

Negotiation



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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

THREE

Positions and Interests Positional Bargaining Interests-Based Negotiation

Which three criteria do Fisher / Ury say we should use to judge the success of a negotiation?



A position is something quantified that you want

A demand for something specific: a specific sum of money, time, place, person, etc.





When does positional bargaining make sense?

In bargaining situations at markets, in politics, etc., where positional bargaining is the basis of the rules of the negotiation game

At moments where very quick decisions are needed

To de-escalate a situation

When relationships are less important

Focus on interests not positions

1. My wife wants a dog

2. My partner does not want me to work

3. A company wants compensation for breach



My wife wants a dog

I do not want a dog

Either you can have a dog or you cannot

There is no middle way or compromise

We are stuck in positions





Why do you want a dog?

What is it that you find attractive?

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something to cuddle
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childhood dream

now the children are on their way . . .

someone to take on walks

company

Why don't you want a dog?

What is it that you find difficult?

don't want to have to take it out

don't want to look after it when you are away

no dogs in cities

autonomy

a solution that meets both interests:

company and autonomy

my wife has her dog

it is not my dog and not our dog



Looking for Interests

ask why

in a non-confrontational way

Case 2: Back to work

My partner does not want me to go back to work



Case 2: Back to work

- My job was stressful and I was off sick for a while
- Now I feel ready to go back
- My partner says s/he doesn't want me to go back
- I feel under pressure from all sides



Case 3: Hot and Spicy BBQ

Charmaster

ordered parts worth \$10m

parts not received

ordered with a new supplier at higher price

gave discounts to own customers

claims for damages: \$20m

Ductoheat

agreed to supply the parts

did not have signed contract

refuses to pay any compensation

no contract = no claim for breach

Case by Tracy Allen, in *International Commercial Mediation Role-Plays*, ed. Bond / Wall, Paris 2015.

Case 3: Hot and Spicy BBQ

Charmaster v Ductoheat

What do you think their interests are?

remember to formulate them in a way that is: positive (what they want, not what they do not want) open to solutions (not positional) emotionally resonant

maybe there are some shared and some different interests

Case 3: Hot and Spicy BBQ

Charmaster v Ductoheat

They can also have interests related to their process – how they communicate and how they resolve disputes

Can you think of any process interests here?

An interest is what underlies the position, the reason you want something

Interests are positively formulated, emotionally resonant, and can be open to flexible solutions

And: there are different kinds of interests:

INTERESTS: 4 categories

Material: prices, money, resources, time, who gives whom what?

Relationship: how do we want our relationship to be?

Process: how do we want to negotiate / communicate?

Self: what I need for my self-esteem, independent of the above?



Interests and Needs / Core Concerns

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security, economic well-being, a sense of belonging, recognition, control over one's life

(Fisher / Ury)
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autonomy, appreciation, affiliation, status, role (Shapiro / Fisher)
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Talking about Interests

Make your interests come alive:

be specific and explain your interests acknowledge the other side's interests understand the problem before finding the answer do not rush to solutions look to the future be flexible hard on the problem, soft on the people (separate)

(Fisher / Ury)

The measure of a negotiation

Fisher and Ury say:

"Any method of negotiation may be fairly judged by three criteria: It should produce a wise agreement if agreement is possible. It should be efficient. And it should improve or at least not damage the relationship between the parties."

Getting to Yes, Chapter 1

they are talking about interests on the material, process and relationship levels

YOUR CASE

What are the interests?