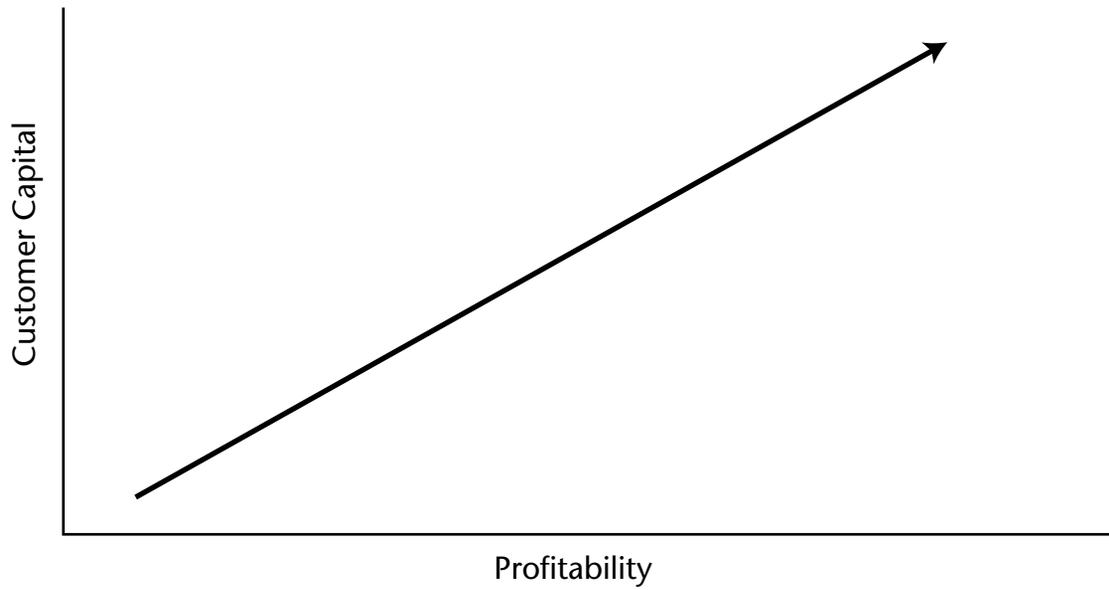


RELATIONSHIP OF CUSTOMER CAPITAL AND PROFITABILITY

FORM A

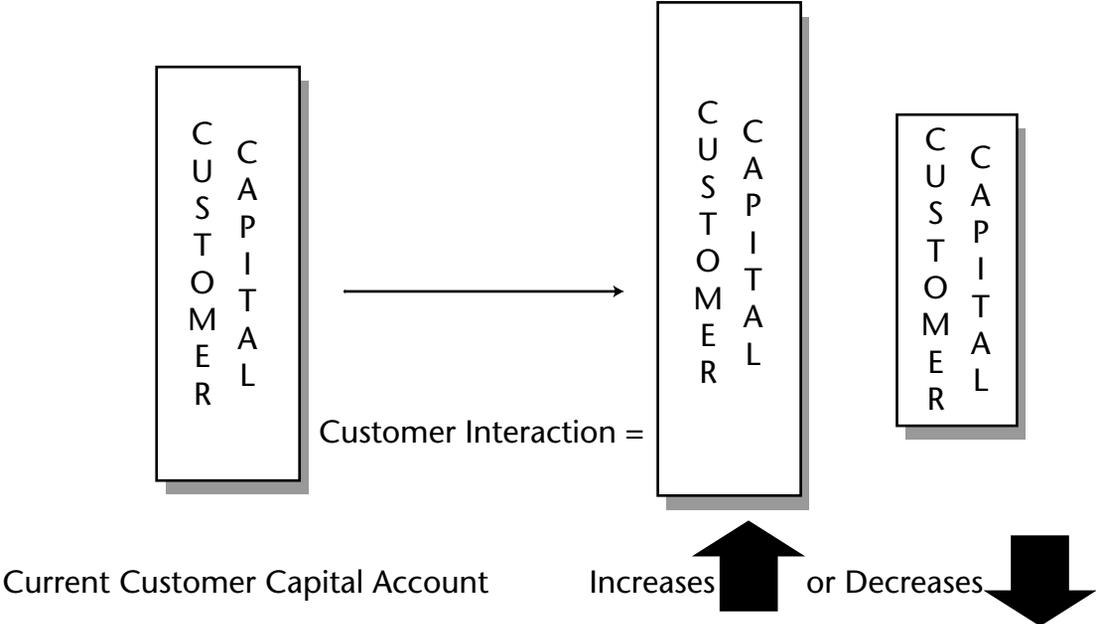
Peter Garber



You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

FLEXIBILITY OF CUSTOMER CAPITAL ACCOUNTS

FORM B



You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

1. *How important is this decision to the customer?* You need to understand how important your decision is to a customer. If the decision is of low importance, its impact on Customer Capital is likely to be little or none. Conversely, if the decision is highly important to the customer, it has the potential of having a great impact on your capital with the customer. Knowing your customer is critical to making an accurate evaluation on this question. Without this understanding you could be worrying about decisions that have low importance to the customer and ignoring others of great importance. This causes businesses to wonder why they lose business after it is too late and already lost to the competition. Management is left wondering without a clue as to what went wrong. Likely, the business failed to understand or consider the impact of something it did on their Customer Capital.
2. *Does this decision affect any prior agreements that you have made with the customer?* One surefire way of losing Customer Capital is to fail to honor a prior commitment. (There could also be legal implications to such a breach.) Whether the agreements are legal and written or based on a handshake and someone's word, to the customer, commitments are binding. Reneging on promises casts an unfavorable light on the integrity of an organization. Sometimes the situation is created by an individual in a supplier's organization who is not in a position to make such commitments or promises. Once the individual is out of the picture, it is tempting to start over again with the customer in terms of business arrangements. However, the transition might not be so clear from the customer's perspective. The customer is still doing business with the same supplier and a commitment is a commitment regardless of who made it. All the explanations in the world do not change the emotional contract of the customer with the supplier. In such case, a short-term investment in Customer Capital can yield longer-term returns—or at least not deplete capital. Honor all your commitments with your customers or pay the price in Customer Capital.
3. *What are the customer's expectations concerning this decision?* You need to have at least some understanding of the customer's expectations of a decision or action you are planning on taking. Based on this assessment, you can then judge whether a decision is going to be viewed favorably by that customer. In other words, will the decision earn or lose Customer Capital? Once you have made this determination, you can better assess the decision's risks or benefits in terms of capital. You shouldn't be surprised by a customer's reaction to your decisions if you do a little Customer Capital homework first.
4. *Has the customer expressed interest or concern relating to the factors concerning this decision?* An obvious way to better understand how a customer might react to a decision is to listen carefully to any concerns the customer might have already expressed. Although on the surface this seems simple, in reality it might be complicated. If the customer clearly states a position, it might be relatively easy to understand the position. But customer's opinions are not always so easy to understand. You might have to interpret the customer's interests or concerns from much more subtle messages. The customer might speak to you through different levels of his or her organization. These messages can come from the top executives or from much lower levels in the organization. Feelings on the subject might also be expressed

