

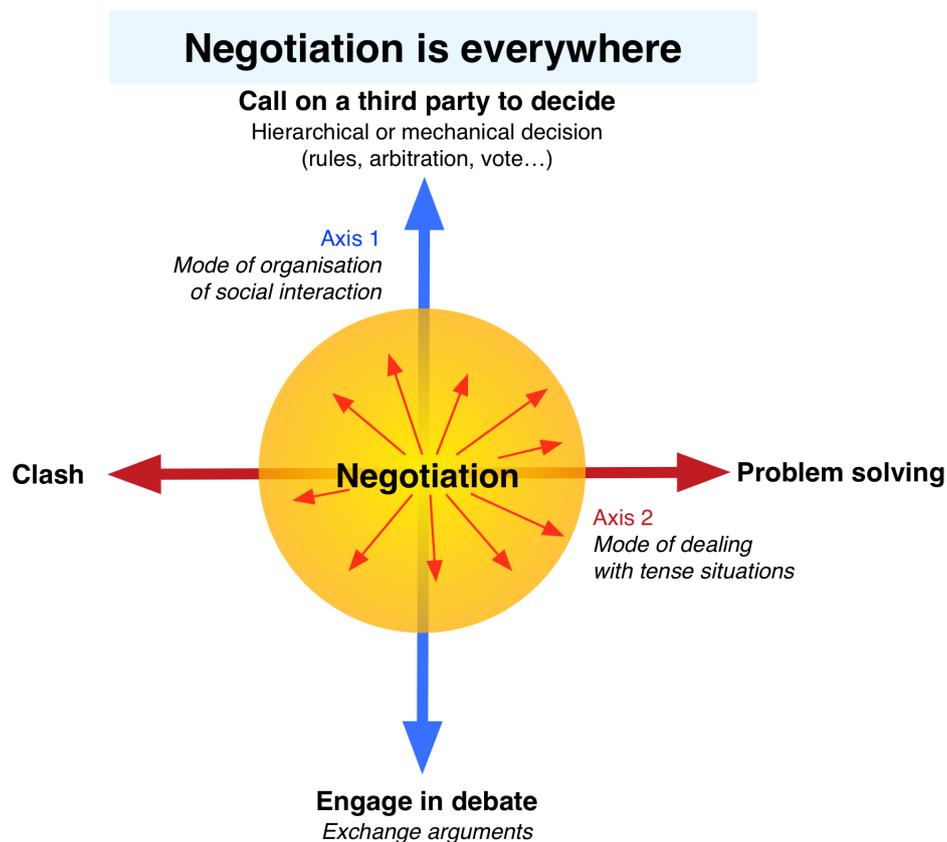
## DAY-TO-DAY NEGOTIATION

# I. What is Negotiation?

*“Like it or not, you are a negotiator. Negotiation is a fact of life.”* Roger Fisher and William Ury

## I.1 Definitions of negotiation

This book is focussed on everyday negotiations at work. Whether you work as an intern (stagiaire), an assistant, an administrator, a Head of Unit or Director, you need to know how to negotiate. Negotiating does not take place only in a formal setting with two negotiating counterparts facing each other across a table - we negotiate everywhere. And with everyone we work with - we negotiate with contractors, our subordinates, peers, and superiors on a semi-continuous basis to resolve differences and allocate resources - over such matters as work distribution, file allocation and project management, for example.



This practical eBook is designed not only as support for training offered by The European School of Administration The European School of Administration ([http://europa.eu/eas/index\\_fr.htm](http://europa.eu/eas/index_fr.htm)) but also as a self-learning tool that you can use at any time independently of any face-to-face seminar. You will therefore find a number of elements (theories, models, videos,

lectures, exercises) that will allow you to develop your skills to communicate more effectively and improve your negotiations.

### What is negotiation?

- Negotiation: a first definition

***Negotiation is a dialogue that is supposed to create an agreement or resolve a disagreement.***

- Negotiation: a proposed definition

***Negotiation is a process that is developed when negotiation counterparts (at least two), who have interests, some of which are common and others divergent, desire to reach an agreement.***

- Conflict and disagreement

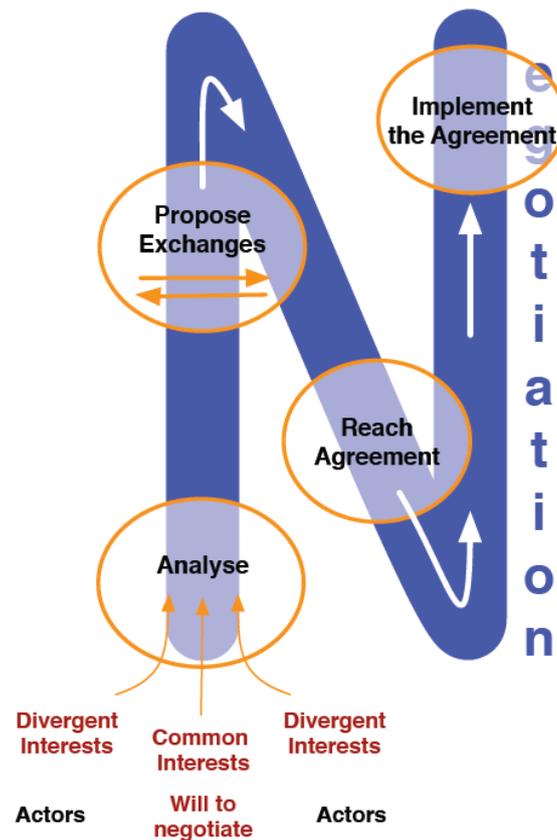
Negotiation does not only occur during conflicts because there can be disagreement without there being a conflict. Conflict management belongs within the realm of negotiation methods. Finally, negotiation can also lead to conflict ( Chapter 8).

- Competing interests

This is the minimum basis for negotiation. If the actors involved agree on common interests, then the negotiation has successfully ended or negotiation has not been necessary at all. It would be enough to make a decision or to solve a problem.

### What is negotiation? Interests and a desire to negotiate

*Figure 1 - The four functional steps of negotiate*



One way of developing this model is to visualise it as four functional steps. It is a process which grounds, develops and closes the process of negotiation (see figure 1):

There is a coincidence of both diverging and shared interests between different actors, as well as a shared desire to come to an agreement.

Proposals of exchange (of material or non-material goods) are discussed.

The initial proposals start to take form and an agreement is reached.

As the agreement is established, how it is implemented is also negotiated.

- **“Negotiating rationally means making the best decisions to maximise our interests.”**
- To know how to reach the best agreement not just any agreement. And that may mean that in many cases, no agreement at all is better than a bad agreement for you and your negotiating counterpart.
- Fisher, co-author of famous negotiation books such as *Getting to Yes*, insisted that negotiation requires of us that we give equal attention both to what we and the others want and to how we will obtain it.
- Negotiation can address the 'object' of whatever is being negotiated as well as the process of negotiation itself. Negotiation on the process can be implicit or explicit, in part socially dictated or completely designed. There is therefore no single model that might describe every step in all negotiations.

In addition to our definition above we can also say that negotiating is about issues, process and **relationships**:

- **Issues** - such as the objectives (that each party wants to reach) and the subject (that the negotiation is about);
- **Process** - a formal or informal framework, steps and rules that all parties agree to;

- **Relationships** - rational thinking and emotions play a crucial part in negotiations. The quality of the relationship that you create at the beginning of a negotiation is a key contributor to a successful outcome of the negotiation.



This negotiation process is a fragile one, though. It can break down easily due to a rupture in any of the factors above. For example, even after we seem to have reached an agreement we may find we are unable to implement it.



