



# Training Package: Transversal Skills

## Module III: Problem Solving



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## Module III: Problem Solving

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## Sessions Program:

Session 1: 10:00 – 11:15 AM

Break: 11:15 – 11:30 AM

Session 2: 11:30 – 12:45 PM

Lunch: 12:45 – 13:15 PM

Session 3: 13:15 – 14:30 PM

Break: 14:30 – 14:45 PM

Session 4: 14:45 – 16:00 PM



## TOPIC 1: CRITICAL THINKING





“ Introduction

Critical Thinking is an essential tool to **act effectively** and accurately in most situations.

This session is designed to help you understand **how our brain works** and what are the **types of thinkers**.  
It is also designed to help you get an introduction to what critical thinking is and why it is important to apply this thinking system to reach your goals and achieve the best results.



Session 1: Type of Thinkers

A- Thinking Systems

Our brain is designed to think in two different patterns:  
**fast and slow.**

**Fast** = instinctive, emotion-driven, effective when it comes to avoiding imminent danger or do automatic moves...

**Slow** = analytical, rational...

Our fast brain is essential to our survival. Our slow brain (*critical*) is essential to deal with more complex situations.

Never think twice **or** Always think twice?

How and when to use each of the two brains is the key to success.

Sometimes, it is the right mix between the two brain patterns that lead us to the exit door of any problem.

Listen to your intuition and check its validity with facts.


Thinking Fast

PRO	CON
<ul style="list-style-type: none"><li>• Needed for quick reflexes that are essential for survival.</li><li>• Tapping into the power of our subconscious mind (insights, intuition...)</li><li>• Tapping into the power of our subconscious mind (insights, intuition...)</li><li>• Allows us to love at first sight.</li></ul>	<ul style="list-style-type: none"><li>• Not effective in finding the right solutions to a long-term problem.</li><li>• Jumping to conclusions and acting accordingly.</li><li>• Ignoring facts.</li><li>• Doing mistakes</li></ul>



## Thinking Slow

PRO	CON
<ul style="list-style-type: none"> <li>• Sometimes we have to think fast to avoid danger or seize an opportunity. No time to think or analyze.</li> <li>• Analysis paralysis.</li> <li>• Limits the various abilities of our mind (intuition, reflexes, creativity).</li> </ul>	<ul style="list-style-type: none"> <li>• Observing facts/avoid cognitive biases</li> <li>• Solve the root cause of the issue</li> <li>• Allows us to find the most appropriate solution.</li> </ul>



## B- Types of Thinkers

### • Few Types of Thinkers:

#### The Sticklers:

- They fall in love with an idea and bend their reality to match their truth. You can't be a stickler and a critical thinker at the same time.

#### The Followers:

- They believe authorities (boss, teacher...). It is not a bad thing to be a follower as long as it doesn't block your critical thinking.

#### The system-builders:

- They believe everything that fits into their system. You can be a system builder whilst staying open to other possible systems.

#### ... and The Critical Thinkers:

- They have learned to observe and inquire instead of taking information at face value.
- They analyze information without falling into the mistakes our fast mind can make.
- They are scientists, successful leaders and business men who knew how to think right in order to find the right solutions to any issue.



## Session 2: Critical Thinking

This session is designed to help you understand the outcomes and benefits of critical thinking, more specifically when it comes to managing or improving your business.

### A- Why Do We Need Critical Thinking in General?

- To avoid mistakes or being fooled.
- To solve day to day problems.
- To draw the right conclusions and make the right decision.
- To manage conflicts.



## B- Why Critical Thinking in Business General?

- To find new and more effective ways in managing the workflow or processes.
- To increase productivity.
- To find outstanding solutions.



## C- Traps We Can Avoid When We Use Critical Thinking

- Anecdotal fallacy.
- Appeal to tradition.
- Bandwagon fallacy.
- False cause fallacy.
- False choice fallacy.
- False equivalence fallacy.
- Hasty generalizations.
- Red Herring fallacy.
- Straw man fallacy.





## Session 3: Critical Thinking Method

This session is designed to help you learn the 5 essential steps of critical thinking in order to find and implement the most appropriate solution to any issue.

### Critical Thinking Method in 5 Easy Steps

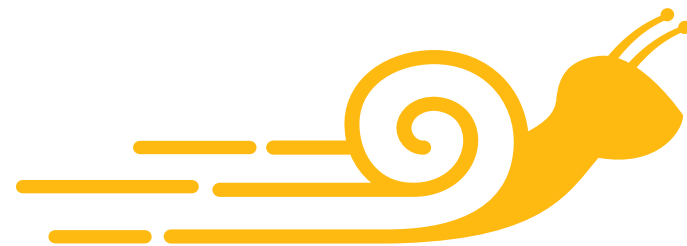


#### Step 1: Slow the Fast Mind

##### In Three Tempos:

- The old but gold adage: Count until ten.
- Allow the emotion to subside for few hours if you can by distracting your mind from the main issue.
- Postpone decision-making as much as possible.

*Later on, instead of sticking to one assumption, broaden your perspective and explore different angles.*



#### Step 2: Observe

##### Using the 3W:

- **WHAT** is *really* going on here?
- **WHO** told me what is going on and what might be their *bias*?
- **WHY** is this happening?



#### Step 3: Question

##### The 5 Essential Tools:

- Check your sources.
- Look for cognitive biases.
- Look for logical fallacies.
- Ask Why and Why not to explore and broaden your perspective.
- Find missing links.

THE POWER OF  
GOOD QUESTION.

**Step 4: Connect the Dots****Using Systems Thinking:**

- Systems Thinking **vs** Linear Thinking.
- Systems Thinking and Critical Thinking.

**Step 5: Find Solutions****The 3 Phases of Implementing Solutions:**

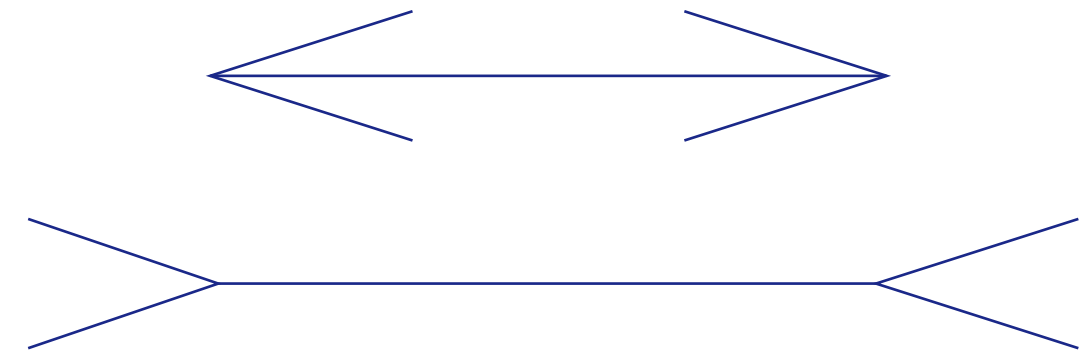
- Exploring and testing different solutions and their potential.
- Testing the potential of different solutions.
- Implementing the most comprehensive solution.

**Session 4: From Theory to Practice**

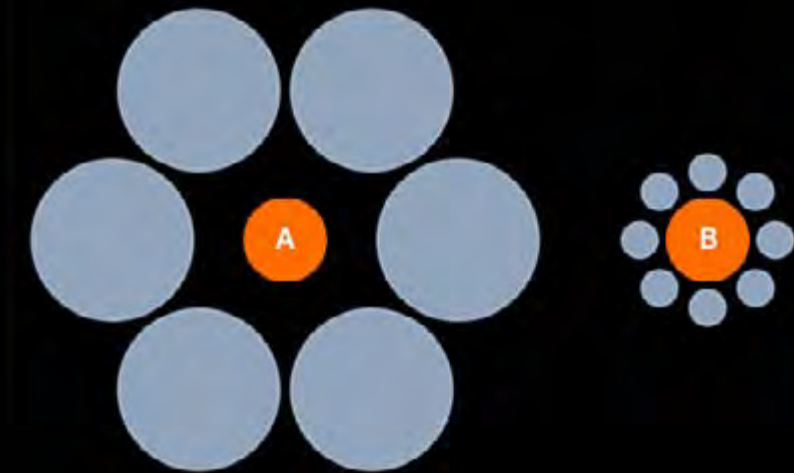
In this session, we will put into practice the main learning points that we have explored in the previous sessions, to acquire the right reflexes and tactics in various situations.

**A- Slow Brain/Fast Brain****Brain Teaser:**

- Which line is **LONGER**?



- Which circle (**A** or **B**) is **BIGGER**?

**Note:**

People are more able to detect the bias in picture 2 if shown right after picture 1. This is because they switched their mind from Fast to Slow...



- A man is driving his car but his car lights are off. He enters a city that has no street lights. There is no moon in the sky and all the lights in the shops and homes are off. Suddenly, he applies the brakes to allow a cat to cross the street.

**How was the driver able to see the cat?**



- A notebook and a pen cost 1.10USD. The notebook cost one dollar more than the pen.

**How much does the pen cost?**

*No, it is not 10 cents. It is 5 cents. Slow it down and do the math.*

### Now What

- **A dinosaur is chasing you. What do you do?**
  - Use the 5 steps of critical thinking.
  - Run away and hide.
  - Calculate the exact distance that separates you and come up with a plan.
  - Google a solution.



- **500 USD is missing from your cash machine. What do you do?**

- Fire the cashier.
- Make every employee pay a part. After all, it is their responsibility.
- Follow the 5 steps of critical thinking.



### B- Critical Thinking Into Practice

**500 USD are missing from your cash machine and you have decided to follow the 5 steps.**

- Share what you would do as a first step.

#### Remember

*Slow down your fast brain by counting until 10, diverting your mind for some time and avoid taking decisions.*

- Share what you would do as a second step using the 3w:

- What is really going on here?
- Who told me what is going on and what might be their bias?
- Why is this happening?

#### Remember

*Observe as precisely as possible and don't let your emotions interfere.*

- Share what you would do as the third step.

- Check your sources
- Look for cognitive biases and logical fallacies
- Ask Why and Why not
- Find missing links

- Share what you would be your step 4:

*Connecting the dots using systems thinking.*

- Share what you would be your step 5:

- Exploring and testing different solutions and their potential.
- Testing the potential of different solutions.
- Implementing the most comprehensive solution.



# Topic 1

## Critical Thinking

### A- Types of Thinking and Types of Thinkers:

#### I- Types of thinking:

Our brain is designed to operate using two different systems: the fast system and the slow system. The fast system is highly intuitive; it raises red flags when it sees danger or opportunities to grab, and it allows us to move fast in situations when we don't really have the time to analyze or think. It gives us insights or inspiration at times. After all, this is how we can fall in love at first sight!

#### *But we need to think twice...*

It is crucial to keep the fast brain alert when needed, for many reasons: sometimes, we really don't have time to think, and we need to act fast. And sometimes, intuitions can guide and support any analysis we are undertaking. But it is also very important to know that when we are dealing with more complex situations, the fast brain needs to let the slow brain see clearly what the situation is about and how to deal with it.

In fact, the fast brain jumps to conclusions and leads us astray in certain types of situations. Blinded by emotions, biases, and assumptions, we become unable to discern what is really happening and how to deal with any problem or situation in order to find the right action. Learning to switch the fast brain off and access the slow (analytical) brain is an essential tool to determine the root cause of a problem, to find the adequate solutions, and reach the best outcomes.

#### *So, what is the best approach?*

When dealing with any situation, the best approach would be to take note of what the fast brain detected first, leave those assumptions aside for a while, allowing the analytical brain to assess the situation, collect data and find solutions. At the end of the process, we can always go back to our initial hunch and determine if our "spider sense" was accurate or not. If we still intuitively feel that our analysis is still "missing something", we can always go back through the critical thinking process and check if there was a missing link.

## II- Types of thinkers:

### • The sticklers:

They fall in love with an idea and rarely change their mind, even when the situations or facts change. They even bend reality and distort evidence in order to justify their beliefs. They refuse to look into anything that doesn't fit their version of the truth or their sets of beliefs. You cannot be a stickler and a critical thinker at the same time.

### • The followers:

We all need to follow instructions, or rules, or certain systems in certain situations and respect authority. However, some category of people would follow without questioning anything that they see as an authority figure (their boss, their parents, their leader...). They rarely question or analyse the information that this authority figure shares. Followers are usually resistant to the idea that they can think critically and would rather stay in their comfort zone, even though this comfort zone limits their potential and evolution.

### • The system-builders:

They are scientists, doctors, engineers... They believe everything that corresponds to their system. A system-builder doctor would not believe in any alternative medicine, simply because it doesn't fit his or her system. The world needs system-builders, they are the backbone of society. However, system-builders are encouraged to develop their critical thinking skills in order to improve the system.

### • The critical thinkers:

"Intuition is trustworthy after you have probed deeper to gain information and insight." Deep Patel

Critical thinkers are scientists who made outstanding discoveries, leaders who changed the destiny of their community, business men who could achieve a tremendous success...

Critical thinkers are those who have learned to observe facts and make logical connection between them.

Then, they inquire. They ask "why" and "why not" and explore the different possibilities.

They analyse the information without falling into the traps of emotional biases and common thinking errors.

## **B- Why do we need Critical Thinking in General:**

### **1- To avoid mistakes or being fooled:**

Listen to unscrupulous politicians, or marketers and salespeople, and see how they take advantage of our uncritical thinking. When you are armed with critical thinking, you don't fall in the trap of logical fallacies. (To know more about logical fallacies, check the article in Annex 1).

### **2- To solve day to day problems:**

In order to find the right solution to any problem, it is crucial to determine what caused it. We often tend to take the first solution that comes to mind without taking the time to analyze the situation: we fire an employee who did a mistake, without exploring the root causes of the mistake, which might be our work system itself. Using critical thinking allows us to find long-lasting solutions by identifying the real issue at hand.

### **4- To manage conflicts:**

A large number of conflicts arise because of false rumors, misleading biases or misunderstandings. Conflicts in general are draining and time-consuming. They have a negative impact on our lives but also on productivity and work efficiency. Critical thinking is a great tool to prevent and solve conflicts, by reducing the probability of false interpretation of an event that may trigger tension. It also helps people communicate using an evidence-based approach and to reach win-win outcomes.

## **C- Why do we need Critical Thinking in Business:**

### **1- To find new ways of doing things more efficiently:**

By always questioning old ways of doing things the way they are traditionally done, Critical Thinking is the main trigger of change and improvement.

### **2- To increase productivity:**

By reducing the percentage of errors and mistakes that are generated by the fast brain, critical thinking increases productivity and ensures a smooth workflow.

### **3- To improve finances and avoid costly mistakes:**

With less conflicts in the workplace, with less errors in judgement, with a system to find solutions to any problem and to improve the whole work system and productivity, critical thinking is a sure way to improve any company's finances.

### **4- To find outstanding solutions:**

By finding the root cause of a problem and inspecting facts with an analytical mind, the critical thinker would bypass the top of mind ideas that fast thinkers usually follow and fall in love with to reach an unexpected angle of the problem and find an unexpected solution to it that would be far more efficient and accurate.

## **D- Critical Thinking in 5 easy steps:**

### **Step 1: Slow it down**

The fast mind fires up in few seconds, blocking our critical thinking, spreading like a wildfire. The good news is that, with practice and mindfulness, we can control the fast mind and bypass its natural reactions.

The old saying "Count until ten" can do wonders. When your mind starts racing, count until ten, very slowly, while taking deep breaths.

Keep your phone away from you to avoid saying something that you will later on regret. Allow the emotion to subside by distracting your mind with light activities. Go for a walk, water your plants...

Make sure that in the meantime, you don't make any decision.

If your hunch is telling you a certain version of the story, keep that assumption at bay for the moment and start off your critical thinking process when you are ready, on a clean slate and with an open mind.

### **Step 2: Observe**

#### **1- What is really going on?**

Check for evidence, facts. Write down facts the way an outsider would see them, devoid of impressions or emotions or generalizations. Instead of saying: "X is selling information to our competitors", say "Someone saw X having lunch with one of our competitors". Avoiding interpretations and linking events together at this stage is key.

#### **2- Who told me what is going on and what might be their bias?**

Even with the best intentions in the world, every person has her own bias. Not to mention that some people don't have good intentions at all and might report an event with their own interpretation, to ruin a relationship or because of an



old grudge. In Step 3 of the process (Question – 5 ways to do it right), we will further explore ways to detect biases and to cross-check information using different sources.

### 3- What are the missing links?

Ask yourself: what gaps did I fill in the story that are not real? Did I build a narrative by replacing the missing information with my own interpretation? Is my fast mind playing tricks again?

### Step 3: Question – 5 ways to do it right

#### • Check your sources

Never take what someone tells you at face value, even if they are an authority or someone you trust. After all, they might have their own cognitive biases, or even worse: they might also have their hidden agenda. But again, don't make assumptions: there is a way to check the intention and biases of your source.

Imagine the following scenario. One of your employees tells you that his colleague Jonathan is taking long lunch breaks. If you keep on asking him questions about Jonathan and his opinion about him and he ends up saying: "This guy is weird. I felt it from day one...", then you can make sure that the person speaking has a prejudice.

Next step is to cross-check information using different sources: did anyone think that Jonathan is taking long lunch breaks? Did they eye-witness it or did your initial source (the employee reporting Jonathan's behavior) spread the rumor? This is what happens for instance on the information that circulates on the net. Websites tend to copy information from other websites without any critical thinking or fact-checking and a rumor becomes the truth for many.

Last step, if you have the time and the means, you can personally check the facts and see what is really going on in here.

#### • Look for logical fallacies

By asking yourself and others the right questions, you can detect any type of logical fallacies in the information you are trying to process. (To know more about logical fallacies, refer to the article in Annex 1).

#### • Look for cognitive biases

By asking yourself and others the right questions, you can detect any cognitive bias in the information you are trying to process. (To know more about cognitive biases, refer to the article in Annex 2).

#### • Ask Why and Why not

In the case of your employee who was seen having lunch with your competitor, without any prejudice, try to find out the reason why he was having that lunch. More often than not, you would be surprised of the final answers to that question.

#### • Find the missing links

As we said earlier, every series of events might lack some missing links, like small puzzle pieces that complete the picture. By asking the right questions on your critical thinking journey, you can find the missing links that can transform the final story.

### Step 4: Connect the dots (Using systems thinking)

#### Systems thinking vs linear thinking

Linear thinking is a narrow vision of reality. It oversimplifies problems, by reducing them to one cause, one effect and one solution. A good example of linear thinking is when a patient visits a doctor because he has neck pain and the doctor prescribes a pain killer or an anti-inflammatory drug. Another doctor who knows the complexity of the human body would look for the system that caused the neck pain: is it caused by a deviated disc? A bad posture? And how does it affect other parts of the body?

#### Systems thinking and critical thinking

Systems thinking is an integral part of critical thinking. After you have observed the facts, asked the right questions and found the missing links, it's now time to connect the dots and create your true version of the story. That's when you need to broaden your scope and see the big picture, understanding the complexity of some causes and effects. In the case of your employee who was seen having lunch with a competitor, and in case you made sure the employee's intention was to share sensitive information about your work, try to think what can be wrong with the system that pushed this employee to act the way he did: are your employees underpaid? Are they bullied? Is your HR hiring the right people? By using critical thinking at this stage of the process, you can find the right solutions to the problem in the system that created the problem.

