

Negotiation

MBA / AVIMA 2020, Wildau Institute of Technology

Greg Bond

What is negotiation?

Principled negotiation:

- Separate the people from the problem

- Focus on interests not positions

- Create options for mutual gain

- Use objective standards

- Know your BATNA

Core concerns

- The zone of possible agreement

- Persuasion

- Distributive and integrative negotiation

- Negotiation and conflict styles

- Empathy

1. What is negotiation?

What is negotiation?

Define it in small groups, using
WhatsApp, the phone, or whatever

Some of Your Definitions

- People trying to agree about something
- People working to find best common solution or agreement
- People communicating to find best outcome
- People finding a compromise

Why I am not sure about your definitions?

They do not fit all possible negotiation situations

They do not fit all possible negotiation outcomes

They are normative

They say too much about what you think (or hope) about human nature

How did you define the word?

1. We did not think about a method
2. We asked some experts or consulted definitions given by others
3. We did some empirical research

Definitions

“to confer with another so as to arrive at the settlement of some matter”

(<https://www.merriam-webster.com/dictionary/negotiate>)

“obtain or bring about by discussion” and “try to reach an agreement or compromise by discussion”

(<https://en.oxforddictionaries.com/definition/negotiate>)

Definitions

Latin “negotiare”, meaning just “to do business”

A “negotiable instrument” in business:

a document that can be used as a promise to pay or used to pay for something else: money, checks, IOUs, bills of exchange

Is this negotiation?

business sales contract negotiations

trades unions and employers negotiating wage deals

bargaining at a market

negotiating an employment contract

political parties negotiating coalitions

working out what time to meet someone

negotiating with your children about bedtime

Brexit negotiations

teams working out how to work together

asking for a pay rise

getting your boyfriend / girlfriend to spend time with you

a student negotiating with a teacher about a grade

Is this negotiation?

pushing to get on a bus

getting people to listen to you at a public lecture

a politician campaigning for votes

trying to get across a busy street

buying something in a shop and paying at the cash desk

ordering in a restaurant and asking to have the pizza without mushrooms

getting an appointment at the doctor's

asking the window cleaner to come an hour earlier than planned

What do all negotiation scenarios have in common?

Try again please ...

Find a definition that fits them all

there is something of value at stake

someone wants something from someone else

a process of communication between two or more parties in which at least one party wants something that he / she believes the other can give and that he / she thinks is of benefit to him / her

negotiation is the art of getting what you want

How do Fisher and Ury define it?

Negotiation is a basic means of getting what you want from others. It is back-and-forth communication designed to reach an agreement when you and the other side have some interests that are shared and others that are opposed.

