



NOVA SCHOOL OF
BUSINESS & ECONOMICS

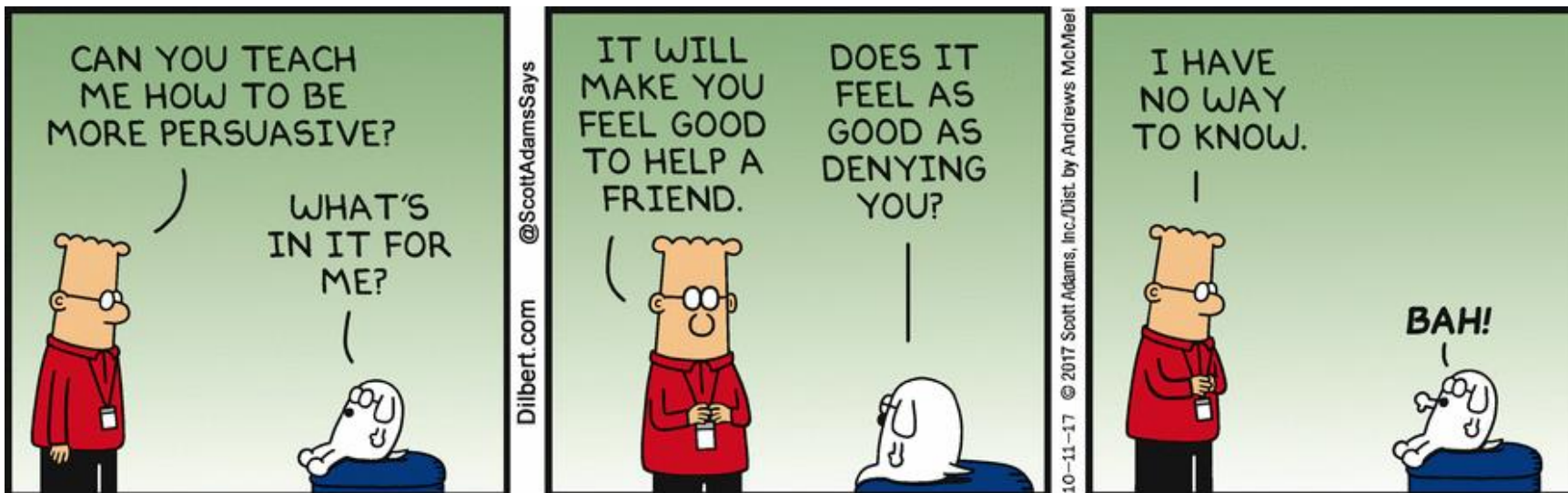
PERSUASION & NEGOTIATION

Principles of persuasion

Introduction

Topics (*after an island cruise...*):

1. General principles of persuasion
2. Channels of persuasion
3. Adopt a persuasive style
4. Persuasion of different profiles
5. Persuade but watch out



Negotiation time

Island Cruise



General principles of persuasion

1. Liking

- “people like those who like them”
- **Application:** “uncover real similarities and offer genuine praise”

2. Reciprocity

- “people repay in kind”
- **Application:** “give what you want to receive”

3. Social proof

- “people follow the lead of similar others”
- **Application:** “use peer power whenever it’s available”



General principles of persuasion

4. Consistency

- “people align with clear commitments”
- **Application:** “make their commitments active, public, and voluntary”

5. Authority

- “people defer to experts”
- **Application:** “expose your expertize; don’t assume it’s self-evident”

6. Scarcity

- “people want more of what they can have less of”
- **Application:** “highlight unique benefits and exclusive information”



Channels of persuasion

1. Interest-based persuasion

- You pitch your idea as addressing the other party's underlying needs
- **Application:** "I will do X for you If you do Y for me"

2. Authority

- you appeal to you formal position or rules/policies as a means of getting others to agree with your proposal
- **Note:** it should be legitimate and consistent with the audience's core interests

3. Politics

- you acknowledge that appearances may be as important as substance in your idea selling
- **Note:** involves coalitions and alliances or uses of back channels and lobbying



Channels of persuasion

4. Rationality

- You offer reasons and /or evidence to justify a proposal on its merits
- **Application:** pivot on a practical reason

5. Inspiration and emotion – Vision channel

- you appeal to the audience's overriding sense of purpose, values, or beliefs as the foundation for selling your idea
- **Note:** 'people make decisions based on what the facts mean to them, not on the facts themselves'

6. Relationships

- whenever you use similarity, liking, rapport, and reciprocity, or rely on your network of contacts and friends to open doors
- **Note:** in relationships a host of subtle items can be exchanged