That is when you can be sure that your solution will be viable on the long-term and that you have uprooted the real cause of the problem.

If you go back now to your initial hunch generated by your fast mind and see that your hunch matches the reality, you're ready for the next step.



If your hunch is telling you there is still something “fishy”, you can repeat the critical thinking process and see if there is something you missed, before you move on to the final stage: finding and implementing solutions.

### Step 5: Solutions

Now that you can see the big picture, it is easier for you to choose and execute the best solutions for your problem.

Once again, don't let your fast mind jump in first and choose the top-of-mind solution. Consider different solutions and their potential. Test them at small doses first to measure their impact. At the end, fully implement the most comprehensive solution.

### Annex 1:

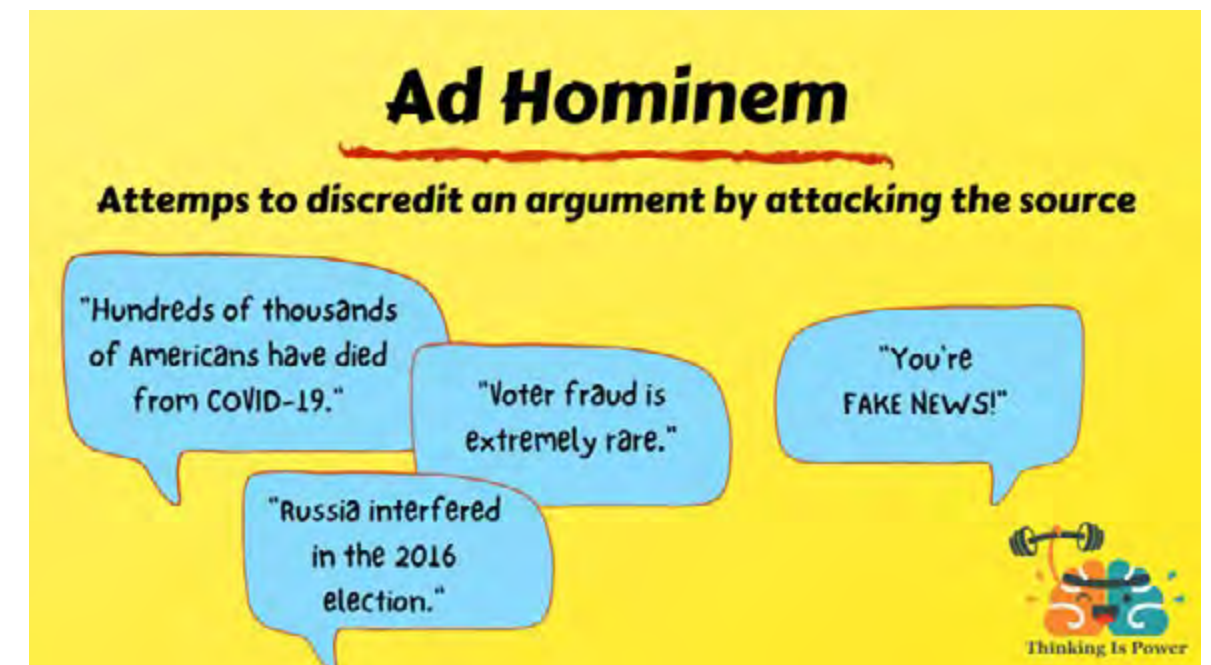
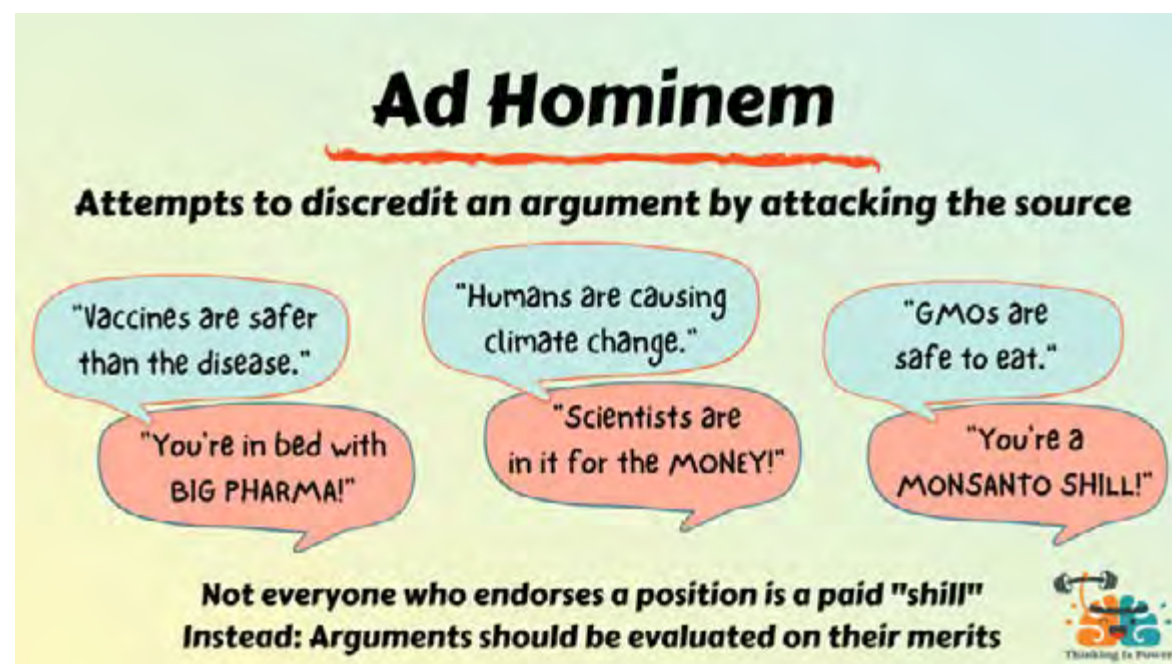
## Guide to the Most Common Logical Fallacies

<https://thinkingispower.com/logical-fallacies/>

**Once you recognize them, you'll see them everywhere!**

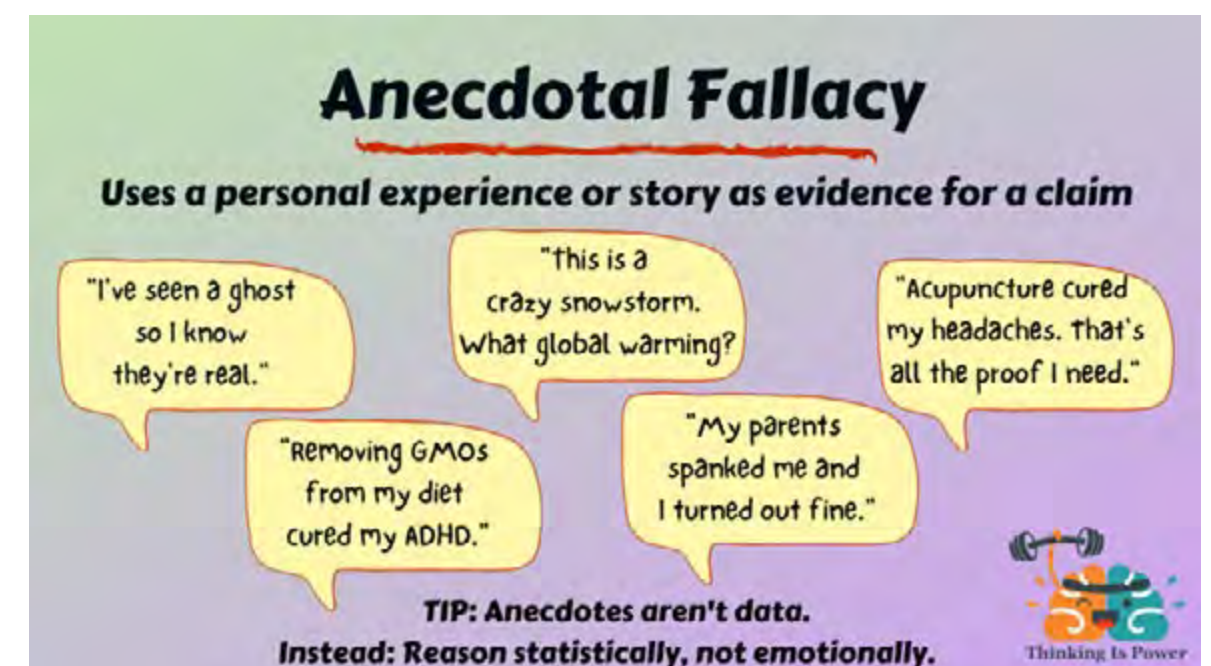
A note on how to use this post: This page is a resource of the most common logical fallacies, and is not intended to be read from top to bottom. Feel free to share the graphics to help educate others about errors in reasoning. Hopefully together we can encourage more productive (and logical!) dialogue.

## AD HOMINEM



**How to counter:** While there are many sub-types of ad hominem fallacies, identifying the exact kind is less important than recognizing someone is attempting to divert from your argument back onto you in some way. It might be tempting to respond to their attack in kind. However, by resorting to an ad hominem fallacy, an arguer is essentially admitting they lack a substantive argument. Instead of letting them get under your skin, point out the irrelevance of their argument. Or, you could ignore it and move on!

### Anecdotal Fallacy:





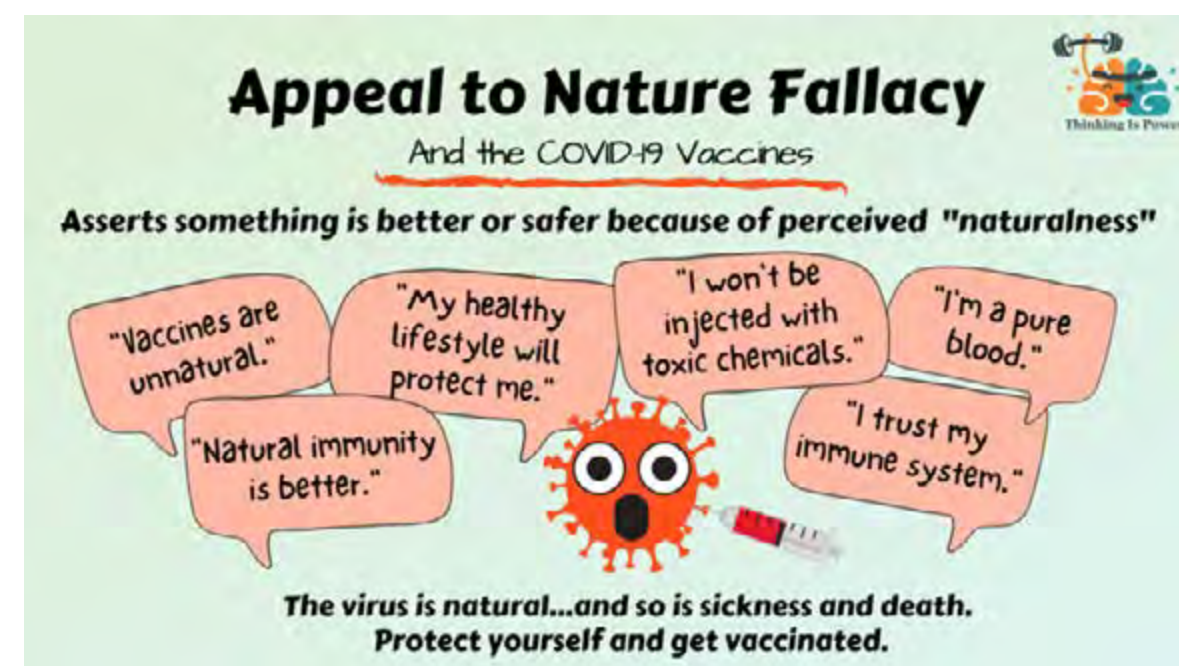
**How to counter:**

First, it's important to not fall for this fallacy yourself. Remember that your brain prefers stories – especially vivid and emotional ones – to data. So if your goal is to align your beliefs with reality, be skeptical about the conclusions you can draw from your lived experiences and be humble enough to admit that you might be wrong.

In conversations with others, be empathetic. Most people are convinced that anecdotes are a sure-fire way of knowing what's true, and it can be quite difficult to convince someone that they might be wrong. We don't like to admit that we can be fooled, especially by ourselves. If the conversation allows, gently explain why anecdotes aren't good evidence.

**APPEAL TO AUTHORITY****How to counter:**

We're often unaware of how many of our beliefs originated from trusted authority figures, such as teachers, parents, and various online sources. Only when we have to defend a belief do we realize how much of our knowledge we've outsourced... which can result in us committing an appeal to authority fallacy. Get in the habit of evaluating authorities to determine if they have the expertise to make various claims. And empathize with others who may not yet know how to discern who is and isn't a reliable authority.

**APPEAL TO NATURE****How to counter:**

First, try not to fall for the fallacy yourself! Notice how often it's used to sell products. Then ask yourself what they mean by "natural," and remember that its supposed naturalness doesn't inherently mean it's good. When countering the appeal to nature fallacy, keep in mind how pervasive the belief is. Consider asking questions to get to the root of someone's misunderstandings, and based on their responses, offer gentle explanations.



## APPEAL TO TRADITION

**Appeal to Tradition**  
**Assumes something is good or true because it's old, or the way it's "always been done"**

"Marriage has historically been between a man and a woman. Therefore, we shouldn't allow gay marriage."

"Women should change their names when they marry. That's the way it's always been done."

**TIP: If "tradition" is your only reason, you don't have a good reason.**

Thinking Is Power

**Appeal to Tradition**  
**Assumes something is good or true because it's old, or the way it's "always been done"**

"Astrology has been around for thousands of years, so there must be something to it!"

"Acupuncture has been used for centuries, so it must have health benefits!"

**TIP: If "tradition" is your only reason, you don't have a good reason.**

Thinking Is Power

### How to counter:

First, try not to fall for the fallacy yourself! Notice how often it's used to sell products and services. Then ask yourself: What is the evidence that it works? Is there an actual reason for doing something?

When countering the appeal to tradition fallacy, remember how pervasive the belief is, then consider explaining why it's fallacious. It might even be a good opportunity to explain the value of evidence!

## ARGUMENT FROM IGNORANCE

**Argument from Ignorance**  
**A claim is true because we don't know that it's not**

"Millions voted illegally. There's no evidence they didn't."

"We need a wall. Terrorists are probably pouring across our border. We don't know."

"Democrats could be pedophiles. Prove me wrong."

**Claims require evidence**  
**A lack of evidence simply means we don't know**

Thinking Is Power

### How to counter:

If someone is unfamiliar with critical thinking, they may not understand the importance of evidence. Kindly remind them that claims require evidence. And if they demand that you disprove their claim, remind them that they bear the burden of proof.

## BANDWAGON

**Bandwagon Fallacy**  
**AKA Appeal to the Masses, Appeal to Popularity**

**Asserts a claim is true because many people believe it is**

"Everyone was speeding, so I shouldn't get a ticket."

"It must be a good book. It's on the best-seller list!"

"Millions use homeopathy. It must work!"

"Half of Americans believe in ghosts. They must be real!"

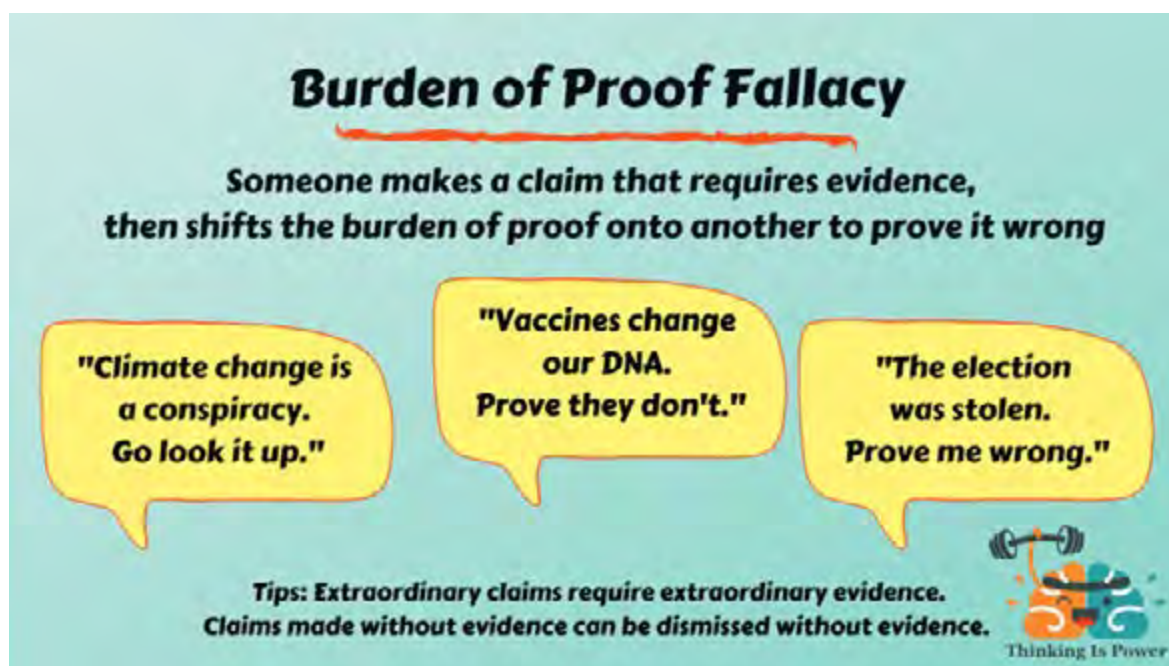
"The election was rigged. A lot of people are saying so."

Thinking Is Power

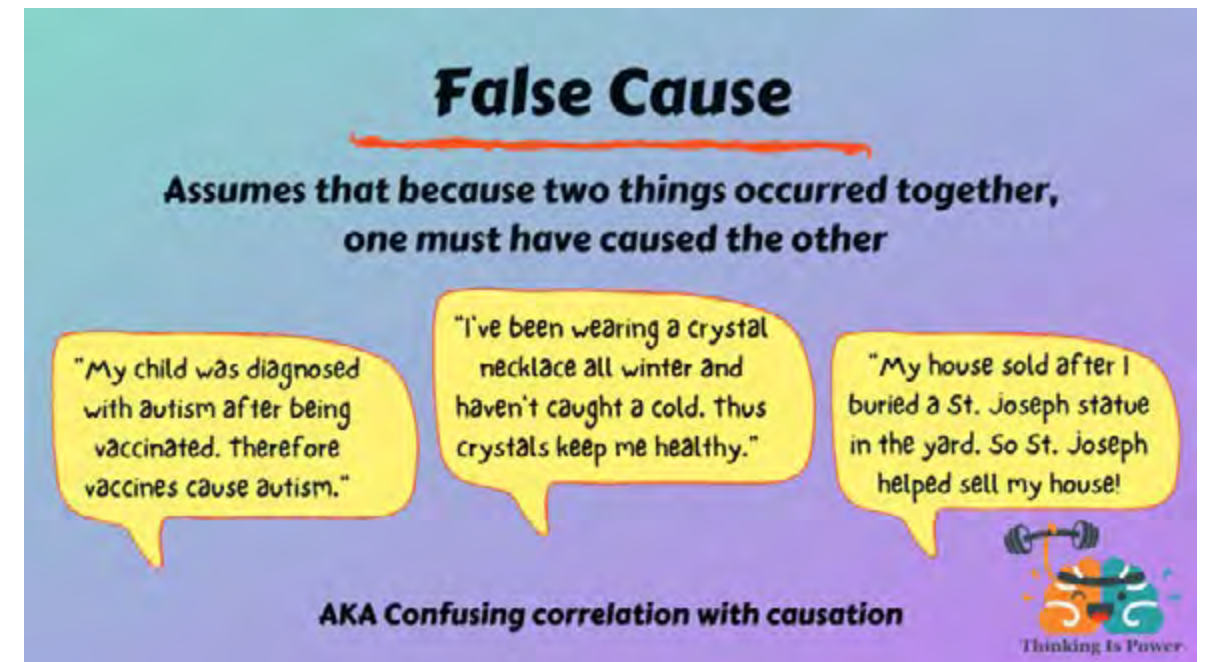


**How to counter:**

It's important to remember that the truth of a claim isn't determined by its popularity but by the evidence supporting it. Therefore, once you recognize the use of the bandwagon fallacy, call it out, and ask for evidence.

