



MINISTRY OF  
COMMERCE, PLANNING &  
INFRASTRUCTURE  
CAYMAN ISLANDS GOVERNMENT

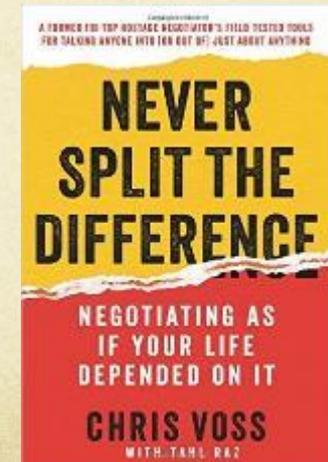
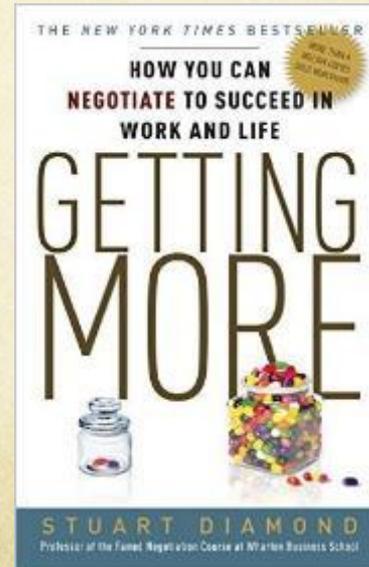
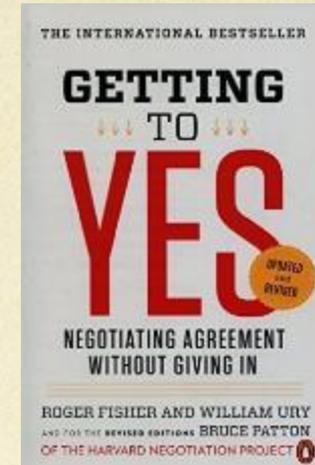
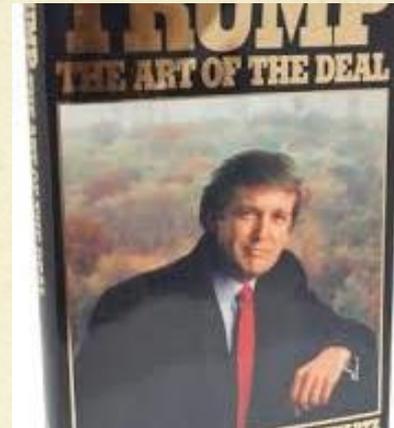
# NEGOTIATION!

Love it or Hate it.

It's is - or will be - part of your life.

# Most People Dread it !

- That's why there are thousands of books on the subject.
- Hundreds of courses.
- Valium and Librium !



YOU THINK  
YOU KNOW  
LITTLE  
ABOUT IT.

But that is not true.  
You've been doing  
it all your life !



# So why do we dread it ?

- Why does it bother us ?
- Why do we avoid it ?
- Leave it to others ?
- Tell me ?



# BECAUSE NEGOTIATION IS CONFLICT

- Maybe controlled conflict – but conflict.
- We avoid “conflict”
- We dislike selling.
- The “win-lose’ tension
- Fear of failure





## To get over any phobia,

You practice. Learn persuasion. Bargaining.  
Get over the fear of rejection.

**“The dogs bark, but the caravan moves on”**

# What we are going to do:

## Attitudes\*

- Patience
- Knowledge. TOP.
- “Resolve” not “win”
- BATNA
- Suspicion
- The double Standard.
- Jealousy

## Techniques

- Techniques.
- Tactics
- Meeting Dynamics
- Rolling statements
- Body language.
- Etc.

\* Seven deadly sins of negotiators

# Attitude 1. **Patience.**

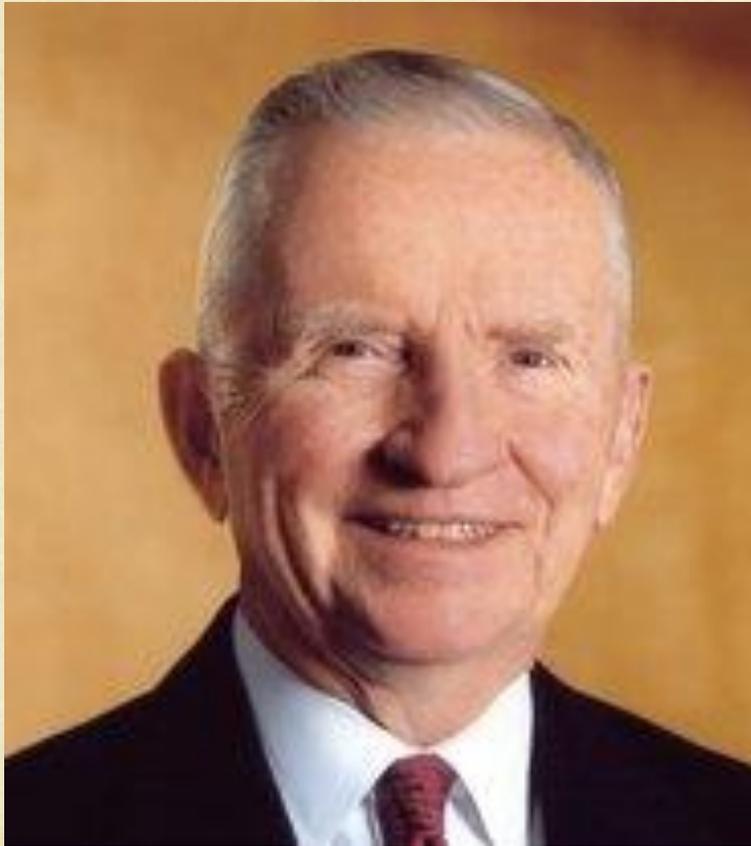
- Wear them out.
- 4 visits to get a sale.
- Perseverance.
- Especially when dealing with the East – they know we are always in a hurry!
- Take your time.





