

**THE HEART AND SOUL OF
NEGOTIATION**

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Today's Objectives

- Identify ways to think about negotiation
- Learn about positions and interests
- Practice

What Makes Negotiation Difficult?

Academic vs. Negotiation Approach



Definitions of Negotiation

- “An **interactive communication** process that may take place whenever **we want something from someone else or someone wants something from us.**”

Bargaining for Advantage, Richard Shell

- “...negotiation is the process of **back-and-forth** communication aimed at reaching agreement with others when **some of your interests are shared and some are opposed.**”

Getting Past No, William Ury

What is Negotiation?



Why Should We Negotiate?

- To be better off than we are now
- To do better than our best alternative (BATNA)

Positions and Interests

- **Positions**
 - The outcome you've determined you want
 - Represent your "solution" to the situation
 - Provide no alternatives
 - Tend to be black or white
- **Interests**
 - The underlying needs, wants, concerns, fears and desires you are trying to achieve
 - Underlie positions
 - Can lead to more than one "solution"

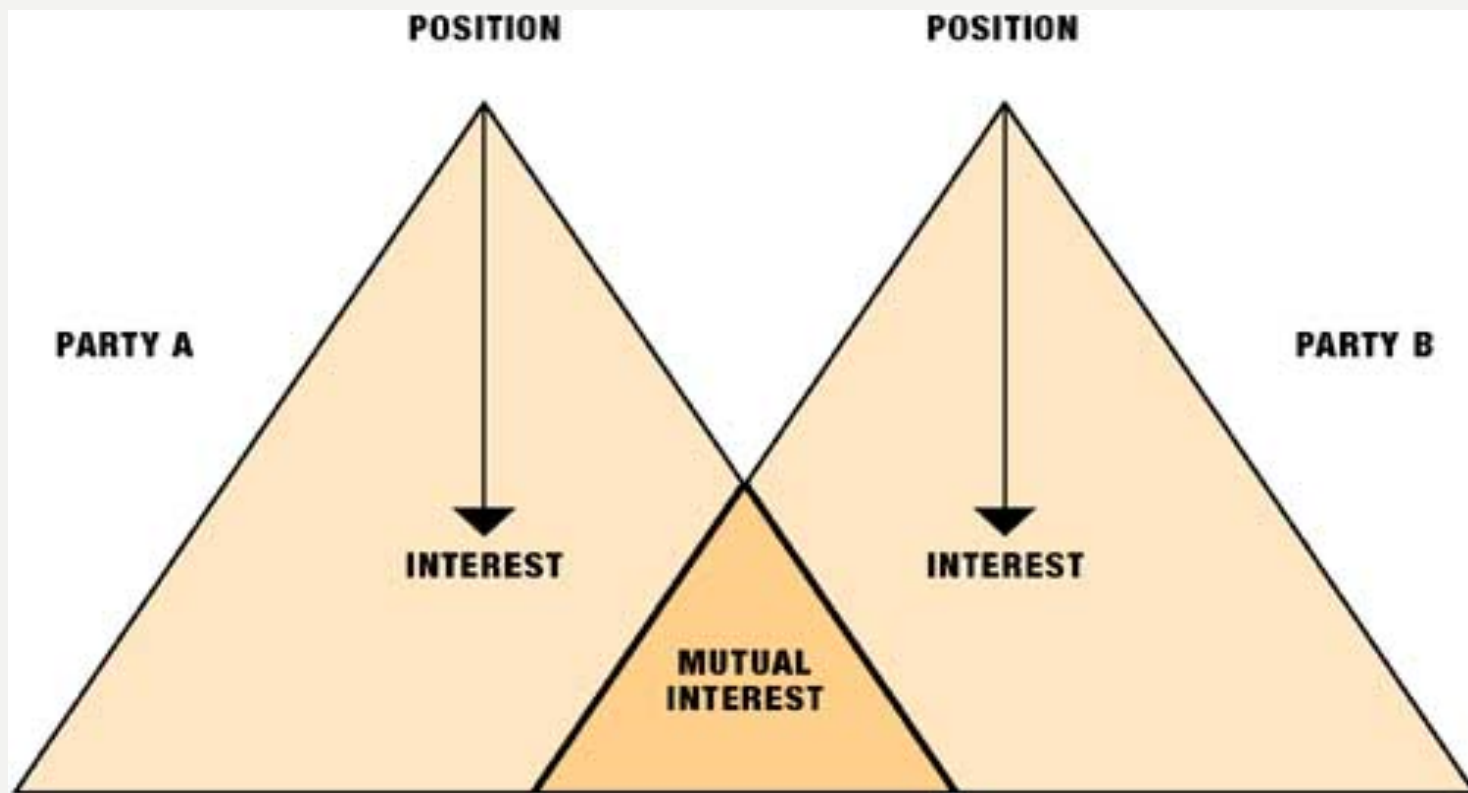
Examples of Positions vs. Interests

- Vacationing in Maui, Hawaii vs. wanting to vacation at the beach.
- Eating at Pregos vs. wanting to eat at an Italian restaurant.