**BURDEN OF PROOF****How to counter:**

Evasion of the burden of proof can take many forms, from shifting the burden to their opponent (eg "prove me wrong"), to making claims that can't be disproved (eg supernatural or subjective), to shifting the burden onto vague sources (eg "they say"). People unfamiliar with critical thinking are often unaware of the burden of proof concept, or even evidence-based thinking. To respond, point out that they've made a claim that requires evidence and that they bear the burden of proof.

**FALSE CAUSE****How to counter:**

First, try not to fall for the fallacy yourself! Notice how often you perceive correlations. Then think through what else might be behind the relationship. We all want explanations, and understanding the difference between correlation and causation can be an empowering way to make better decisions.

In conversations with others, remember that they may not know the difference between correlation and causation. So if someone commits this fallacy give them the benefit of the doubt, and try to gently explain it to them. We all would benefit from understanding the difference!

**FALSE CHOICE**

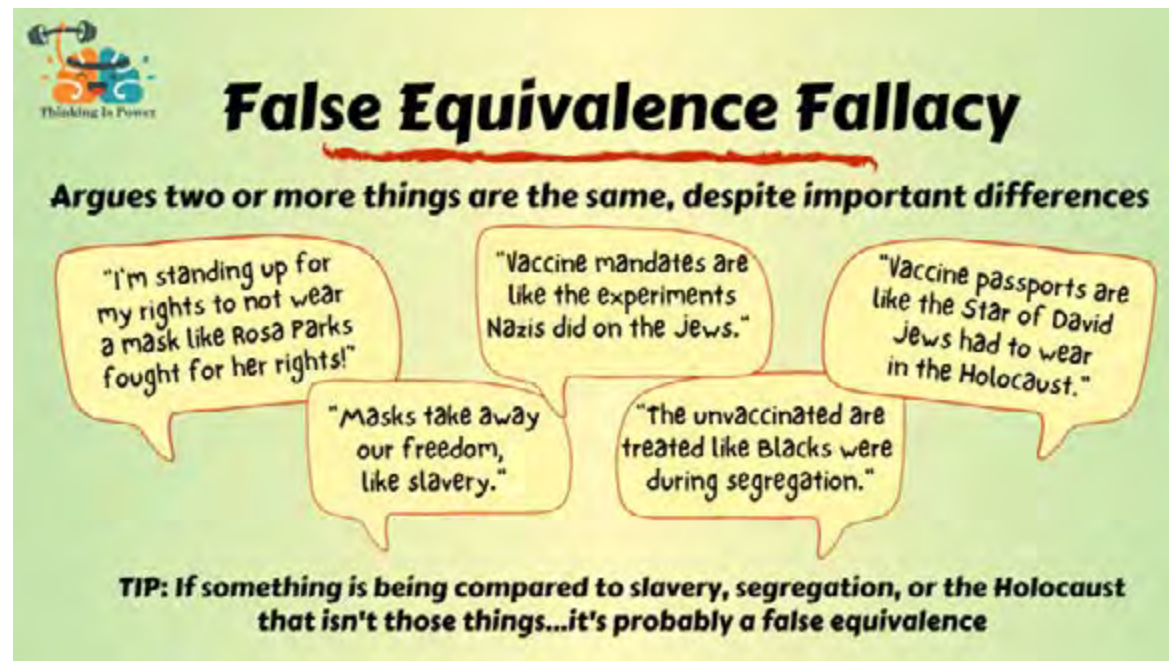


**How to counter:**

First, consider the possibility that the false choice was unintentional, due to an emotional attachment to one of the choices or a lack of knowledge on the issue. Sometimes, however, the false choice was a purposeful attempt to strengthen the arguer's position, by presenting their view as the only reasonable option.

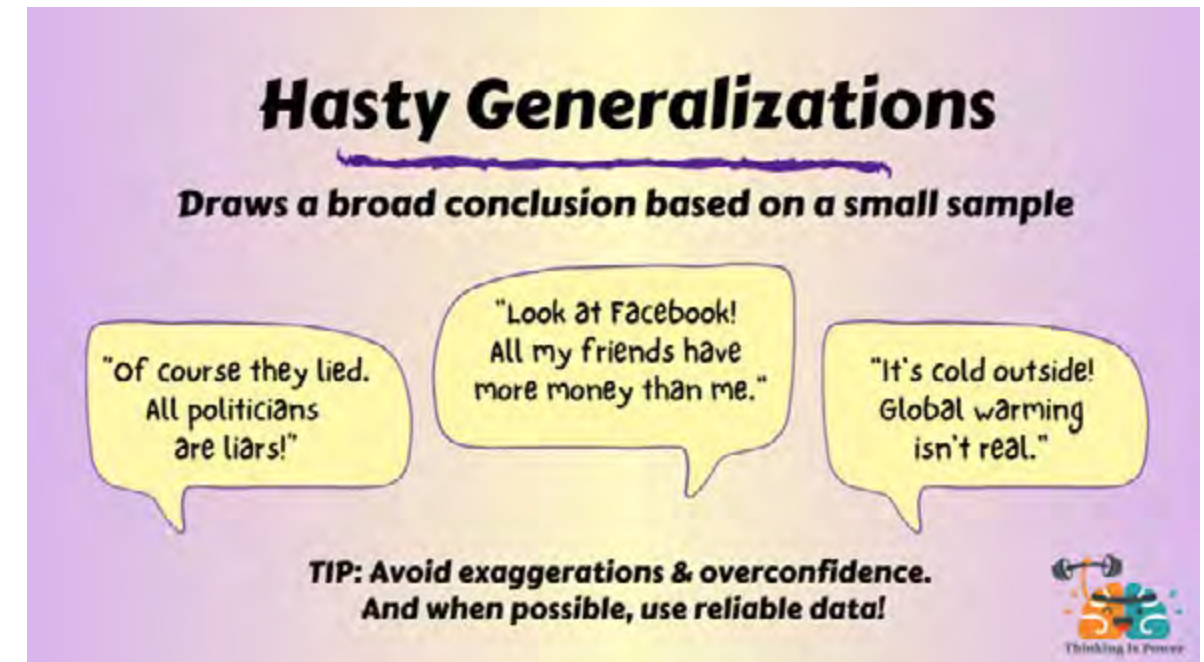
Depending on the circumstances, it can be difficult to propose an alternative, as the two options may have been presented to force choosing a side.

The most important thing is to not let a false choice limit your options. So ask yourself, are these really my only two choices?

**FALSE EQUIVALENCE****How to counter:**

First, it's important to not commit this fallacy yourself! If you're making a comparison, don't just think about how they're similar, try to think about how they're different. Make sure you're able to justify why things are equivalent in a way that's relevant to the conclusion.

In conversations with others, (kindly) explain to them why their argument is flawed. Point out that, while there are similarities, there are key differences that impact their conclusion.

**HASTY GENERALIZATIONS****How to counter:**

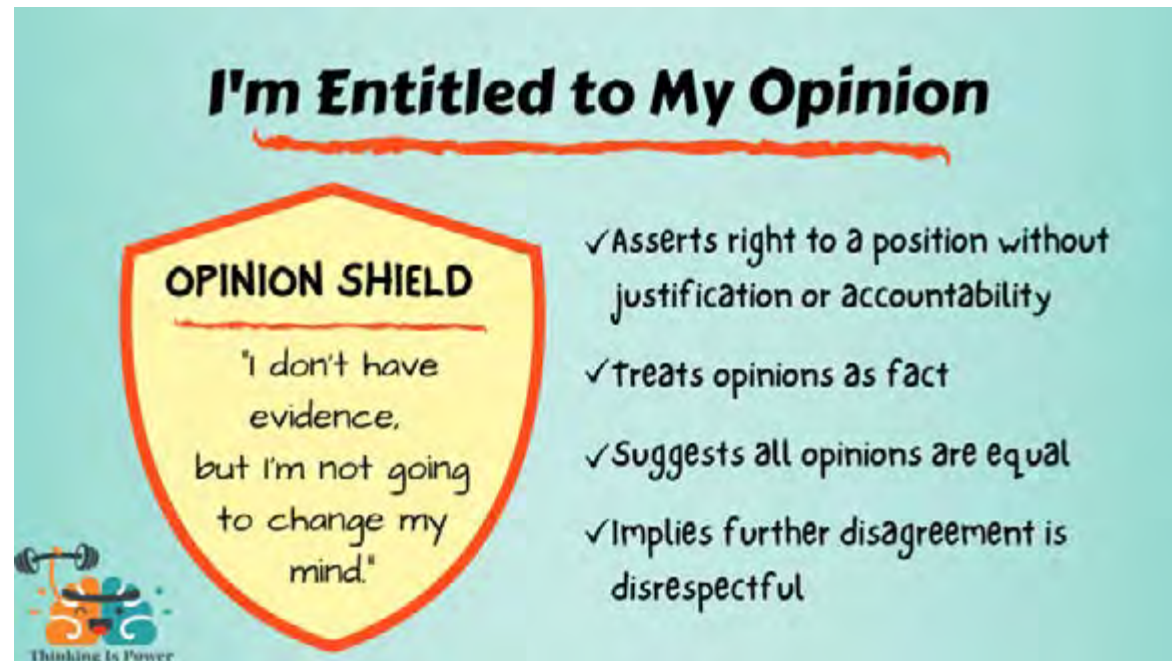
First, it's important not to fall for this fallacy yourself. While making generalizations is unavoidable, we should remember that the resulting conclusions are tentative, and therefore avoid **overconfidence** and exaggerated language (e.g. all/none, always/never). In short, don't make arguments you can't support!

If someone else makes a hasty generalization, ask for evidence! (As always, the **burden of proof** is on the person making the claim.) Based on their response, consider pointing out the fallacy in their argument and that there's insufficient evidence to justify their claim. Remember to be kind, as they honestly might not know their argument was flawed.

Either way, consider looking up reliable data (if it's available), and proportion your acceptance of the conclusion accordingly.



## I'M ENTITLED TO MY OPINION

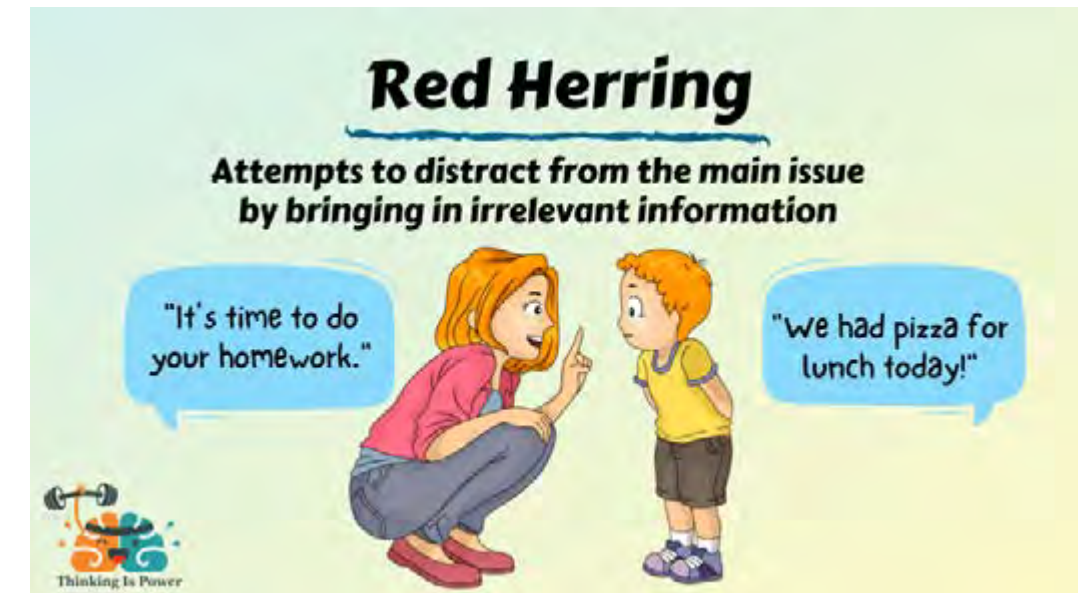


### How to counter:

I tell my students on the first day of class that they are not entitled to their opinions. (At least not in class!) They are only entitled to what they can support with evidence.

It's a bit trickier in the "real world." Remember that people are often unfamiliar with the basics of critical thinking, so they may not be used to having to support their positions with evidence. Consider explaining why "I'm entitled to my opinion" is fallacious, and the benefits of healthy disagreement. The best approach is probably to ask them why they hold this particular opinion, and why they think they're "entitled" to it.

## RED HERRING

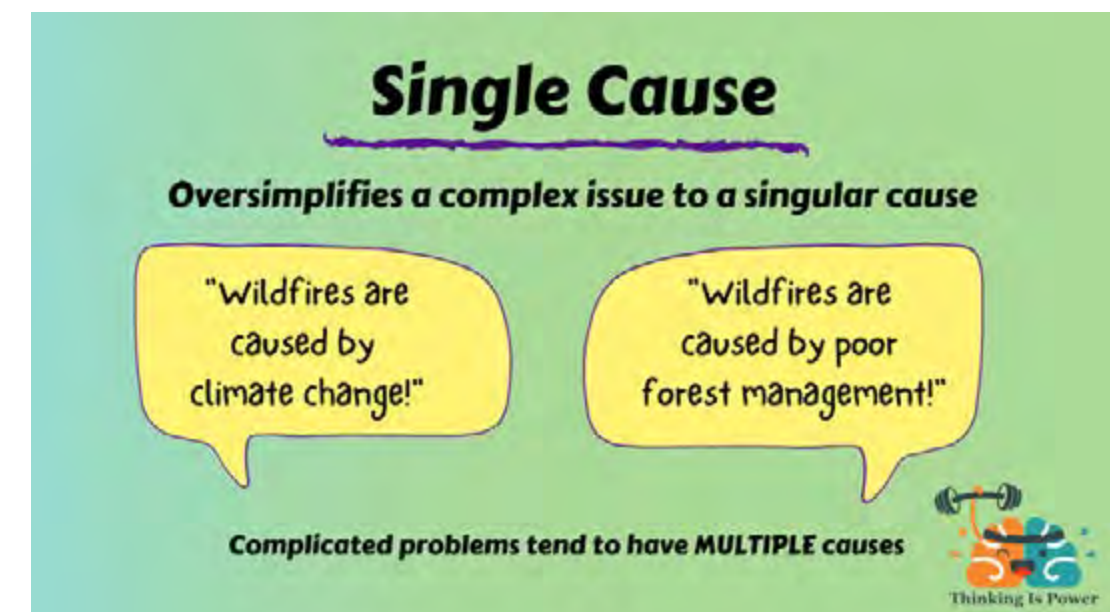


### How to counter:

The red herring fallacy is very common, so it's important to be able to recognize it. Pay close attention to responses to monitor if the information that's offered is relevant to the original issue. This can be more challenging than it seems, and if you're not careful you could end up miles away from where you intended.

If you spot a red herring, you could try to redirect the conversation back to the topic at hand. If they continue to offer distractions, gently point out the red herring and why it's fallacious, keeping in mind that they might not be aware of their misdirections. Finally, there might be a reason the other person wishes to avoid the topic, so you could choose to move on. There might not be a point in continuing with that particular thread or even the conversation in general.

## SINGLE CAUSE





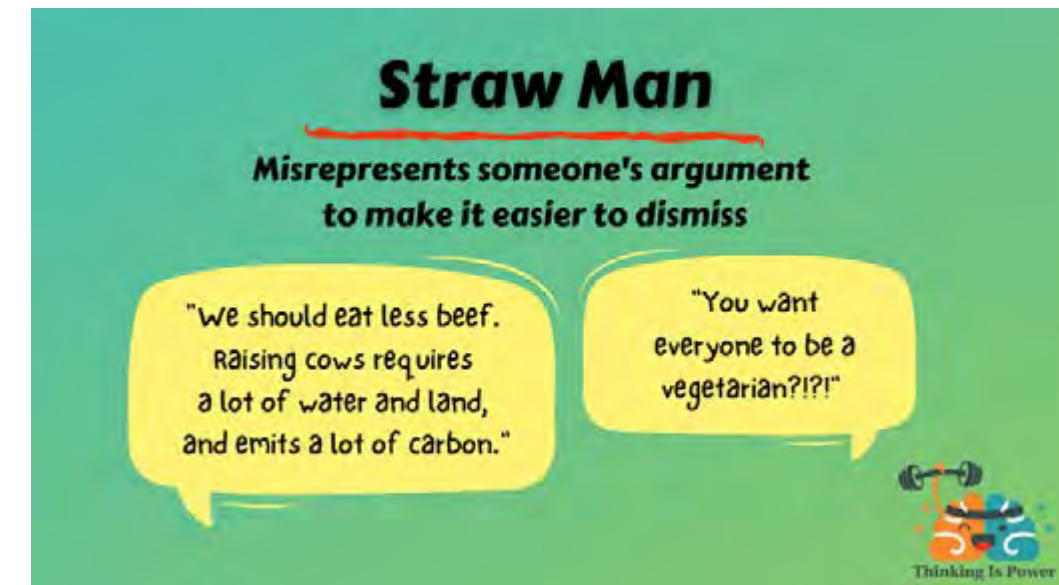
**How to counter:**

Phrases like, “The reason x happened,” or “The cause of x is,” are indicators that a single cause fallacy has been committed. However, it’s possible that the single cause fallacy was unintentional, and maybe the other person doesn’t understand the complex nature of the issue. So ask yourself, could there be more to the issue than what is being presented?

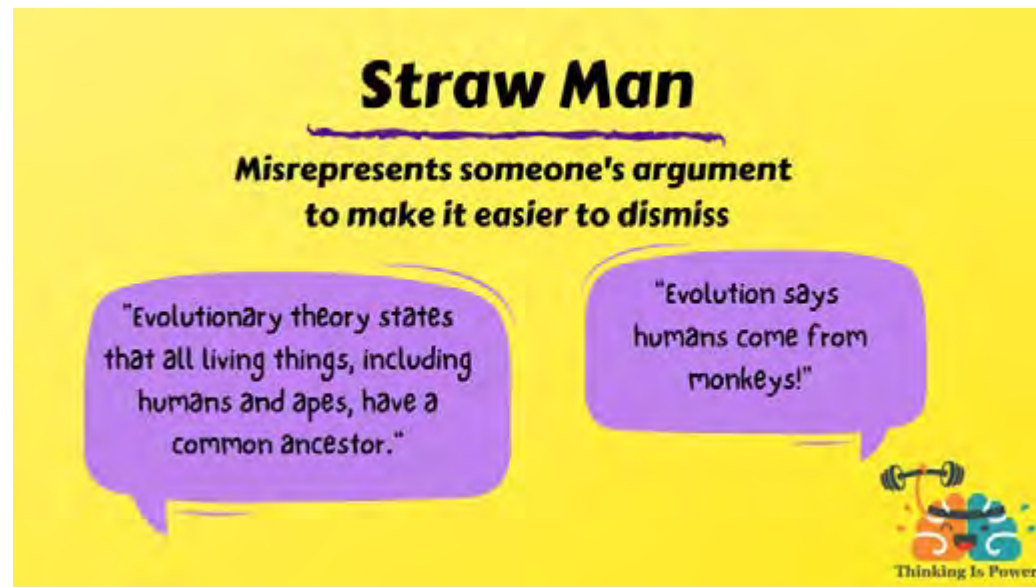
**SLIPPERY SLOPE****How to counter:**

Critical thinking can keep us from going down a slippery slope. To identify a slippery slope fallacy, ask yourself how likely it is that the action at hand will lead to the outcome(s) presented. (Keeping tabs on your emotions is also a useful strategy.)