Willow not an Oak  
Hang Loose. Be Flexible.  
Be prepared to change course.  
Don't get hung up on one issue.  
**Win** the war, not the battle

# Ross Perot on Impatience.



*“In a boxing match you can lose 11 rounds, but if you are still standing in the 12<sup>th</sup> you can still knock the sucker out!*

*And by the way, never get angry. It really gets them angry !”*

## Attitude 2. Knowledge

“The secret to (negotiation) success is knowing more about your competitor than he knows about you!”

Aristotle Onassis



# Lincoln !



“When I get ready to reason with a man, I spend 30% of my time thinking about what I am going to say....

.... And 70% of my time imagining what he is going to say.”

(The **TOP** - Harvard)

# The United Nations.

*“The most important quality we look for in an international negotiator is the ability to see the other party’s (TOP’s) point of view and pressures.”*



# Example. MCF in Mexico.

- Ogilvy was tipped to get Fanta off me. Why? What were they offering?
- Interviewed man to find out why they were so confident.
- Coca Cola loved a Creative man there.
- I hired him. Basta! Game over.



# Example: You.

- You want to buy a house.
- Find out what he bought it for.
- The market tendency.
- How long on the market.
- His urgency (The Gil story).
- The whisper (*He's looking at another property...*)
- The salesman comes to your furniture store to sell you a package.
- See what it sells for in the USA. What equivalent sells for. The net ?
- Why you are the best store.
- Enticements: Consignment. Quantity. Up front payment. Shared advertising.

# Let's take a typical example.

- I am in the market for a Cadillac Escalade.
- It's an expensive car.
- I have to get the cost down or my wife will kill me.



# Research:

## What I know.

1. Worth of my car \$37,000 (Lincoln Navigator).
2. New Navigator is coming (GM concerned).
3. Local dealer is sitting on a big inventory. See his web site.
4. I have plenty of time!



# Stage 1 – Deflect.

I see dealer has “demonstrator” for sale. But only \$8,000 off new price.

Chat: Buy a new car every two years. Excited about new Navigator. They offered me \$40,000 to sign tomorrow. My son wanted Escalade. Not so sure. Etc.

Dealer suggests looking at a [new](#) Escalade. (I knew he would).

He wants a new sale: better bonus.

Offers \$5,000 off the price if I take from inventory.

“I thought you guys have a special offer to convert Navigator owners.” He sees his boss.

I say I have to go now!

# “I’ll think about it” play.

Dealer desperate to not let me leave.

Boss comes over. Yes, there could be a Navigator switch bonus. \$5,000. (Now cheaper than the demonstrator). “You really buy every two years ?”

Notice many “stretch” models in stock. Show interest.

“Could give you one for same price” Value \$2,700.



# Take it or leave it ..... Stage.

Could I pay with Amexco Card ?  
Short of cash. Eventually agree  
\$10,000 – gives me reward  
points.

Also need mats, trunk cover, full  
tank of gas – on and on.

Dealer desperate – 6 hours with  
me.

Finally I transfer \$1,000 less than  
agreed. He swallows it.

1. \$5,000 rebate.
2. \$5,000 switch bonus.
3. \$3,000 extra trade in.
4. \$750 on Amexco rewards.
5. Stretch model \$2,700.
6. \$1,000 less transfer TIOLI!
7. Total savings: +- \$14,500
8. Cheaper than the new Navigator.

# The Lessons here are...

## Knowledge and Patience

- I was relaxed and having fun.
- I had my BATNA in mind (my wife !).
- Enforced the dealer to invest so much time in me he **had** to make a sale.
- I kept changing the rules - kept HIM off balance.
- I saw the chinks of light - the stretch over-supply. New Navigator.
- I even suggested last minute “My wife phoned, she might want to change the color.” Told him she loved negotiating.
- “Oh no – not the wife. We start all over!”
- Did he “lose” = I doubt it. They never “lose” *But I won in my mind!*

# Attitude 3: “Resolve” v “Win”

- “Winning” is negative.
- Why is that important ?
- We look for **solutions** – not conquests
- *Important because if there is a winner there has to be a loser. Breeds resentment.*
- *Because most negotiation is part of a long-going relationship.*
- *Win-win is better than win-lose.*