From the Introduction to *Getting to Yes*



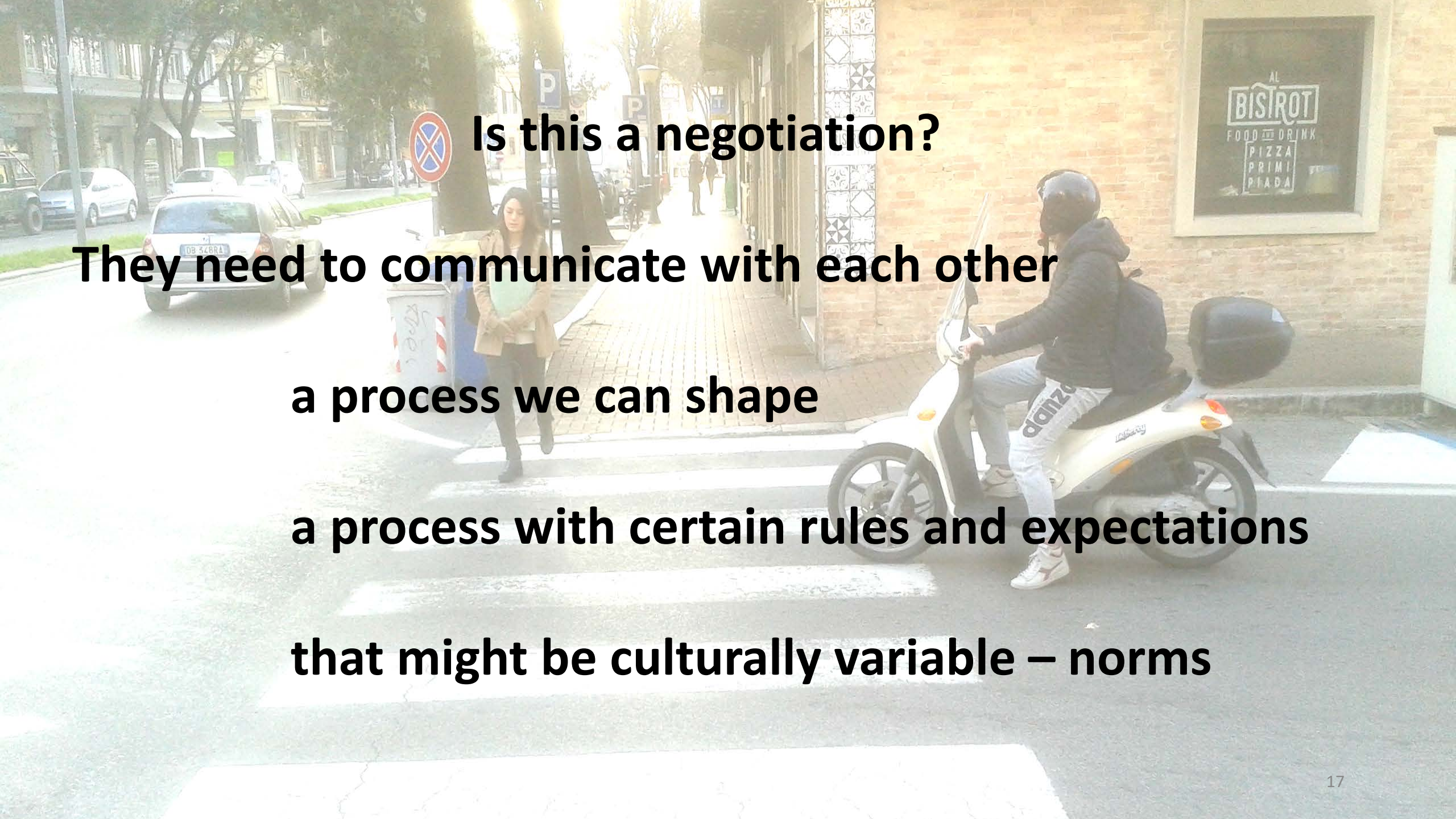
A photograph of a city street scene. In the foreground, a woman in a brown coat and black pants is walking across a crosswalk, carrying a green folder. To her right, a person wearing a black helmet and jacket is sitting on a white motor scooter, also positioned at the crosswalk. The background shows a brick building with a sign that reads "AL BISIROT FOOD AND DRINK PIZZA PRIMI PIADA". There are also parking signs and a "no parking" sign on the left side of the street. The scene is captured in a slightly blurred, candid style.

Is this a negotiation?

They both want something they think the other can give

To get it they need to communicate with each other

The outcome is open – settlement of some kind



Is this a negotiation?

They need to communicate with each other

a process we can shape

a process with certain rules and expectations

that might be culturally variable – norms



Is this a negotiation?

The outcome is open

win – lose

lose – lose

win – win

Is this a negotiation?