Once identified, consider pointing out the fallacy to your opponent, and ask them to justify their conclusion by providing evidence. The burden of proof is on the person making the claim, after all.

**STRAW MAN**





### How to counter:

First, consider the possibility that the straw man argument was unintentional, and that the other person doesn't understand the original argument. Sometimes, however, the straw man is a purposeful attempt to persuade others through deception. Either way, point out the use of the straw man by explaining how their version differs from your original position.

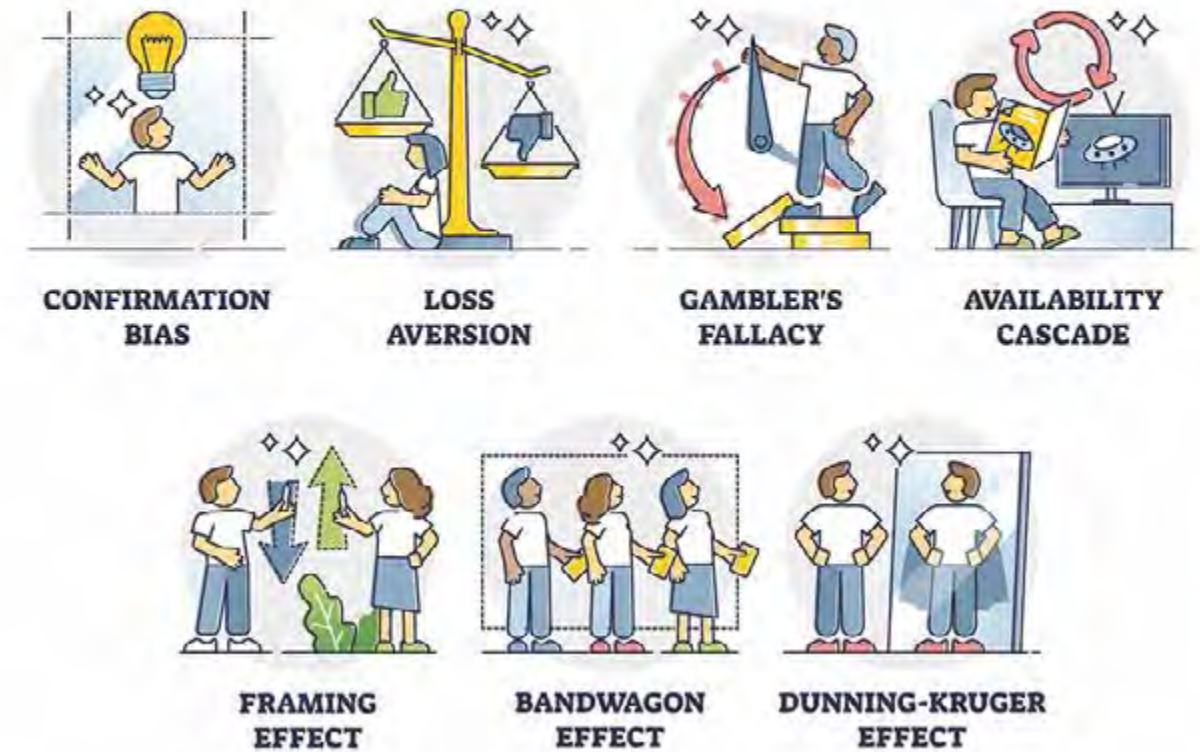
### **Annex 2:**



### What Is Cognitive Bias?

By **Charlotte Ruhl**, published May 04, 2021

## COGNITIVE BIASES



### Take-home Messages:

- Cognitive biases are unconscious errors in thinking that arise from problems related to memory, attention, and other mental mistakes.
- These biases result from our brain's efforts to simplify the incredibly complex world in which we live.
- Confirmation bias, hindsight bias, [self-serving bias](#), anchoring bias, [availability bias](#), [the framing effect](#), and [inattention blindness](#) are some of the most common examples of cognitive bias. Another example is the [false consensus effect](#).
- Cognitive biases have direct implications on our safety, our interactions with others, and the way we make judgments and decisions in our daily lives.
- Although these biases are unconscious, there are small steps we can take to train our minds to adopt a new pattern of thinking and mitigate the effects of these biases.



Have you ever been so busy talking on the phone that you don't notice the light has turned green and it is your turn to cross the street?

Have you ever shouted, "I knew that was going to happen!" after your favorite baseball team gives up a huge lead in the ninth inning and loses?

Or have you ever found yourself only reading news stories that further support your own opinion?

These are just a few of the many instances of cognitive bias that we experience every day of our lives.

## Examples

### Confirmation Bias

Confirmation bias refers to the tendency to interpret new information as confirmation of your preexisting beliefs and opinions.



### Hindsight Bias

Hindsight bias refers to the tendency to perceive past events as more predictable than they actually were (Roese & Vohs, 2012). There are both cognitive and motivational explanations for why we ascribe so much certainty to knowing the outcome of an event only once the event is completed.



### Self-Serving Bias

Self-serving bias refers to the tendency to take personal responsibility for positive outcomes and blame external factors for negative outcomes. You would be right to ask how this is similar to the fundamental attribution error (Ross, 1977), which identifies our tendency to overemphasize internal factors for other people's behavior while attributing external factors for our own.

The distinction is that the self-serving bias is concerned with valence. That is, how good or bad an event or situation is. And it is also only concerned with events for which you are the actor.

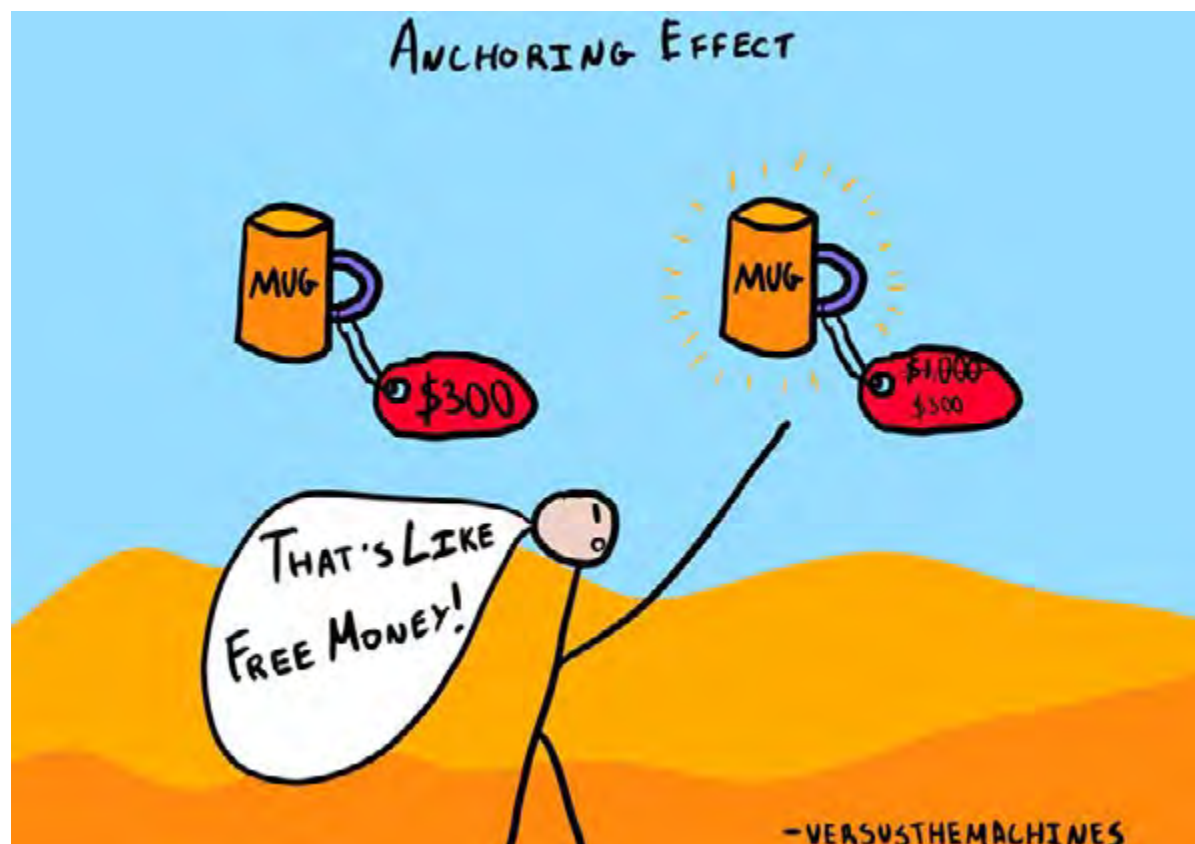
In other words, if a driver cuts in front of you as the light turns green, the fundamental attribution error might cause you to think that they are a bad person and not consider the possibility that they were late for work.

On the other hand, the self-serving bias is exercised when you are the actor. In this example, you would be the driver cutting in front of the other car, which you would tell yourself is because you are late (an external attribution to a negative event) as opposed to it being because you are a bad person.

## **Anchoring Bias**

**Anchoring bias** is closely related to the decision-making process, and occurs when we rely too heavily on either pre-existing information or the first piece of information (the anchor) when making a decision.

For example, if you first see a T-shirt that costs \$1,000, and then see a second one that costs \$100, you're more likely to see the second shirt as cheap than you would if the first shirt you saw was \$120. Here, the price of the first shirt influences how you view the second.



## **Availability Bias**

Availability bias (also commonly referred to as the [availability heuristic](#)) refers to the tendency to think that examples of things that readily come to mind are more common than what is actually the case.

In the workplace, if someone is being considered for a promotion but their boss recalls one bad thing that happened years ago but left a lasting impression, that one event might have an outsized influence on the final decision.

Another common example is someone buying lottery tickets because the lifestyle and benefits that come with winning are more readily available in the mind (and the potential emotions that are associated with winning or seeing other people win) than the complex probability calculation of actually winning the lottery (Cherry, 2019).

A final common example that is used to demonstrate the availability heuristic describes how seeing several television shows or news reports about shark attacks (or anything that is sensationalized by the news, such as serial killers or plane crashes) might make you think that this incident is relatively common even though it is not at all.

Regardless, this way of thinking might make you less inclined to go in the water the next time you go to the beach (Cherry, 2019).

## **Inattentional Blindness**

A final popular form of cognitive bias is [inattentional blindness](#). This occurs when a person fails to notice a stimulus that is in plain sight because their attention is directed elsewhere.

For example, while driving a car you might be so focused on the road ahead of you that you completely fail to notice a car swerve into your lane of traffic.

Because your attention is directed elsewhere, you aren't able to react in time, potentially leading to a car accident. Experiencing inattentional blindness has its obvious consequences (as illustrated by this example), but, like all biases, it is not impossible to overcome.



## Topic 2: Emotional Intelligence/ Negotiation Skills



### “ Introduction

Negotiation is the process of settling disputes and reaching an agreement. There are many negotiation tactics, but none of these work if emotions are overlooked.

This seminar is designed to help you **get the right introduction to interest-based negotiation** and to explore the variety of needs that need to be addressed during the process. You will also learn how to detect the **intangible needs behind the revendication of tangible/material needs** in a negotiation.



## Session 1: Negotiation Skills

### A- What is Negotiation?

#### Negotiation is not Bargaining

You can bargain the price of a product with your supplier, split the difference between your preferred price and their offer and call it a good negotiation. It is not...

Good negotiators never split the difference because they have better tactics to use.

### B- How to negotiate?

#### Interest-based Negotiation

Negotiation is to find interests behind positions to reach a win-win agreement.

**Ex: the Orange and the two sisters.**

**Positions:** Each sister fights to get the orange for herself. The result is a win-lose and a lot of resentment.

**Interest:** "Why" does each sister want the orange? = win-win solution.



### What is at Stake?

- **Tangible needs:**
  - A discount
  - A specific asset
  - A good share of the pie
  - Getting the custody of a child in the case of a divorce...
- **Intangible needs:**
  - Recognition
  - Revenge
  - Power
  - Feeling respected, accepted or validated...

**Can a negotiation on tangible needs be transformed into a battle on intangible needs?**

Yes.

**Stay vigilant.**

**Remember**

*If you or a third party are trying to settle a dispute, address the intangible needs first. The rest will follow.*

### How to Deal With Intangible Needs in Negotiation?

#### Be aware!

- An angry person is using anger as a shield to hide fear, sadness, frustration, the feeling of being rejected...
- Never ask an angry person to calm down. It will make her more angry.
- Listen to an angry person with empathy first. Use rephrasing and reframing to make her feel heard.
- After rephrasing and reframing, you will notice that the person has calmed down...
- Use tactical questions to allow the person to express the real feeling behind anger.



## Be aware!

- A person who revendicates a tangible need might have an unaddressed intangible need!
- Use empathic listening and tactical questions. Let them express the intangible need before you resume negotiation on tangible needs.
- Give that person some time to evacuate the emotion she expressed before resuming negotiation on tangible need.



## Session 2: Dealing with Emotions

In this session, we will explore various ways to deal with emotions during negotiation, how to express them and how to validate the other party's emotions in order to reach a positive outcome.

### A- Emotional Intelligence in Negotiation

#### • 70% of Negotiation is Emotions

Even when our interest is %100 tangible and especially when our interest is intangible, the emotions of both parties run high.

#### • Channeling Emotions

...from the negative to the positive.  
It plays a key role in the negotiation outcome.

### B- Channeling Emotions During the Negotiation Process

Understand/Channel our emotions:

#### • Self-Awareness:

- Name the emotion.
- Embrace the emotion to better control it.
- Voice it in a positive way using "I messages".
- Voice it in a positive way using "I messages".

#### • Self- Regulation:

- Resist making rush decisions.
- Take a break.
- Keep your eye on the prize (your interest).

**Important! Yes, you are allowed to show your feelings, including anger...**

- ... **Just don't act upon them.**
- **"Occasional Anger" can be used as a negotiation tactic.**
- **Make sure to voice your anger using "I messages" even when you raise your voice.**
- **Avoid specific words such as: Always, never, unfair...**
- **Avoid personal blame.**



## Session 3: The 5 Emotional Concerns

In this session, we are going to explore the 5 main emotional concerns to take into consideration during a negotiation and the consequences of ignoring them during the process

### A- The 5 main Emotional Concerns During Negotiation

#### 1- Appreciation

- Do you feel the other person is belittling you?
- Do you belittle or demean the other person?
- Do you belittle or demean the other person?
- Do you show signs of respect, such as allowing the other person to talk and feel listened to?
- Do you feel the other party is listening to your point of view?

#### 2- Autonomy

- Do you feel you are forced to make a decision?
- Do you involve the other party in the decision-making process and take their opinion?
- Do you feel the other party is not involving you in the decision-making and not hearing your opinion?
- Do you feel you the other party is becoming an adversary?

#### 3- Connection

- Do you feel you are trying to diminish the other party instead of trying to solve the problem?

#### 4- Power Status

- Do you feel the other party wants to have the upper hand regardless of the interest, objective, or end result?
- Do you feel you are urged to have the upper hand instead of keeping an eye on the prize, which is your interest?

#### 5- Role

- Do you feel the other party is validating your role?
- Do you feel you are urged to have the upper hand instead of keeping an eye on the prize, which is your interest?

## B- The Risks of Ignoring Core Concerns:

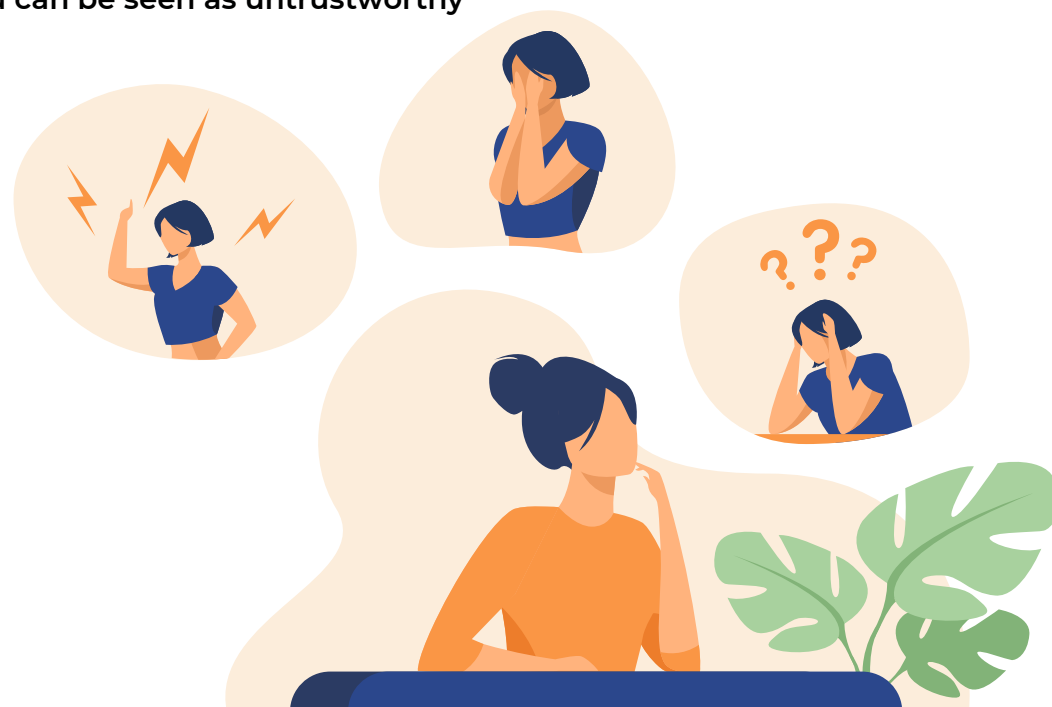
- I am unappreciated
- I am treated as a colleague
- My autonomy is impinged
- My status is put down
- My role is trivialized and restricted

### How do I feel?

- Angry – Impatient – Disgusted
- Resentful
- Guilty and Ashamed
- Remorseful - Embarrassed
- Sad - Envious and Jealous
- Anxious

### How do I act?

- I react negatively, contrary to my interests
- I go it alone
- I tend to think rigidly
- I act deceptively and can be seen as untrustworthy



## Session 4: Overcome Anxiety

In this session, we will find out how to overcome anxiety during the negotiation process and what are the effects of positive emotions on the outcome of a negotiation.

### A- Managing Anxiety with Positive Thinking

What happens when you feel nervous during negotiation?

