION 1

## LEADERSHIP IN NEGOTIATION

The art of leadership can be practiced both within a team and at the negotiating table. It is based on the same principles and is prepared before contact is made.

### 1 Being an active part of the negotiation

The feeling of being an active part of a negotiation is not as easy as it might seem. It means being able to stay highly committed when in the middle of a conflict situation, and not everyone is prepared for this in the same way.

#### a. Making conflict a generator of value

Conflict adds high value, in the sense that it brings different ideas face to face with each other. It isn't conflicting ideas that contribute to value creation, but the ways of managing the conflict to bring about a mutual gain that is greater than just adding individual positions to each other.

Georg Simmel, a German sociologist and philosopher, studied conflict in its many forms. He placed it at the heart of social systems and termed it a driving force in the evolution of organisations. For him, there could be no disagreement without subscribing to the very principle of disagreement. Therefore, conflict can lead to association rather than dissociation. 'Society, as it exists, is the result of both categories of interaction, which appear entirely positive for both'<sup>1</sup>.

#### Example

##### ADN Kids!

- ▶ The ADN Kids! association trains children to negotiate at school against bullying and violence. The initiative organises an exercise with primary school pupils. A large poster with a '6' written on it is placed in the middle of the classroom. The pupils are divided into two groups and stand at either side of the poster. Some see a '6' and others see a '9'. Each group of students is asked to convince the other group that what they see is the truth—a '6' for some and a '9' for others. After a minute, arguments break out between the two groups, each side trying to convince the other that they're right. At this point, the game is stopped and the groups swap places. Both sides then realise that it's not a 6 or a 9 but a 6 and a 9. By accepting each other's point of view, the children created added value by seeing two numbers on the poster instead of just one.



1. Georg Simmel, *Sociology: Inquiries into the Construction of Social Forms, Volume 2*, Leiden, Brill, [1908], 2009.

The negotiator's particular perception of the situation will influence the way they manage the conflict—whether they use it as a creator of added value, and how to steer it in a certain direction to get out of the situation.



**Figure 2.1** The different ways of managing conflict

- **The wait-and-see attitude:** rather than facing the conflict head-on and trying to resolve it, it is 'swept under the rug'. The hope is that it will go away by itself or fix itself. This practice is unfortunately widely used in the corporate world when conflict is seen as something negative: it is better to let a situation deteriorate, allowing the higher authorities to believe that everything is fine, rather than highlighting a difficulty, with the risk of looking like a bad manager.

### Example

#### Notre-Dame-des-Landes

- The construction project for the Notre-Dame-des-Landes airport in the Nantes region in France was cancelled in 2018 by the French government. Initiated in 1963, it is the oldest environmental conflict in France, with more than 55 years of wait-and-see attitudes and postponements. The project was originally launched to build an airport in Western France, yet the conflict has been the thorn in the side of several generations of politicians. From defence associations, reports of all kinds, legal stalemate to popular referendums—anything and everything was used as a pretext to postpone a firm decision that didn't come until 2018 after the election of President Emmanuel Macron.



### Our advice

When you have a very favourable balance of power, and it might be easy to impose your point of view on the other party, always ask yourself whether you want maximum gain but a short-term relationship, or perhaps a slightly lower gain but a long-term relationship.

- **Forcing through:** this is a 'bad negotiator's' solution because it isn't negotiation! There are two main ways of dealing with conflict using force—imposition and *manipulation*\*. If you impose your point of view on someone, you risk two reactions. One is that the other party submits, so you have an instant victory, but any long-term relationship is destroyed. The second is that the other party hits back, either in opposition or in retaliation. In both cases, using imposition to force something through will be destructive in the long run. Through manipulation, which is using force in disguise, the other party is made to believe that the proposed solution is attractive to them until they realise that they have been manipulated. In this case, too, forcing something through using manipulation is destructive over time.

### Example

#### Unilateral taxation



U.S. President Donald Trump

- In February 2018, U.S. President Donald Trump made a protectionist decision by taxing steel imports by 25% and aluminium imports by 10%. It was a unilateral decision that put the United States' trading partners up against the wall. Only Canada, the United States' largest trading partner and leading steel supplier was temporarily exempted, as well as Mexico. The brutality of the decision surprised the business world and countries such as Brazil and China reacted with retaliation, threatening retaliatory measures in U.S. relations.

### FOCUS

#### Forceful negotiation or walking away?

When trying to come to a negotiated agreement, the use of force should be avoided, so the value is not destroyed. However, in certain situations, it is preferable not to negotiate. Such as when the other party's demands are unacceptable or when they infringe on non-negotiable values. It is possible to decide not to let the other party think that they might get something for a matter where there is no possible negotiation.

- **Submission:** for some, the best way to end conflicts is to give in and accept the demands of the other party. This form of avoidance is damaging because it makes the other side think that they will always win and get what they want. The day you stop giving in can be a day of great frustration and violent reactions.
- **Delegation:** this solution consists of calling on a third party to resolve the conflict. While delegation is not necessarily a negative way of ending a disagreement, it does raise the problem of a loss of legitimacy for the side which uses it. If part of their assignment is to negotiate the conflict that they delegate, they may eventually lose credibility in their ability to perform their duties.