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

more by actions than by words. Making this determination can require your very best listening skills and data gathering.

5. *What will be the actual cost to your organization of deciding in the customer's favor?* Sometimes you can find yourself fighting battles that are not worth fighting or even winning. You can end up winning the battle with the customer but losing his or her business. As with anything in life, pick your battles carefully. Do not fight ones that you either cannot win or you end up losing in the final analysis. You need to make customer-related decisions with consideration for the financial and Customer Capital implications. In this analysis, you need to determine the real costs to your organization in terms of the total impact on the customer. Do not try to win battles because of an emotional stake in a decision. In business, you cannot make decision based on emotions only. You need to look objectively at the business reasons for any decision, particularly ones that directly impact customers. Purely emotional decisions not in the favor of the customer lead to unnecessary capital losses down the road.
6. *Who in the customer's organization is directly affected by this decision?* Think about how certain individuals in the customer's organization are affected by your decision. You need to consider the customer's emotional stake. The customer's emotional needs are more important than yours when it comes to Customer Capital, and addressing the customer's emotional stake can create capital. Ignoring the need can lead to a capital loss. Also understand how key decision makers in the customer's organization might feel about an issue you are about to decide on. You need to know whose toes you are stepping on. Again, decisions with potential negative impact on the customer need to be carefully calculated risks, with full consideration of their possible affect on Customer Capital.
7. *Has the customer indicated how he or she might react to the decision?* Again, if you listen carefully, you might hear a good indicator of the customer's reaction. The customer might be very specific about how he or she feels on the issue at hand. Although the indicator might not be specific, it might give you a very good idea as to whether the decision will result in a gain or loss of Customer Capital. You might hear something like, "If you make that decision, we will seriously think about finding another supplier." This is a pretty clear indication. However, usually the messages are subtler. You need to infer and make judgments concerning Customer Capital based on much more limited information. You might need to rely more on the customer's past behaviors as predictors. You might have only anecdotal evidence to support the predictions but still need to factor all the information you have on how the customer may react to the pending decision. Or you might just ask how the customer feels about the decision and make it based on this firsthand knowledge and information.
8. *Will the decision have an impact on your future relationship with the customer?* Your past, present, and future relationship with the customer is what Customer Capital is all about. You need to be constantly evaluating the health and status of the relationship and the effect of decisions on it. An organization should consider making decisions affecting this relationship based at least in part on their potential impact on earning future capital with the customer.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

Customer Capital building decisions should be part of the strategic planning of any supplier organization.