- You run away too soon.
- You give up on your rights to get a way out.
- You imagine worst-case scenarios and get a narrow vision.

What causes anxiety during negotiation?

- An intimidating counterpart.
- The lack of alternatives to a negotiated agreement.
- Going unprepared/lacking negotiation skills.

### How to manage anxiety?

- Persevere even if the situation is stressful. Use mindfulness techniques.
- Remember the principles of interest-based negotiation and go very well-prepared.
- Build alternatives to a negotiated agreement before going to a negotiation.
- Visualize a win-win outcome and let that image brighten your day.

### **Remember!**

Some shrewd negotiators try to make you feel nervous on purpose. When you detect their manoeuvre, say it bluntly.

## B- The Consequences of Positive Emotions on Negotiation

- I am appreciated.
- I am treated as an adversary.
- My freedom to decide is acknowledged.
- My high status is recognized where deserved.
- My role is fulfilling; it includes activities that convince me that I can make a difference.

### How do I feel?

- Enthusiastic – Caring - Compassionate
- Content – Comforted - Pleased
- Hopeful – Proud - Accomplished
- Courageous – Calm – Relieved – Relaxed - Happy

### How do I act?

- I cooperate
- I am willing to work toward a specific goal
- I come up with solutions creative
- I am compelled to be trustworthy

### Remember!

- **Positive emotions make you %31 smarter.**
- **They allow you to pursue your interest without distractions.**
- **They allow you to win.**



## Topic 2 Emotional Intelligence & Negotiation Skills

### A- What is Negotiation?

#### 1- Negotiation is not bargaining:

You can bargain the price of a product with your supplier, split the difference between your preferred price and their offer and call it a good negotiation. It is not...

Negotiation is to seek the interests behind positions (such as your price and his price) and to address them during your negotiation talks.

How can this be done?

#### B- How to negotiate?

Let's take the basic example of interest-based negotiations: the orange example. It stipulates that two sisters are fighting over an orange. They both want the same orange and none would accept to split the orange in half. They can keep fighting over positions, i.e. who gets the orange, or they can switch to the interest behind having the orange.

If one of the sisters takes the moment to ask her sister "why" she wants the orange, she might discover that her sister wants the orange peel to make an orange cake. In that case, the problem is solved, because sister 1 is thirsty and wants some refreshing orange juice.

Although the example seems naïve or simplistic, interest-based negotiation is the most powerful and successful method used nowadays in business negotiations, diplomacy and political negotiations.

By asking the other party what are their interests instead of what are their positions, disputes can be solved more efficiently.

This is something an approach you would need to adopt in every negotiation you take part in, including negotiating your kids' bedtime!

#### 2- What is at stake?

Sometimes, you start negotiating the price of an item with your supplier. But your supplier shows signs of disrespect for you. You get upset and decide to ignore their phone calls. Now is their turn to get upset and reveal some sensitive information about your financial difficulties to your business competitor... and you both go into a downward spiral.

Let's say a third party interferes and starts to settle the dispute. If that third party only addresses the price concern (the tangible interest) and ignores



the emotional build-up (the intangible interests), the problem would never be really solved.

In every negotiation, emotions run high and it's up to every party to know how to channel the emotions during the process, to reach a win-win agreement.

### **3- How to deal with intangible needs in negotiation?**

- Be aware that anger is a shield that hides the real emotion:

Oftentimes, fear, sadness, frustration or the feeling of rejection are expressed in anger. If we stay on the surface and ask a person to calm down, it will make that person even more angry. The real feeling behind anger remains unaddressed and continues to mine the negotiation process. When you are dealing with an angry person, make sure you listen to them with empathy, without judgment or interruption. Use rephrasing and reframing techniques to make them feel heard. In no time, the anger will subside and you will guide them, through tactical questions to express the real feeling hiding behind anger.

- Be aware that the revendication of tangible needs hides an unaddressed intangible need.

When a person revendicates a tangible need, scratch the surface to see if there is an intangible need that they claim in an indirect way. An ex-spouse who revendicates her right to own her husband's house or car or assets might be a spouse who feels sad and frustrated because she feels she was betrayed. An ex-business partner who claims that he owns the factory or revendicates a share of your gains might feel frustrated that you split with them without any notice. Address the intangible need first and have an honest and empathic conversation with them before you move to negotiating the tangible needs.

- Allow some time for reflection

Emotions such as fear, frustration, the feeling of rejection take time to subside. Allow some time between a negotiation session and another to give the other person the time to evacuate.

### **C- Emotional intelligence in negotiation:**

70% of negotiation is emotions:

Even when the need is 100% tangible, such as the price of a product from a supplier, our limbic system can be triggered very fast, perceiving the other party as an opponent and his suggested price as an attack. Automatically, our nervous system is on guard and a whole set of emotions are involved.

The limbic system is triggered even more when the interests we are negotiating are intangible.

It is crucial during every step we take during the negotiation process to channel our emotions instead of ignoring them or acting impulsively based on the limbic system fight or flight response. It is also crucial to channel the other party's emotions to reach a win-win agreement.

### **D- Channeling Emotions During the Negotiation Process**

#### **1- Understand/Channel our own emotions:**

##### **a. Self-awareness**

- When you find yourself overwhelmed during a situation or a negotiation process, take the time to recognize and name the emotion you are feeling. It might be anger, frustration, sadness... When you put a name on your emotion, you can automatically control its impact on you and on the other party.
- Next, embrace the emotion: Instead of resisting that gut feeling that is invading you, embrace it, like a good architect builds a structure around the trees that he/she can't cut, or the rock that he/she cannot move. Build your negotiation strategy taking into consideration those feelings without letting them overwhelm you.
- To make the process more efficient, take the time to tell the other party what you are feeling by starting your sentence with "I feel..." instead of "You make me feel (angry, frustrated, sad...)". The "You" sounds like an accusation and the other party would take a defensive attitude, which will make you even more frustrated or angry. "I messages" on the other hand, allow the other party to empathize with you and feel what you feel and to ultimately reconsider his/her attitude or position toward you.

##### **b. Self-regulation**

- Resist rush decisions: When our limbic system sees a danger or an opportunity, it compels us to take quick decisions that are essential to our survival, such as run away from a bear or attack a prey at the right moment. In modern-days, such reflexes are not always efficient, and sometimes the counterintuitive approach works best.
- Take a break: To allow the limbic system to turn the alarm off, ask for a break during the negotiation process. Take the time to cool down and allow the adrenalin rush to subside. Resume negotiation when your mind is clear enough to find the best course of action to take.
- Put things into perspective: When we are under the influence of our limbic system, we are in a state that psychologists call "vertigo". In vertigo, we have a laser-focused narrow vision. We see things in black and white and from one restricting angle. A good negotiator has trained to quickly bypass "Vertigo" by broadening their perspective and see the situation from various angles. This is what Harvard negotiation guru calls "Going to the balcony".

**IMPORTANT!**

Controlling doesn't mean hiding or ignoring. You can show your emotions, express your anger, your frustration or your excitement. Just show them in a tactical way and don't act upon them.

Actually, some negotiators recommend using "Occasional anger" as a tactic. Using "I messages" as we previously learned, you can at any time raise your voice or express exactly what you are feeling. Just don't do it too often or without any justification. Keep it minimal and choose the right moment for it. "Drama queens" lose all their credibility when they negotiate and might even come off as

B- movie actors. Words such as "Always", "Never", "So unfair" make you sound like a caricature drama queen and are the words you need to avoid when you are expressing your emotion during a negotiation.

When we are carried away in the expression of our feelings, we might also confuse the ball with the player, the same way a soccer player would hit another soccer player when trying to steal the ball. Avoid this trap to avoid the "red card" that goes with it!

**2- Understand/Channel the other party's emotions:****a. Empathy and Active Listening**

- Put yourself in their shoes: and understand where they are coming from even if you don't agree with their point of view. If they are being completely erratic, ask yourself: are they under the influence of a substance or are they acting weird because they need attention? If you can't figure out why they are having a certain reaction, just ask them, in a gentle manner, after repeating the erratic statement they made: "And you think that this is what should be done?"
- Hear without interfering: We usually tend to interrupt people when they are talking, either to ask a question to investigate more, or to make a judgment, or even to give an advice. In active listening, we don't do any of these. We just listen and rephrase what we are hearing. Rephrasing creates a bond with the other party who feels appreciated and listened to. He resists less, and collaborates more. Ask reflective questions every now and then to guide the other party to see the validity of your point of view.
- Using empathy, every time the other party attacks you or your point of view, channel their adversity toward the problem, by saying "And how does this solve the problem?" or "We're in this together. If you fail, I fail. So let's think of a solution because this is what we came here for." If the other party needs an enemy to attack or a punching bag, let it be the problem itself.

**IMPORTANT!**

Allowing the other party to vent or express their feelings will surely have a positive effect on the negotiation outcome. At this stage, you don't have to argue or counterattack, or approve what is being said. AS per Harvard Negotiation professor and best-seller author William Ury, "Listening may be the cheapest concession we can make in negotiation" and it helps you build a connection with the other party, which will greatly facilitate the communication between the negotiating parties.

**E- The 5 main emotional concerns:**

In their book Beyond Reason – Using Emotions when you negotiate, guru negotiators Daniel Shapiro and Roger Fischer have selected five main emotional concerns to be addressed during any negotiation.

**a. Appreciation:** Feeling belittled or unappreciated can lead to frustration. Frustration leads to anger. The escalation can lead to a no-deal in negotiation. In every negotiation, make sure you feel appreciated. If you don't, then voice it. Make sure you don't belittle or demean the other party, by showing signs of respect and by always involve them in the decision-making process.

**b. Autonomy:** A lot of frustration and anger in a negotiation results from the fact that one of the party feels they are "forced" to take a decision. They might do what they are asked to do, but will come back with a fierce retaliation as soon as they are able to. Or, they might in a passive-aggressive way, delay the implementation of a strategy they felt they were forced to implement. Or they might just run away.

Make sure that any form of intimidation or threat are not part of the negotiation process, because that would be the trigger of a set of negative emotions and retaliations.

Also, make sure you include the other person and take their opinion and make sure your opinion is heard as well. Make sure everyone is actively involved in the decision-making.

Don't let them feel you are putting them aside or acting on your own. Make sure your are included and nothing is happening "behind your back", and if you feel that you are not included in the decision-making process, voice your concern always using the "I message". The other party may or may not agree with your point of view, but express your need to be listening to.

**c. Connection:** Always remember: the other party is not your enemy, you can be having a disagreement on one topic and a strong agreement on another topic. Maintain the human bond and connection throughout the negotiation process to get optimal results. By keeping your eye on the prize, you remind yourself that you are not trying to defeat the other party; you are solving a problem.



**d. Power status:** When emotions are triggered, the ego is inflated. If you feel that the other party wants to have control over you, remind him or her of the main topic you are discussing, and the specific objective of the negotiation. At the same time, remain alert when you are dragged by your limbic system to have control over the other party instead of solving the issue at hand. Power status is a people mover and can sometimes lead to a lose-lose outcome in negotiation. You, as a negotiator have to decide whether you want to feed your ego or feed your pocket.

**e. Role:** Let's say you are negotiating the design of your new house with an architect. By telling the architect what to do without taking into consideration their expertise and role, you are trespassing on their space and will get most probably get negative outcomes. By respecting his or her role in his or her area of expertise and by telling them what you want instead of telling them how you want them to do it, you are not only creating positive emotions, you are also allowing the other party to show their skills and surprise you with new solutions. By telling the architect "I need a house that lets the sun in during the day", you are giving him or her the opportunity to find the best ways to answer your requests. There is absolutely no need to tell your architect "I need a house with 25 large window panes separated by only 5 cm of cement".

#### **- The risks of ignoring Core Concerns:**

I am unappreciated  
I am treated as an adversary  
My autonomy is impinged  
My status is put down  
My role is trivialized and restricted

#### **- How do I feel?**

Angry – Impatient – Disgusted  
Resentful  
Guilty and Ashamed  
Remorseful - Embarrassed  
Sad - Envious and Jealous  
Anxious

#### **- How do I act?**

I react negatively, contrary to my interests  
I go it alone  
I tend to think rigidly  
I act deceptively and can be seen as untrustworthy

### **F- Managing Anxiety With Positive Thinking:**

Many people feel anxious during negotiation. Consequently, their limbic system raises a red flag and compels them to run away from what it perceives as a dangerous situation, because of all the new stimuli and unknowns the process entails.

Due to the same natural reflex, anxious negotiators might give up on their rights too soon, to avoid feeling anxious.

Anxiety leads to negative thoughts and leads to a vicious circle. The more anxious you are, the more you are prone to imagine worst-case scenarios. And vice versa. At this point, you need to find a way to break the negative cycle.

But let's take a deep dive and see: what causes anxiety during negotiation? The most common causes of negotiation anxiety would be:

- An intimidating counterpart: As per Aristo's point of view, you can persuade someone with your point of view because of your persona, your charisma and your influence. Some negotiators with charisma and influence can intimidate you and make you feel nervous.
- The lack of alternatives to a negotiated agreement BATNA: it is that feeling that if you don't close that deal, the world would end, you will go bankrupt, you will not be able to make another deal.
- Going unprepared/lacking negotiation skills: Going to a negotiation without having prepared and studied the Best and Worst Alternatives to a Negotiated Agreement can make you feel you are diving in the middle of a dark ocean without any safety net.

Below are easy ways to manage anxiety:

**Perseverance:** When we are faced with a new stimuli, we tend to run away fast to avoid danger. When we become more familiar with that stimuli, we tend to deal with it in a more comfortable way. Allow that first reaction of running away to subside and persevere when you feel the immediate need to run away.

**Remember the principles of interest-based negotiation: go back to the basics:** negotiate the interests, don't remain stuck in positions. When you feel anxious, one of the best ways to reduce the tension is to switch to asking your counterpart questions: what are his interests? What is he really looking for? By listening to your counterpart, you free yourself from the anxiety that is generated from negotiating over positions, which is stressful in itself and energy consuming. Free yourself from the useless arm wrestles that makes you feel anxious and exhausted.

**Build alternatives:** A good negotiator cultivates his Best Alternative to a Negotiated Agreement before he starts any negotiation process. If he/she is going to buy a car, he/she explores what are the other possibilities he/she has.

It is a sure way to reduce anxiety and allowing the negotiator to gain more assurance during the talks.

**Visualize a win-win outcome** and let it sink in your mind and brighten your day. The more you convince yourself that a positive outcome will follow, the more you will find ways to make it happen.

**Bring the intimidating maneuvers to broad daylight:** If a shrewd negotiator is using intimidating techniques to make you concede or to lure you into his version of the story, denounce him bluntly and immediately. Be a straight shooter. Your honesty will have the power to destabilize them.

### **G - B- The consequences of positive emotions on negotiation:**

- I am appreciated
- I am treated as an adversary
- My freedom to decide is acknowledged
- My high status is recognized where deserved
- My role is fulfilling; it includes activities that convince me that I can make a difference

### **• How do I feel?**

Enthusiastic – Caring - Compassionate

Content – Comforted - Pleased

Hopeful – Proud - Accomplished

Courageous – Calm – Relieved – Relaxed – Happy

### **• How do I act?**

I cooperate

I am willing to work toward a specific goal

I come up with solutions creative

I am compelled to be trustworthy

### **REMEMBER!**

Positive emotions make you 31% smarter according to neuroscientists and experts.

They allow you to pursue your interest without getting distracted by invading and overwhelming emotions that most of the times narrow your scope.

Positive emotions lead to positive results.

## **Topic 3: Decision Making**





“ Introduction

The decision making process is the method of collecting relevant data, evaluating options and making a final decision.

In this session, we will explore the external factors that can influence the decision making process and how to counter them. We will also define the role of timing in decision making to help you make key decisions in a timely manner.





Session 1: Types of Decisions

Minor decisions and Major decisions

2000 decision per hour

- Most are minor, some are major.
- But it's not about whether they are minor or major. It's about HOW you make these decisions.

Poor Decisions vs Good Decision

	
Taken too soon, or too late	Right on time
Based on “feelings” only	Taken after the collection of relevant data
Delayed by a compulsive need to collect more data than needed	Taken after enough data is collected
Without evaluating the Best Alternative and the Worst Alternative and everything in between.	After evaluating options
Based on the promise of short term reward and long term trouble	Based on sustainability and long-term benefit
Without outside experts opinion or based on the opinion of non-experts	Taking into consideration outside experts opinion
Irreversible, using an “All or Nothing” approach.	Taking few reversible decisions before taking an irreversible decision if needed.

CHECKLIST

- ☑ A time frame or a deadline
- ☑ Relevant information/experts opinion
- ☑ Evaluate your options
- ☑ Long-term benefits instead of immediate rewards
- ☑ Test reversible decisions first

## Session 2: Factors that impact decision-making

In this session, we will explore the external factors that can influence the decision making process and how to counter them. We will also define the role of timing in decision making to help you make key decisions in a timely manner.

### Factors that impact decision-making.

#### Decision fatigue

To counter it:  
Make the decision when your energy levels are high.

#### Distraction

To counter it:  
Unplug your phone and stay away from media and news for a set time during the day.

#### Multi-tasking

To counter it:  
Focus on one task at a time during a set time of the day.

#### Emotions

To counter it  
Allow your mind to calm down before you send an email or a message...



## Decision-Making in 5 easy steps

### Step 1 - Timing

#### Setting a time frame

- How long would it take you to pick an item on the menu or to choose if you need to answer this call while working?
- Satisficers would pick the first item on the menu that is “just fine” in less than a minute.
- Maximizers would spend half of the evening reading the menu.
- Which one is a good decision maker? Neither...
- To help you set a time frame:
  - Write down any important date or deadline related to the decision
  - If there is no important date, create one as an ultimatum
  - Evaluate the losses in case of delays
  - Evaluate the time you need to collect data
  - Evaluate the time you need to evaluate data.

## Session 3: What to do Before Taking a Decision

In this session, we will explore the steps that need to be made before a decision is taken, including collecting relevant information, evaluating different options, taking into consideration the long term and the short term benefits, and finally the benefits of testing the waters with reversible decisions first.

### Step 2 – Collecting data

#### Relevant Information/Experts opinion

- Gather relevant information from different reliable sources.
- Take experts opinion.
- Connect the dots using the Critical Thinking Method you learned in Module 3 – Topic 1
- Remember: %40 to %70 of information is enough to make a decision.

### Step 3 – Evaluating options

#### Key questions

- What is important for you?
- What is possible for you?
- What can be possible for you in the future?
- What are the alternatives, the Best and the Worst?
- What are the pros and cons?



**IMPORTANT**

After evaluating your options, calculate the points in favor of your decision, and the points that are not in favor of your decision. See it in numbers!

**Step 4 – Long term vs Short term****Long-term benefits and immediate rewards**

- Choose the decision with long-term benefits.
- Find short-term alternatives if you imperatively need to get immediate results in the meantime.