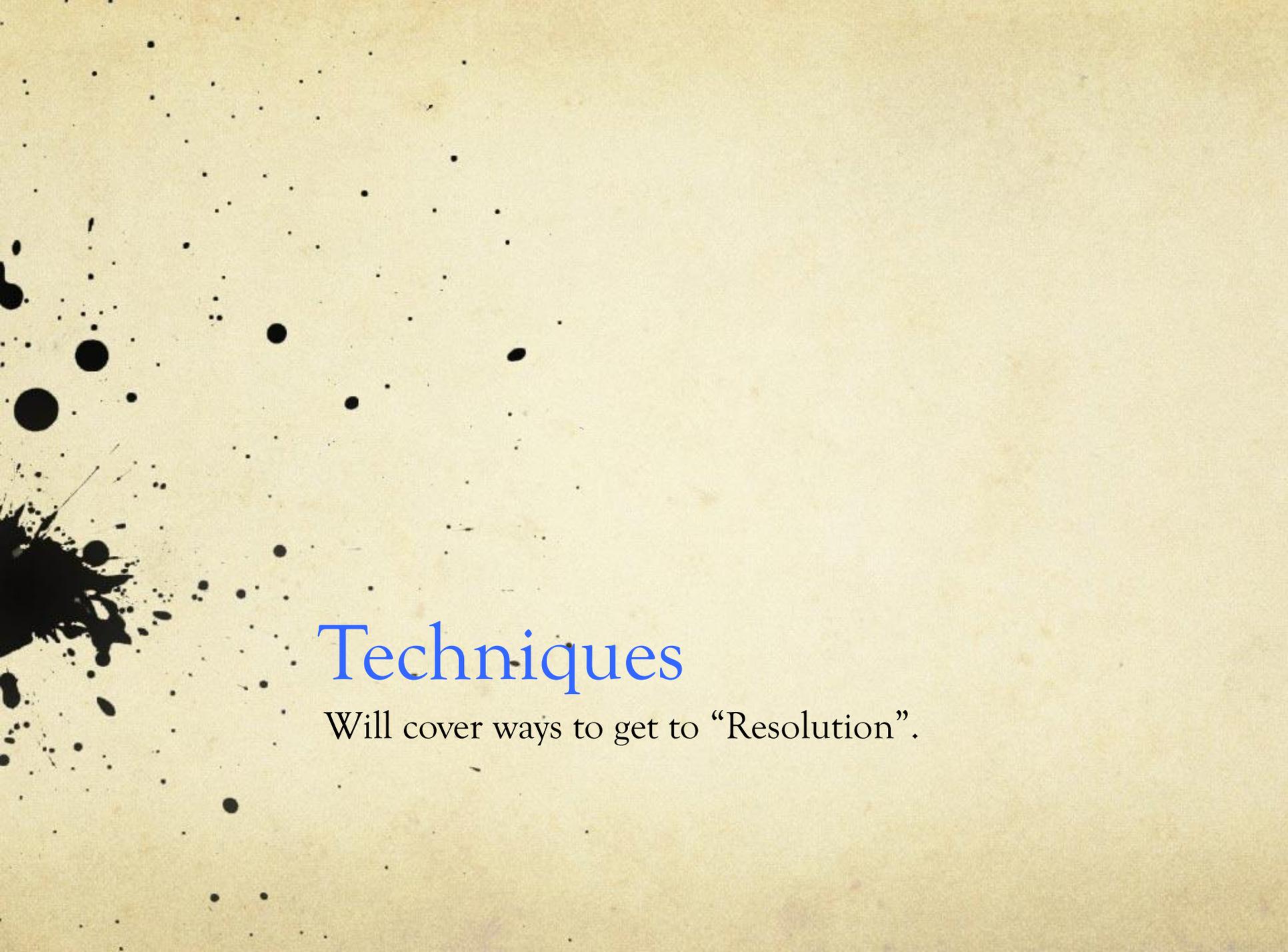


# Nikita Krushchev on Win Win!

*“In negotiation, when you  
are skinning a fellow, it is  
better to leave a little skin,  
Let it grow back.*

*And then skin the bastard  
again!*



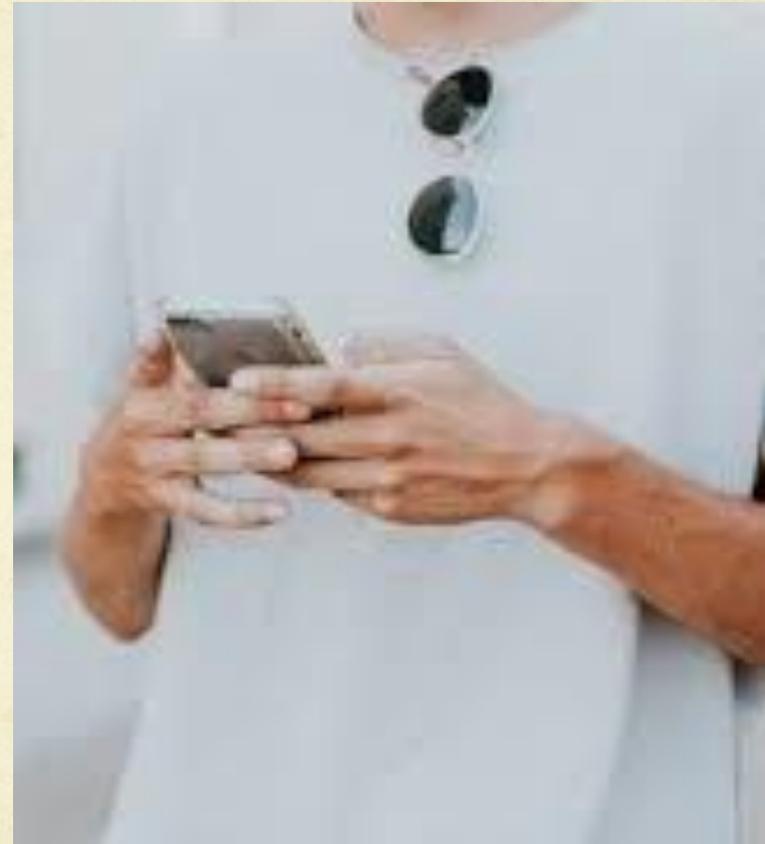
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# Techniques

Will cover ways to get to “Resolution”.

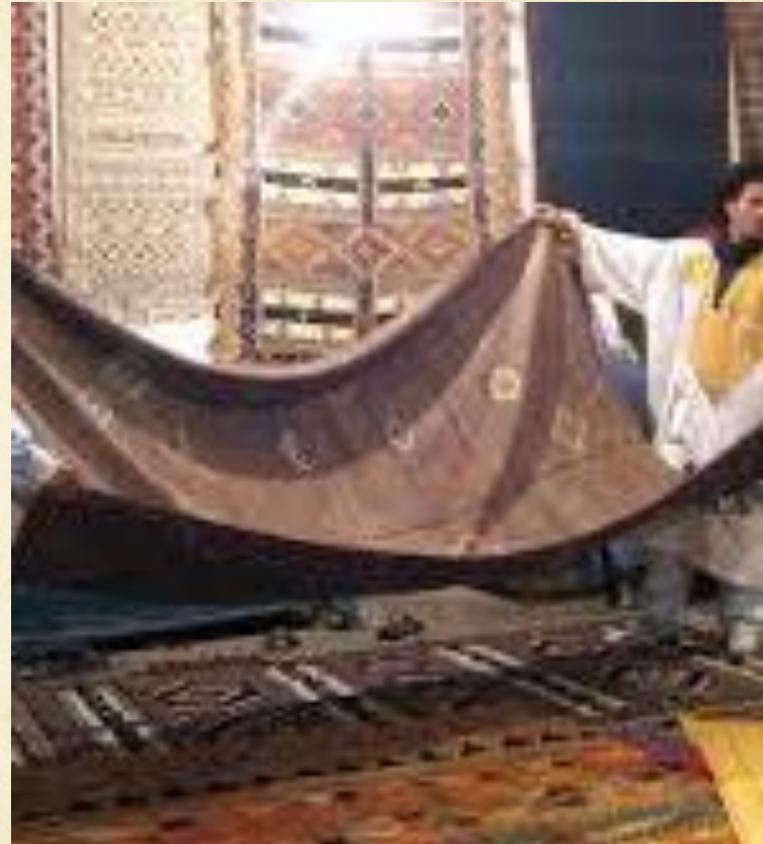
# Attitude 4. BATNA.