Layered Interests

- Want to vacation in Maui, Hawaii
 - Want to vacation at the beach
 - Want to go on vacation
 - Want to relax, spend more time with partner, take a break from work
 - Want to reduce stress

Identifying Mutual Interests



Exercise 1 – Interests & Positions

Frank and Sonia are planning an evening out. Frank wants to go to La Scampi, an Italian restaurant specializing in seafood. Frank has chosen La Scampi, which is on the expensive side, because it serves excellent food and is close to the theater. Sonia is on a budget and wants to go to El Pollo Loco which is inexpensive and quick.

- a. What is the issue?
- b. What are Frank and Sonia's respective positions?
- c. What are Frank and Sonia's respective interests?
- d. What might be one possible solution for the couple?

How to Get to Interests (Yours and Theirs)

- Ask questions
- Listen
- Put yourself in their shoes
- Think creatively

How to Uncover Interests

- “Whatever specific solution we create, it needs to be one that...”
- “What is it about the solution that I am suggesting that doesn’t meet your needs?”

Questions to Uncover Interests

- Can you tell me what problem are you trying to solve?
- What about that is important to you?
- How that will help you?
- What problems will be solved if we do that?
- What is it you want to achieve?
- What is it you need?
- What will happen if we don't do it the way you suggest?
- What goal are you trying to achieve?
- Tell me what makes you want to do it that way
- Help me understand...

Exercise #2 – Practice Uncovering Interests

- Find a partner
- Think of something you would like to ask for from someone
- Identify your interests
- Have your partner ask you a series of questions (using techniques discussed) to ascertain your interests
- Switch roles

Exercise #3 The Case of the Smalls

- Read the situation
- Identify
 - Positions
 - Management's position
 - The Botswanan workers' position
 - Interests
 - Management's interests
 - The Botswanan workers' interests
 - Possible solutions that meet all interests

Creating Effective Arguments

- What does the other party care about?
- What concerns does the other party have regarding your request?
- How can you mitigate the other party's concerns/difficulties?
- How will your proposal benefit the other party?

STEPS to Deal with “No”

- Consider your gains vs. your losses
- Consider your alternatives BEFORE you ask
- Identify how you will ask, what you’ll say, practice
- Separate the person from the issue/problem (e.g. don’t take it personally)
- Formulate arguments to persuade the other party – what matters to them?
- Don’t view “No” as the end
- Understand interests
- Be willing to let go of your position and stick with your interests
- Be creative about solutions that meet your interests

Exercise #4 – Simulated Negotiation

- Read the first role play situation
- Understand the interests for your role
- Try to identify the interests of the other role
- Meet with the person in the other role and negotiate
 - Be sure you understand interests!

Exercise #5 – Negotiating for Yourself

- Read the first role play situation
- Understand the interests for your role
- Try to identify the interests of the other role
- Meet with the person in the other role and negotiate
 - Be sure you understand interests!

Techniques for Generating Agreements

- Expanding the pie
- Unbundling issues
- Logrolling
- Cost Cutting
- Bridging
- Contingent contract

Expanding the Pie

- Adding resources or issues to meet positions OR interests of both parties
 - Need additional resources or issues
 - Might need to know interests
- Questions to consider
 - Is there a resource shortage?
 - How can both parties get what they want?

Unbundling Issues

- Take one issue and break it into two or more issues
 - Need to be able to see multiple issues
 - Often achieved through understanding interests
- Questions to consider
 - Can this issue be divided?
 - What are the parties' primary interests

Logrolling

- Trading one issue that is unimportant or less important to you and important to them, for an issue that is important to you and unimportant or less important to them
 - Need more than one issue
 - Need to know importance of issues
 - Do not necessarily need to know interests
- Questions to consider
 - What issues are of highest or lowest priority to me?
To the other party?
 - What is inexpensive for me to give and valuable to the other party (or vice versa)?

Cost Cutting

- Reducing the costs of one party so that they can give you what you want
 - Need to know the other party's costs
 - May help to know interests of other party
- Questions to consider
 - What risks or problems does my proposal create for the other?
 - What is of value to the party whose costs are being cut?

Bridging

- Creating a new solution that addresses underlying interests of both parties
 - Helpful to know underlying interests
 - Need to be creative
 - Might need additional resources
- Questions to consider
 - What are the underlying interests and needs of both parties?
 - Can we invent a new solution that addresses these needs and interests?