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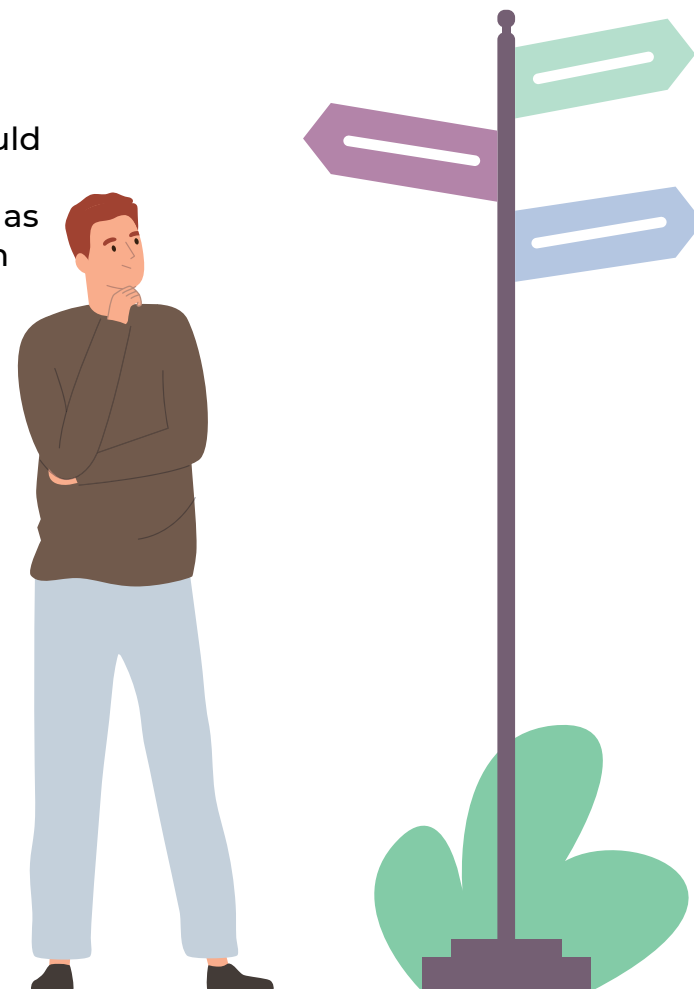
<https://www.youtube.com/watch?v=ZlQ8MMMTZeE&t=120s>

**Step 5 - Reversible vs Irreversible****Test reversible decisions first**

- There are two types of decision: the reversible and the irreversible.
- Test the water with small reversible decisions first before taking the big irreversible decision.

**Remember:**

- You can rarely make a decision that would yield only positive results.
- A satisficer would be satisfied if she gets as little as %10 improvement after a decision is made, while a maximizer would want more than a %100.
- The wise decision-maker knows that %51 improvement is enough to tip the balance off toward making a decision and moving on.

**Session 4: Group Decision-making**

In this session, we will explore the advantages and disadvantages of making decisions in groups, as well as the various methodologies that can be used to make decisions as a team.

**Group-decision making – pro and con****The pro of group decision-making**

- A pool of information
- Acceptance
- Diversity of viewpoints
- Various alternatives
- Balanced decision

**The con of group decision-making**

- Dominance
- Conflict
- Slower process
- Peer pressure and group think
- Diffuse responsibility

**Group-decision making methodology****Brainstorming (pro)**

- Everyone shares his or her idea
- No criticism or comments allowed
- Works better in small groups

**Brainstorming (con)**

- Ideas might be so scattered with no final plan unless the manager puts them together.
- Group members feel they shared their thoughts for nothing.

**Brainstorming – Final decision**

- It's up to the manager to select the best ideas and put them together to solve a problem.

**Delphi questionnaire**

- First enquiry by email/First response Analysis, feedback and 2nd enquiry Second response.

**Delphi questionnaire – Final decision**

- Repeat until a solution found

**Nominal Group Technique (NGT)**

- Group members write their ideas on a chart
- Discussion

**Nominal Group Technique (NGT) – Final decision**

- Voting (by email)

**Fish-bowling**

- Members sit in circle, with the decision maker at the center.
- He suggests solutions given by the members.
- Group members can ask questions to the person in the center.

**Nominal Group Technique (NGT) – Final decision**

- By Voting

**Devils advocacy**

- One or two group members are appointed as “Devils”.
- They have to identify flaws in the suggested ideas.
- Other members have to come up with convincing answers.

**Devils advocacy – final decision**

- Other members have to come up with convincing answers.

**Didactic Interaction**

- Defining the problem
- Divide the group into two parts: one for Yes and one for No,
- Discussion
- Inter-changing sides and continue the discussion

**Didactic Interaction – Final decision**

- Reach mutual acceptance.

**Mixing methodologies**

- Mixing methodologies is not recommended before the manager or leader announces the failure of the previous method.
- Moving to a new method can then be justified and adopted by the team.
- The manager or group leader can adopt a new methodology after he explains the failure of the previous one. Same ideas can be shared by members, although team leader should encourage members to share new solutions.

# Topic 3

## Decision Making

**A- Minor decision and major decision**

Research has shown that an average person can make 2000 decision per hour. Most of these decisions are minor, such as closing the door, opening the window, ignoring or taking a call...

Some of the decisions we have to make are more detrimental: break up with a partner, moving to another city, starting your own business...

In fact, sometimes minor decisions can have an impact on big decisions and the decision-making chain is correlated in a way or another.

That's why we stress on the fact that regardless if a decision is minor or major, it should be made wisely and in the proper way.

**B- Good Decision-Making vs Poor Decision-Making****1- Timing**

Evaluating the right time to make a decision plays an important role in the decision-making process. Rush decisions based on hunches or whims can have drastic repercussions at a later stage, especially if the decisions that were made were irreversible. On another front, some decisions can't wait too long to be made, and the tendency to procrastinate or to insist on maximizing the benefits or collecting more information can have a negative impact on the final outcome.

We will explore ways to make decisions in a timely manner in our 5 easy steps of decision-making.

**2- Information vs hunches**

As we have already learned in our Critical Thinking module, our brain has two thinking systems: fast, and slow. The fast mind is emotional and intuitive, while the slow mind is analytical. When the fast mind makes decisions based on hunches, there are increased chances that mistakes will be done. The best formula is to slow down the fast mind first, take the time to collect data and analyse it. You can later on compare what your intuitive mind advised you to do and the result of the analysis. If they match, you sure have a winner decision here! As we learned in the Critical Thinking seminar, if your hunch still feels something is just not



right, come back to your analysis and see if you can detect flaws or missing links.

We will explore how to collect information before we make a decision in our 5 easy steps of decision-making.

### **3- When requiring too much information hinders the process**

Some maximizers are never satisfied with the information they gathered and always ask for more. If they are about to make a deal with a supplier, they have to check the whole suppliers list before making a decision, comparing services and prices, scrutinizing every detail, and often ending up losing money, resources and time.

When do we know we have enough relevant information? You will get your answer in the 5 easy steps of decision-making.

### **4- Evaluating Options**

When we are about to buy a car, we don't only check the price and specs of the car. We also evaluate the best alternative and the worst alternative of buying a car. What is the best alternative that we have? It could be earning more money and buying a boat and going to work by sea! The worst alternative is to walk for an hour every day to go to work. A less drastic option is to buy a bike... After all, biking would also help us stay fit. But what about winter days?

Evaluating options is an integral part of good decision-making. We will learn how to evaluate options in the 5 easy steps of decision-making.

### **5- Thinking long-term and short-term**

Rush decisions are often made to get immediate rewards, regardless of the long-term consequences. An example of short-term is when we sell our products at a very low price. We would sell more of the product and earn fast money. However, few months down the road, your products would lose their value and you will not be able to reduce the production costs to fit the new reduced selling price. You would end up bankrupt.

Juggling between long-term benefits and short-term needs is a game-changer when we are about to make a decision. We will learn how to balance the two types of benefits in the 5 easy steps of decision-making.

### **6- Taking opinions**

Refusing to take other people's opinions in the decision making process can narrow down perspectives and limit the chances of success. We will learn how to gather information and take other people's opinions in the 5 easy steps of decision-making.

### **7- Irreversible vs reversible decisions**

Many poor decision makers limit themselves to two pole opposite choices, ignoring the many possibilities that might lie in between, including reversible decisions that allow you to test the waters before you dive in. We will learn how to mix between reversible and irreversible decisions in the 5 easy steps of decision-making.

### **C- Factors that impact decision making**

<https://hbr.org/2019/08/6-reasons-we-make-bad-decisions-and-what-to-do-about-them>

### **D- Decision-Making in 5 Easy Steps**

#### **Step 1: Setting a time frame**

If satisficers make decisions without even collecting and analyzing data, maximizers need to go through every single detail to optimize benefits. If satisficers would pick the first item on the menu that is "just fine" in less than a minute, maximizers would spend half of the evening reading the menu. Whether you are a satisficer or a maximizer, stick to the number one rule: set a time frame while taking into consideration the following: any important due date or deadline (If there is no one, come up with one), the costs of every single day of delay, the time you need to collect data.

#### **Step 2: Collect relevant information and ask for advice**

Whether you're a maximizer or a satisficer, remember that as long as you have 40% of the overall relevant data that you need to make a decision, you can still make a good decision. If you feel more confident in your decision if you collect more data, you can go ahead and pursue your quest. However, if you have collected up to 70% of the data you need and you still can't make a decision, it means you are falling into the trap of the maximizer syndrome. Always remind yourself of your deadline and the necessity to make a decision before that date. Always remember that experts or critical thinkers can offer you valuable insights when you're about to make a decision. They help you see things from a different perspective and gain more in-depth knowledge. Consider brainstorming sessions in which people you trust can jot down ideas and suggestions.

#### **Step 3: Evaluate your options**

Before making a decision, step back and look at the big picture: what is important for you at this moment? What are your resources, your capabilities and what is possible for you to achieve under the current circumstances? If your capabilities or resources are restricting you, is there any chance that you can improve them before you make up your mind? For example, if you are going to buy a car but have budget constraints, is there a chance that you can postpone the decision until you have put aside a larger amount of money to get the car that you want? You might also need to consider what are the Best and Worst Alternatives? In the case of buying a car, the worst alternative if you don't buy that car would be to buy a bike which is not very practical during winter days. The best alternative would be to convince your rich uncle to offer you one of his collection cars that he doesn't use anyway.

Lastly, evaluate the pros and cons of your decision.

**NOTE:** After evaluating your options, calculate the points in favor of your decision, and the points that are not in favor of your decision. Seeing numbers can help you see clearly.

#### Step 4: Long-term benefits and immediate rewards

Choose the decision with long-term benefits and find alternatives if you imperatively need to get immediate results in the meantime. For example, if you desperately need a car on a specific day, consider renting a car instead of rushing your decision of buying the car that you don't like.

#### Step 5: Test reversible decisions first

Before buying a house in a certain neighborhood, one might consider renting a room in a guest house for the week end. Reversible decisions allow you to gather more information and have a clearer vision of what to expect on the long-term.

#### NOTE:

You can rarely make a decision that would yield only positive results. A satisficer would be satisfied if she gets as little as 10% improvement after a decision is made, while a maximizer would want more than a 100%.

The wise decision-maker knows that 51% improvement is enough to tip the balance off toward making a decision and moving on.

## E- Group Decision-Making

<https://www.masterclass.com/articles/group-decision-making>

### Annex 1

<https://www.psychologistworld.com/cognitive/maximizers-satisficers-decision-making>

#### Maximizers vs Satisficers: Who Makes Better Decisions?

**Do maximizers or satisficers take the best approach to decision making, and which personality type is happiest with their decisions?**



*Aiming high: is maximizing the best approach to decision-making?*

We are faced with increasing pressure to make prudent decisions about every aspect of our lives - from choosing the healthiest breakfast option, finding a school or university to attend, or partnering with the person who will make us the happiest. Make the correct choice and you can give yourself a pat on the back. But make a bad decision - or even the 'least optimal' one, when given a choice - and you can be left with feelings of regret, punishing yourself for picking an inferior option without the benefit of hindsight.

Psychologists have found that people's approaches to decision-making tend to fit into one of two categories: you are either a maximiser - a person who strives to make a choice that will give them the maximum benefit later on - or a satisficer, whose choices are determined by more modest criteria and nothing more.



Given that maximisers task themselves with making the most informed, intelligent decisions, we might expect that the outcome of their approach would be superior, more satisfying decisions. Yet, this assumption has been contradicted by numerous studies, which have found that maximisers are often less effective in a decision-making environment, and suffer under the pressure of high self-expectations. Setting unachievable goals for ourselves may itself impede our ultimate goal when making choices - making a choice that we will be satisfied with.

### - Satisficers

The 'satisficing' concept was first proposed by the U.S. Nobel Prize-winning economist Herbert A. Simon, who created the portmanteau by combining the words 'satisfying' and 'sufficing'. He developed the idea in a 1956 paper, Rational choice and the structure of the environment, as a way of explaining a particular form of decision-making known, or cognitive heuristic (Simon, 1956). Simon believed that when satisficers are presented with a decision to make, they will consider what they want to gain or preserve from a situation, then evaluate their options to find the solution that meets their requirements.

When choosing which car to purchase, for instance, Jacob the satisficer will consider the use of the vehicle (for his long commute to work) and decide that he would like his new car be fuel efficient. He may also decide that he would like the seats to be heated. He then looks at three cars for sale:

**Car 1:** A new car with heated seats, but low fuel efficiency.

**Car 2:** An older car that is fuel efficient and has heated seats.

**Car 3:** A new car which is fuel efficient and boasts heated seats and a spacious interior, at little more than the cost of car 2.

Jacob will discount Car 1 as the fuel costs will be too high for his long commute to work. With a choice between cars 2 and 3, he might reject the benefit of the additional space in the third car as being unnecessary and a lavish additional expense, instead opting to buy Car 2, as it meets his initial decision-making criteria.

### - Maximizers

Like satisficers, maximisers refine their options to those that will fulfill their essential needs when making a decision. But they will subsequently pursue the option that will provide them with the maximum benefit or highest utility. Had Ja-

cob, from our previous example, been a maximizer, he would likely have wanted to pay a little extra money to buy Car 3 for its extra space, regardless of whether he really needed the additional room for his commute.

Maximizers will set themselves high standards during decision making and will aim for them but are often disappointed when they fail to achieve them, dwelling on what they have missed out on rather than what they have. By contrast, a satisficer will be satisfied with the option he chose even if it was not the best option he could have wished for.

Maximizers are prone to experiencing a sense of 'buyer's remorse' following a decision, doubting whether it was correct, and envisaging how life would have been had they chosen a different path. Whether it's a choice between universities or the purchase of a chocolate bar, maximizers are prone to the fear that a better choice was, or is, available.

However, whilst the motivation driving maximizers may lead them to look for the best option, do they benefit from being able to choose from an increased range of options?

In *The Paradox of Choice*, U.S. psychologist Barry Schwartz looked at the proliferation of choices that are available to us in our everyday lives. He found that an increased range of options does not necessarily lead to higher satisfaction with the outcome of a decision. If anything, choice may in fact impede our ability to enjoy and appreciate what we have (Schwartz, 2004).

You might think that the self-critical tendencies of maximizers would lead them to make more informed, considered choices - that they would research their options more thoroughly and contemplate possible outcomes for longer before making a decision. But a study which looked at the choices people make when looking for a partner using online dating contradicts this assumption. The study looked at maximizers who would dwell upon the process of searching for a partner, exhausting their options in an effort to find 'the one'. Despite the additional effort required for this more rigorous approach to searching and arriving at a decision, the researchers found that maximizers did not necessarily benefit from it in terms of the partner that they selected (Yang and Chiou, 2010).

Whilst a maximizing approach might seem an optimal approach to decision-making, our energy may be better spent satisficing and appreciating what we have, rather than what we might have had.

## Annex 2

### Maximizer vs Satisficer Quiz

*Discover your approach to decision-making with the maximizer vs satisficer quiz.*



*Do you push yourself to make the best possible choice, like a maximizer, or are you a satisficer?*

What approach do you take when tasked to make a decision? Do you bide for time to make the best possible choice, or do you tend to have a clear idea in mind of your needs and make a brisk decision based on those needs? As we explored in Maximizers vs Satisficers: Who Makes Better Decisions?, your decision-making style when faced with a problem will likely fit into one of two categories: maximizer or satisficer. But which is your approach? Test your decision-making approach - answer the quiz questions below:

To what extent do you agree or disagree with the following statements?

1. I am happy with the life that I have.
  - ☐ Strongly Agree
  - ☐ Agree
  - ☐ Neutral
  - ☐ Disagree
  - ☐ Strongly Disagree
2. I find it easier to learn from my mistakes and let go of them, rather than dwell upon them.
  - ☐ Strongly Agree
  - ☐ Agree
  - ☐ Neutral
  - ☐ Disagree
  - ☐ Strongly Disagree
3. I set high standards and expect to live up to them.
  - ☐ Strongly Agree
  - ☐ Agree
  - ☐ Neutral
  - ☐ Disagree
  - ☐ Strongly Disagree
4. I would rather eat at a restaurant with a good but limited menu, than one with a wider range of dishes to choose from.
  - ☐ Strongly Agree
  - ☐ Agree
  - ☐ Neutral
  - ☐ Disagree
  - ☐ Strongly Disagree
5. At times, I feel disappointed or disillusioned as a result of a choice, when the outcome is not as rewarding as I had hoped.
  - ☐ Strongly Agree
  - ☐ Agree
  - ☐ Neutral
  - ☐ Disagree
  - ☐ Strongly Disagree



6. When shopping, I like to browse a wide range of products to compare them against one another.

- ☐ Strongly Agree
- ☐ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly Disagree

7. I set my expectations low so that I am not disappointed.

- ☐ Strongly Agree
- ☐ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly Disagree

8. I sometimes regret the decisions that I have made and wish that I could turn back time and choose another option.

- ☐ Strongly Agree
- ☐ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly Disagree

9. We can't make the right decisions all of the time.

- ☐ Strongly Agree
- ☐ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly Disagree

10. I would rather delay a decision than make the wrong choice.

- ☐ Strongly Agree
- ☐ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly Disagree

## Topic 4 - Change Management



## “ Introduction

Change management is the management of **transformations that need to be done** in your industry to ensure its sustainability. In this session, we are going to explore the main **reasons why change is a necessity** even when it does not seem like an urgency. We are also be analysing the main **reasons why people might resist change** and **how to help them overcome their self-protection reflex**.

## Session 1: Necessity of Change

### Understanding the necessity of change

#### The shifting requirements of the market

We live in a fast-paced changing world with new market needs and demands. It is imperative for every business owner to adapt accordingly.

#### The emergence of new technologies

To maintain a competitive edge, managers should stay up-to-date when it comes to new technologies that are cost-effective and time-saving.

#### Change in resources, manpower and supply

Adapting to such changes is a game-changer. Demographic changes and planetary resources – or lack of, should be taken into consideration in every change management plan.

#### Change when business is good

Even if the numbers are satisfying, every business owner should oversee the changes in the market and plan for a change accordingly.

#### Change is life

This is how the world evolves. After all, if dinosaurs knew how to adapt to their new environment and shift accordingly, they wouldn't be extinct...