It contains the three key elements of every negotiation:

- something to ask for (the issue / problem)**
- someone to ask (the person / people)**
- the rules / the culture / the norms / how we negotiate**

Or: a problem, a relationship, and a process



Defining Negotiations

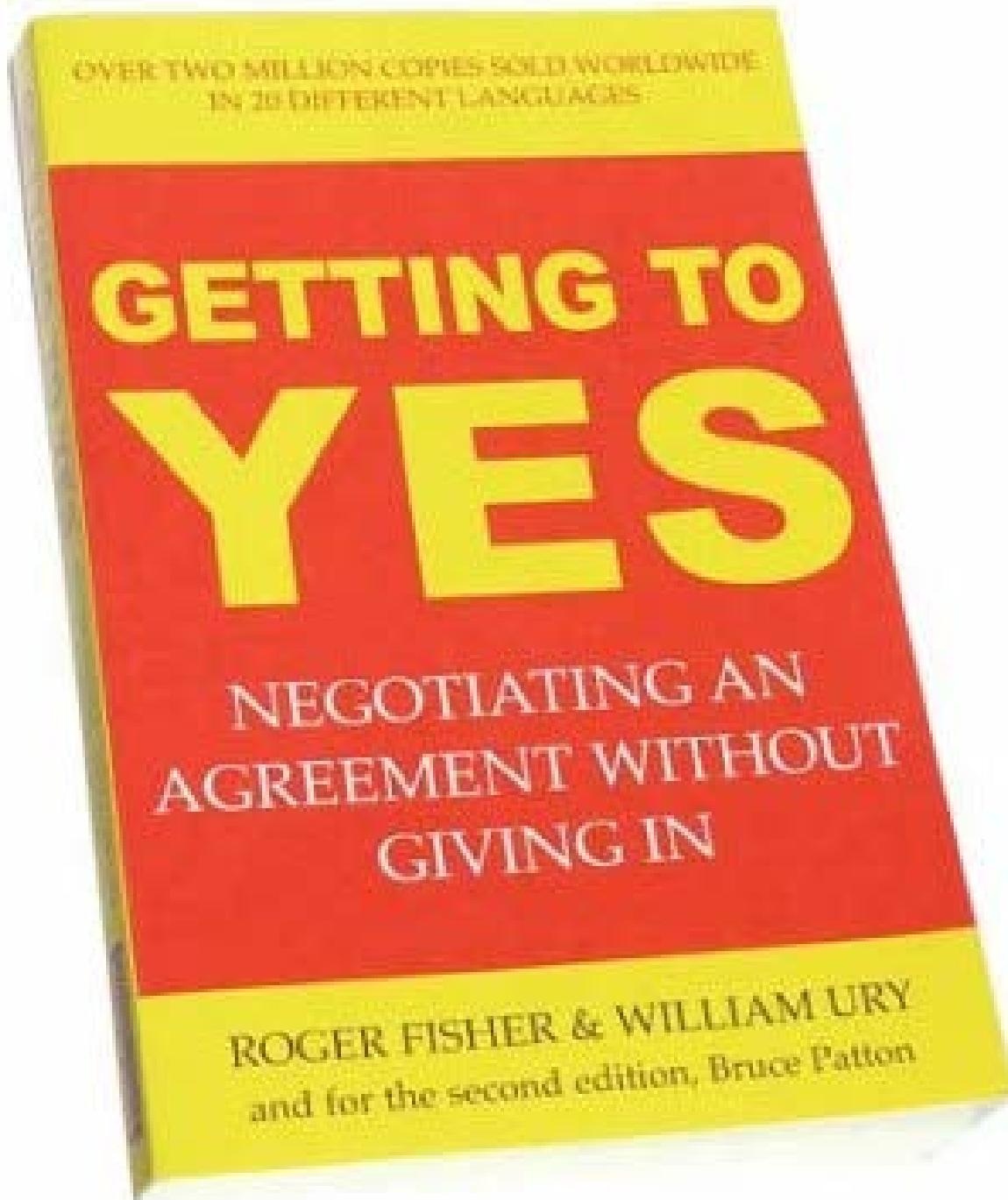
Narrow definition:

two or more parties trying to reach agreement about something

Broad definition:

any situation in which you want something of value from someone else
and need a strategy to try to get it

the art of getting what you want



This is compulsory course reading. Any edition is fine.