### Exercise:

Find an example situation from your work or personal life which does or did not require negotiation (i.e. it has only common interests, such as a problem both parties have to solve).

Find an example situation which does or did require negotiation (i.e. it has both common and divergent interests).

## 1.2 Common examples of workplace negotiations

Depending upon the situation and time, the way the negotiations are conducted differs. The skills of negotiation depends on and differs widely from one situation to the other. Basically the types can be divided into three broad categories.

### 1. Day-to-day negotiations (including managerial negotiations)

Such types of negotiations are done within the organisation and are related to the internal problems in the organisation. It is in regards to the working relationship between the groups of employees. Usually, team members needs to interact with each other and with their managers at different levels in the organisational structure. For conducting the day-to-day business, internally, the managers also need to allot job responsibilities, maintain a flow of information, direct the record keeping and many more activities for smooth functioning. All this requires entering into negotiations inside the team itself.



## 2. Commercial negotiations

Such types of negotiations are conducted with external parties. The driving forces behind such negotiations are usually financial gains. They are based on a give-and-take relationship. Commercial negotiations successfully end up into contracts. It relates to foregoing of one resource to get the other.

## 3. Legal negotiations



These negotiations are usually formal and legally binding. Disputes over precedents or contradictory national laws can become as significant as the main issue. They are also contractual in nature and relate to gaining legal ground.

Some more detailed examples of workplace negotiations are listed here (EN)

(<http://smallbusiness.chron.com/workplace-examples-conflict-negotiation-11402.html>): clarification of guidelines, workload, employee input, information exchange.



### Links with my work?

Identify the different types of negotiations you take part in at work.

- Which ones are you most successful in?
- Which ones the least?

- Are there any common denominators? e.g. the same type of person or difference in power.



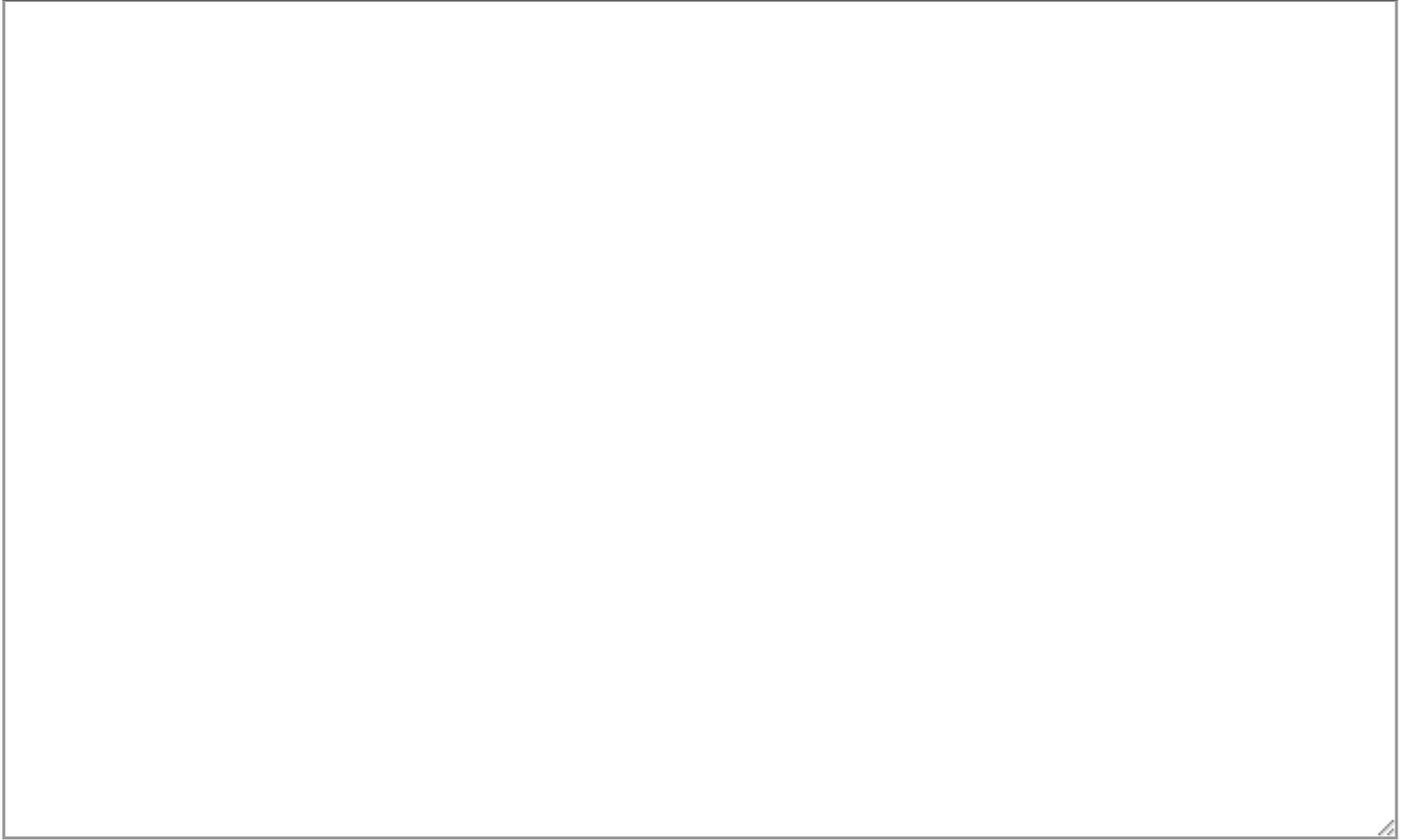
### Exercise:

- Describe the common stages in the process of negotiation.
- Describe the different types of negotiation.
- Outline key points for successful negotiation.
- Give three reasons why effective communication is essential to negotiation.

## Going deeper...

- A useful summary of negotiation - What is Negotiation? (<http://www.skillsyouneed.com/ips/negotiation.html>) (EN)
- Here is the Wikipedia definition of negotiation (<https://en.m.wikipedia.org/wiki/Negotiation>) (EN)
- In a TEDx talk video, Maria Ploumaki describes the most important skills behind successful negotiation and explains how to develop and master such qualities The Art of Negotiation (<https://www.youtube.com/watch?v=pjIPgJlwBdM&feature=youtu.be>) (EN)
- Former FBI kidnapping negotiator Chris Voss explains how to negotiate successfully in this video ([https://www.youtube.com/watch?v=0QANGJ\\_oIEs&feature=youtu.be](https://www.youtube.com/watch?v=0QANGJ_oIEs&feature=youtu.be)) (EN) made for the World Bank





## DAY-TO-DAY NEGOTIATION

# 2. Your Negotiation Style

*“Every individual has his own style, his own way of presenting himself on and off the field.” Sanchin Tendulkar*

## 2.1 Negotiation styles

Your preferred negotiation style is a reflection of your attitude and your personality. It determines your ability to bridge gaps between different positions in a negotiation (e.g your boss wants you to work over the weekend, you do not). We all have a **preferred negotiation style** or styles but any strength overused becomes a weakness. The more tense the situation, the more you behave according to this preference. This can weaken your negotiating because:

- you fail to adapt when necessary;
- you forget your real interests in a negotiation and try to win at all costs;
- the less chance you have to reach a mutually satisfactory conclusion.

One way to discover your negotiation style is the Thomas-Kilmann Indicator ([https://youtu.be/QFf88lVI\\_Wc?list=PLEQljXSjYeDPNqKGzljloIE5FTdNciQrz](https://youtu.be/QFf88lVI_Wc?list=PLEQljXSjYeDPNqKGzljloIE5FTdNciQrz)) (EN) (hereafter TKI). The TKI uses two axes called "assertiveness" and "cooperativeness." It identifies **five different styles of negotiation**: Competing (assertive, uncooperative), Avoiding (unassertive, uncooperative), Accommodating (unassertive, cooperative), Collaborating (assertive, cooperative), and Compromising (intermediate assertiveness and cooperativeness).