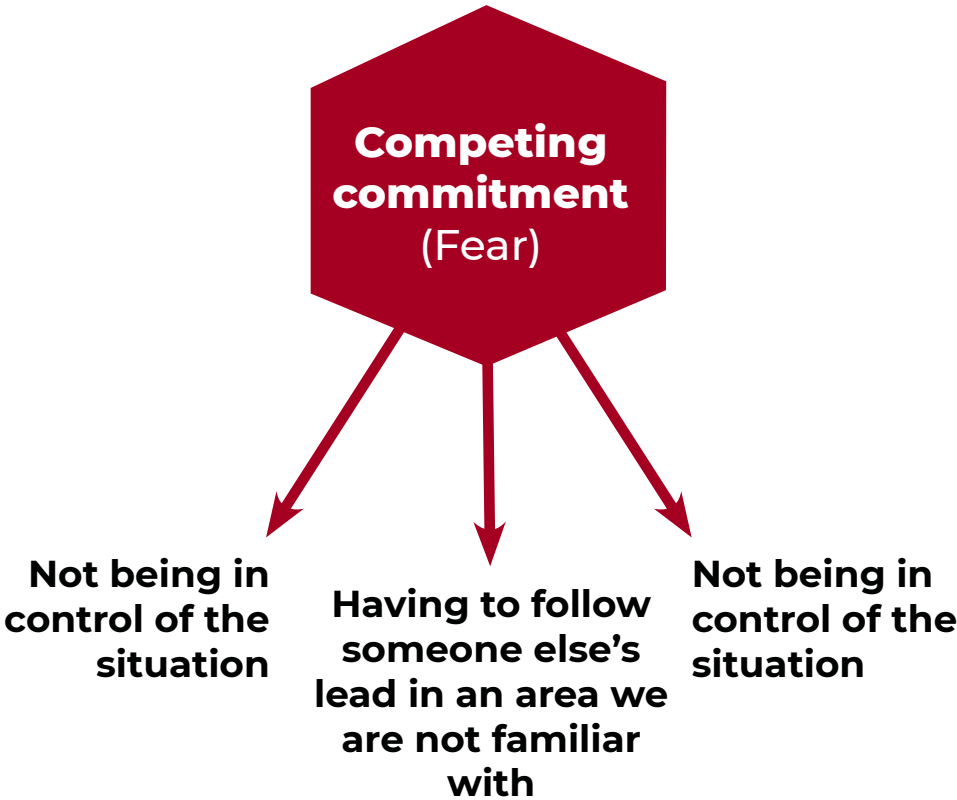
The real reasons why people don't change



Resistance to change is a self-protection defense reflex that psychologists call “Competing Commitment”.

Competing commitment is based on assumptions such as “If the company needs to change the way I do things, it means people would think I don’t know how to do my job.”

Such assumptions are sometimes illogical, hard to analyze, like the majority of our self-defense reflexes.



The following guiding questions should help the team member or manager with a competing commitment fear to overcome the self-protection reflex, allowing you to tip the balance toward collaboration.

What beliefs or commitments are implied by this recommended change?

What would you like to see changed at work, so that you could be more effective or so that work would be more satisfying?

What if you were to imagine doing the opposite of what you are currently doing, would that cause discomfort, worry or vague fear?

What if you were to actually carry out this opposite behaviour, what outcomes are you trying to prevent?



# Session 2: Problem Solving

In this session, we are going to explore the differences between adaptive change and transformative change and everything in between. We will explore the numerous benefits of organizational change within a company.

## A- Change “zones”



**The In Between**

Most changes are a smart mix of both adaptive and transformative. Companies might also need to consider reactive changes and anticipatory changes.

## B- Benefits of change:

- 
- Life does not get better by chance, It gets better by CHANGE.
  - Helps you move up to the next level.
  - Triggers your mind to find creative solutions.
  - New skills and improved relevant knowledge.
  - Increases the revenue.
  - Increased opportunity to employee input.

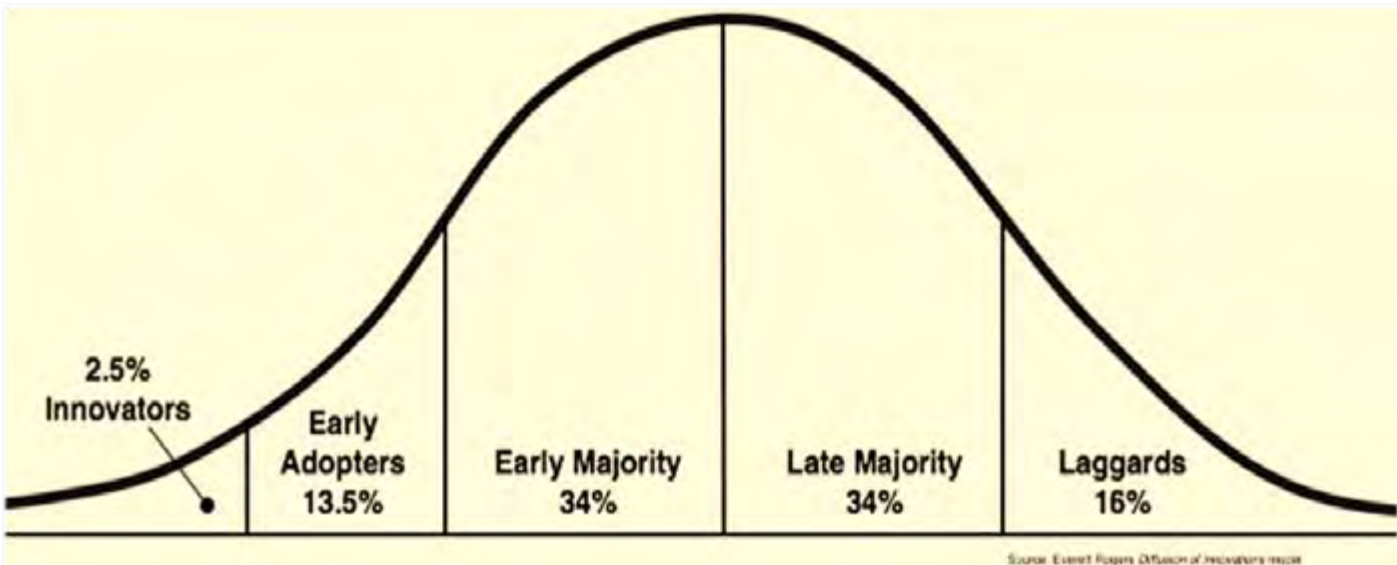


## Session 3: Leading Change

In this session, we will tackle the importance of leading change in the most harmonious manner, taking into consideration the law of diffusion theory.

We will also draw a comparison between the Economic approach and the Organizational approach and how to integrate elements from both approaches to achieve a successful transition during any organizational change process.

### Leading change and the law of diffusion



**If you are among the 2.5 percent of innovators...**

Aim for the %13 of your early adopters.

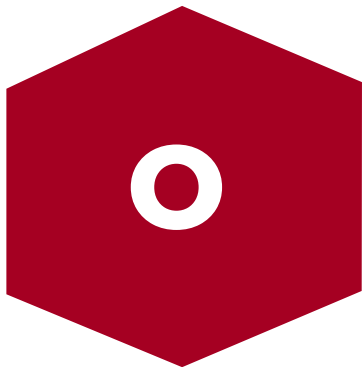
**If you are among the %13 of the early adopters...**

Communicate your experience. The majority won't try something until someone else has tried it first.

**The majority will end up asking for your innovation**

That's called demand.

## Theory E and Theory O



**Hard Approach**

- Based on maximizing Economic values
- Emphasize structure and systems
- Motivates through financial incentives
- Manages change from top down
- Plans ahead and establishes programs

**Soft Approach**

- Develop Organizational capabilities
- Builds corporate culture
- Motivates through commitment
- Encourages participation from bottom up
- Experiment and evolve

**COMBINED**

- Embrace differences between economic values and organizational capabilities
- Set direction from top
- Engage people from below
- Focus on structure, system and culture
- Use financial incentives to reinforce change but not to drive it.

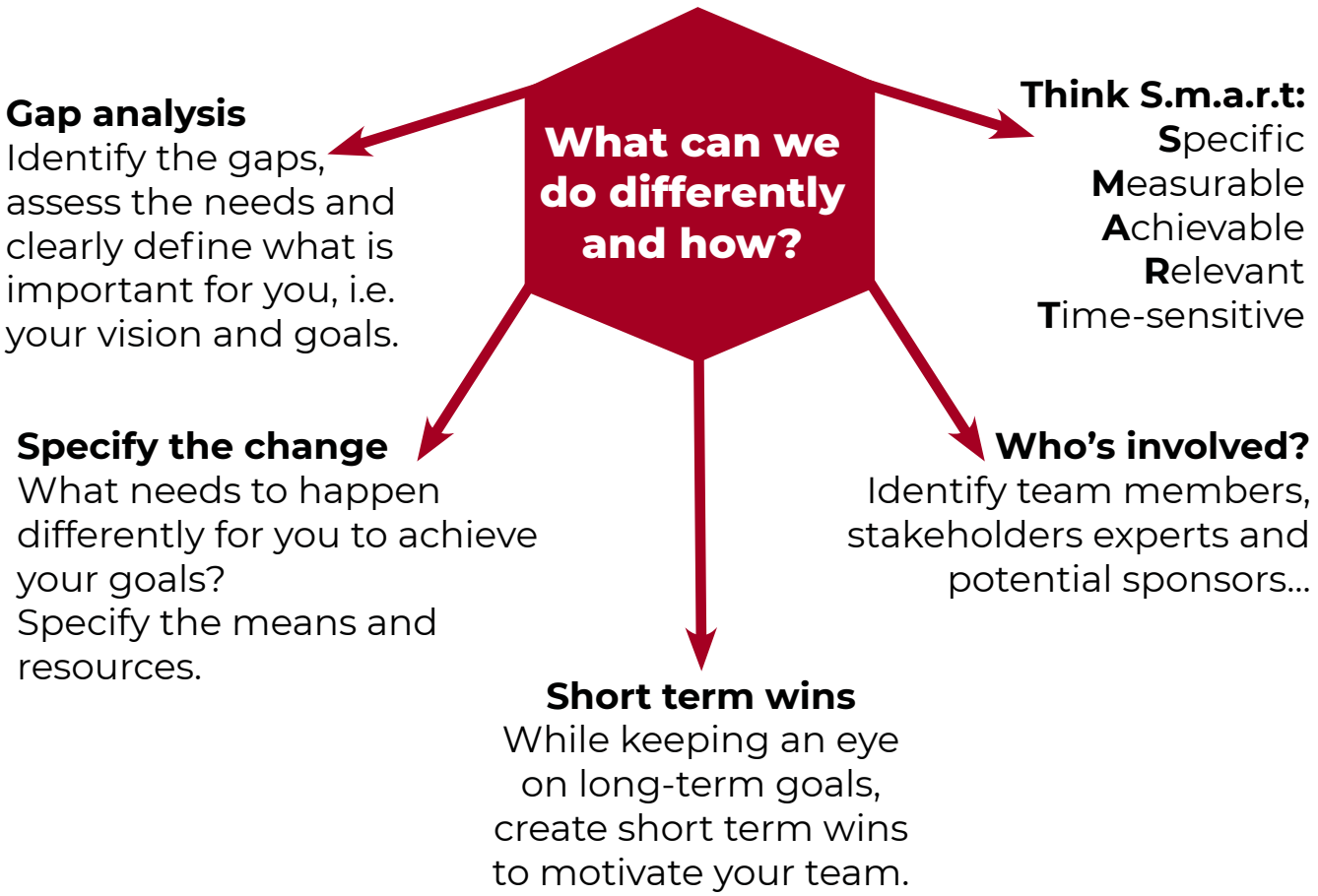
# Session 4: Successful Change Management Tools

In this session, we are going to explore the 4 essential steps in change management, including identifying the need for change, setting the strategy and the transition plan, and most of all, ways to keep your team engaged.

## 1- Identify the need for change

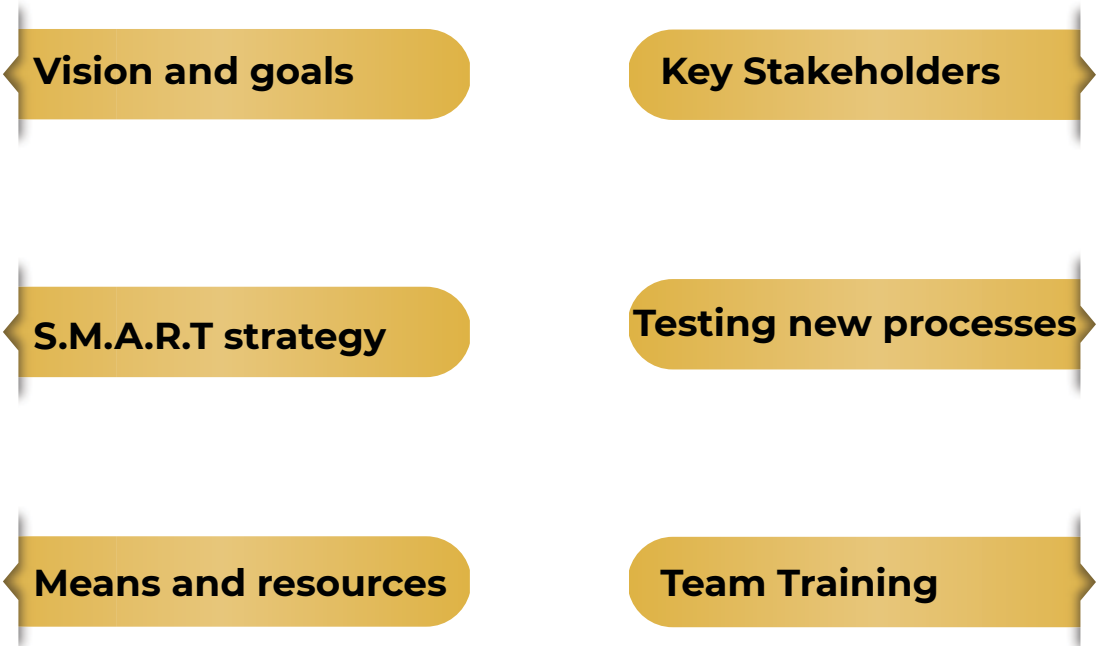


## 2- Set the strategy including a gap analysis

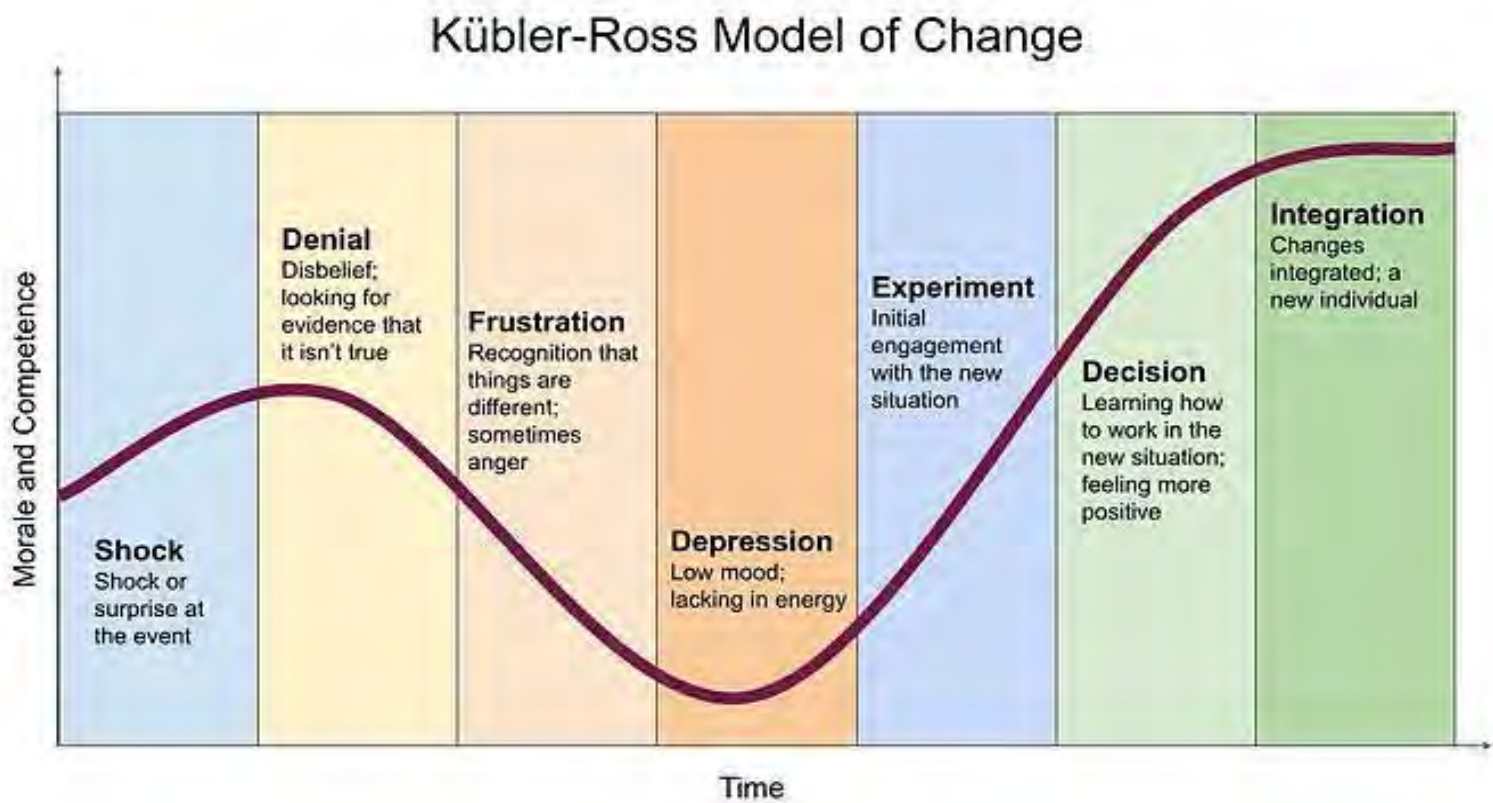


## 3- Transition plan:

Make sure all these elements are aligned. You are the maestro here and need to create synchrony between all the ingredients of change.



## 4- Keep People Engaged





## 4- Keep People Engaged

To keep people engaged during the 7 phases of change:

### In phases 1 and 2: SHOCK AND DENIAL

When they are in shock and denial, project empathy and support using your emotional intelligence skills.

### In phase 1: SHOCK

When they are in shock, project empathy and support using your emotional intelligenceskills.

### In phase 2: DENIAL

When they are in denial, project empathy and support using your emotional intelligenceskills.

They might be still adopting old methods and processes. Don't force them out of it. Try to show them the benefits of the new process instead.

### In phase 3: FRUSTRATION

While still projecting empathy and using active listening to let them voice their concerns, make sure they understand why you are doing the change.

### In phase 4: DEPRESSION

Share your vision with them to inspire them. Let them know what your aspirations are and how they will benefit everyone involved.

### In phase 5: EXPERIMENT

Make sure everyone knows how the process goes. Include them in every step you make so that they will invest in your new approach.

### In phase 6: DECISION

Make sure everyone feels included.  
Inclusiveness boosts commitment.

### In phase 7: INTEGRATION

Make sure knows exactly his mission and tasks and is communicating effectively with the rest of the team to fully integrate the change in a holistic way.

# Topic 4 Change Management

## A- Understanding the necessity of change

Change management is the management of transformations that need to be done for every business to thrive and stay on top. Such changes might include the integration of new technologies, processes and even a company's objectives or values.

It is up to every business owner to asses when there is a need to make such changes taking into consideration the following criteria:

### 1. The shifting requirements of the market

We live in a fast-paced changing world with new market needs and demands. It is imperative for every business owner to adapt accordingly, by staying on the lookout for improvements and what technologies or processes are adopted by the competition. One common indicator that new processes are implemented is the sudden drop in the price of certain goods. This is when every entrepreneur should try to find out whether new processes are adopted by the competition or if the competition is simply lowering their quality standards.

