Harry McCabe, the Colorado Department of Human Services contracts manager, was able to satisfy multiple objectives with his creative use of contract risk-analysis checklists. Teri Brustad and Carol Wills continue to mold the success of the Colorado Public P-Card Group while fighting off temptations to make the group more structured that it needs to be. Lisa King was a lateral leader who taught lawyers a thing or two about project management by organizing and adding structure to the annual procurement update. Kay Kishline and Thirza Kennedy were leaders in the Colorado State Purchasing Office who helped clarify the peer-review program so it achieved its purpose of building a peer network. And Linda Morris continues to add her quiet leadership to integrating adult-learning principles into Virginia's exceptional procurement training and certification program.

These are all examples of leaders using just the right structure. Team activities require time and resources, meaning there are opportunities to exercise leadership in building team competency and managing the team's work.

Sometimes adding structure gets people out of comfort zones. As we have noted throughout this book, there is a fine balance between promoting creativity and knowing when it is time to move to the focusing phases of a team's work towards a decision.

We end this section on structure with a topic that runs throughout the practice of public procurement: negotiation. Even though we did not use stories specifically illustrating the elements of effective negotiation, all of the leaders in these stories negotiated. Do you think Cheryl Shanaberger negotiated when the topic of advance payments to vendors using procurement cards came up? How about when Danielle Hintz engaged her procurement office in using appreciative inquiry to ask customers what they thought of the city of Longmont's procurement office? Or does Kim Heartley-Humphrey negotiate when she "jumps in" to a risk-management meeting regarding a new information systems project that has risks that procurement can help mitigate?

Of course, all of these involved negotiations. In fact, Heath and Heath (2013) offer an interesting perspective about negotiation that we do not often think about. To them, bargaining and compromise among stakeholders leads to better buy-in when decisions are made.

So we look at one final structured activity: negotiations. A lateral leader can contribute to helping a team negotiate by sharpening her skill and helping the team plan. Negotiation success is three-quarters planning and the rest execution.

Sharpen Your Negotiation Skills for the Team

We all negotiate! A team often is involved in negotiating: the procurement and project teams in this book for example may negotiate contracts with vendors, resources with using agencies, and various issues with stakeholders.

Find a negotiation model that fits the team. One common approach used by governments is Fisher, Ury, and Patton's *Getting to Yes* model. First introduced in 1981 by Roger Fisher and William Ury, the central premise is that through integrative (*win-win*) interest-based negotiation, one usually can

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Sharpen Your Negotiation Skills for the Team, cont'd.

find a negotiated outcome that satisfies the interests of both parties. This approach is opposite to what sometimes is characterized as the more adversarial distributed position-based negotiation. In distributed, or win-lose negotiation, what is gained by one party is lost by the other. Car sales sometimes are characterized as win-lose negotiations: relationships do not matter, price is the focal point, and the negotiation is poisoned by mistrust. Integrative negotiation, on the other hand, is an interest-based inquiry to find solutions that benefit both parties.

Getting to Yes emphasized the importance of planning. Each party's interests must be understood regarding the various issues that arise. At the bargaining table, displaying sensitivity to other parties' interests is one way to foster constructive relationships. Be hard on the issues, not the people.

Issues and Interests. Interests differ for different issues, and in complex negotiations, sometimes multidisciplinary teams are needed for planning to effectively deal with the ranges of issues and interests. The full identification of the issues and complete analysis of interests underlying the issues help illuminate and educate in a way that permits agility at the bargaining table. For each issue, identify your own and the other party's interest. Also, time may favor one side or the other. Whose side is time on?

Communication. Business intelligence, or market research conducted prior to a procurement, may provide insight to the other party's key interests. Sometimes, however, questions at the bargaining table are used to learn the other party's interests. Some thought must go into developing lines of inquiry for use at the table to gain useful information.

At the bargaining table, statements may be made that can spiral a negotiation out of control—at one extreme—or more commonly, cement parties into intransigent positions. William Ury's *Getting Past No* (1991) offers practical advice for dealing with emotional outburst, "dirty tricks," fear of agreement, and other impediments to negotiations. His underlying theme is, "name the game," as in humorously wondering out loud whether the good cop/bad cop routine is being used on you. The book offers some simple rules for guiding your personal behavior: don't react, step to the "balcony"; don't argue, step to their side; don't reject, reframe; don't escalate, educate; and don't push, build them a golden bridge. These are guiding principles that are useful at the bargaining table.