Contingent Contract

- Making the payment or amount of payment contingent upon some specified outcome
 - Need to have different expectations of future
 - Do not need to know interests of other party
- Questions to consider
 - Do we have a difference of opinion about risks? Revenue generation? Success?
 - Can we “bet” on that difference of opinion in a way that can be monitored?

Conflict & Negotiation Techniques

- Understanding the situation from multiple viewpoints
- Look for mutual interests
- Surface disagreements – How do you see it differently?
- Crafting multiple alternatives

What We've Covered Today

- Understanding framework for negotiation
- Understanding Positions vs. Interests
- Applications
- Applying negotiation ideas to conflict

DEPARTMENT CHAIR AND DEAN SITUATIONS
ROLE: DEPARTMENT CHAIR

1. You are interested in getting a course release so that you can finish your book. Your chair has told you “no” but you’re going to see if the Dean can override him.

2. The Dean is initiating a program whereby Department Chairs and well-known faculty will teach intro lecture courses. Her thinking is that these courses are primary draws for the major. These courses are usually very large and require a lot of effort. You could be interested in teaching such a course, but it is a lot of extra work. You would want extra course credit and at least two TAs. You’re fortunate to be both a good teacher and a highly-productive and acclaimed researcher. You enjoy teaching, but won’t allow it to get in the way of your research program.

3. You are trying to get some seed money for research projects for your faculty. Many of your faculty are applying for grants, but several are finding they have to have existing funding to apply. You’re hoping the Dean will give you some seed money so some of your faculty – many of whom are young and untenured, will get a boost for their research programs.

4. You are one of the lowest paid in your department and you have just discovered that your salary is well-below market salaries. You are outraged and are going to the Dean about this.

DEPARTMENT CHAIR AND DEAN SITUATIONS
ROLE: DEAN

1. One of your faculty members is coming to see you regarding a course release. You're puzzled as to why this hasn't been handled by the Faculty Chair. You know that this faculty member's department has a number of faculty on leave next year and that they are having trouble staffing the planned courses. The Provost has told all Deans that the Schools must start graduating students within 4 years and, of course, that becomes more difficult if the required classes aren't staffed.

2. You are initiating a program whereby Department Chairs and well-known faculty will teach intro lecture courses. These courses are primary draws for the major and need to be taught by recognized scholars. Of course, they also need to be taught by good teachers. This program is critical to your strategy of increasing the draw of the major and thereby getting more funding for the School – from the Provost's office in the short-term and from undergraduate alumni in the long-term.

3. One of your department chairs is meeting with you to get some seed money for research projects for his faculty. The Dean's office doesn't ordinarily fund individual faculty member's research. In the past this has sometimes happened when the faculty member has a matching grant. Under these conditions, the Dean's office has been willing to give the faculty member some funding.

4. Everyone in all of your School's departments have been getting very small salary increases and you realize a number of faculty in several of your departments are being paid below market. It's difficult for you to do anything about it. Most of the faculty are in the appropriate range for their step level, though. The one thing that's been able to get you to move on salary is an outside offer. You don't want to lose your good faculty.

The Case of the Smalls

Botswana, a land-locked country in Africa, is known as one of the best places in the world to see the widest variety of wild animals. People from all over the world come to Botswana to go on safari. Several decades ago, Botswana made a conscious choice to limit the number of people who could be on safari, to preserve the natural habitat, to protect the wild animals no matter what (poachers are shot, no questions asked) and to create high-end safari experiences for choosy clientele.

Botswana's safaris have thrived and the poor country has reaped many benefits, including an improved economy, jobs, and educational opportunities for Botswanan natives. One of the ways Botswana distinguishes itself from other safari-offering countries is by combining very up-close-and personal wild animal experiences and high-level service in a rugged environment. Canvas "tents" are decorated with highly-polished wood floors and furniture, elegant artifacts, fluffy beds and piles of warm blankets, and outdoor showers with stunning views. Food is abundant and delicious. And staff are polite, courteous, interesting and caring.

Because small planes travel between camps, safari goers are discouraged from bringing much luggage. Instead, camps offer free laundry service. One problem, however, is that the people of Botswana have a cultural injunction against washing undergarments (bras and panties referred to as "smalls"). The idea of touching others' dirty intimate items is an anathema to Botswanans. This injunction extends to family members as well and is deeply rooted in the Botswanan culture.

This means that while clients don't have to worry about washing their shirts, pants, and socks, they have to come back to their room and wash their underwear. For many Americans who have never washed their clothes by hand, this seems bizarre and a definite service problem. They don't understand why the Botswanan employees can't just load up the underwear with all the other clothing and stick it in the washing machine.

Management has been vexed by this problem. They want to respect their employees' culture (in fact, the authentic experience of Botswanan culture is part of the safari experience) and they want to offer clients the highest level of service available in the Bush.