Adopt a persuasive style

- **Understand the other side's story**
 - different people interpret the same information or event differently
- **Be open to persuasion**
 - people sense your stance and adopt a similar one
- **Be both empathetic and assertive**
 - empathy helps you design value-creating deals where your own demands are fulfilled



Adopt a persuasive style

- **Use reciprocity to build trust**
 - platinum rule 'do unto others as they would want done to them'
- **Match appeals to the other side's circumstances**
 - at the rational (what happened, who said/did), emotional , and 'identity' (the most fundamental issues of self-image) levels
- **Recognize how people process information**
 - different profiles (and cultural filters) react to different cues



Persuasion of diferente profiles

	Charismatics	Thinkers	Skeptics	Followers	Controllers
Description	Charismatics account for 25% of all the executives we polled. They are easily intrigued and enthralled by new ideas, but experience has taught them to make final decisions based on balanced information, not just emotions.	Thinkers account for 11% of the executives we surveyed and can be the toughest executives to persuade. They are impressed with arguments that are supported by data. They tend to have a strong aversion to risk and can be slow to make a decision.	Skeptics account for 19% of the executives we polled. They tend to be highly suspicious of every data point presented, especially any information that challenges their worldview. They often have an aggressive, almost combative style and are usually described as take-charge people.	Followers account for 36% of all the executives we surveyed. They make decisions based on how they've made similar choices in the past or on how other trusted executives have made them. They tend to be risk-averse.	Controllers account for 9% of the executives we interviewed. They abhor uncertainty and ambiguity, and they will focus on the pure facts and analytics of an argument.
Typical Characteristics	enthusiastic, captivating, talkative, dominant	cerebral, intelligent, logical, academic	demanding, disruptive, disagreeable, rebellious	responsible, cautious, brand-driven, bargain-conscious	logical, unemotional, sensible, detail oriented, accurate, analytical
Prominent Examples	Richard Branson, Lee Iacocca, Herb Kelleher	Michael Dell, Bill Gates, Katharine Graham	Steve Case, Larry Ellison, Tom Siebel	Peter Coors, Douglas Daft, Carly Fiorina	Jacques Nasser, Ross Perot, Martha Stewart
Buzzwords to Use	results, proven, actions, show, watch, easy, clear, focus	quality, academic, think, numbers, intelligent, plan, expert, proof	feel, grasp, power, action, suspect, trust, demand, disrupt	innovate, expedite, expertise, similar to, previous	details, facts, reason, logic, power, handle, physical, grab, just do it
Bottom Line	When trying to persuade a charismatic, fight the urge to join in his excitement. Focus the discussion on results. Make simple and straightforward arguments, and use visual aids to stress the features and benefits of your proposal.	Have lots of data ready. Thinkers need as much information as possible, including all pertinent market research, customer surveys, case studies, cost-benefit analyses, and so on. They want to understand all perspectives of a given situation.	You need as much credibility as you can garner. If you haven't established enough clout with a skeptic, you need to find a way to have it transferred to you prior to or during the meeting – for example, by gaining an endorsement from someone the skeptic trusts.	Followers tend to focus on proven methods; references and testimonials are big persuading factors. They need to feel certain that they are making the right decision – specifically, that others have succeeded in similar initiatives.	Your argument needs to be structured and credible. The controller wants details, but only if presented by an expert. Don't be too aggressive in pushing your proposal. Often, your best bet is to simply give him the information he needs and hope that he will convince himself.

Persuade but watch out for

1. Extreme claims followed by small, slow concessions

- Don't let a strong demand 'anchor' your expectations - be clear going in about your own demands