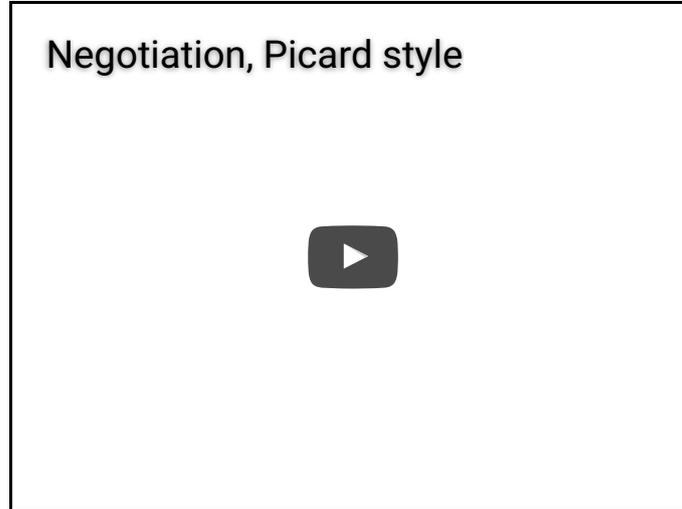


There are some similarities between the TKI and other assessment tools such as DISC assessment (<https://www.discprofile.com/what-is-disc/overview/>) (EN), Social styles (<http://www.tracomcorp.com/solutions/by-element/social-style/model/>) (EN), and even the theory of Five Temperaments ([https://en.wikipedia.org/wiki/Five\\_Temperaments](https://en.wikipedia.org/wiki/Five_Temperaments)) (EN), which is based on the work of an ancient Greek philosopher, Hippocrates.



## Exercise:

How would you describe Captain Picard's negotiation style? What tactics does he use to win the negotiation?

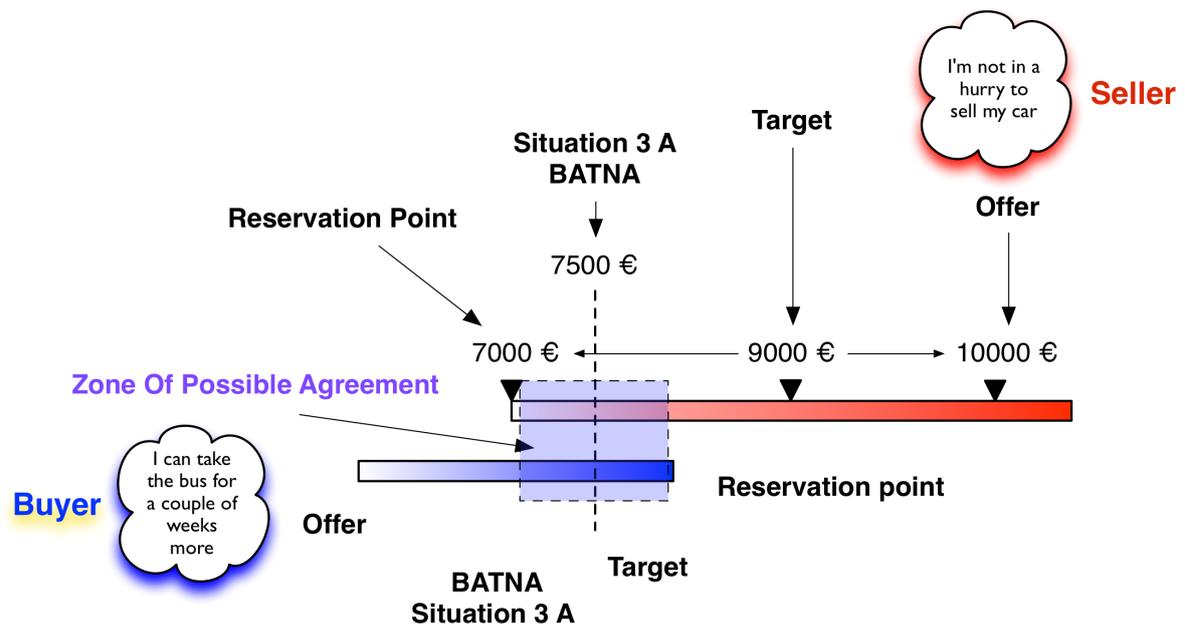


## DAY-TO-DAY NEGOTIATION

### 3. The Main Elements of a Negotiation

“You don’t get what you deserve, you get what you negotiate.” Chester L. Karrass

#### 3.1 Tangible elements in negotiation



Various elements contribute to structuring the negotiation process and strongly influence how it will unfold. Some of these elements can be immediately or relatively described as they are quantifiable or objective. These are called tangible negotiation elements.

Before starting a negotiation, you need to know what your tangible proposals will be. These are:

- **the first proposal** (or anchor) will be your opening offer/“ideal” (unlikely to be accepted)
- **your target** (what you will be happy accepting)
- **your reservation** or “walk-away” point (minimum acceptable offer)
- **BATNA** (see section 3.2)

Examples of tangibles in a negotiation are:

- a deadline
- how many meetings are required to reach an agreement between services
- who works on a particular file
- who goes on a mission
- the amount of pages required

- what days you want to go on holiday
- the price
- a contract
- a warranty, guarantee or maintenance agreement with an external contractor

Finally, you also need to think about what your negotiating counterpart is likely to offer for all these factors above.

For example, six files are available to work on: A, B, C, D, E and F. You want to work on files A, B, C and D. You most want to work on files A and B (your target) but you would accept just working on A (reservation point). You decide to start with a first proposal of A, B, C and D.

Thinking about your colleague and knowing her preferences, she is likely to want to work on B, D, E and F. Her likely opening offer is B, D, E and F but her target will be B and F as she has a lot of experience working on those files. Her reservation point is probably going to be B but since F is a similar file and more prestigious (in terms of visibility in the unit), you are hoping you can persuade her to accept this instead of B.



### Links with my work?

Think about a past negotiation you participated in. What proposal did you or your negotiating counterpart start the negotiation with? Did you manage to achieve your target? Did you have a back-up plan if you did not reach your target?

## 3.2 BATNA - building a solid alternative to negotiated agreement

The Best Alternative to a Negotiated Agreement (hereafter BATNA) is a term coined by Roger Fisher and William Ury in 1981. It is the best outcome achievable if the other person you are negotiating with cannot/will not negotiate with you. In other words, it is like a back-up plan.

Why have a BATNA? Simply put, **it increases your negotiating power** by reducing the probability that you have to accept what your negotiating counterpart proposes. If the proposed agreement is better than your BATNA, then you should probably accept it (the proposal). If the agreement is not better than your BATNA, then you should reopen negotiations at a later time or end the negotiation. If you cannot improve the agreement in the second round of negotiations, then you should at least consider withdrawing from the negotiations and pursuing your alternative (though the relational costs of doing that must be considered as well).

BATNAs are not always immediately obvious. Fisher and Ury outline a simple process for determining your BATNA:

- develop a list of actions you might conceivably take if no agreement is reached;
- improve some of the more promising ideas and convert them into practical options;
- select, tentatively, the one option that seems best.

A famous (and quite tough) example of a BATNA is the reaction of former US President Ronald Reagan to the air traffic controllers' strike in 1981. When the controllers refused to go back to work, President Reagan decided to stop the negotiations and to fire all 11,359 air traffic controllers and replace them with military experts. This measure was legal according to US law and was considered by Reagan to be a better alternative than continuing to negotiate.