- Harvard speak for “*Best Alternative to a Negotiated Agreement*”.
- What is your walk away point. What is his?
- Is there another way ?
- Wiggle – not defeat.



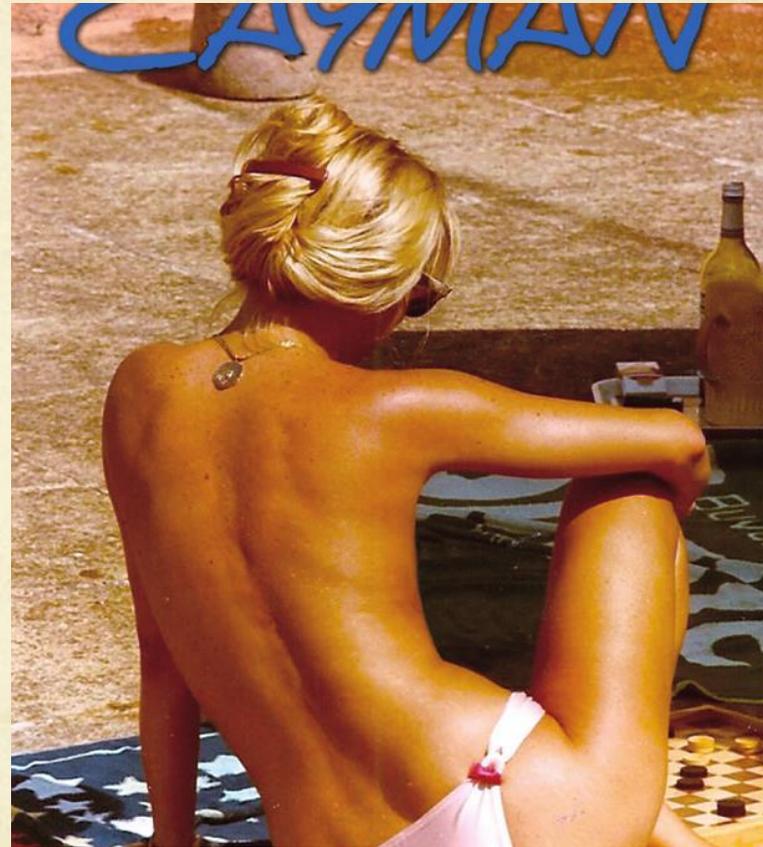
# The Harvard Explanation

- You are in a bazaar and the man is asking \$1,000 for the rug.
- You have seen similar at other stalls for \$750. That could be your “BATNA”.
- But maybe this rug is better quality ?
- Thus this is – ultimately – your “BATNA”.



# My BATNA for the Escalade.

- Nothing wrong with the Navigator.
- My wife would kill me if I spent too much.
- I either go a good price – or a divorce.



# Attitude No 5.

## Double Standard.

Especially prevalent in dealing with other cultures, other companies, others in general.

### Definition:

*You see what you do in much more positive light than the exact same action by your opponent.*

Before you rubbish the TOP, ask yourself what is he thinking about you? See things through his eyes.

Assume – for a second – he is as “good” as you.

Would you do business with you ?

### Examples.

I offer to help – you meddle

Me flexible – you inconsistent

Me principled - you stubborn

Me idealistic – you dream

Me forceful – you aggressive

Me clever – you devious

Me decisive – you rude

Me realist – you small minded

# Attitude No 6 - Jealousy



Did he get the better deal ?

Will he get a bonus?

Will he earn more than me if  
I hire him

**WHO CARES AS LONG AS  
YOU GOT WHAT YOU  
WANT. AS LONG AS HE  
MAKES YOU RICH!**

# Henry Kravis, KKR

“When I focus on a deal I block out everything else. I care not a whit what the other guy gets out of it.

As long as I get what I am looking for.”



# Attitude 8 – Suspicion

## Common Manipulation Techniques.

1. “I don’t have the power to sign”

So you go see his boss together.



# Time Pressure

2. *“We have a deadline – must complete this by this evening”*

It it real – ask why? Remind its better to get it right. Ask for extension. *“So let’s get to work!”* Keep calm.



# Force you first !

## 3. *“What are you expecting?”*

An attempt to force you to expose your BATNA.

*“That depends on what the conditions are. Let’s talk about those.”* Focus on him now.



# The Missing Man.

4. *“We’ll have to check that with our experts”* – Delaying tactic.

*“Bring him to the meeting – let’s go see him together.”*

*‘OK, I’ll bring mine.’*



# Auto Dealer Special

## 5. “Good Cop – Bad Cop”

*“I’d love to say ‘yes’ but unless we agree I’ll have to check with Mr X”  
Scare you into lowering your offer. Or accepting an existing offer.*

Follow him out to see Mr. X.  
Or...

*“I THOUGHT YOU HAD THE  
POWER TO NEGOTIATE ?*



# The Oldest in the Book !

6. *“I think I can do better elsewhere.”* Scare you into pretending you have another option.

OK - let me see the offer and on what basis it's made and I'll see if I can match it.



We'll look at this whole  
subject again...

When we get to “rolling statements” to get a snagged  
negotiation back on track or over come a tactic.

# FROM ATTITUDES TO TECHNIQUES/TACTICS.

- For resolution
- For giving less than getting.
- For keeping the negotiation alive.
- Reading the TOP.



# Let's see how well this “negotiation” turned out.

I am going to tell you a little story about grumpy old couple going shopping..



# *They set out to buy a new lamp and shade*

**SHE:**

Wants the pink one with frills that matches exactly the pink curtains.



**HE:**

He wants anything BUT the pink one. Preferably the brown one on the manly wooden base!



# He tries his options to win the “Negotiation”.

1) Make her pay !

*“If you want that G- - awful thing then you pay for it.”*

She is furious. You changed the rules. You re supposed to pay the house stuff. She pays the groceries.