Planning the opening is important, as well as planning how to say "no." Plan and practice the possible "no." Start with a yes (highlight common interests and what you find constructive, even if only the fact there is dialogue). Follow with a firm "no" and a reason. Then close with a tentative "yes" regarding what might be possible.[19]

Move Slowly Towards Commitment. The objective of negotiation is to achieve "commitment." Commitments, however, come in different forms. In a contract negotiation, a commitment is a written execution of an agreement. And parties reach commitment in different ways. Sometimes the negotiator at the table does not have the full authority to commit an organization. So ask questions during planning and at the table. Who can commit for you and the other side? Are there certain commitments your team is ready to make quickly?

Generally, commitment has to be achieved slowly as the parties build trust. Time has to be spent developing a relationship (and trust) between the parties so that eventually a commitment once reached is enduring. "Stepping to the other side" to understand the other party's interests is an effective way to see a problem from a different perspective.[20] For example, "I see that limitation of liability is very important to you; you use the term 'bet the company.' Help me understand better how this project could cause you to bet the company's financial future?"

Legitimacy and Standards for Agreement. Communication planning not only identifies questions for probing the interests of the other party. Planning the arguments used in the negotiation also is important. In contract negotiations, for example, advancing a proposed term is often met by a request to explain it. Being able to support positions persuasively is important, and it requires practice. Further, it is important to know who the audiences are. Sometimes a person not at the table—like a manager—has to be persuaded to accept an option. You are trying to "build a golden bridge" to agreement.[21] But this takes practice.

Options and BATNA. The best alternative to a negotiated agreement (BATNA) represents the plan of action if agreement cannot be reached. Often confused with the "bottom-line" (that requires agreement), the BATNA assumes a failed negotiation. The options and possible zone of agreement are defined in part by the "resistance point," those options that are less favorable than the BATNA. The considerations in developing the BATNA are the same for both sides, so forecasting the other party's BATNA is an important part of planning.

Negotiators still talk in terms of positions in negotiations. Opening positions, for example, typically are advanced early. The "aspire to" option is the most favorable position that can be advocated legitimately and often is used to frame the opening position. Parties often plan a "content with" option, known as the objective, that represents a reasonable, desired outcome that will fully meet expectations. The "can live with" option is a better description than the "bottom line." It practically serves as a trigger to reevaluate the wisdom of agreement. Comprehensive planning illuminates the possible options and their reasonableness and acceptability. At the table, when options are explored, follow Ury's counsel, "Don't reject, reframe," in order effectively to explore options.

The range of options is dependent on the perceived standards of agreement, like fair and reasonable pricing, existing constraints such as legal requirements, and the strength of the BATNA.

A party tries to improve its BATNA and indirectly disclose it to the other side if its BATNA is stronger. A threatened lawsuit represents an inelegant use of a BATNA. On the other hand, implying "other options" will be evaluated sometimes can be effective. The strength of the BATNA illuminates the "power" of a party. But power can easily spiral into contentiousness. Ury counsels, "Don't escalate, use power to educate."[22]

Relationships and Emotions. After *Getting to Yes*, Roger Fisher and co-author Daniel Shapiro, a psychiatrist, wrote *Beyond Reason.* They further explored the emotional dimension of negotiation. Diffuse emotional issues by expressing appreciation, preserving autonomy for the other side, finding commonality of interests or backgrounds (affiliation), and showing respect for the other side's status. Use statements and questions like, "I see your point," "Help me understand," "Yes, and," "Good point," "What would you do if you were in my shoes?", "How could we make it better?", and "I'm sorry, I didn't make myself clear."

Methods at the Table: Tactics and Strategy. Planning is the most important step in negotiation. But the team also needs to discuss certain tactical and strategic issues. How will the team deal with "dirty tricks"? Confront them? Who should be at the bargaining table? Who should control the agenda and the

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> *Sharpen Your Negotiation Skills for the Team, cont'd.*
>
> document? How will the team signal "time out"? These are important issues that should be discussed with the negotiating team after planning.
>
> A lateral leader can sharpen her negotiation skills and bring just enough planning structure to the table to help the team plan for negotiations.

As this book illustrates, there are specific models and tools that help a team organize thinking and acting. Use these tools to build just enough structure into the team's work. Can you find opportunities for leadership here?

Use Questions Effectively to Help the Team Learn

Humility is the antidote for hubris.[23] There may be no better way to demonstrate humility than to ask questions that show an authentic desire to learn.

The relevance of learning to leadership takes on dimensions of its own. Leadership itself can be learned. Kouzes and Posner regard leadership as an acquired capability, or learnable. One theme in their model of exemplary leadership is the importance of asking purposeful questions.[24]

Learning, in one respect, describes how we approach leadership itself. But learning also is a critical ingredient of successful teams. Effective leaders are active learners who create a climate for experimentation.[25] Questions reflect inquisitiveness, and inquisitiveness is a hallmark of successful people. And not being afraid to go where the answers lead is a part of the equation.

