Negotiation Defined

- To confer or discuss with another with a view toward reaching agreement where some interests may be shared and some may be opposed

- And interactive communication process that may be used whenever one person wants something from another and seeks their cooperation in obtaining it

- A skill

- Haggling or bargaining over limited resources

- A useful way to resolve a problem or conflict
Critical Negotiation Theory

**Collaborative vs. Adversarial Negotiation**

**Collaborative/Interest-Based**
- Focus on mutual gain
- Seek underlying needs
- Joint problem solvers
- Separate the people from "the problem"
- Share information
- Build relationship
- Invent multiple options
- Use objective criteria and principled approach

**Adversarial/Positional**
- Focus on maximizing own gain
- Stay at position level
- View other as “opponent”
- Attack people rather than “the problem”
- Guard/Withhold information
- Discount relationship or willing to sacrifice it in competition
- Drive for desired outcome
- More likely to use negative leverage
Creating and Claiming Value

Integrative Bargaining:
• Seek Interests
• Create Value
• “Expand the Pie”
• Look for joint gains

Distributive Bargaining:
• Establish Starting Positions
• Make Gradual Concessions
• “Cut the Pie”

POSITIONS & INTERESTS

• A Demand
• A Strategy to Get Needs Met
• A “Want”

• Lies Beneath the Position
• The Human Need
• The Driver or Motivator
### Categories of Interests/Needs

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### Why seek the underlying interests?

- Communication occurs at more meaningful, respectful and “human” level
- Promotes better understanding
- Improves negotiation atmosphere. Tends to decrease hostility and conflict
- Often discover more possible solutions or more different strategies to meet the underlying needs
- Solutions are more likely to solve the “real” problem and be more effective and durable

But NOTE: Revealing interests too quickly and without adequate trust and **reciprocity** may be unwise as it can leave you vulnerable to exploitation.
Leverage in Negotiation

• Positive ("the carrot"): Something you can offer that they want. Better yet something they need. Better yet, something they "must have."

• Negative ("the stick") A course of action or consequence that will occur and/or which you can cause to occur, in the absence of a negotiated agreement, that is potentially detrimental to the other person

• Normative (standards, “objective” criteria) Established guidelines that are relevant in the context (e.g. law, industry norms, religious or family values, company policy) Guidelines are more persuasive to the extent that they are broadly accepted and viewed as relatively "objective."

Psychology: Human desire to appear consistent with norms

Note: Watch out for self-interested selection of “objective” criteria

The Negotiation Process
Phases of a Negotiation

Preparation

Introductions & Entry: Setting the Stage

Information Gathering & Exploration

Option Generation of Possible Resolutions

Option Analysis and Bargaining

Agreement Finalization & Closure

The Setting
Ensure Appropriate:
- Time
- Location
- Privacy/Publicity
- Necessary People Included
- Necessary Information available

Know Yourself
Identify your:
- Interests
- High Expectations
- Bottom Lines
- Potential Strategies
- Alternatives to Negotiation
- Principled Criteria
- Leverage
- Potential Solutions

Try to Understand Them
Identify or Imagine their:
- Interests
- High Expectations
- Bottom Lines
- Potential Strategies
- Alternatives to Negotiation
- Principled Criteria
- Leverage
- Potential Solutions

Identify the Context
Assess the nature & importance of:
- Relationships
- Concrete Outcomes
- Reputation
- Hidden Decision-makers
- Outside Influences

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**Introductions & Entry**

**Set the Tone:**
- Rapport Building
- Positive start
- Clear/Respectful Introductions

**Agree on Process:**
- Ground Rules
- Time available
- Format for discussions
- "Housekeeping" (breaks etc.)

**Set Forth Purpose(s) of Meeting/Negotiation:**
- Identify issues to discuss
- Establish draft agenda (order for discussion)

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**Information Gathering & Exploration**

*(Understanding – Not Problem Solving)*

**General Goals:**
- Build rapport
- Clarify interests
- Develop and share data needed for problem-solving
- Identify areas of agreement & disagreement
- Keep negotiation on track, focused on issues
- Set the stage for problem-solving

**Seek to Understand Them:**
**LISTEN!! (ACTIVELY)**
- Show them you are listening
- Probe for their interests
- Ask interested/curious questions
- Study their responses to initial ideas

**Help Them to Understand You:**
- Assert your interests respectfully
- Explain your criteria & rationales
- Share persuasive data
- Use leverage with care
Option Generation

The Spirit:
Creative
Free-flowing
Inclusive
Team Attacking Problem
“Expand the Pie”

