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INTERNATIONAL NEGOTIATION ACADEMY

*Negotiation: The Genesis of Management*



## Negotiation Skills Training

- Managers at senior, middle and junior levels
- Labour Union Negotiators
- Conflict dispute resolution mediators
- Sales Negotiators
- Buyers
- Hostage & Crowd Control Negotiators
- Facilitators

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## YOUR THINKING HABITS CAN DESTROY YOU!

In tough economic times, like the ones we have been experiencing for some time, your attitudes towards life in general could have a **serious effect** on the way you make decisions. We have a number of reactions to unpleasant news. Some experts are of the opinion that we should even avoid reading newspapers due to the effect of **bad news** on our emotions, mindset and rationality.

Let's see how you are affected by the daily news:  
(Assuming you are not affected personally)

- a) Are you more interested in news about one **airplane that crashed** during a six month period or about the 10 000 000 planes that all landed at their destinies safely during the same time?
- b) Do you give more attention to the demand for **nationalization** of one mine in the Free State or to the 20 new mining licenses that were awarded in the same period?
- c) What seems more important: a murder committed close to your town or the fact that your **chance of dying** by violent means is only 1 in 5000?
- d) Are you worried about your carbon footprint and **global warming** or do you read research that clearly shows that you don't have to bother?
- e) Do you notice the **one mistake** of a subordinate or her ninety-nine correct

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actions?

My guess is that you gave the 'bad news' parts in the above cases more attention! Why is that?

Kahneman, Slovic and Tversky\* referred to this tendency in us as '**prospect theory**' (the tendency to view potential losses larger than potential gains). This tendency helps newspapers to make money and it makes us all buy insurance (instead of possibly investing our money better).

The problem of this tendency is that **gloom and doom** becomes the primary concern in all our decisions and actions. We often totally miss the opportunities and the joy of life. When bad news is more salient than good, some of the following mindsets take hold of us:

## 1. Loss of Creativity (in perceived tough times)

Our minds do change in times of stress. There is enough evidence\* of how we tend to make more **irrational, crazy and regrettable decisions** in times of crisis (perhaps that is the reason why many survive and others perish). Still, some are able to think: "How can I use the falling prices to my benefit", while some seem never to recover and flee to drugs, become suicidal and make extreme decisions in difficult times.

Sometimes you could simply take a deep breath, then perhaps go and talk to those who could give you good advice. Seek the company of **people who are positive** and will be frank enough to point at your irrational thinking and indicate to you that things could be much worse!

We often tend to **focus on what is wrong**; thereby ignoring what is right. A situation that is ninety percent in good shape and ten percent bad is often seen as bad in its entirety simply because we are entrapped by the ten percent that is bad.

## 2. 'Run Away from it All'

Unfortunately, when we are confronted with a crisis, our first reaction is most often to **flee** from the problem. If that does not work we may then **fight** it (we often think that we have very few options in between). E.g. the Receiver of Revenue bills you with a huge amount of 'outstanding tax' (which you do not have right now). What do you do? Do you do nothing and hope you can find an excuse next month? Do you run to an accountant or lawyer? Do you think how you can get away to a 'place where there is no tax' or do you make an appointment with the Receiver and discuss your financial dilemma 'face-to-face'?

## 3. Blaming Others

Are you blaming the government for all your problems? Perhaps you blame your eldest sister who manipulated your parents to change their will to her favour? Perhaps you blame your employer or the colonialists or the whites or the blacks! You **blame everyone except yourself!**

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It could, of course, be possible that others really had a major influence on your present financial state or crisis, but why is it so difficult to take responsibility for some of your present conditions yourself? That could, in fact, be the first step to dealing with your problems anyway, for example: 'I made a mistake and should be more careful not to trust 'friends' next time (they could have their own agendas)!'

## 5. I cannot wait one minute longer!

The saying: 'What comes around, goes around', is most often true. Economies that are bad now, could be good in a year. A year of drought is often followed by a year of good rain. **Conditions will change!** Bad economies have never lasted forever in history! We most often want problems to disappear in a wink. The question is: why not wait? Many forms of personal and economic depression do go away over time! You can simply wait!

Most forms of **mild depression** get better if given time. Many of us cannot live with this terrible feeling that 'death could perhaps be better than life'. We tend to take some radical and crazy decisions that could make life even worse (especially for those who love us)!

## 6. Missing the Big Picture

Judging whether something is a loss or bad news becomes an irrational act if one only looks at the cents and the crumbs and at the 'now' instead of the total assets. Look at the whole bread, the big picture and the future. You may be short of cash right now, but there are thousands who are even worse off than you! Perhaps you forget that you still have **qualifications**, the **health** to go to work and the **ability** to find some sort of work and the intelligence to contact the right people who can give you good advice.

## 6. Reactive thinking

Someone once said that there is an **advantage in every disadvantage!** Why are we inclined to only see the problems in new legislation, but we miss the opportunities totally? Every new bit of legislation needs people and services to make it work! Every one presents a new opportunity for a creative mind. We tend to take note of legislation on minimum wage levels, but miss the job creation subsidies in the same bill!

Was it at school where we failed to learn to be **innovative**? We were never taught how Romeo and Juliet could have dealt with their problems; only how Shakespeare described the **death wish!**

## 7. Noticing the Bad News!

Many people seem to think that we either agree or disagree with others around us. In most cases, though, we **agree about many more topics** than those we disagree about.

You hear someone on TV or in the news saying that 'the **government** should nationalise the mines and farms. You may disagree violently about this comment, yet, you and the speaker possibly agree about many more topics, such as good education for our kids, employment for everyone, a warm bed for our kids at night and an income that will buy the necessary for my

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family, winning the world cup and others. Yet, we 'develop' a deep suspicion and even 'hate' for public figures who **differed with us on one single topic!** It makes us unhappy, hateful and miserable; constantly thinking how 'I can get out of this place!'

Due to differences on one topic, people tend to **drift so far apart** that it becomes almost impossible for them to co-operate in a mutually beneficial way. Their primary focus becomes one of **destructive criticism**, not constructive co-operation. Instead of working together to create mutually acceptable solutions, they only try to find the flaws in the other's arguments, causing the relationship to worsen further.

Another common error we make is to **assume** that a party which supports something is **necessarily against the opposite** thereof, e.g. thinking that those who express negative feelings about computer games will not buy your stock of games, whereas they are merely against irresponsible gaming.

## 8. Head in the Sand

If you get **bad news**, such as a 'summons to pay your debt within fourteen days or face the consequences'. What will your first reaction be? The problem will not go away. You will have to **face it**. It is amazing that banks, the receiver of revenue, your ex-wife, debtors and others will all 'try to help' you to pay them! They will arrange payment terms or extensions; that is, if you **confront them**. If you hide, they will search you and be harsh on you!

Why is it still so difficult for us to visit the bank or the debtor with our payslip and all our expenses and sit down to 'make a plan. It is much **less expensive** for all to avoid lawyers and sort out these difficulties in amiable ways. After that you can surely sleep again and even would have grown in confidence and maturity!

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*\*Bibliography: Kahneman D, Slovic P, Tversky A; Judgement and Uncertainty: Heuristics and Biases. 1982*

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