THE HEART AND SOUL OF NEGOTIATION

LISA A. BARRON, PH.D. MBA
lbarron@uci.edu
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Today’s Objectives

• Identify ways to think about negotiation
• Learn about positions and interests
• Practice from your current position
• Practice in situations you might encounter as a dean
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
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  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/their 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
- Be willing to let go of your position and stick with your interests
- Be creative about solutions that meet your/their 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 #6 The Department Needs to Change

You’ve just become the Dean of your department. As Dean, you need to do is to improve the teaching – basically update it. You’re department has been slammed on “rate your professor” for using antiquated teaching methods, not taking advantage of technology, and basically being stuck in an outdated pedagogical model. You think it’s hurting attraction recruitment to the major and even your school’s national rankings. You need to get faculty to implement more technology in their pedagogical approach, but you realize you can’t command them to do so. How do you persuade them?
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