Positive Attitude and Goals Can Make a Difference

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In 1955, Sony’s leader, Akio Morita, turned down an order for 100,000 of its $29.95 transistor radios. This deal was worth several times Sony’s working capital at the time and would have been its biggest deal ever. Morita called his turn-down the “best decision” he ever made for his then fledging company.

Why? Accepting it would have run contrary to one of his fundamental long-term goals. The offer would have required that his radios be sold under the Bulova name, one of the most respected electronics names in its day and a company with an extensive retail distribution network in the United States.

Sony, by contrast, had no brand recognition here. But Morita’s goal, in addition to selling a lot of radios, was to make Sony a household word for quality electronics throughout the world.

The “great” deal was inconsistent with this goal. So Morita walked. He later sold a more modest number of radios to a distributor that allowed him to sell them under the Sony name. The rest is business history.

This story and its lessons, as described in G. Richard Shell’s negotiation book Bargaining for Advantage, illustrates several critical principles everyone who negotiates should use.

First, prepare and focus on what you really want to achieve in your negotiation.

Setting goals sounds simple, but it’s not. Morita almost accepted the Bulova deal, even though it contrasted with his long-term “branding” goal.

In fact, Morita didn’t even realize how important this particular goal was until faced with the huge Bulova offer. Exploring and defining your true goals takes time, effort and a great deal of thought.

Plus, Morita recognized the critical differences between “winning” the short-term deal “selling a record number of radios” and his long-term interest in developing a global reputation for quality electronic products.

Your goals should largely determine your behavior in the negotiation “not the other way around.”

Second, remember Wal-Mart founder Sam Walton’s attitude toward goal setting: “I believe in always having goals and always setting them high.”

Be ambitious. Adopt an aggressive, yet realistic and feasible, attitude toward your goals. Transform your mind-set about goals from theoretical targets to specific, genuine expectations. And don’t be afraid to fail.

Setting an aggressive goal is one thing. It tells us where we want to go.

Developing an expectation that you can and will achieve that goal is another. The expectation itself will change the way you negotiate. Your comments will carry more conviction; you will be more animated; your body language will exhibit more confidence; and you will be more persuasive.

In other words, combine aggressive goals with a set of realistically high expectations and a passionate and positive can-do attitude. Your results will improve significantly.
Third, set concrete, specific goals.

Our negotiation and psychological research tells us we'll be more motivated to achieve concrete, specific goals than vague ones like "I'll do the best I can." Generally, as your motivation increases, so does your likelihood of success.

Fourth, commit yourself to your goals by writing them down or telling your colleagues about them.

Physically writing down your goals—a form of personal commitment—is a more effective goal-setting technique than simply thinking about them. So is telling others about your goals or showing colleagues your written goals.

Remember to be realistic, though. If you continually set and commit to unrealistic goals and fail to achieve them, you will likely become overly discouraged. You may then lose the benefits of a positive attitude.

Finally, don't let your goals gather dust.

Leveraging the maximum benefit from goal setting requires that you periodically refer to them during your negotiation. Jot them down and bring them with you to the negotiation. And don't forget they're in your pocket.

Their presence alone will be a constant reminder to keep you on track.

H. Wayne Huizenga, the successful entrepreneur and sports team owner, contends that one of his secrets to success in business negotiations is his passionate commitment to ambitious goals.

I'm certain Akio Morita shared this philosophy in 1955.

Huizenga's secret is a critical lesson we all should remember. Let that be your goal in your next negotiation. And don't forget to write it down.

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