9. *How might the competition react to this decision?* Consider how the competition might react to your decisions concerning customers. Certain decisions could open the door for competitors, which might or might not be OK with you. If you are planning on exiting or reducing a certain product or service, you might not care if the competition takes over your share of the business. You might even welcome knowing that the customer's needs are being addressed and build capital with the customer. However, if you are fighting for every percentage point of market share that you can get, you will feel differently about the competition trying to take away business. Think about inadvertent opportunities you might be creating for the competition when making decisions that affect Customer Capital.
10. *As a result of this decision, will you achieve short-term goals at the expense of longer-term goals with the customer?* Again, you could win the battle and lose the war. For example, you might be able to increase your price today, but will you motivate the customer to look for another more cost-competitive supplier? Do not be lulled into a false sense of security if you do not immediately lose the customer's business. You need to assess both the short- and long-term potential Customer Capital impact of the decision. Switching to another supplier might be a longer-term process for the customer that you are not yet aware of, but you will eventually know about it all too well. Not appreciating both immediate and strategic Customer Capital consequences can be a fatal error, ultimately costing you valuable and important customers.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

ANALYZING THE RESULTS

Add up the total points from the Customer Capital Index.

41–50 You should think very carefully about the decision you are about to make and its negative impact on your capital with this customer or customers.

31–40 Your decision may have less direct impact on Customer Capital, but you still need to be aware that you may have a future problem as a result.

21–30 Look carefully at the factors that you scored the highest (4 or 5) and carefully review these particular factors before proceeding.

0–20 Decision most likely will not significantly affect your capital with the customer.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

Nancy Jackson

1. *Know-it-alls* are annoying in that they know everything about the product before the salesperson begins the sales pitch. They indicate that they have all their problems solved and know how to solve anything that might come up. A know-it-all might also be arrogant or rude and might discount the salesperson. Try to outtalk the salesperson, cite magazine articles or TV shows, make it up if you have to.
2. The *miser* is unwilling to spend the money to purchase necessary materials and products. He or she analyzes every detail of the sale and checks every other possible way to save a few pennies. Try to think about what other things the money could buy, how expensive the product is, and try to get a deep discount.
3. The *passive-aggressive* is moody and hard to predict, pleasant and agreeable at one time, and abrupt and even hostile the next. The person can be cynical and stubborn at times, supportive and cheerful at others. Change your mood, be angry and explosive, then apologize and relax. Make sure that the salesperson keeps the conversation focused on your needs, your ego, your best interest.
4. The *zero feedback* client does not talk or give nonverbal feedback. Besides making some salespeople uncomfortable, this style does not give clues to potential difficulties or issues. Don't ignore the salesperson, but just nod or smile, or shake your head "no." Avoid a commitment by shrugging your shoulders, and be as vague and noncommittal as you can. Answer questions with a question. See how patient the salesperson can be. You do not want to be rushed.
5. The *visionless client* cannot see the product's uses or benefits. The attitude might be, "We got along without it before." Be very concrete and stay with facts. You do not understand how the product works and cannot see its usefulness. Why would anyone want the product? You have not used one of these before, or, if you have one, it can be repaired or modified to serve its purpose. You are unaware of any reasons for buying the product.
6. *Overpositive clients* are so enthusiastic they might not realize possible drawbacks or difficulties. They tend to idealize the solution or the amount of time or money required. Some over-supportive clients might become obnoxious with a constant need for reassurance and communication. Overwhelm your salesperson with your creativity and enthusiasm. This product can lead to solving the world's problems! If everyone had one, just think of how happy everyone would be. Maybe you could offer to buy all that the company can produce. Maximize all the benefits that the salesperson offers. Ask for information, then expand on the possibilities. Maybe you should open your own franchise!

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

1. *Identify the client's reason for buying.* This strategy seems obvious, but often salespeople do more talking than listening. Ask questions, and find out why the customer has come into your store, inquired on your Website, or called you. What are the needs, what does he or she do in life, which likes or dislikes are relevant to your product? Ask why?
2. *Find out if the product will alleviate "pain."* Will the product reduce problems or inconveniences in the customer's life? Will it fix something that is broken, solve a problem, enhance a dull life, or please someone else? The problem might not be physical, so think of psychological aspects as well. What will the neighbors think? Be helpful and understanding. Ask questions to uncover the situation.
3. *Show how the product will look once it is in place.* Help customers imagine how their life will change for the positive once they have purchased the product. Use all the appropriate senses. What will it look like, smell like, or feel like? Create a fantasy world for customers, showing them as the stars of a positive vision. "Imagine how you will feel"
4. *Manage milestones, give feedback, and keep the client aware of the process.* Be clear and detailed about the process of product implementation, installation, and any details that need attention. Keep the customer in the loop when you have to change or customize the product. Create clear deadlines, keep the customer informed, and keep your word. Let the customer know the progress of the project.
5. *Separate the product from the person; do not take other people's styles personally.* Do not get emotional or frustrated by the customer's style. Good salespeople like all kinds of people, and they are confident enough to take other people's ups and downs in stride. Try to create the sense of relationship, but do not confuse clients' responses with your own self-esteem if they do not respond the way you would like. Be patient, and try to understand the client's point of view.
6. *Show numerical data and the costs of business.* Write out details and be clear about charges and costs. Do not surprise the customer with hidden costs and additional needs. Over-communicate if you need to. Be clear, specific, and give both the benefits and downside or potential problems of the product. Offer advice and your willingness to assist with solving any problems. Be professional and businesslike, and treat the customer fairly.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