Result ? You resolved nothing.  
And got two days of sulking!

## 2. Refuse point blank.



*“That monstrosity is never entering in a house of mine.”*

The salesman is shocked. Wife embarrassed. Her favorite store.

Result: Again, you achieved nothing and she’s still not talking to you!

3. Buy it and drop it. It breaks and the shade tears. You won!



You cut off your nose to spite your face. You won – but...

Result: No lamp and you lost money. Smart!

#### 4. Teach her a lesson.



You go out and buy those awful replica guns and hang them on the wall. Right over her lamp. Remind her who's the boss in this house!



Result. Permanent household friction. Double expenditure.

**5. Take Control.  
Ignore her.**



You just buy the brown,  
wooden base lamp. Who  
earned the money anyway?

Result. You just lost your  
conjugal rights.

## 6. Each goes their own way

You buy two lamps. Every one has his way.



Result: Double expenditure.  
No room for two. Sell the excess one at a loss.

Whichever option he chose he  
won – right?

**He got his way.**

But in every case he  
substituted a worse conflict.

He achieved nothing. Maybe  
divorce!

**Result: He is one lousy  
negotiator.**

# So what should the couple have done ?

Tried one of the nine common negotiation techniques.

Here they are. See if you can spot which is which as we go along.

Each **resolves** the problem. Positive options. Not negative ones.

Nobody is fully satisfied. But nobody is angry.

1. Mediation.
2. Looking for options.
3. Tokenism
4. Reward agreement
5. Needs over Positions
6. Limited agreement - move on.
7. Give and Take.
8. Substitution
9. Evaluate both positions

# The Nine Negotiation Common Strategies.

1 “OK, darling. If you choose the lamp color I’ll choose the new car color.”

2.”Darling, you like pink. I prefer brown. Let’s try another color we both like. Peach ?”

3.”Darling, let’s take both home and see what they look like in situ.”

4. “Darling Husband, let me choose and I’ll reward you tonight!!”

5. ‘Darling, let’s ask Betty – our decorator’s - opinion.’

6. “Darling, let’s settle which new chair to buy and worry about the lamp later.”

7. “Whoever chooses pays, OK ?”

8. Darling, why do you want that pink one. Is it because of the curtains? Let’s change them

9. “The fight is not worth it. Let’s find another lamp style without shade!”

# The Nine Major Negotiation Principles. Which was which?

1 “OK, darling. If you choose the lamp color I’ll choose the new car color.”

2.”Darling, you like pink. I prefer brown. Let’s try another color we both like. Peach ?”

3.”Darling, let’s take both home and see what they look like in situ.”

4. “Darling Husband, let me choose and I’ll reward you tonight!!”

7 **Give and Take.** You get that, I take this. Never give without taking.

8 **Substitution.** We can’t agree on my way or your way – let’s try a third way.

9. **Evaluation.** Let’s try my way and your way and check them out fairly.

3. **Tokenism.** Giveaway an easy gift to break the deadlock.

5. 'Darling, let's ask Betty - our decorator's - opinion.'

6. "Darling, let's settle which new chair to buy and worry about the lamp later."

7. "Whoever chooses pays, OK?"

8. Darling, why do you want that pink one. Is it because of the curtains? Let's change them

9. "The fight is not worth it. Let's find another lamp style without shade!"

**1. Both Mediation.** Let's take it to an independent expert to evaluate our positions

**6. Limited agreement.** Let's agree what we can and not get stuck on the shade issue.

**4. Reward agreement.** I'll agree to your point if you'll alter the price.

**5. Needs over Position.** The problem is the curtains, no? So let's change them.

**2. Options.** Think outside the box. Maybe a third way works best.

# ‘Needs over Position’ is often the hardest to understand.

Imagine two men fighting over the Sunday Newspaper in the old peoples home.

The nurse asks what each man what he is looking for..

“A” wants the financial pages.  
“B” is into sport.

She divides up the newspaper.

In negotiation the stated position is often not the real need.

I negotiated for weeks with a client. He was unreasonable.

I finally found out his real need was not the contract.

But to show his boss what a strong negotiator he was.

I told his boss to be proud of his man over a dinner. Basta!

# Two other examples.

I am fired from the [Esso](#) account in Norway one month after winning the account.

Clients position: We did not understand Norway.

His need ? Punishment because an agency employee was late handing him his presentation slides.

[Cathay Pacific](#) was reluctant to give us their global business.

His position – we were too big to give him the attention he wanted.

His need – would he get my personal time?

I made two clients take him out to dinner and prove I do what I say!

# “Tokenism” is also hard to grasp.

Gillette gives me all their business in the Far East.

They want a reduced commission in return.

If I agreed to them I'd have to agree to the same for all other clients.

The “Token”. We leave the commission rate alone.

I give him free research and sales promotion advice.

He gets something worth while. I don't lose something important.

# Other Common examples

1. I can't drop the car price anymore, but I'll throw in car mats and free oil changes for a year.
2. Bring your birthday party here and we'll donate the cake.
3. Sorry the rent is what it is – but I'll give you the first month free.
4. Nine coffees and the 10<sup>th</sup> one free.
5. Come to our bank and my best adviser will be yours.
6. That's the shoe price sir. But buy two and get the third pair 50% off.
7. Buy the house today and I'll pay the stamp duty.

# Road Blocks: Often in every negotiation. How to get over them. **The tactical ladder.**

Explain your position.

Let him explain again and again his. Examine it honestly.

Prove your position with fact.

Eliminate Objections one by one.

Just persevere. Use the power of “Silence”, remember?”.

Get third party endorsement of your position.

Get a “think tank” together and “**think outside the box**”

Threaten to terminate or postpone.

Carry out your threat – there’s always another day, another way.

# Perseverance and Thinking out of the box.

- Play for the long haul.
- Never rise to the bait of threats.
- Keep talking.. Talking. Talking.
- Look for the new angle.
- Learn the “keep rolling” phrases. (Later)
- Think outside the box.
- Can you think outside the box?