### 3.3 “Anchoring” (first offer) in negotiations

An anchor or first offer. There is an old principle in negotiations which is “first person to speak loses”, that is, the first person to give the first offer.

The dangers of going first are:

- a. you can **ask for too much** or make an offer so outrageous that you alienate your negotiating counterpart - the other party loses all motivation to continue negotiating
- b. you can **start too low** and give away more than you need to
- c. your negotiating counterpart can **adjust** their offer to their advantage based on what information you give away about your position with your opening offer

However there could also be some advantages in making the first offer. Recent research suggests that when negotiating an amount of money, the final negotiated amount tends to end up closer to the opening amount or bid more of the time.

Furthermore, although anchoring can have a powerful effect on the final outcome of negotiation, this effect is reduced by two other factors: knowledge and experience. The more knowledge you have about your opponent's position, the bigger the reduction in effect of anchoring.

It is therefore important to understand how you can use anchoring to your advantage.

There are 2 things to do for this:

1. Set high goals for yourself before the negotiation
2. Set high demands (or low offers) when you are at the bargaining table.

Prior to a negotiation, negotiators should prepare by focusing on their goals (without neglecting their interests, their counterpart's interests, options, BATNAs, etc.). Negotiators who set high and measurable goals for themselves consistently outperform those who set more modest goals for themselves, in part because a high goal can serve to anchor the negotiator's expectations about the outcome.

How can you defend yourself against the anchoring effect if the other person goes first? Make a counteroffer that is based upon the same information you would use to construct a first offer: your ideal outcome and your opponent's alternatives and probable reservation price. Whether you're making the first offer or the first counteroffer, be aware of your goals and the other side's limits so you can guide the negotiation toward the best outcome.

See also this Harvard Law School website which gives examples of Effective Anchors as First Offers ([http://www.kellogg.northwestern.edu/news\\_articles/2014/04022014-negotiate\\_first\\_offer.aspx](http://www.kellogg.northwestern.edu/news_articles/2014/04022014-negotiate_first_offer.aspx)) (EN)

### 3.4 Intangible elements in negotiations

Along with tangible elements in a negotiation, there are also intangible ones which are underlying psychological factors or motivations. Intangible factors are extremely important in determining the result of a negotiation and are especially important for creating leverage where you have less power than your negotiating counterpart (e.g. your boss).

Intangibles include:

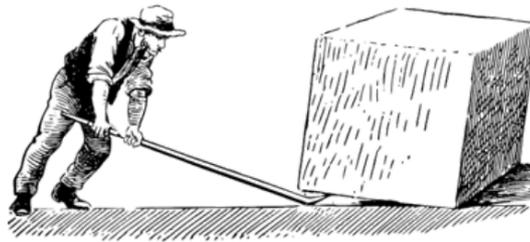
- the perception of the time available;
- relationships (preexisting or built during the negotiation; how long the relationship is expected to continue);

- the degree of trust;
- friendly feelings;
- personality and behavioural preferences of negotiators;
- reputation or fame, avoiding losing face;
- values (ethics)
- the need to win or avoid “failure”;
- the perception of need;
- perceived risk and willingness to take risks.

For example, if you are negotiating with you boss, you need to leverage your expertise, reputation or some other intangible factor in order to counteract your boss’ formal hierarchical power. For more information on this tactic see [Chapter 6.2](#).

## 3.5 Creating leverage in negotiations

*“If they’re talking to you, you have leverage.”* Christopher Voss, FBI Negotiator



Everybody talks about leverage in negotiations but there are lots of conflicting definitions.

One way to understand leverage is to think about which side, at any given moment, has the most to lose from a failure to agree... the party with the most to lose has the least leverage; the party with the least to lose has the most leverage. Or another way to think about it is as your negotiating power. Basically, combining the tangible and intangible elements will help you be much more successful in your negotiations than just using one of them.

Beyond tangible and intangible elements we would like to mention four basic types of leverage: normative, positive, negative and buyer.



### Exercise:

Which explanation fits with which type? Drag and drop the right explanation to match with the right type of leverage.

**Normative:** use the other party’s standards to advance your own. E.g. you have this type of leverage when your negotiating counterpart says she only gives extra assessment points to fonctionnaires who have improved their average number of translated pages from 7 to 8 and you show her that is the amount of pages you translate daily on average.

- Positive:** your ability to make who you are negotiating with suffer or your ability to threaten them, such as your ability to damage their reputation. Use very sparingly.
- Negative:** your ability to provide what your negotiating counterpart wants. As soon as your opponent says s/he wants something from you, you have some of this type of leverage. You control what they want. You can grant them access or deny it. That's why experienced opponents delay making offers — they don't want to give you leverage. For example, if the other party says, "I want to swap this file on financial management with yours on risk analysis" then you have this type of leverage.
- Buyer:** buyers can have more power when buying goods or services commercially but this can be also applied to day-to-day negotiations in the EU institutions if we think about the services you provide your colleagues or other intraorganisational entities (e.g. another unit in the same Directorate General). This depends on how much information seller and buyer have about the service, the relative scarcity or abundance of the service, the availability of substitutes (e.g. are there other, external providers of translation services?), and many other factors. The relative leverage of buyers and sellers determines the "price" (not only money but time, for example) and terms of transactions and the nature of the relationship.

### Verify the results

Use these factors to create extra leverage in your negotiations.



### Exercise:

As a review of this chapter:

- Describe the different elements of negotiation and what they mean in your own words.
- Describe a BATNA you have successfully used before.
- What intangible elements have you used to win a past negotiation?
- Create a list of ways you can use the 4 basic types of leverage in an upcoming negotiation.

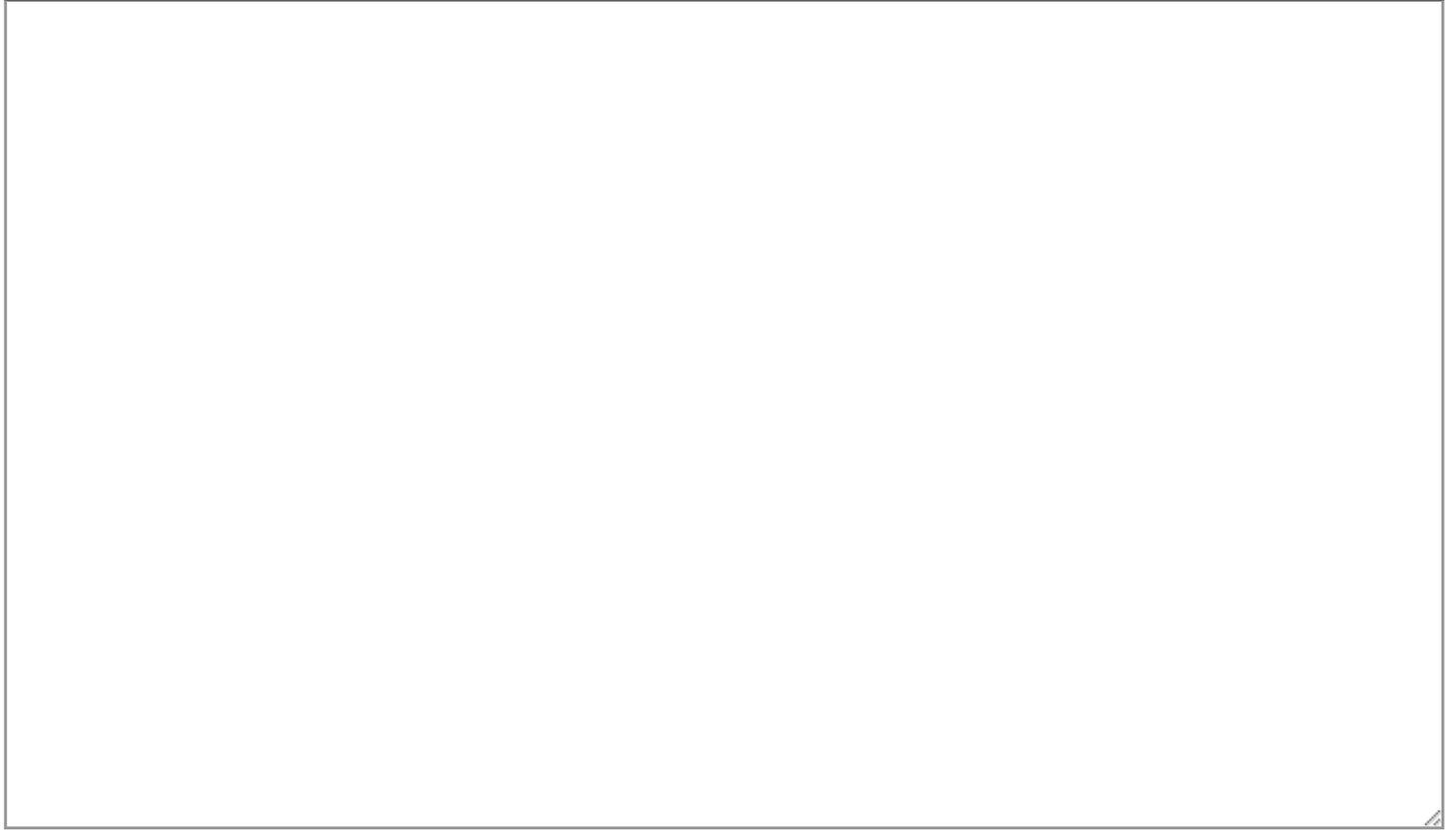
## Control and Expand your Negotiation Area