INTRODUCTION

Robin Champion was recently appointed director of performance management at Nacirema, Inc. Robin had a year of experience in a similar position at one of Nacirema's competitors. Armed with a degree in psychology and an MBA, Robin replaced the person who started the performance management department six years previously. The latter was promoted to vice president in another part of the company. Robin looked forward to the challenge of the new position and anticipated the support of Nacirema's president.

Nacirema is the leader in its industry, providing both products and service to a variety of business and government customers throughout North and South America. Even though Nacirema's performance management department was only an outgrowth of the fascination with the performance management movement in the United States, there already seemed to be a payoff. Corporate sales for Nacirema ran 2 to 3 percent ahead of the competition for each of the last three years.

Nacirema's approach to performance management was simple and straightforward. The corporate definition of performance was "providing expected results to internal and external customers on a timely basis." This definition was driven by the corporate credo:

Every Nacirema employee has the responsibility to perform in ways that respond to job requirements and expectations. Our objective is to be the performance leader in everything we undertake. Thus, we must respond quickly to problems, fix them as soon as possible, and do it efficiently and effectively.

Nacirema's performance improvement strategy was based on (1) continuous redefining all internal measures of performance, (2) improving management processes at all levels, and (3) improving products and services from vendors. To operationalize these strategies, Nacirema stressed the importance of the following Principles for Performance Management:

1. Meeting job expectations and requirements is every employee's concern.
2. All employees will be provided with the education and training necessary for achieving all performance goals and objectives.
3. Processes and procedures will be built around performance concepts and upon the latest technology.
4. Employees, management, and suppliers will be true partners in the performance management process.
5. Communication about every corporate concern that is related to performance will be clear, constant, and consistent.
6. All employees will be given complete responsibility over every aspect of task performance that impacts their jobs directly.

THE STRUCTURE OF PERFORMANCE MANAGEMENT

Every staff function and line operation in the company had a performance committee made up of volunteer members. The committees were responsible for every aspect of the performance

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

program in their respective area of the company. Each committee had a representative on the Corporate Performance Committee (CPC). The CPC included the president, the director of performance management, and the vice presidents of administration, finance, human resources, information systems, productivity, sales and marketing, and training. The CPC set all corporate policy on performance, leaving implementation to the line and staff employees and supervisors.

The director of performance management reported directly to the president and had no direct line authority. Each staff and line executive had responsibility for performance in their respective area of the company. The role for the director of performance management (Robin Champion) revolved around facilitating information flow, championing for performance, and providing all resources needed for successful ongoing performance improvement efforts.

PERFORMANCE MEASUREMENT AND REPORTING

The essence of performance measurement and reporting is feedback. The feedback is used to take corrective action. Competitive internal benchmarking and the frequency of performance problems are the measures used. Performance problems are measured from the perspective of both internal and external customers.

Competitive benchmarking data is available on a quarterly basis. It is provided to the CPC within 60 days after each quarter closes. The CPC selectively releases the competitive benchmarking data to staff and line committees through the CPC.

The frequency of performance problems data is collected manually and put into a computer-based information system that produces two types of monthly reports. The first type of report provides work-unit-by-work-unit comparative data. It is presented in bar chart format covering a 13-month period.

A second report provides information on an employee-by-employee basis. It, too, is presented in bar chart format covering a 13-month period.

Both reports are reviewed by the CPC, which makes recommendations to the staff and line work unit committees when they observe trends that are negative for two reporting periods in a row. Some line employees feel a lag in reporting is costly.

Both reports are displayed on bulletin boards. The reports remain on the bulletin board until the next reports are available for posting. Once in a while, written comments appear on the posted reports. The comments are always anonymous and seem to be finger-pointing in nature.

PERFORMANCE MANAGEMENT TRAINING

A variety of training programs focus on different aspects of the performance management process. All are especially designed for Nacirema.

To begin with, everyone who interviews potential new employees is trained on how to ask questions and evaluate responses so that high performance-minded people are hired. This training lasts about three hours.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

During new employee orientation, the director of performance management gives a presentation on the various aspects of “every employee’s role in performance improvement.” This lasts for about an hour.

All vendors and external customers receive a video that addresses Nacirema’s approach to performance management. This training includes the credo strategies and principles that Nacirema holds near and dear. The video is a fast-paced 30 minutes.

All employees receive training in the philosophy and techniques of performance improvement at Nacirema. This is nine hours of training delivered over three three-hour sessions over a three-week period.