# Thinking outside the box.

- It's raining and there is a transport strike. Three people you know are standing, in the rain at the bus stop.
- A good friend who saved your life.
- An old lady dangerously ill.
- A gorgeous blonde who you have been lusting after
- You have a two seater car. Who do you take ?

## The IBM HR



# The IBM answer.

- Give the car keys to your to your friend.
- Tell him to drive the sick lady to the hospital.
- Grab your umbrella and take the blond to the taxi rank. Or the nearby bar.



# On “road blocks” – Another little story.

Wife is pregnant.

Water breaks in car – must call  
doctor or hospital. Mobile at  
home.

One phone booth but man is  
talking.

He won't stop and blows you off.

A road block. Let's try our  
strategies.



# Husband tries the “Tactics Ladder”

1. Explain your  
position !

“I waited 30 minutes for this  
phone. Piss off.”

*“I need two minutes to  
call an ambulance. Can  
you get off the phone  
for a minute?”*

## 2. Prove my position.

Drag wife out of car  
and show her  
pregnancy.

“She’s not that far gone. You  
can wait a few more minutes.  
This call is important.”

3. Demonstrate  
sincerity – tokenism

Take off your Rolex:

*“If I am longer than two  
minutes you can keep the  
watch.”*

*“You expect me to believe that  
baloney. Piss Off!”*

#### 4. Eliminate Objections.

*“Ok, if you don’t believe me, hold the watch. If I am longer than three minutes keep it. I trust you. You can trust me.”*

“I don’t need a watch. I have five at home. Leave me finish my call.”

5. Third Party  
endorsement.

A nurse walks by.

*“Tell this man my wife needs  
an ambulance right now.”*

*“Hi Mary – trust me I’ll be off  
the phone in a few minutes.”*

After she leaves he says:

*“Piss Off!”*

6. Threaten action to  
terminate the  
“negotiation”

*“If you are not off the  
phone in 30 seconds I  
will drag you out!”*

“Don’t try it man. I am an ex  
boxing champ.”

You think he’s bluffing so...

7. Carry out your  
termination threat.

You grab the man.

He pulls out a gun.

Oops - do you maintain your  
strategy and risk a hole in the  
head ?

Or change strategy ?

# “Stay Flexible”

## 8 Adapted Strategy.

*“Relax man – I was only going to offer you \$50 to get off the phone.”*

“Ok – now you’re talking. Here take the phone.”

Do **you** now say “Piss Off”?

Never gloat. Never show triumphism

He could change **HIS** strategy and come back with that pistol !

# MEETINGS

- It's where most serious negotiations take place.
- There are some hints to managing a meeting you ought to know.



# 1. Know the objective.

*“I never went into any meeting without knowing exactly what I wanted out of it.”*

*Dr. Henry Kissinger*

Be clear why you are meeting and what outcome you expect.



## 2. Get your team on board.

- They know the objective and the strategy.
- The leader leads. Always.
- All slides identical.
- Each contribution rehearsed.
- Who answers questions.
- Team “BATNA”.



# 3. Mechanics

- Mornings are best - awake.
- Write an agenda.
- Control the minutes.
- Two hour maximum.
- Tackle the points you know are easily agreed - save the difficult ones for later. Positive momentum.
- Got what you want? - get out!  
Give them no chance to re-open.



# 4. Role Play.



- Try and be the first to present – your views upfront.
- Wind out of their sails. Pre-argue their probable position.

Think about the  
TOP's attitude.

Position.

Restraints.

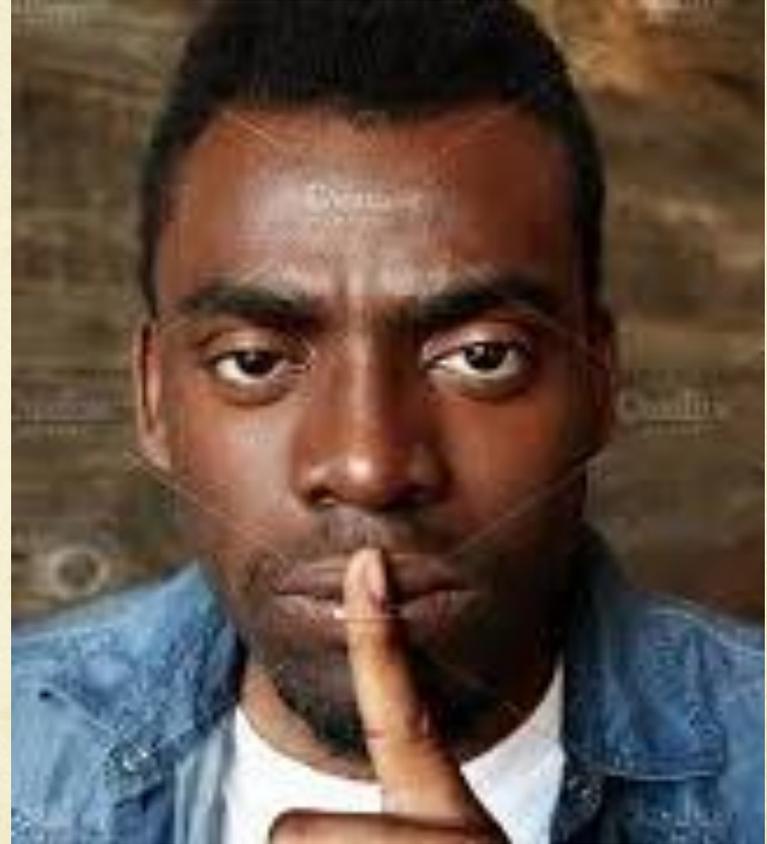
# 5. Keep your meeting fun !

- Little gifts.
- The odd joke.
- Short presentations.
- Avoid the silence at the end of your speech – be first to ask the question. Keep the momentum controlled.



## 6. **Silence** – your secret weapon !

- People can't stand it !
- Feel compelled to keep talking.
- Thus saying much more than perhaps they should
- “silent” and “listen” use the same 7 letters!!!



# 7. The Speaker - Disrupter

*The one who will not stop talking. Or takes phone calls. Or changes the subject - all designed to throw you off!*

- No mobile phones rule.
- Time your agenda. XX minutes per subject.
- Cut him off - “Can I summarize your position?”