Timing
After People Feel Heard/Understood
When Issues Clearly & Neutrally Defined
You Have Sufficient Information

Brainstorming Method:
Use board/flipchart
All ideas recorded
Ideas are not commitments
No criticism
No evaluation

Option Analysis & Bargaining

Creative Options
Can be:
Combined
Modified
Used in the alternative
Tested
Implemented in stages

Generally Helpful Guidelines:
Tackle one issue at a time
Stay task focused
Remember interests
Use objective criteria for evaluation
Maintain respectful environment
Patience, patience, patience

Distributive Bargaining:
Give principled rationale for positions
Don’t lose track of underlying interests
Leave room for concessions
Look for reciprocity
Compare proposals to your alternatives
Study ways to break impasse
**Agreement Finalization and Closure**

**Capture Agreements:**
- Often in writing
- With clarity, specificity and detail (who, what, where, when, how)
- Clear responsibilities
- Potential incentives for compliance
- Anticipate potential contingencies setbacks
- Identify procedure for settling disputes
- Provide for monitoring
- Possible confidentiality or publicity

**DON'T**
- Rush conclusion
- Leave without clarifying agreements
- Apply heavy pressure

**Closure**
- End on affirmative note
- Be gracious
- Commend participation
- Use ceremony & publicity as appropriate

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**Essential Negotiation & Influencing Skills**
Communication & Influencing Skills

• Empathy/ Active Listening
• Curious/Interested Questions
• Effective Assertion
• Reframing

Empathy / Active Listening

FIRST
Listen using:
• Eyes,
• Ears
• Attention (mental and physical)
• Heart

CONTINUE
Until you believe Speaker has been adequately and accurately heard

SECOND
Offer Your Understanding to the Speaker in your own words including:
• Factual Content
• Feelings Perceived

NOTE: Frequency, length and focus (factual & emotional) of paraphrasing vary according to the perceived needs of the Speaker.

INVITE or WAIT FOR
Speaker response to your paraphrase
• validation
• clarification
• expansion
• correction
Listener Pitfalls (“Noise”)

**JUDGING**
- Criticizing
- Evaluating
- Labeling/Name Calling
- Diagnosing
- Moralizing
- Praising Evaluatively

**SENDING SOLUTIONS**
- Trying to “Fix It”
- Advising
- Ordering
- Threatening

Communication Barriers

**AVOIDING OR MOVING AWAY FROM THE OTHER’S CONCERNS**
- Shifting to “My Story”
- Diverting Topics
- Excessive & Inappropriate Questioning
- Logical Argument
- Reassuring

Benefits of Empathy

**FOR RECIPIENT**
- Feel heard/understood
- Can stop repeating
- Decreases tension
- Feel respected
- Willing/ Able to share more
- Deepens own understanding
- Clarifies
- Helps get to “heart of matter”
- Promotes readiness to move on

**FOR LISTENER**
- Build rapport with speaker
- Helps you stay focused/attentive
- Reduces repetition
- Encourages information sharing
- Promotes forward movement
- Helps identify interests/concerns
- Clarifies situation
- Increases respect for you
- Makes speaker more receptive to listening when roles reversed

**NOTE:** Empathy is Understanding
**NOT** Sympathy or Agreement
Questions

Effective Questions:
• Come from curiosity
• Come from real desire to seek:
  - information
  - understanding
  - interests
  - ideas
  - clarification
  - agreement
  - solutions
• Are used as a supplement to empathy (not a substitute)

Problematic Questions:
• Disguised messages:
  - attacks
  - judgments
  - signaled solutions
• Excessively Frequent
  - feel like interrogation
  - feel like investigation
  - too directive (not allow Speaker to develop own story)
• Closed-Ended at the wrong time
  - good for narrowing and pinning down
  - bad for opening up and exploring
  - seem more investigative

ASSERTION

Problematic Assertion:
• Failure to combine with listening
• Too early and too often
• Defensive
  - looks like an attack
• Disrespectful
• Blaming
• Attacking
• Highly positional
• Focus on “truth” seeking

Effective Assertion:
• Usually preceded by empathy
• Avoids assumptions
• Principled
• Respectful
• Conveys own needs, feelings, information, perceptions
• Talks about contribution rather than blame
• Looks at perceptions, personal meaning and interpretation rather than “truth”
Good Negotiation =

- Awareness of and ability to apply negotiation theory
- Development of an effective negotiation style
- Understanding of the negotiation process
- Improvement of critical communication skills