During the fourth year of Nacirema’s performance program, a problem had arisen. It was observed that there was a gap between management’s commitment to performance management and the actions they took. Management wanted performance problems that were here today to be gone tomorrow. Extraordinary employee efforts to improve performance went practically unnoticed. Management seemed to have a project orientation to performance, rather than a process approach. Management also abolished performance management celebrations, calling them too costly. The consulting firm hired to conduct an annual performance audit saw their contract expire without any discussion.

A new CEO attempted to reverse the decline of performance management efforts through a management training program developed by the vice president of training. Through this program, the problems previously mentioned were identified and solved. Everything got back on track except for the performance audit. They are not conducted anymore.

QUESTIONS FOR DISCUSSION

1. To what extent do you think Nacirema’s sales leadership resulted from their performance management program? How so?
2. Evaluate Nacirema’s:
 - a. Definition of performance management.
 - b. Performance credo.
 - c. Principles for performance management.
3. Do you think the committee approach for performance improvement enhances or retards what Nacirema is trying to accomplish? Why?
4. What problems do you see with Nacirema’s approach to performance measurement and reporting? What would you do differently?
5. Do Nacirema’s training efforts appear to be consistent with the principles for performance management? Why or why not?
6. What are the advantages and disadvantages of an external organization conducting a performance audit of an organization?
7. What would your final set of recommendations be to the new president?
8. How would you go about implementing your recommendations?

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

A RECIPE FOR POETRY CARDS

FORM A

Sonia Ribaux

Type of Word	Examples
30 verbs	Create, stimulate, explore, lead, frolic, be, is, lift, explode, love, write, show, call, talk, jump, etc.
20 adjectives	Mellow, clever, playful, soft, enough, too much, pale, dark, fast, etc.
45 nouns	Bird, integrity, teacher, team, rainbow, cement, light, bed, table, marble, fence, passion, fruit, etc.
20 adverbs	Joyfully, well, elegantly, randomly, why, not, how, where, far, near, softly, lovely, very, really, wisely, etc.
15 poetic phrases	Truth dreams, silver wolf, tender stars, brisk air, cool stream, darling buds, heavenly honey, etc.
10 prepositions	At, from, with, up, across, under, over, with, for, of, by, beside, next, etc. (These can be repeated.)
10 pronouns	Who, which, what, it, she, he, I, you, they, this, that, any, his, her, none, anything, some, every, etc.
10 interjections and conjunctions	Oh! Wow! Hey! and, because, as, if, then, for, since, until, etc.
10 suffixes	-s, -ed, -ing, -es, -ness (These can be repeated.)
20–30 custom words related to your topic	For example, for a workshop on instructional games I made cards with words like games, learning, play, teach, coach, creativity, laughter, players, competition, tomfoolery, etc.
Blank cards	Give the participants three to five blank cards so that they can fill in words for themselves.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

Sandra Torres

As interviewers, we need to be acutely aware of things that trigger subconscious emotional responses within us. By gaining awareness of these factors, we can avoid judging applicants based on bias rather than on skills, past performance, and experience.

Read the situations that have been assigned to your group and answer the questions honestly after each situation. Later you will have an opportunity to share your responses with the rest of the class.

1. *The candidate you are interviewing looks like you (same race, gender, etc.). As you discuss education, you find out that she attended the same school that you attended and that she was raised in the same neighborhood as you.*

What is your *emotional* response? Is your reaction favorable or unfavorable toward the candidate?

If left unchecked, how could your reaction in this situation interfere with your ability to make an objective, behaviorally based evaluation of the candidate?

2. *You have an MBA, which you acquired while working full-time because you consider higher education to be critical to success in the workplace. Several candidates you have met have had college degrees, but the candidate you are currently interviewing holds only a high school diploma. The vacancy for which you are interviewing requires a high school diploma as the minimum education level.*

What is your *emotional* response? Is your reaction favorable or unfavorable toward the candidate?

If left unchecked, how could your reaction in this situation interfere with your ability to make an objective, behaviorally based evaluation of the candidate?

3. *You are a diehard New York Yankees fan. During the icebreaker segment of the interview, the candidate mentions that he attended last night's baseball game and truly enjoyed watching the Boston Red Sox defeat the Yankees.*

What is your *emotional* response? Is your reaction favorable or unfavorable toward the candidate?

If left unchecked, how could your reaction in this situation interfere with your ability to make an objective, behaviorally based evaluation of the candidate?

4. *You are interviewing someone for a back office data entry position. Although this person has good experience and excellent references, you are having difficulty understanding her because of her thick ethnic accent. You do not know her cultural background, but you have avoided using her name in conversation because you cannot figure out how to pronounce it.*

What is your *emotional* response? Is your reaction favorable or unfavorable toward the candidate?

If left unchecked, how could your reaction in this situation interfere with your ability to make an objective, behaviorally based evaluation of the candidate?