Another common indicator is the emergence of new products on the market: what are these products and what can you do to create similar products or how can you create a new product that can appeal to the demands of your consumers using new processes or technologies?

### 2. The emergence of new technologies

New technologies are designed to save time, money, manpower or resources for every business owner. To stay afloat, you should be aware of these technologies and stay open to your suppliers' new offers.

### 3. Changes in resources, manpower and supply

Adapting to such changes is a game-changer in the success of every industry. Demographic changes and planetary resources – or the lack of, should be taken into consideration in every change management plan. One good example is the Russian-Ukrainian war impact on wheat export. If you are a bakery owner, you should start considering adapted plans in case wheat becomes a scarcity.

What about manpower? Demographic changes, emigration, war refugees... all these are elements that can impact the manpower cost and availability. Always stay alert to these changes and be ready to adapt accordingly without delays.

#### 4. **Change when business is good**

Understanding the necessity of change is overseeing the changes in the market and the emergence of new demands. Many companies preferred to keep doing “their business as usual”, ignoring the emergence of new demands. That’s how companies such as Blockbuster, Kodak and Nokia disappeared. When Netflix first appeared in the market, Blockbuster did not foresee that Netflix’s subscription system was far more flexible and user-friendly and decided to keep their subscription system as long as they were among the top leading companies in their field. Today, Blockbuster is long gone and Netflix has become number one.

#### 5. **Change is life**

This is how the world evolves. In nature, animals adapt to their environment to survive. Even within our species, human beings’ morphology and features change to fit certain climate conditions. After all, one theory about the extinction of dinosaurs states that dinosaurs couldn’t adapt to their new environment; that is the reason why a species that once was one of the most powerful species on earth disappeared in a puff of smoke.

Change is indeed risky, but stagnation is deadly. Learning how to minimize the risks and do the right moves in every change process is the secret sauce to success.

#### **B- The real reasons why people won’t change**

[http://www.psych-pcs.co.uk/Change Management The Real Reason People Won%27t Change.pdf](http://www.psych-pcs.co.uk/Change%20Management%20The%20Real%20Reason%20People%20Won%27t%20Change.pdf)

#### **C- Change “Zones”**

<https://online.hbs.edu/blog/post/types-of-organizational-change>

<https://online.hbs.edu/blog/post/types-of-organizational-change#:~:text=Whereas%20adaptive%20change%20happens%20incrementally,challenge%20the%20business%20is%20facing.>

<https://www.indeed.com/career-advice/career-development/types-of-change>

#### **D- Change benefits**

<https://themarketcompanies.com/2021/08/top-10-benefits-of-organizational-change/>

<https://www.youtube.com/watch?v=BBtkADAnf1U&t=12s>

#### **E- Leading Change**

<https://www.youtube.com/watch?v=N9doNqSztWA>

<https://cfma.org/articles/the-8-step-process-for-leading-change>

#### **F- Theory E and Theory O**

<https://www.youtube.com/watch?v=yuw9ebh8jcg&t=6s>

#### **Identify the need for change**

Is there discomfort in the way things are done? Are you losing your competitive edge with the emergence of new products or cheaper products with the same quality you are offering? Is the reason why some things are done in a certain way still valid today? Let’s take the railroads as an example. When some railroads were first designed, it was decided that their width should be the equivalent of a cart dragged by two horses. The obvious reason was that the railroads should replace the routes taken by these carts. If you’re a railroad builder, you would think that when building a railroad track, you should imperatively adopt the same width in your design, because “this is how things are done”. But what if you are not building railroads on routes previously used for horse carts? It is always useful to do a random check every now and then to see the reason why some things are done in a certain way and implement change when needed.

#### **6. Set your change strategy**

##### *a. Gap analysis:*

It is important to define the gaps in your business and assess the needs while clearly defining what is important for you at this moment.

##### *b. Specify the change:*

Some things do not need to be changed. After all, if your team has become well-trained to do certain things the way they do and it works well, there is no need to change. Define which parts of the production process need to be done differently to achieve your goals.

c. *Short-term wins:*

In order to motivate yourself and your team, draw a mind map with a long-term objective, but pave the way with short term wins. They keep you going and help you sustain your change process and readapt if needed.

d. *Think S.M.A.R.T*

S for Specific:

Be Specific about what you need and what changes should be done and how they should be done and what it takes for these changes to be implemented.

M for Measurable:

Think in Measurable terms: how much would the change process cost? What is the return on investment? How long would it take to start seeing tangible positive results?

A for Achievable:

The sky is the limit but for every change to succeed, you need to do a thorough study of what is achievable right now for you. And remember that every objective that you haven't met can be demotivating for you and for your team.

R for Relevant:

Choose a change that is relevant for your business

T for Time-Sensitive:

Set up a calendar and check for important due dates and deadlines. Launching a new product for Christmas after December 23 is not going to be a best-seller.

e. *Who's involved in your change process?*

It can be major donors who encourage the adoption of new processes to support your sector. It could be the government, or local authorities. Identify who can help you make the transition: select the types of experts, new manpower, and even change managers.

## 7. Have a transition plan

When planning for a change, make sure that all the elements needed to make the transition are aligned or evolving in parallel. Your SMART strategy should match your goals, taking into consideration your means and resources. Make sure the key stakeholders involved in the process are well informed and in synch with every action you make. In the meantime, have a specific training plan for your team and set a schedule for testing processes in crescendo. The synchronization of all these elements is a sure way to minimize the risks and ensure a smooth transition.

## 8. Keep people engaged

According to Kubler-Ross's model of change, people resist change in the first

four phases. When you break the news to your employees that you are going to buy new machines and change the location of your business, they would be in a state of shock, unable to process the pros and cons, and fearing that they might not be able to follow through, especially if they are asked to operate new machines and adopt new procedures. You are getting them out of their comfort zone and it is completely normal that they are not as excited as you are to do the change.

During the second phase, they might be in denial and think that you are not really serious about it.

When they see that you are serious about it, they might feel frustrated, and might voice their concerns in an angry way.

Right after, they might become depressed, which leads to unproductivity, laziness and absenteeism.

Later on, let's say they just relocated in their new offices and are now learning to operate new machines, they might start feeling excited in the new experiment and show the first signs of engagement.

As they start getting acquainted with the change, they feel more confident and subsequently more positive about the change. They even show enthusiasm and start getting more and more involved.

During the last stage, they would fully integrate the changes in their routine. They might even thank you for their new office or the new skills they have learned!

Your role as a leader during the process is to minimize the damages during the first phases and to optimize the positivity and engagement during the last phases. Here's how to do it.

- In phases 1 and 2 (shock and denial)

When they are in shock and in denial, project empathy instead of authority. Reassure them that they will get the full support during the process and address their concerns one by one. Use your emotional intelligence skills during the process.

- In phase 3 (Frustration)

While still projecting empathy and using active listening to let them voice their concerns without any judgment or pressure, make sure you communicate with them what motivates you and the reasons why you see that doing this bold move



is best for you, for them and for the business. Most of the employees would think that you will get a more skilled team to do the job, or that they will get new supervisors; it is your duty to give them assurances that the change will not jeopardize their role within the team.

- In phase 4 (Depression)

If you succeed in supporting your employees during the first stages, the depression phase might be skipped. If they still feel demotivated, try to give them praises and rewards to keep them engaged. Most of all, share with them your vision to inspire them. Let them know what your aspirations are and how the change will benefit everyone involved. Take their opinion and let them feel involved.

- In phases 5,6,7 (Experiment, decision, integration)

Make sure everyone is informed about how the new process goes. Organize special meetings and trainings. Give them tasks, let them do researches and studies and give suggestions. Include them in every step you make.

After all, most of the expert change managers agree that the number one reason why changes fail is a demotivated team.

### **Annex – Further tips and readings on change management**

10 principles of change management

### **Tools and techniques to help companies transform quickly.**

*by John Jones, DeAnne Aguirre, and Matthew Calderone*

*(originally published by Booz & Company)*

*s+b celebrating 25 years: In 2004, John Jones, DeAnne Aguirre, and Matthew Calderone grappled with the most vexing of challenges that leaders face: how to shepherd your organization and its people through possibly wrenching change. Offering pointed but useful advice to senior executives, it remains one of the most-read articles in our collection — year in and year out — with several million views.*

### **Updated: 10 Principles of Leading Change Management**

This classic guide to organizational change management best practices has been updated for the current business environment. To read the newest article, [click here](#). Or, to watch a related video, click on the play button above.

Way back when (pick your date), senior executives in large companies had a simple goal for themselves and their organizations: stability. Shareholders

wanted little more than predictable earnings growth. Because so many markets were either closed or undeveloped, leaders could deliver on those expectations through annual exercises that offered only modest modifications to the strategic plan. Prices stayed in check; people stayed in their jobs; life was good.

Market transparency, labor mobility, global capital flows, and instantaneous communications have blown that comfortable scenario to smithereens. In most industries — and in almost all companies, from giants on down — heightened global competition has concentrated management's collective mind on something that, in the past, it happily avoided: change. Successful companies, as Harvard Business School professor Rosabeth Moss Kanter told s+b in 1999, develop "a culture that just keeps moving all the time."

This presents most senior executives with an unfamiliar challenge. In major transformations of large enterprises, they and their advisors conventionally focus their attention on devising the best strategic and tactical plans. But to succeed, they also must have an intimate understanding of the human side of change management — the alignment of the company's culture, values, people, and behaviors — to encourage the desired results. Plans themselves do not capture value; value is realized only through the sustained, collective actions of the thousands — perhaps the tens of thousands — of employees who are responsible for designing, executing, and living with the changed environment.

Long-term structural transformation has four characteristics: scale (the change affects all or most of the organization), magnitude (it involves significant alterations of the status quo), duration (it lasts for months, if not years), and strategic importance. Yet companies will reap the rewards only when change occurs at the level of the individual employee.

Many senior executives know this and worry about it. When asked what keeps them up at night, CEOs involved in transformation often say they are concerned about how the work force will react, how they can get their team to work together, and how they will be able to lead their people. They also worry about retaining their company's unique values and sense of identity and about creating a culture of commitment and performance. Leadership teams that fail to plan for the human side of change often find themselves wondering why their best-laid plans have gone awry.

No single methodology fits every company, but there is a set of practices, tools, and techniques that can be adapted to a variety of situations. What follows is

a “Top 10” list of guiding principles for change management. Using these as a systematic, comprehensive framework, executives can understand what to expect, how to manage their own personal change, and how to engage the entire organization in the process.

### **1. Address the “human side” systematically.**

Any significant transformation creates “people issues.” New leaders will be asked to step up, jobs will be changed, new skills and capabilities must be developed, and employees will be uncertain and resistant. Dealing with these issues on a reactive, case-by-case basis puts speed, morale, and results at risk. A formal approach for managing change — beginning with the leadership team and then engaging key stakeholders and leaders — should be developed early, and adapted often as change moves through the organization. This demands as much data collection and analysis, planning, and implementation discipline as does a redesign of strategy, systems, or processes. The change-management approach should be fully integrated into program design and decision making, both informing and enabling strategic direction. It should be based on a realistic assessment of the organization’s history, readiness, and capacity to change.

### **2. Start at the top.**

Because change is inherently unsettling for people at all levels of an organization, when it is on the horizon, all eyes will turn to the CEO and the leadership team for strength, support, and direction. The leaders themselves must embrace the new approaches first, both to challenge and to motivate the rest of the institution. They must speak with one voice and model the desired behaviors. The executive team also needs to understand that, although its public face may be one of unity, it, too, is composed of individuals who are going through stressful times and need to be supported.

Executive teams that work well together are best positioned for success. They are aligned and committed to the direction of change, understand the culture and behaviors the changes intend to introduce, and can model those changes themselves. At one large transportation company, the senior team rolled out an initiative to improve the efficiency and performance of its corporate and field staff before addressing change issues at the officer level. The initiative realized initial cost savings but stalled as employees began to question the leadership team’s vision and commitment. Only after the leadership team went through the process of aligning and committing to the change initiative was the work force able to deliver downstream results.

### **3. Involve every layer.**

As transformation programs progress from defining strategy and setting targets to design and implementation, they affect different levels of the organization. Change efforts must include plans for identifying leaders throughout the company and pushing responsibility for design and implementation down, so that change “cascades” through the organization. At each layer of the organization, the leaders who are identified and trained must be aligned to the company’s vision, equipped to execute their specific mission, and motivated to make change happen.

A major multiline insurer with consistently flat earnings decided to change performance and behavior in preparation for going public. The company followed this “cascading leadership” methodology, training and supporting teams at each stage. First, 10 officers set the strategy, vision, and targets. Next, more than 60 senior executives and managers designed the core of the change initiative. Then 500 leaders from the field drove implementation. The structure remained in place throughout the change program, which doubled the company’s earnings far ahead of schedule. This approach is also a superb way for a company to identify its next generation of leadership.

### **4. Make the formal case.**

Individuals are inherently rational and will question to what extent change is needed, whether the company is headed in the right direction, and whether they want to commit personally to making change happen. They will look to the leadership for answers. The articulation of a formal case for change and the creation of a written vision statement are invaluable opportunities to create or compel leadership-team alignment.

Three steps should be followed in developing the case: First, confront reality and articulate a convincing need for change. Second, demonstrate faith that the company has a viable future and the leadership to get there. Finally, provide a road map to guide behavior and decision making. Leaders must then customize this message for various internal audiences, describing the pending change in terms that matter to the individuals.

A consumer packaged-goods company experiencing years of steadily declining earnings determined that it needed to significantly restructure its operations — instituting, among other things, a 30 percent work force reduction — to remain competitive. In a series of offsite meetings, the executive team built a brutally honest business case that downsizing was the only way to keep the business viable,

and drew on the company's proud heritage to craft a compelling vision to lead the company forward. By confronting reality and helping employees understand the necessity for change, leaders were able to motivate the organization to follow the new direction in the midst of the largest downsizing in the company's history. Instead of being shell-shocked and demoralized, those who stayed felt a renewed resolve to help the enterprise advance.

### **5. Create ownership.**

Leaders of large change programs must overperform during the transformation and be the zealots who create a critical mass among the work force in favor of change. This requires more than mere buy-in or passive agreement that the direction of change is acceptable. It demands ownership by leaders willing to accept responsibility for making change happen in all of the areas they influence or control. Ownership is often best created by involving people in identifying problems and crafting solutions. It is reinforced by incentives and rewards. These can be tangible (for example, financial compensation) or psychological (for example, camaraderie and a sense of shared destiny).

At a large health-care organization that was moving to a shared-services model for administrative support, the first department to create detailed designs for the new organization was human resources. Its personnel worked with advisors in cross-functional teams for more than six months. But as the designs were being finalized, top departmental executives began to resist the move to implementation. While agreeing that the work was top-notch, the executives realized they hadn't invested enough individual time in the design process to feel the ownership required to begin implementation. On the basis of their feedback, the process was modified to include a "deep dive." The departmental executives worked with the design teams to learn more, and get further exposure to changes that would occur. This was the turning point; the transition then happened quickly. It also created a forum for top executives to work as a team, creating a sense of alignment and unity that the group hadn't felt before.

### **6. Communicate the message.**

Too often, change leaders make the mistake of believing that others understand the issues, feel the need to change, and see the new direction as clearly as they do. The best change programs reinforce core messages through regular, timely advice that is both inspirational and practicable. Communications flow in from the bottom and out from the top, and are targeted to provide employees the right information at the right time and to solicit their input and feedback. Often this will require overcommunication through multiple, redundant channels.

In the late 1990s, the commissioner of the Internal Revenue Service, Charles O. Rossotti, had a vision: The IRS could treat taxpayers as customers and turn a feared bureaucracy into a world-class service organization. Getting more than 100,000 employees to think and act differently required more than just systems redesign and process change. IRS leadership designed and executed an ambitious communications program including daily voice mails from the commissioner and his top staff, training sessions, videotapes, newsletters, and town hall meetings that continued through the transformation. Timely, constant, practical communication was at the heart of the program, which brought the IRS's customer ratings from the lowest in various surveys to its current ranking above the likes of McDonald's and most airlines.

### **7. Assess the cultural landscape.**

Successful change programs pick up speed and intensity as they cascade down, making it critically important that leaders understand and account for culture and behaviors at each level of the organization. Companies often make the mistake of assessing culture either too late or not at all. Thorough cultural diagnostics can assess organizational readiness to change, bring major problems to the surface, identify conflicts, and define factors that can recognize and influence sources of leadership and resistance. These diagnostics identify the core values, beliefs, behaviors, and perceptions that must be taken into account for successful change to occur. They serve as the common baseline for designing essential change elements, such as the new corporate vision, and building the infrastructure and programs needed to drive change.

### **8. Address culture explicitly.**

Once the culture is understood, it should be addressed as thoroughly as any other area in a change program. Leaders should be explicit about the culture and underlying behaviors that will best support the new way of doing business, and find opportunities to model and reward those behaviors. This requires developing a baseline, defining an explicit end-state or desired culture, and devising detailed plans to make the transition.

Company culture is an amalgam of shared history, explicit values and beliefs, and common attitudes and behaviors. Change programs can involve creating a culture (in new companies or those built through multiple acquisitions), combining cultures (in mergers or acquisitions of large companies), or reinforcing cultures (in, say, long-established consumer goods or manufacturing companies). Understanding that all companies have a cultural center — the locus of thought, activity, influence, or personal identification — is often an effective way to jump-start culture change.



A consumer goods company with a suite of premium brands determined that business realities demanded a greater focus on profitability and bottom-line accountability. In addition to redesigning metrics and incentives, it developed a plan to systematically change the company's culture, beginning with marketing, the company's historical center. It brought the marketing staff into the process early to create enthusiasts for the new philosophy who adapted marketing campaigns, spending plans, and incentive programs to be more accountable. Seeing these culture leaders grab onto the new program, the rest of the company quickly fell in line.

### **9. Prepare for the unexpected.**

No change program goes completely according to plan. People react in unexpected ways; areas of anticipated resistance fall away; and the external environment shifts. Effectively managing change requires continual reassessment of its impact and the organization's willingness and ability to adopt the next wave of transformation. Fed by real data from the field and supported by information and solid decision-making processes, change leaders can then make the adjustments necessary to maintain momentum and drive results.

A leading U.S. health-care company was facing competitive and financial pressures from its inability to react to changes in the marketplace. A diagnosis revealed shortcomings in its organizational structure and governance, and the company decided to implement a new operating model. In the midst of detailed design, a new CEO and leadership team took over. The new team was initially skeptical, but was ultimately convinced that a solid case for change, grounded in facts and supported by the organization at large, existed. Some adjustments were made to the speed and sequence of implementation, but the fundamentals of the new operating model remained unchanged.

### **10. Speak to the individual.**

Change is both an institutional journey and a very personal one. People spend many hours each week at work; many think of their colleagues as a second family. Individuals (or teams of individuals) need to know how their work will change, what is expected of them during and after the change program, how they will be measured, and what success or failure will mean for them and those around them. Team leaders should be as honest and explicit as possible. People will react to what they see and hear around them, and need to be involved in the change process. Highly visible rewards, such as promotion, recognition, and bonuses, should be provided as dramatic reinforcement for embracing change.

Sanction or removal of people standing in the way of change will reinforce the institution's commitment.

Most leaders contemplating change know that people matter. It is all too tempting, however, to dwell on the plans and processes, which don't talk back and don't respond emotionally, rather than face up to the more difficult and more critical human issues. But mastering the "soft" side of change management needn't be a mystery.

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