# Meeting Warning Signs.

## DANGER

- Sitting back.
- Doodling.
- Looking away.
- Looking to Heavens.
- Looking at Watch.
- Looking down nose.
- Deep sighs.
- Arms crossed.

## POSITIVE

- Eyes on you
- Sitting forward.
- Making notes.
- Smile.
- Nod
- Nod to neighbour.
- Spontaneous applause.

# Bluffing.

## YOU

Focus on the opponents nose.

Looking in his eyes might make you nervous.

Avoiding his eyes is a giveaway.

On camera, focus on the interviewer. Not the camera.

## THEM

Watch for eyes looking left.

Sweat beads.

Looking over your head.

Focusing on the papers in front of them.

# 8 .Rolling Statements ?

At some stage the negotiation always hits a snag.  
The TOP is ready to call it “quits”.

The right phrase can keep the talk going.

The wrong phrase can sink you deeper.

Keep the meeting rolling – never allow it to hit the  
buffers....(unless that's YOUR call).

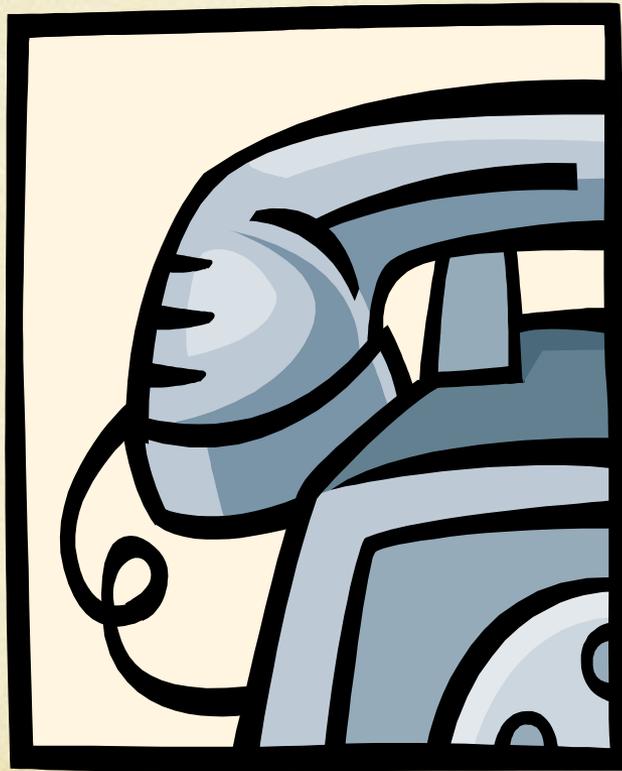
Some examples.



- To show you listened before the TOP walks out. Almost always cools the TOP off!
- “*Yes I see your point of view, but let me repeat it to make sure we all understand....*”

- Avoid outright rejection. Useful to try and get to the real 'needs' over the stated "position"
- *"What are the bases that lead to that conclusion ?"*





- Wear the fellow down !
- *“Why don’t you tell me one more time why my offer was not acceptable, and maybe I’ll be better able to see your point of view....”*

- Against the “take it or leave it attitude”
- *“If we can’t agree, so be it – but as for me I am here to see if we can’t find a way out”*





- Against “I am not allowed to decide!”
- *“Let’s go together and see your boss ...”*

- Playing silly games to try and put you at a disadvantage.
- *“Is there some good reason why I am always placed facing the sun ...”*
- *“If you are always late, I’ll come 30 minutes later next time.”*





- Against trying to make you feel small by being rude.
- *“Shall we alternate being rude to each other every session ?”*

- Time to cool of. Surprise him by letting him put his ideas first.
- *“OK – let’s write it up your way and send it to my office. We’ll meet again tomorrow and see...”*





- The Brainstorm to unlock set positions
- *“Let’s see how many ways we can think of to solve this little problem”*

- Get off the argument back to the reason for the negotiation. From negative to positive.
- *“Let’s take a minute and remind ourselves what this contract is all about and what we have agreed so far...”*

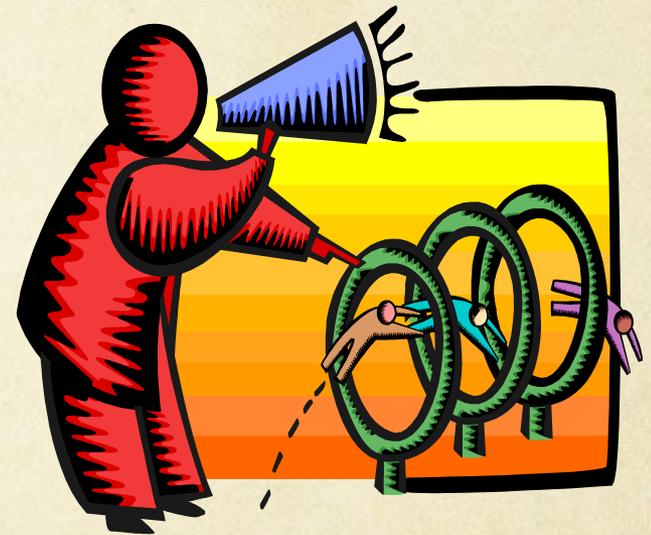




- Acknowledge a tricky problem and instead of fighting, get them to offer a solution.
- *“I know my position could be a deal breaker.. thus I really would appreciate your help in finding a way out...”*

- Get off a road block.
- “OK – *I now understand what you can't accept –*

*Can we now see if we can find a solution that we both can live with?”*





- Against an exasperated outburst against you. Keeps you cool.
- *“If I come across to you as stupid, un-caring and difficult – I really apologize. Do you think that was my intent ?”*

- Linkage. Never give without getting.
- *“So If we can solve this problem...”*
- *If I try and accommodate you - can you agree with my problem ?”*





- Force agreement on the basics.
- Isolate the emotional.
- Get back on track
- *“I know your position – but are my facts right? Can we re-list what we know and have agreed”*

- Get out of the trenches.  
Unlocking fixed positions.