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

5. *You are very health conscious. You take great pride in your ability to keep your weight down and stick to a rigorous exercise routine. The candidate you are interviewing for a clerical position is about 50 pounds overweight.*

What is your *emotional* response? Is your reaction favorable or unfavorable toward the candidate?

If left unchecked, how could your reaction in this situation interfere with your ability to make an objective, behaviorally based evaluation of the candidate?

6. *During an interview, you start to experience a physical attraction to the applicant. You are not planning to act on this attraction, but you notice that you enjoy being in this person's company because of the attraction.*

What is your *emotional* response? Is your reaction favorable or unfavorable toward the candidate?

If left unchecked, how could your reaction in this situation interfere with your ability to make an objective, behaviorally based evaluation of the candidate?

7. *It is a Wednesday afternoon in March and you have been interviewing all day. As the next candidate steps into your office, you notice that he has a smeared black marking on his forehead in the shape of a cross.*

What is your *emotional* response? Is your reaction favorable or unfavorable toward the candidate?

If left unchecked, how could your reaction in this situation interfere with your ability to make an objective, behaviorally based evaluation of the candidate?

8. *You are interviewing prospective employees for a customer service position. The incumbent will have face-to-face contact with customers on a regular basis. The next applicant on your calendar has a strong resume, but as she enters your office you see that she has a "lazy eye" and you find it distracting.*

What is your *emotional* response? Is your reaction favorable or unfavorable toward the candidate?

If left unchecked, how could your reaction in this situation interfere with your ability to make an objective, behaviorally based evaluation of the candidate?

9. *You were raised in an upper-middle-class household and your parents insisted that you learn proper etiquette. You attended private schools, and the teachers there were adamant about students speaking proper English. Now you are interviewing a candidate for a back office position, and during the discussion he has used several "slang" phrases that are unfamiliar to you.*

What is your *emotional* response? Is your reaction favorable or unfavorable toward the candidate?

If left unchecked, how could your reaction in this situation interfere with your ability to make an objective, behaviorally based evaluation of the candidate?

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

10. *You are interviewing a candidate who clearly does not share your own cultural background. You have been talking with him for 30 minutes now, and he has yet to look you in the eye while he is speaking to you.*

What is your *emotional* response? Is your reaction favorable or unfavorable toward the candidate?

If left unchecked, how could your reaction in this situation interfere with your ability to make an objective, behaviorally based evaluation of the candidate?

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

FOUR CLASSIC PRINCIPLES FOR EFFECTIVE AGREEMENTS

FORM A

Ana Carcani

In this exercise, the use of Fisher and Ury's* four principles for effective negotiation presents an improved and efficient way of reaching a favorable agreement. These principles can be used efficiently in many types of disputes. They are:

1. Separate the people from the problem.
2. Focus on interests rather than positions.
3. Generate a variety of options before settling on an agreement.
4. Insist that the agreement be based on objective criteria.

1. *Separating people and issues:* The first principle is to separate the people from the issues. We often tend to become personally involved with the issues and our positions, taking responses to the issues and positions as personal attacks. Separating the people from the issues allows us to address the issues without damaging the relationship. It also helps in getting a clearer view of the actual problem.
2. *Focus on interests:* Good agreements focus on the parties' interests, rather than on their positions. As Fisher and Ury (1983) explain, "Your position is something you have decided upon. Your interests are what caused you to so decide" (p. 42). Defining a problem in terms of positions means that at least one party will "lose" the dispute. When a problem is defined in terms of the parties' underlying interests, it is often possible to find a solution that satisfies both parties' interests.
3. *Generate options:* Increasing or inventing options is what makes an agreement successful. Parties might decide prematurely on an option and so fail to consider alternatives. More often than not, we aim at narrowing our options to find the single answer because we tend to define the problem in win-lose terms, assuming that the only options are for one side to win and the other to lose. By increasing the conceptual "pie" and inventing options, we are able to turn a lose-lose situation into a positive win-win.
4. *Use objective criteria:* When interests are directly opposed, the parties should use objective criteria to resolve their differences. Allowing such differences to spark a battle of wills destroys relationships, is inefficient, and is not likely to produce wise agreements. Decisions based on reasonable standards make it easier for the parties to agree and preserve their good relationship.

*Roger Fisher and William Ury, *Getting to Yes: Negotiating Agreement without Giving In* (New York: Penguin Books, 1983).

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

SIMULATION BACKGROUND INFORMATION FORM B

Prior to 1981 the island of Sumeria was a unified land inhabited both by Zoras (the majority) and Quracis (the minority). Before the war, the two communities lived in relative peace and several towns were mixed; however, differences and power struggles existed between the two ethnically and religiously distinct populations. In 1981 the Zora-dominated south sought unification with mainland Assyr, a neighboring country to the northeast that Zora-speaking people claim kinship with. These unification aspirations elevated the level of insecurity for the Quracis, who identified with the mainland country of Qurenia, situated in the southwest, where Quracis claim kinship with. The culmination of hostilities in 1981 resulted in the expulsion of peoples, atrocities on both sides, and eventually a physical division that forced the two peoples to live separately for more than two decades. The divide produced two countries: New Sumeria, which was composed exclusively of Quracis, and Sumeria, composed of Zoras.