2. Commitment tactics

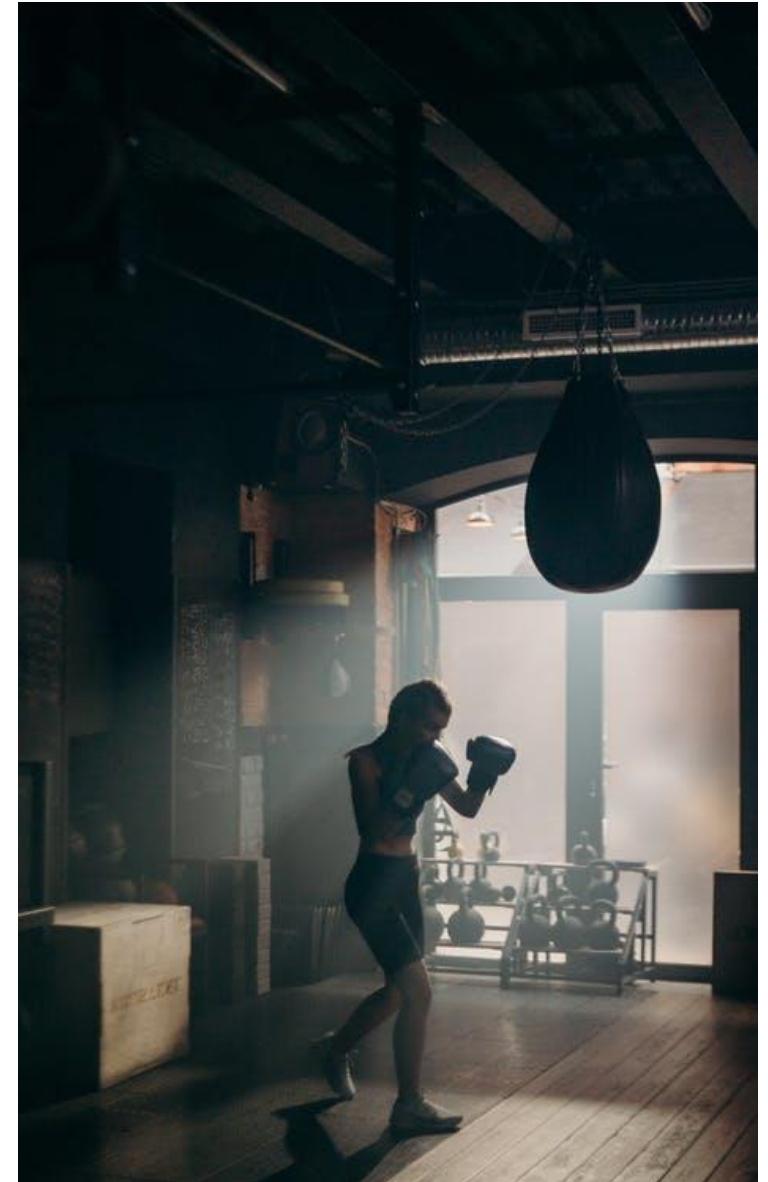
- make sure they (e.g. tied hands, limited discretion) are for real

3. Take-it-or-leave-it offers

- counter the game of chicken with another offer (but may block deals)

4. Inviting unreciprocated offers

- when you make an offer, wait for a counteroffer before reducing your demands (don't bid against yourself)



Persuade but watch out for

5. Trying to make you finch

- Your opponent keeps making demands, waiting for you to reach your breaking point (don't fall for it)

6. Personal insults and feather ruffling

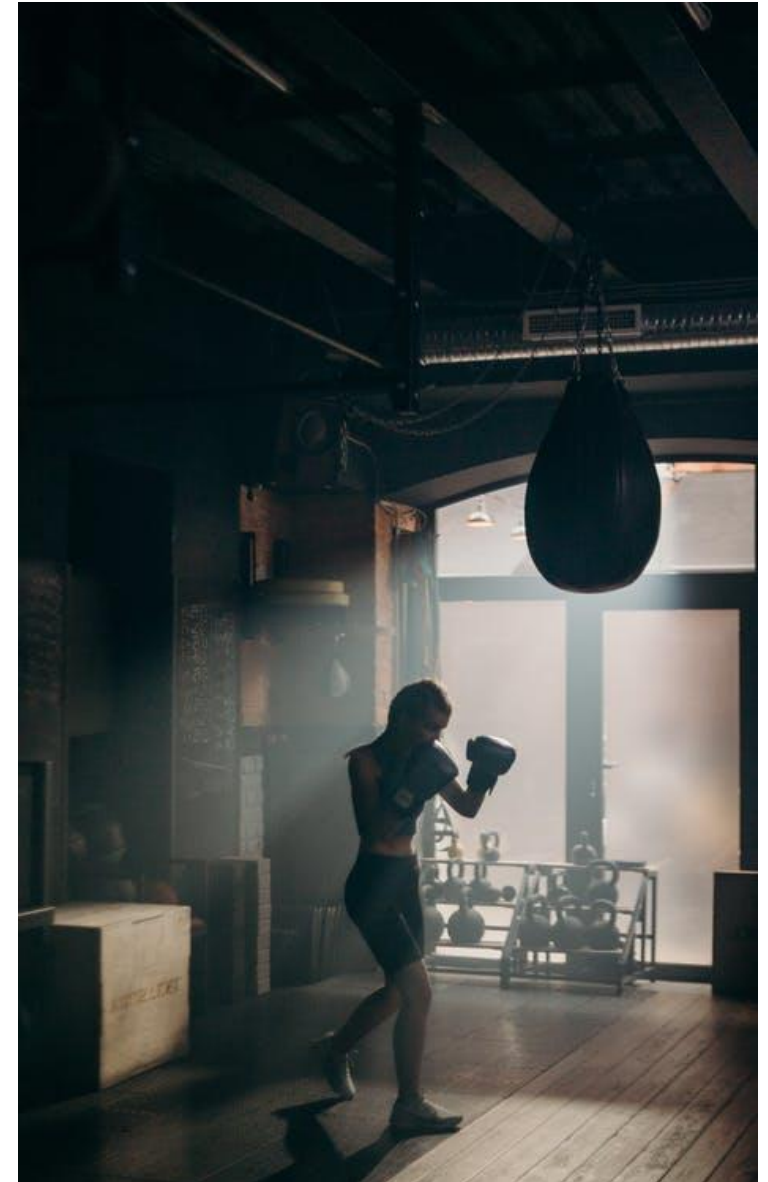
- these personal attacks can feed on your insecurities and make you vulnerable (grow a thick skin)