## Going deeper...

- In this video, Steve Young, former quarterback of the San Francisco 49ers, explains how he uses different elements of negotiation (EN) (<https://www.youtube.com/watch?v=GOUd4w4J0TY>)
- This is the Wikipedia definition of BATNA (EN) ([https://en.wikipedia.org/wiki/Best\\_alternative\\_to\\_a\\_negotiated\\_agreement](https://en.wikipedia.org/wiki/Best_alternative_to_a_negotiated_agreement))
- Professor Leigh Thomson of Kellogg Business School makes the case for making the first offer in this article (EN) ([http://www.kellogg.northwestern.edu/news\\_articles/2014/04022014-negotiate\\_first\\_offer.aspx](http://www.kellogg.northwestern.edu/news_articles/2014/04022014-negotiate_first_offer.aspx))
- Paul F. Kirgis analyses the uses and limits of negotiating leverage in this Harvard Negotiation Law Review article (<http://www.hnlr.org/wp-content/uploads/19HarvNegotLRev69-Kirgis.pdf>), which he defines as power rooted in consequences.(EN)
- A sceptical view of the use of the term 'leverage' in negotiations by Jim Camp in Forbes magazine is here (EN) (<http://www.forbes.com/forbes/welcome/#74c0d81e561c>)





## DAY-TO-DAY NEGOTIATION

## 4. Negotiation Preparation & Post-Negotiation Assessment

*“In preparing for battle I have always found that plans are useless, but planning is indispensable.”* Dwight D. Eisenhower



### 4.1 The importance of a good preparation

All the specialists agree that preparation is vital for successful negotiations. Preparing to negotiate means investing the right resources at the right time in order to optimise the subsequent discussion and bargaining phase. In particular, preparation time should be spent aiming to reduce the quantity and impact of the various risks inherent in a negotiating situation.

For instance, negotiators never have all the information at their fingertips. They therefore have to make assumptions about certain issues relating to the other negotiators, their interests, skills and personality (including cultural issues). If genuine facts are confused with assumptions, negotiators may act on the basis of:

- assumptions drawn from habit or precedent – such assumptions may be inappropriate for the present situation;
- assumptions generated by new information which must be taken on board quickly and without much thought;
- assumptions based on what negotiators "want" to think – influenced by biases, values or unverified information that may be in line with their own interests.

Risk areas	Risks	Benefits of preparation
<b>Issues at stake</b>	<i>Incorrect or inadequate identification of the reasons for negotiating</i>	Clarifying the issues at stake
	<i>Insufficient clarity regarding the objectives and their priority order</i>	Having a clear understanding of the objectives, their relative importance and the potential room for manoeuvre
	<i>Inadequate or incorrect information on the initial situation</i>	Ensuring information is available in order to analyse the problem. Identifying outstanding areas where information is still needed
	<i>Inadequate or incorrect identification of the stakeholders in the process</i>	Knowing who we are dealing with (see Stakeholder Analysis in the Reaching Sound Decisions module)
	<i>Unawareness of other stakeholders' aims and objectives.</i>	Identifying potential "hidden agendas" as early as possible.
	<i>Improvised tactics or strategy</i>	Anticipating and being prepared for the actual negotiating process.
	<i>Failure to put forward convincing arguments</i>	Ensuring that the best arguments are not forgotten and that questions or objections can be handled.

	<b>In general, the preparation phase should be used to identify areas where further information is needed. Preparatory meetings and the first phase of the actual negotiating process should guarantee this information is made available.</b>	
<b>Negotiating process</b>	<i>Lack of awareness of precedents and the necessary steps</i>	Effectively managing the negotiating timeframe, before and during the actual negotiating process
	<i>Lack of structure in actual negotiating phase</i>	Protecting the process and negotiators by using an appropriately structured and validated process
	<i>Failure to make the most of preparatory phases (one-to-one, smaller teams)</i>	Ensuring that the actual negotiating process offers sufficient added value
	<i>Lack of clarity and complementarity of roles when in team negotiations</i>	Enabling all the team members to know their role, when and how to play it
	<i>Significant difficulty in managing unforeseen turns of events</i>	Reducing the risk of unforeseen events and errors
<b>Negotiating relationship</b>	<i>Lack of consideration for the negotiating process and other negotiators</i>	Demonstrating the consideration given to the negotiating process and the other negotiators by the quality of the preparatory work
	<i>Lack of credibility</i>	Displaying awareness and understanding of the issues and a "big picture" approach
	<i>Reduced ability to manage emotions and allow them to play a positive role</i>	Reducing the negative effects of stress associated with unforeseen events and increasing listening ability and receptiveness

After assessing the risks there are **other ways we need to prepare ourselves** in order to negotiate. These include but are not limited to expanding our self-awareness; creating a pre-negotiation contract to reduce the chances of a negotiation collapsing; using negotiation styles to determine our overall strategy; making a strategic analysis of the parties involved in the negotiation; and, finally, performing a post-negotiation audit to learn from what we did well and look at what we could have done better or differently.

## 4.2 Self-knowledge and negotiation



From the earliest origins of European civilisation we have been advised to develop a better understanding of ourselves (in ancient Greek: “gnothi seauton” or “know thyself”) and this applies to negotiations as well. Self-knowledge is about understanding your own needs, desires, failings, habits, and everything else that motivates you.

**Why know yourself?** For the self-development “sceptics” amongst you, there are several very **pragmatic reasons** for increasing your self-knowledge. The more you know about yourself, the better you can be at adapting your strategy and tactics when under pressure - you can avoid escalation, keep your real goals in sight and are better at self-management (remaining calm).