A new territory that did not reflect those major physical divisions was the province of Qurac, which belongs to Sumeria but has a Quraci majority. For years, while Sumeria and New Sumeria lived in a relative cease-fire, the territory of Qurac has suffered the most violence. The ongoing violence has produced thousands of refugees and a state of terror for the citizens of Qurac, both Zora and Quraci who are in the middle of a battle between the Sumerian Security Forces and paramilitary groups. Though Qurac was once a haven of diversity, it now symbolizes the larger dispute of the two sides of the island.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

Sumerian's guiding principles for negotiation: Qurac is an indispensable part of the country and our government will not remove its security forces unless the paramilitary troops cease the violence against innocent civilians. Your government places a high premium on countering these hostilities and insurrections against the territorial integrity of Sumeria, and these violent factions have to be defeated militarily for negotiations to succeed. On the other hand, you are aware that you need international support to fight the insurgents. You are an outspoken opponent of a settlement until security is restored in the province. As a member of the United Nations Security Council, you have the backup to answer with full military force; however, you do not want to have to resort to such measures.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

CONFIDENTIAL INFORMATION FOR THE REPRESENTATIVE FROM NEW SUMERIA

FORM D

As representatives from New Sumeria, you identify with the Quraci people's plight for their independence; you also fought your own battles in the 1980s to achieve independence. However, you want the fighting and the violence to cease because of the economic and environmental destruction the fighting has inflicted on the Qurac region and your own. Ultimately, an unstable Qurac is going to bring more and more problems for New Sumeria. You are not going to be able to convince the United Nations to recognize your state without full cooperation in dismantling the paramilitary groups. You would like to be recognized by the international community so that you can resume trade relationships with other states. The effects of the diplomatic isolation are detrimental to your economy and to your people, and you realize that to attain peace and prosperity you must cooperate with the United Nations. However, you stand firm in your belief that you cannot let your identity, proud history, and painful fights go to waste by conceding to Sumerian Security Forces' abuses of your people.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

INSTRUCTIONS FOR UNITED NATIONS MEDIATORS

FORM E

You want to get the two states to agree to a United Nations peacekeeping force that will separate the paramilitary groups from the Sumerian Security Forces. Most important, you want to disarm the groups and help them return to civilian life in Qurac. As mediators, you want to increase safety for everyone and encourage informal dialogues so that the parties can build relationships and establish trust among each other. You also can act as facilitators of this dialogue between the parties and ensure that this meeting can become a precedent for better relationships among all the neighbors.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

CONFIDENTIAL INFORMATION FOR THE REPRESENTATIVE OF THE QURACI REGIONAL MOVEMENT (QRM)

FORM F

As the only representative of the region of Qurac, you are very concerned about how you are going to be treated in the negotiation process. You feel that the QRM are the true representatives of the Quraci people. You have no wish to halt the fighting unless the status quo is changed. There can be no peacekeeping forces without the agreement to discuss political rights for Qurac. Provided there is discussion about Quraci independence, you want to ensure that the QRM is allowed to become a legitimate political party. The economic situation of the Quraci people must be addressed, and that can happen only through true representation of Quracis in the government. The few Zoras living in the region have come from Sumeria, and they have dominated the market by buying up all the small businesses and accumulating wealth. These disparities and inequalities are also part of the Sumerian government's way of discriminating against the Quraci people.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

CONFIDENTIAL INFORMATION FOR THE REPRESENTATIVE OF THE ORGANIZATION OF THE UNITED ZORA PEOPLE

FORM G

You are the organization representing the Zora people residing in Assyr, Sumeria, Qurac, and expatriate Zoras living all around the world. You have a strong organization and often can voice your views and concerns to the international community because of your memberships. You also have a considerable say in the affairs of the Zoras in Sumeria. You want to work for a durable peace but strongly oppose an independent Qurac. If necessary, you are willing to lift economic sanctions but, unless there are guarantees for the security of your people in Qurac, the sanctions against New Sumeria will continue. Likewise, if there is cooperation to work against the paramilitary groups that are disturbing the peace, you may offer incentives like trade agreements and economic aid and investment.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