Good questions are the tools of good coaches, and in many ways lateral leaders coach.[26] Ask purposeful questions daily. Questions get others thinking and send messages about the purpose and focus of teams and larger organizations. Questions are useful to broaden perspectives, show respect for the opinions of others, and build support for decisions.[27]

Simply asking the question begins the process of change.[28] The state of Idaho began its journey into a transformational change to requests for proposals by asking questions about its evaluation methods. Why are people who aren't experts with the service spending so much time evaluating things that don't differentiate the good proposals from the bad? Not only do the questions build empathy through the respect they show for opinions of others, they start the process of defining the gaps between the present and future possibility. That starts the process of change.

Learning is best achieved through action, followed quickly by examination of the results and adjustments in strategy if necessary.[29] Review actions and conduct mid-course corrections as necessary. The minute a plan is underway there often are changes in circumstances. And changes in circumstances may require revisions to the project strategy.

An environment for experimentation and learning promotes continual reevaluation and adjustments to performance strategies and approaches. Port St. Lucie demonstrated inquisitiveness by testing the old assumptions about talking with vendors and later in diagnosing the causes for lapses in industry participation. Someone on the team had to lead that reexamination of the project, perhaps asking simple questions like, "What if?" followed by, "How about if we try talking to the vendors about why they are not participating?"

Generate small wins and learn from them. Small wins boost confidence.[30] As we learned in the chapter on change, we can build on small wins to help a team and other stakeholders see what is possible. Arizona used quick, small wins in successfully implementing early phases of the e-procurement system. The state of Idaho learned from successive uses of the Performance Information Procurement System. Incremental wins promote learning.

Oregon's WSCA lodging procurement team asked itself how the standard procurement model might be adapted to accommodate franchising in the lodging industry. The team found a creative solution. Questions of this nature do not need to be asked only by the formal team leader.

Inquiry and the use of questions recently have been associated with another capability of effective leaders: the ability to influence and persuade. Long associated only with salespersons, experts are revisiting the role of empathy in persuasion and influence in today's world of interconnected, flattened organizations.

Diagnose the Split Personalities of Influence and Persuasion

Thirty years ago, Robert Cialdini (1984) published his groundbreaking work on the science of persuasion. Long a classic among salespersons, Cialdini identified various levers of influence—some call universal principles—that were based on his scientific research.

The principle of reciprocity means that we tend to feel obligated to return favors. Under the principle of authority, we are influenced by authority figures and experts. The principle of consistency/commitment says that we try to align our actions, values, and communications. Another principle—liking—explains that we want to say "yes" to someone we like. The principle of scarcity means the less available a resource, the more we want it. The principle of social proof causes us to act like others with whom we identify.

The characterization of persuasion as having split personalities has to do with manipulation. In many peoples' eyes, these principles were weapons used by seedy salespeople trying to get us to comply with their wishes. Giving a small, promotional gift sets the stage for a larger "ask" later that would tap into reciprocity. A car dealer leaving a fake invoice on the table might be an authority ploy that makes the buyer think the offered sale price is related to actual invoice cost. A political campaign's accepting ten-dollar donations sets the stage for a larger donation solicitation, a deployment of the principle of consistency. A negotiation ploy to "take it or leave it" is a disguised use of scarcity. And the coffee-shop tip jar filled with dollar bills (placed there by the counter sales staff) tugs at our desire to be like everyone socially.

These principles are proven to work to influence people.[31] The leadership challenge is to use influence and persuasion techniques in ways that are not deceptive, manipulative, or inauthentic.

The application of the science of influence enjoyed a resurgence of celebrity outside of the sales world in 2008 and 2010 with the publication of three books: Thaler and Sunstein's *Nudge,* Patterson, Maxfield, McMillan and Switzler's *Influencer* (2008), and Heath and Heath's book *Switch* (2010). Those books were about change management, and the relevance of Cialdini's principles became crystal clear. The themes in fostering successful change and overcoming resistance—topics discussed in chapter 8—are closely related to the principles of persuasion.

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Diagnose the Split Personalities of Influence and Persuasion, cont'd.

Nudge introduced the term *choice architecture* and how institutions like government can take steps that influence constructive behavior. *Influencer* grounded effective change on identifying vital behaviors and finding ways to change those behaviors. Connecting personal motivation to commitment and consistency sounded suspiciously like Cialdini. Harnessing peer pressure and finding strength in numbers did too. In *Switch*, Heath and Heath's admonition to "build habits" and "find the feeling" likewise paralleled Cialdini's findings on consistency and commitment. Heath and Heath's call to "rally the herd" drew on social proof as well.