How can we know ourselves? Through:

- **seeking feedback from others** - simply asking your colleagues and superiors their opinion of your performance at work and in negotiations in particular can be very useful. 360 degree feedback ([https://en.wikipedia.org/wiki/360-degree\\_feedback](https://en.wikipedia.org/wiki/360-degree_feedback)) is more formal example of this type of feedback;
- **keeping a negotiations journal** - thinking about your successes and how you have achieved them - an example of this is appreciative inquiry (<https://appreciativeinquiry.case.edu/>); thinking about and learning from your mistakes. We have also included a post-negotiation assessment form at the end of this ebook;
- **personality profiling** - a more objective or at least third party view of your personality characteristics. Some examples would be MBTI, Belbin, and DISC. There are several free online tests and resources - a couple of examples are listed below.

## Going deeper...

- DISC is a behaviour assessment tool based on the DISC theory of psychologist William Moulton Marston, which centres on four different behavioural traits, which today are called: dominance, influence, steadiness, and compliance - you can take a free DISC test (<http://discpersonalitytesting.com/free-disc-test/>) (EN)
- You can also take a free Jungian personality assessment (<http://psychcentral.com/quizzes/personality/start.php>) (EN) here which outlines sixteen different types

## 4.3 The 8 step pre-negotiation “contract”

After focussing on self-understanding as a way of improving your self management, we turn to another negotiation preparation method: the pre-negotiation “contract”. Why should you create one with your negotiating counterpart?

**Negotiations are inherently unstable entities.** They can collapse at any of the 4 stages we outlined in [Chapter 1.1](#) for any number of reasons - you receive new instructions from your hierarchy and stop the negotiation, the contractor you’re negotiating with goes bankrupt, your initial positions are so far apart it the negotiation grinds to a halt, etc.

A strong pre-negotiation contract is an attempt to reduce this inherent instability and uncertainty. We wish to make people comfortable, eliminate confusion about what is going to happen and ensure a commitment by all parties involved.

**A strong pre-negotiation contract, then:**

- allows for enough time;

- ensures there are no interruptions;
- establishes an agenda for the meeting;
- gives all negotiating parties the opportunity to ask questions;
- ensures that each meeting has an end result;
- gives you the opportunity to deal with your biggest fears at the beginning of the process.

There are **8 components** to a good pre-negotiation “contract” which should be discussed before the meeting takes place and also at the beginning of the negotiation itself:

1. Gratitude - express your thanks for the time the other negotiation parties have taken to be there with you. Never underestimate the power of social bonding - saying thanks sincerely can create a positive opening atmosphere which may improve the entire flow of the negotiation.
2. Time - confirm how long the meeting will last.
3. Agenda - suggest a mutually beneficial agenda or ask what your fellow negotiator would like to get by the end of the negotiation.
4. Questions - get permission to ask all of the necessary questions. “Is it ok if I ask difficult questions?”
5. Avoid “maybes” - A “maybe” is often a soft “No”. Instead of being uncertain and wasting your time hoping there will be a final outcome to your negotiation, give your negotiating counterpart permission to be direct with you and say “No”.
6. Interruptions - make sure you are not going to be interrupted. Tell your negotiating partner that you are switching off your phone and ask him/her to do the same.
7. Biggest fears - the beginning of the negotiation is a good time to bring out in the open potential objections or problems in advance. For example, you could say “My biggest fear is your mind is already made up and there is nothing I can say or do to change it.” This opens the door to an honest conversation with the person you are negotiating with.
8. Next steps - talk about the action steps that will happen after the negotiation if you mutually agree to move forward.

Another powerful question that can save you many wasted hours in a negotiation is “Has anything changed since we last spoke (or emailed)?”

Using all of these components in the pre-negotiation contract should allow you to create a solid foundation for negotiation with the other party.

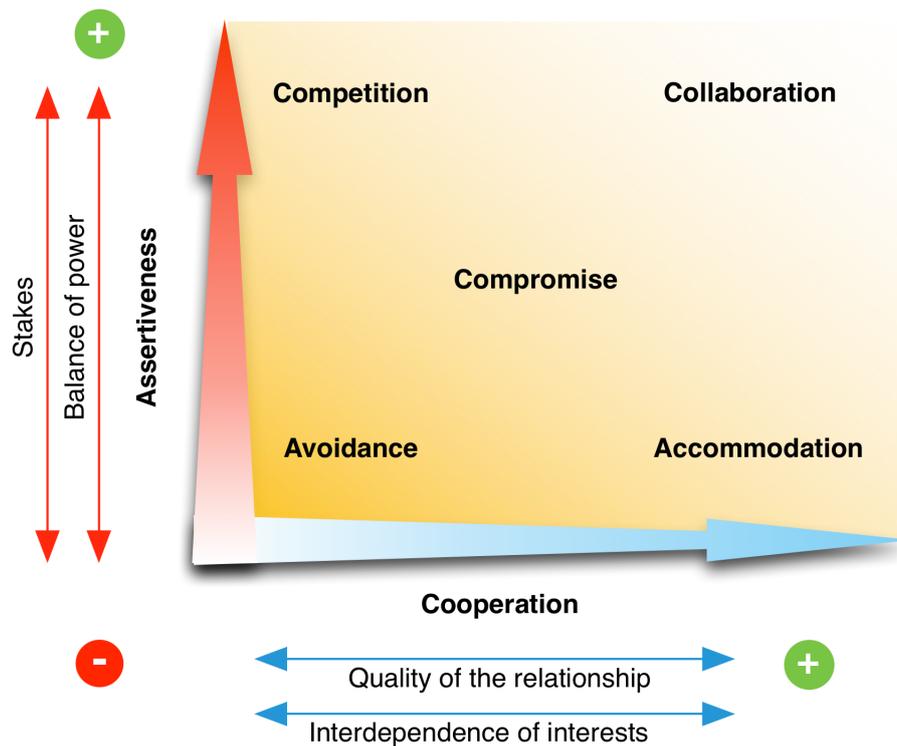
## 4.4 Negotiation style and strategy

The first decision you need to take when building a negotiation strategy is to decide which basic negotiation style you will adopt. Simply put, will you use a competitive, a collaborative, a compromising, an avoiding or an accommodating approach?

To decide which will be the most effective style to adopt, you can think first about the following four criteria:

- Stakes: How important is it for me to win? What are the risks? What are my chances of winning?
- The balance of power: How much power do I have in relationship to my negotiating counterpart?
- Interdependence of interests: How much overlap is there between our positions?
- The quality of the relationship : Is the relationship poor or absent (-), or good (+) ?

The diagram below shows how these four criteria may influence the choice of a negotiation style.



The higher the stakes for you and/or the more power you have in the relationship, the more it make sense to adopt a style based on a high level of assertiveness (i.e. competition or collaboration).

The better your relationship is with your counterpart and/or the more interdependent your interests are, the more it makes sense to adopt a style based on a high level of cooperation (i.e collaboration or accommodation).

## Going deeper...

- Read more about the styles mentioned in the Thomas Killmann model (<http://www.kilmanniagnostics.com/overview-thomas-kilmann-conflict-mode-instrument-tki>)(EN)

## 4.5 Stakeholders, resources and interests

The choice of a negotiation approach, as we have mentioned above is probably the most important strategic decision a negotiator has to take. However, in complex negotiations, it may also be useful to gain a more complete understanding about all the stakeholders (i.e. all the persons concerned directly or indirectly by the negotiation - the word "actor" is also used sometimes). What are their objectives, their interests ("stakes"), and elements of leverage (resources, relations, assets, constraints, etc.), in the specific situation and context of the negotiation ?