MEMORY CHALLENGE

FORM A

Marlene Caroselli

1. N-A-P-E is to P-A-N-E as 8-2-4-7 is to:
(a) 4-2-8-7 (b) 4-7-8-2 (c) 7-2-8-4 (d) 4-8-2-7 (e) 2-7-8-4
2. P-O-R-E is to R-O-P-E as 3-6-9-1 is to:
(a) 9-6-3-1 (b) 3-1-6-9 (c) 9-1-3-6 (d) 9-3-1-6 (e) 6-1-3-9
3. T-O-P-S is to P-O-T-S as 4-1-7-9 is to:
(a) 7-4-1-9 (b) 7-1-4-9 (c) 9-4-1-7 (d) 7-9-1-4 (e) 4-9-1-7
4. L-I-P-S is to S-L-I-P as 5-8-3-0 is to:
(a) 0-3-8-5 (b) 0-8-3-5 (c) 0-5-8-3 (d) 3-8-0-5 (e) 8-0-5-3
5. S-L-A-T-E is to T-A-L-E-S as 6-7-3-5-2 is to:
(a) 3-7-2-5-6 (b) 2-6-3-7-5 (c) 5-7-3-6-2 (d) 5-7-2-3-6 (e) 5-3-7-2-6
6. S-A-I-D is to D-A-I-S as 2-8-4-1 is to:
(a) 1-2-4-8 (b) 1-8-4-2 (c) 8-1-2-4 (d) 2-4-1-8 (e) 1-4-8-2

Answers: 1a, 2a, 3b, 4c, 5e, 6b

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

GIVING CONSTRUCTIVE FEEDBACK ROLE-PLAYS

FORM A

Shirley Copeland

Directions: *Read the scenario and determine how you would respond in the situation. Be prepared to play out your role when called on to do so.*

SCENARIOS

1. You have talked to Sally several times about the sloppiness of her reports. The last report she submitted was unacceptable. It had numerous spelling errors, erroneous facts, unsubstantiated claims, and missing pages. You need to let Sally know about your dissatisfaction with this report and your expectations for improving this report.

What will you say to Sally?

2. Billy was 30 minutes late again this morning. You have talked to Billy three times in the last month about his lateness. Each time he promises to be on time and shows up on time for a few days before he goes back to his tardiness. You need to have another discussion with Billy about his tardiness, which affects the customers and the workload of other employees working in the same office.

What will you say to Billy?

3. Mary is telecommuting from her home. Several customers have complained to you that they are unable to reach Mary whenever they call and that she fails to respond to their emails for follow-up information. Some employees have suggested that Mary is running a day care from her home.

What will you say to Mary?

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

4. Joe is part of a four-member team that is working on a time-sensitive project. Joe is the functional expert in the team, but does not like to share information with team members. The team members have become frustrated and have asked you to speak with him.

What will you say to Joe?

5. Mary has indicated that she would like to be considered for the management training program. Mary is an administrative assistant who is working on her college degree at night. She is ambitious, but she has not demonstrated the minimum competencies that would be required for entry into the management training program.

What will you say to Mary?

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

Michelle R. Donovan

A *FEATURE* is a distinct part or quality of a product or service.

Example: “Our sunblock has an SPF of 15.”

A *BENEFIT* is the value of the feature to the customer.

Example: “This means that you can sit out in the sun longer without burning.”

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

Example: Hands-Free Cell Phone Device

FEATURES might include a:

Plug that goes directly into the phone.

Long cord.

Padded listening device.

Loop for over the ear.

Small microphone with padded tip.

BENEFITS might include that it:

Is usable with many phones.

Allows for full mobility of the head.

Has a comfortable and secure earpiece that will not fall off while the user is driving.

Does not obstruct the user's view.

Allows for two hands on the wheel.

Permits the user to use the phone in states with hands-free laws.

Increases driving safety.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

BACKGROUND FOR THE UPSTAIRS NEIGHBOR

FORM A

Noam Ebner and Yael Efron

Last month, your downstairs neighbors installed a new home theater sound system in the living room, directly underneath your bedroom. Since then, your life has been a nightmare. They watch movies *every* night (at exactly the same time you are trying to put your kids to bed), and the soundtrack (not to mention the realistic gunfire noises) shakes your apartment's floor. As if that isn't enough, your dog, Fritz, has been restless and whiny all night (there must be a female in heat somewhere in the neighborhood), and you are tired and cranky.

When your neighbors came up to complain about your dog making noise, you really hit the ceiling and vented your anger at them. As if it's not enough that they drive you nuts with their noise, they leave their full garbage bags outside their door, blocking the public hallway all night long until they leave for work in the morning!

Your son just told you that the neighbor is on his or her way upstairs to talk to you.

Handle it!

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.

BACKGROUND FOR THE DOWNSTAIRS NEIGHBOR

FORM B

Your neighbors' dog has been barking like crazy all night for the past week, and you can't remember when you last had a good night's sleep. Yesterday, when you went upstairs to speak to them about it, they yelled at you and slammed the door in your face.

That's no way to treat a neighbor, particularly when you've never even mentioned how much noise their children make in the hall when they gallop down the stairs, often dribbling a basketball and shouting to each other.

You've decided to have it out with them, so go upstairs and knock on their door.

You can download this handout to your hard drive from the accompanying CD-ROM. The document can then be opened and printed.