- *“OK we know your position. You know ours. Let’s see if we both can find a third way...”*





- The Colombo Tactic:
- Search for inconsistencies. Gain time.
- *“Let me see if I understand what you are saying... Could you please explain that again.”*

# Try and be honest....

- Be caught out in a lie, you die.
- If you are out of options – ask for help.
- “Bluff is usually bad stuff !”

*(Bob Healey)*

- Taught me my most important lesson in life.

# ESSO EUROPE

- My holding company going broke.
- My clients nervous.
- Major client – 33% of billings – critical. If they go, the others may follow.
- Big meeting with board.
- We offer big team, great future. Everything we will do for them.

# BOB HEALEY TACTIC

- Walks up to Chairman.
- Turns his trouser pockets inside out.

*“Mr Cruikshank – I have troubles. You know that. I think I can solve them. But I need time. You heard my boys – you know they will break a leg for you.*

*But the truth is if you (our biggest client) won't stand by me, my other clients could bolt and I am dead.*

*Will you give me six months ?”*

# “MR HEALEY ....

- .....I am so glad you levelled with us.
- You have your six months.
- If we can help, let us know.
- You can tell your other clients Exxon is sticking with you.
- Good luck
- Meeting over”

# My FINAL Golden Rule

Know yourself...Protect yourself from your own weaknesses.  
Admit them (to yourself). Don't try and be what you are not.

## I know I have ...

- A butterfly mind.
- Want to get it achieved.
- Sucker for a sob story. Too trusting.
- Like my home – getting home.
- Tendency to believe I can solve everything later – if not today.

# So I took along my “Jimminy Cricket”

- A mean SOB Ukrainian Refugee.
- 30% Scot. 30% Jew. 30% New Yorker 10% fanatic hater of the human race.
- A clever numbers man.
- Well in with Management.
- Would never let me give away “the store”. Give away anything.
- If he agreed I knew New York would agree. Trusted him.

Adios !

Ciao !

Ta !

Adieu !

Chuuus !

Daag !

# MINI CASE HISTORY 1

Ex Canadian returns to a failing Canada and  
thinks a little Yankee pressure will do.

# CANADA IS NOT AMERICA!

## ○ Even though:

- **90% of tourists come from the USA**
- **20% of exports go to the USA**
- **Members of Nafta**
- **Affinity is as much North/South as East West (80m% live within 100 miles of the border).**

# How Canadians Compare themselves to Americans !

## ○ USA

○ Pushy

○ Boastful

○ Exaggerate

○ Jump to Conclusions

○ Individualists first.

○ Feel Superior

○ Distrustful

○ Materialistic only

## ○ CANADA

○ Low key

○ Modest

○ Understated

○ Patient

○ Society also important

○ Inferiority Complex

○ Trusting

○ Life beyond work

○ **USA**

○ Reckless

○ Rush Blindly

○ Nationalistic

○ Restless

○ Self Centered

○ Mono Cultural

○ **CANADA**

○ Cautious

○ Think before leap.

○ Worldly

○ Inner Peace

○ Better neighbors

○ Multicultural

# IN FLIES FEARLESS FERRIER

(1981)

- I think I know Canada – ex Canadian.
- I run Lat.Am.- Canada is added.
- Latin America is difficult: Wars. Inflation. Poor governance.
- All my Offices make 15% profit.
- Canada exasperates New York. No new business.
- Profits stagnate at 7%.
- Vancouver - Montreal in revolt.

I call a Board Meeting.

I listen.....

- ***“Canada is Special. Has to be as good as USA on 10% budgets. So 7% profit is OK.***
- ***Other similar Agencies in Canada about the same profit.***
- ***They did not lose business (True).***
- ***Creative Standards were high (True).***

# I took over the meeting

- I talked to them as I would in Latam. Or New York. Direct. To the point. Taking responsibility. Issuing directives. (Spanish culture).
- True – I was tired. I was not happy at having Canada reporting to me as well.
- I was already overstressed running 32 offices.
- Travel nightmare. Two homes. No logical cultural attachment to Latin America.
- This is what I said....

- ***“Shame on you, complacent managers.***
- ***Salvador (Civil War) has 10% your budget, same clients, makes 20% profit, and had 16% new business growth. Clients expect U.S. standards of service there as well.***
- ***No one in my Region would dare to return less than 15%. You doing 7% means the rest of the network has to do better because you underachieve.***
- ***You think small, defeatist. Always offering excuses. If I were running this dump we’d get some new business.***
- ***Let’s give Montreal and Vancouver autonomy. Maybe some competition will wake you up!***
- ***Who agrees with me ?”***

I met with cold hostility. Not even  
fury. Contempt.

OK .....

What did I do wrong ?

What would you have done ?

# MISTAKES !

1. **Comparing to others increased defensiveness.**
2. **Especially to countries they felt culturally inferior (SALVADOR ?!!).**
3. **Bragging and Boasting anathema to laid back Canadians.**
4. **“Who Agrees ?” Divisive . Should be striving for unity.**
5. **Toronto is jealous of Quebec.**

# REASON FOR MISTAKES

- **Latin's expect leadership**
- **Expect the 'Boss' to lay down the law.**
- **Canadians (like Swedes) expect you to get in the trenches with them.**
- **Pares inter pares.**
- **No one had EVER talked to them like that. Canada is special. USA's favoutite cousins etc....**

# RESOLUTION

- Took two Canadian Managers to Latam.
- You **teach** your Great Creative Standards.
- And **learn** how to run a tight ship.
- I joined the New Business Committee. Lead from the front !
- Worked through the Manager. Not against him !
- Took personal responsibility for Quebec and Vancouver. Show I am not just Mr. Big Mouth.

# RESULT ?

- Isolated Canada – coddled by a paternalistic USA – enjoyed access to other experiences. New respect for others.
- Without me having to say it, they understood excuses were inappropriate.
- Accepted my involvement.
- Gain 5 huge accounts.
- Billing from 40 to 80 mil. \$Can. Profit ratio +40%.

# MORAL OF THE STORY.

- Be clear what you want. Stay clear.
- But modify the method and tone to suit the culture.
- Don't think – because you spent your youth somewhere – that you are an expert !
- Resolve – don't harangue.