7. Bluffing, puffing, and lying

- exaggerating and misrepresenting facts can throw you off-guard (be polite but skeptical)

8. Threats and warnings

- recognizing them as the tactics that they are can help you stand up to them



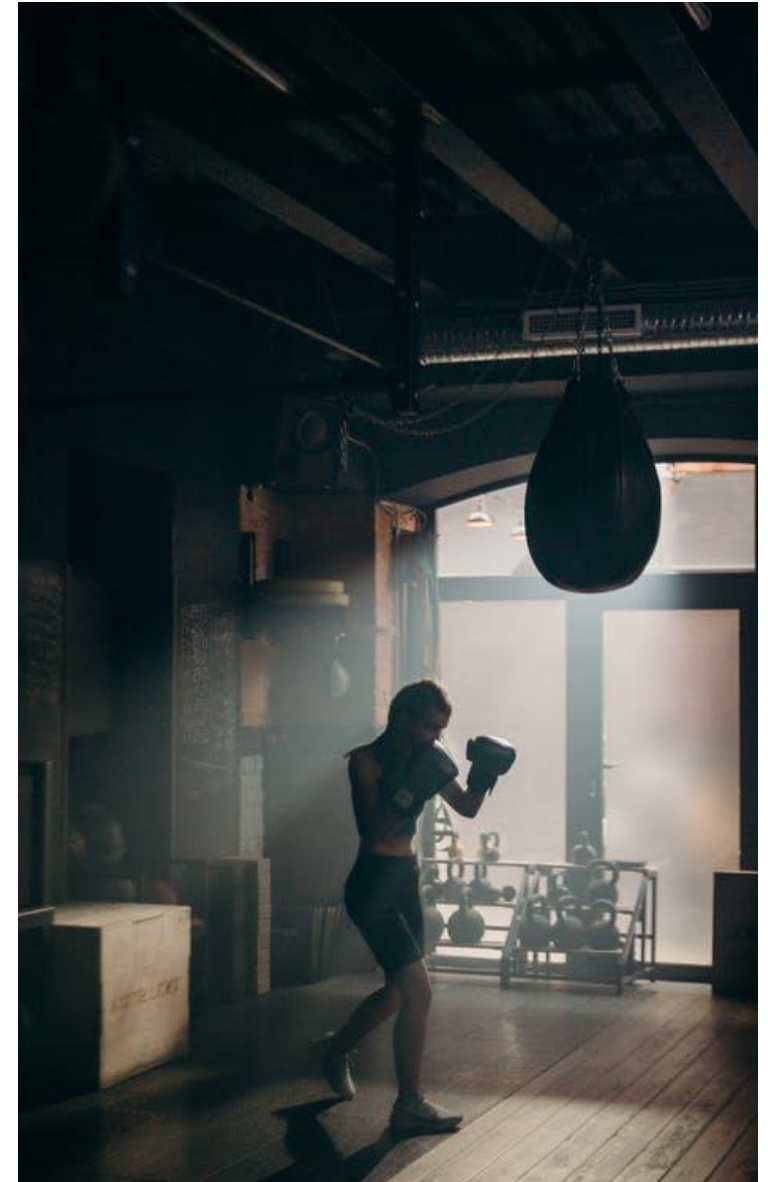
Persuade but watch out for

9. Belittling your alternatives

- Have a firm sense of your BATNA (don't let them shake your resolve)

10. Good cop, bad cop

- realize what they are doing and get your own bad cop if you need one





STRIFE

AS LONG AS WE HAVE EACH OTHER, WE'LL NEVER RUN OUT OF PROBLEMS.

THANK YOU FOR YOUR ATTENTION!