The books added other elements to the Cialdini equation. In *Influencer*, changing the environment to make the vital behaviors easier was a key. So was leveraging both personal and structural motivation: configuring work areas so there is more open, informal communication is an example. Another example might be eliminating tired policies that get in the way of constructive change. Heath and Heath called this "scripting the critical moves" in *Switch*. They also found importance in shrinking the size of the change and growing (training) the people involved in change. In many respects, some of these principles were at the foundation of the success of Arizona's ProcureAZ e-procurement system implementation. The project effectively used the levers of influence to overcome resistance and manage change.

So maybe Cialdini's experiments about persuasion and *compliance* with requests are not so evil? It turns out they are not. Humility, authenticity, and resiliency also factor into the equation.

In 2012, Daniel Pink surveyed the current research on persuasion and adapted Cialdini's principles to the modern virtual and networked age. He concludes in *To Sell is Human* that empathy—what he calls *attunement*—improves the prospects of influence. We may not all be salespersons, but we all "move" people—their ideas, their behaviors, their choices. While competence in clearly defining problems and solving them goes hand-in-hand with Cialdini's authority principle, research also has shown that there are more factors at work. Humility, buoyant resilience and optimism in a sea of disappointments, and commitment to purposeful service increase influence. And using questions effectively is a theme throughout Pink's book as a way of demonstrating humility and improving persuasiveness and influence.

A lateral leader needs to be persuasive, and these principles identify characteristics that can be learned and practiced. Diagnose for yourself the split personalities of persuasion and influence. While there may still be risks that these tools can be used for deception and manipulation—especially in negotiation—the principles remain solid allies if applied authentically consistent with your values. So what if knowing how to effectively use the email subject line improves your *pitch*![32]

What are some constructive applications of the principles of persuasions and influence? Consider these:

- Structure a major project or procurement using a pilot with hand selected participants, and ask them to meet as a user group and explain the value of the project to the larger audience (social proof). Social proof can be used as a weapon, though, as when a vendor says, "Why won't you agree to the limitation of liability clause? Everyone else has."
- Recruit a user team by including in promotional announcements a notice that only select people are being asked to join the team (scarcity). But scarcity also can be a sword, as when a vendor says its offer is only good until the end of the day. Plan how to deal with a scarcity ploy if you confront its use.

- In a survey, first send a brief email explaining that you are developing a customer satisfaction survey and want one question answered, "How many minutes are they typically willing to commit to a survey?" Then follow-up later with those respondents to see if they might assist with testing the survey (commitment/consistency).
- Before beginning a tough negotiation, ask the opposing side about where they are from, how long they have been in their current position, and explore what you might have in common (liking).
- In a bid protest decision, get the help of an attorney to review/revise the draft decision to add some relevant legal precedent (authority). And when negotiating a dispute, consider having the attorney at the table.
- After a large procurement award, call an unsuccessful bidder, thank them for the time they spent in developing their proposal, and offer to spend some time with them to debrief the procurement and help them see where they might improve (reciprocity).
- During a difficult negotiation, offer to incorporate oral agreements in the draft and propose language that might promote agreement on tough issues (*Nudge's* choice architecture, *Switch's "*scripting the critical moves," and *Influencer's* "structural ability.)

The inquiry and use of questions we discuss here set the stage for empathy that is essential to building trust in teams. After all, if you exercise leadership by asking questions, you demonstrate humility, avoid hubris, and steer clear of destructive behaviors than can hurt team performance. And as we just learned, "stepping to their side" can improve your influence and ability to persuade.

Help Promote Collaboration and Feedback by Stepping to Their Side Often

Chapter 4 introduced empathy in the discussion of teams. Daniel Goleman (2002) is widely credited with having cemented the role of empathy in effective leadership with his groundbreaking work in emotional intelligence. Empathy for our purposes is the ability to see things from others' perspectives. Empathetic behavior is important to effective teams.[33] And being in touch with the concerns of stakeholders helps a team forecast the types of planning that can create an atmosphere conducive to lasting change.

Establishing trust through collaboration and relationship building permits the kinds of mutual exchanges and communication that is vital to a team. Developing trust requires work: seeing things from others' perspectives, addressing fears that might exist from expressing dissent, and knowing that people are motivated in part by being part of a group and may feel threatened by perceptions of dissension.

Be the first to trust. Show concern for others. Listen and demonstrate empathy.[34] Maintaining trusting, empathetic relationships with others in a team is the key to learning if there is resistance. Find out what other team members value, what special skills they can contribute in ways they enjoy. Do they have a role in the team that they consider consequential? Status remains an important factor in motivation, and continually assess whether roles are aligned with expectations and individual needs.[35]