This can be done using a table like the one on the next page (which is a simplified version of Crozier & Friedberg's stakeholder analysis) (<https://www.erudit.org/revue/ri/1983/v38/n2/029369ar.pdf>) :

**The different elements are as follows:**

- A Stakeholder (also called "Player" or, improperly, "Actor") is a person or group of people who acts together and who shares at least one common interest in a certain outcome of the negotiation.
- Objectives are the aims or goals the actor pursues or is likely to pursue.
- Constraints (as already seen) are all of the things that need to be taken into account and which limit or change the action taken and strategies adopted in relationship to the stakeholder's objectives. Constraints can be legal, political, economical, material, human, etc.
- Assets (or Resources) are resources which the actor can draw upon to reach the objective. They can also be legal, political, economical, material, human, etc.
- Interests (or Stakes) are everything that the stakeholder could win or lose if the negotiation succeeds or fails in reaching the objective.
- Strategies provide the logical framework that co-ordinates the actions, assets and resources so as to allow stakeholders to reach their objective(s) in a negotiation.



**Exercise:**

Let's see if you have understood our description by matching the right description to the right term in the partially filled table below.



	Me	Stakeholder a (My boss)	Stakeholder b	Stakeholder n
Objectives	Win: attend the training course, improve my promotion prospects Lose: do not attend course, reduce promotion prospects	Slightly competitive strategy		
Constraints	To get my boss to approve time off for a training course	Win: maintains training budget Loses: happy staff member		
Assets / Resources	Lack of negotiation experience; lower hierarchical position	Promised to approve this training last year		
Interests / Stakes	Good relationship with my boss; good negotiation skills	To keep staff motivated but balance this with limited number of promotions she can give and reduced training budget		
Strategies / Approaches	Collaborative approach	Hierarchical position; long experience in the EU institutions		

Verify the results

## 4.6 Balance of power

The balance of power is an unavoidable issue in negotiating. All negotiators come to the negotiating table with a certain degree of power and influence over various aspects of the problem to be solved. Negotiators also have power over other parties. Factors such as veto powers, moral authority and exclusive ownership of resources may alter the balance of power and likewise affect chances of success in negotiation.

The balance of power can be defined as the **interaction of the powers available to and perceived by the negotiating parties**.

Not only must the nature or extent of the power held by each party be assessed, but also the probability that the parties use this power in order to anticipate when and how the power is likely to be exercised, and with what consequences.

It is therefore **important to get to know the groups and people involved** in a negotiation and understand the history of their relationship.

As a negotiator, you should attempt to assess each variable and pragmatically estimate the total of pluses and minuses on each side, in order to show a trend. Never forget, however, that, by its very definition, the balance of power may shift at any time.

Finally, analysis of the balance of power can affect the:

- way you set the upper and lower limits of your room for manoeuvre;
- type of resistance that you can use;
- arguments you can use to support your demands for concessions and the things you can offer in return.



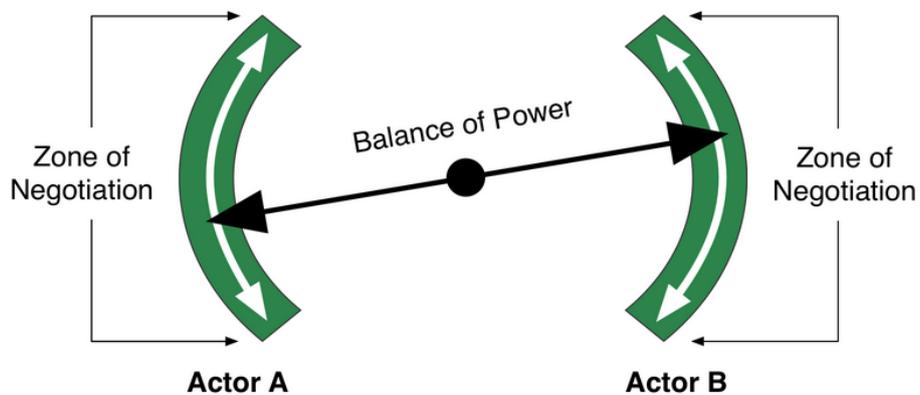
### Exercise:

You can use the table below to assess the balance of power.



Source of power	Me	Other party
Statutory, hierarchical or regulatory dimension	<input type="text"/>	<input type="text"/>
Power (economics, resources, etc)	<input type="text"/>	<input type="text"/>

Time (urgency is counter-productive)		
Expertise (knowledge and mastery of the technicalities of the case)		
Influence (how convinced, committed and forceful the protagonists are)		
Existing disputes (previous unsolved matters)		
Stakes (the importance of one can accept to lose or win)		
Capacity to harm and available means of pressure (in case of failure or resistance)		
Willingness to succeed		
Quality of the protagonists preparation		
Past un/successful experiences of the various negotiators		



## 4.7 The 9 step pre-negotiation checklist

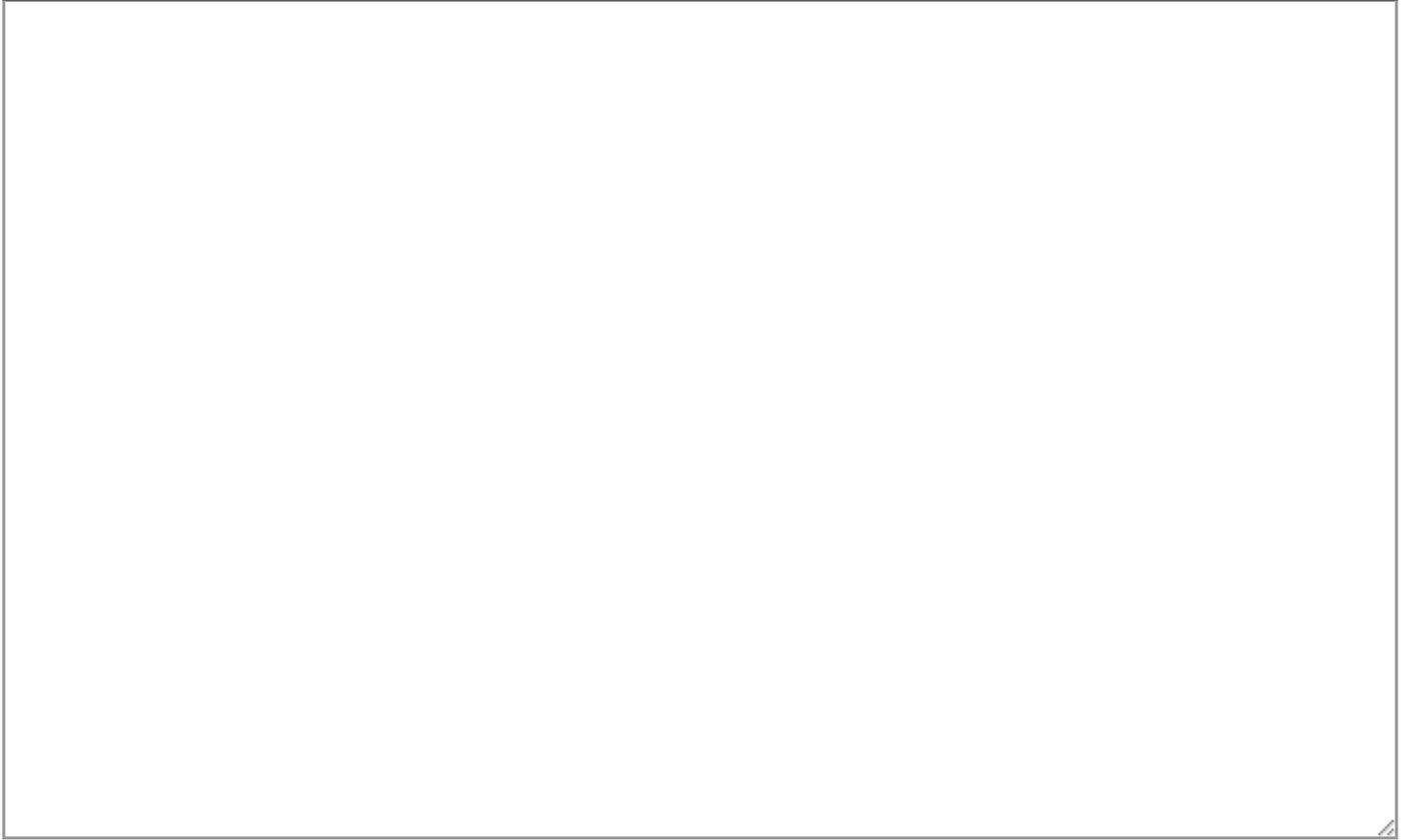
Finally, in order to complete your preparation and before negotiating you are also invited to go through this checklist to ensure you are well-prepared:

- Create a pre-negotiation contract with your negotiating counterpart either before the meeting takes place or at the beginning of the negotiation.
- Use negotiation styles to determine your strategy and your negotiating counterpart's likely strategy.
- Make a strategic analysis of the stakeholders involved in your negotiation.
- Analyse the balance of power between you and the other party/parties.
- Make a list of the tangible elements.
- Make a list of the intangible elements and how you can use them to increase your negotiating power.
- Determine your goals and wants. Prioritise them into "must haves" and "would likes" so you can then determine your first offer, BATNA, target and walk-away point.
- List some potential win-win scenarios.
- Think of how you will move forward if the other party says "No" to your demands.

### Going deeper...

- Sam Bacharach, Professor at Cornell University in the USA, presents his ideas for leaders about to enter a negotiation that are relevant to all negotiators - Preparing for Negotiations (<https://www.youtube.com/watch?v=IDqh3wSZ2Zg&feature=youtu.be>) (EN)
- Alternatively, Stephen White introduces 7 Deadly Sins of Negotiation Preparation ([https://www.youtube.com/watch?v=U\\_sRidpER0Y&feature=youtu.be](https://www.youtube.com/watch?v=U_sRidpER0Y&feature=youtu.be)) (EN) in this video
- In this article, Margaret Neale and Thomas Lys, ask Is Your Negotiation Strategy Wrong? (<http://insight.kellogg.northwestern.edu/article/is-your-negotiation-strategy-wrong>) (EN) which outlines six ways to get more of what you want in a negotiation





## DAY-TO-DAY NEGOTIATION

## 5. Approaches to Negotiations

*“Stay committed to your decisions but stay flexible in your approach.” Tony Robbins*



During a negotiation, it is desirable that the parties seek to reconcile their views (representations of the situation and of the possible solutions). Edmonds and Hales identify several assumptions that get in the way of this. Do not assume that the others necessarily:

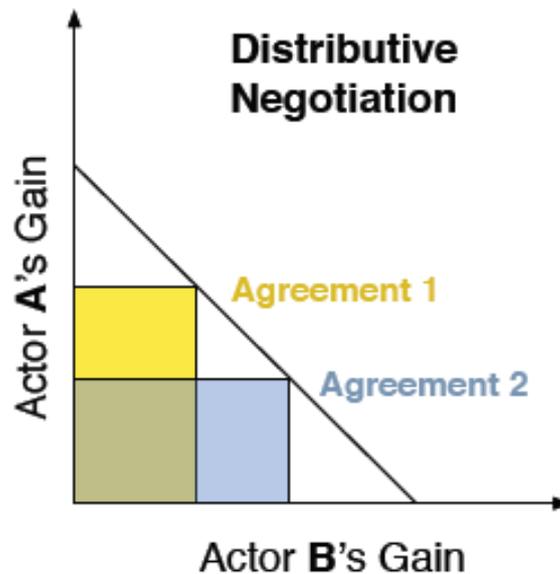
- have the same view of the world in terms of the causation therein, i.e. they have different beliefs as to what actions or events cause what results in the target domain;
- have any sort of "joint utility" or "social rationality" that drives them to seek for agreement or for the common good above their own;
- have any sort of knowledge about others' beliefs or goals, except as revealed or implied by the communications of other;
- judge similar resultant states in similar (or even related) ways;
- are able to think out all the possible negotiation possibilities or consequences of their own beliefs.

Of course it is true that participants in a negotiation sometimes have the same world view, knowledge of other's beliefs etc. - all we are saying that this is not always the case and to be wary of making the assumptions above.

With that warning in mind, let's examine the two most common broad approaches to negotiation and their relative strengths and weaknesses: position-based negotiation and interest-based negotiation.

### 5.1 Position-based negotiation

A position-based negotiation is based on the premise that one person can win only at the expense of the other. Many negotiators have a natural tendency to approach **negotiation as a process** in which they have a personal stake. They see the process only as an opportunity to push their own interests and promote their own position.



When using this approach, in order to increase the chances of achieving a favourable agreement, each negotiator may take an extreme starting position and attempt to stick to it; try to hide their true opinions or make no concessions, or only the bare minimum, in order to continue negotiations.

When there is a clash between differing positions, negotiators tend to “dig their heels in”, and end up unable to change their initial position. The negotiating process thus becomes an issue of pride, where the most important thing no longer is the initial objective but the desire not to “lose face”.

**The more negotiators focus on the apparent positions, the less they are aware of the underlying needs and concerns which need to be met. So the chances of a successful outcome become more remote.**

What are the most obvious and most frequent consequences of this negotiating style?

1. Negotiation is mainly experienced as a confrontation (rather than an interaction). When a position is defended or attacked, it is the individual who is being attacked or who defends him/ herself.
2. People may end up hurt or upset.
3. If the negotiating process reaches a settlement, it will generally have been excessively time- and energy-consuming (risk of retreat into positions).
4. The negotiation limits its parties to a false choice between being “hard” or “soft”. Both these choices are unfavourable for both parties.
5. The negotiating process tends to turn into a vicious circle, which only increases the harmful effects as one position clashes with the other.

In spite of appearances, positional bargaining does not only take the form of a “hard” position. The table below illustrates the “hard” and “soft” approaches. This illustration highlights the fact that both approaches remain confrontational, meaning that the outcome is seen either as “winning” or “losing.”

Although seemingly opposed, these two negotiating styles have the same basis, namely the assumption that at the end of the process, there will be a winner and a loser. Simple examples of this approach would be buying a house or selling a car.

**Strategy to be used:** In this mode, one seeks to gain advantage through concealing information, misleading or using manipulative actions. Of course, these methods have serious potential for negative consequences. Yet even in this type of negotiation, both sides must feel that at the end the outcome was the best that they could achieve and that it is worth accepting and supporting.

The basic techniques open to the negotiator in this kind of approach are the following:

- influence the other person's belief in what is possible;
- learn as much as possible about the other person's position especially with regard to resistance points;
- try to convince the other to change his/her mind about their ability to achieve their own goals;
- Promote your own objectives as desirable, necessary, ethical, or even inevitable.

### Why use a distributive method focused on positions?

Positional bargaining is easy, so it is not surprising that people often do it. It requires no preparation, it is universally understood (sometimes you can even do it with fingers when you and the other side of the world and do not share a common language), and in some contexts it is entrenched and expected.

Although distributive negotiation is presented later as a generally less desirable option, we find it important to remind you of the following points:

- There are cases when, either because you risk reaching your reservation point, or simply because the other party refuses integration, there is no other choice than to enter into a less co-operative negotiation (competition or avoidance);
- There are cases where the nature of the problem itself is distributive, for example, in the case of budgetary allocations;
- As part of our social life we conduct dozens of negotiations daily, most of which are carried out much too quickly to allow us to apply the Harvard Negotiation Project method...



### Exercise:

### Positional bargaining according to Fischer and Ury

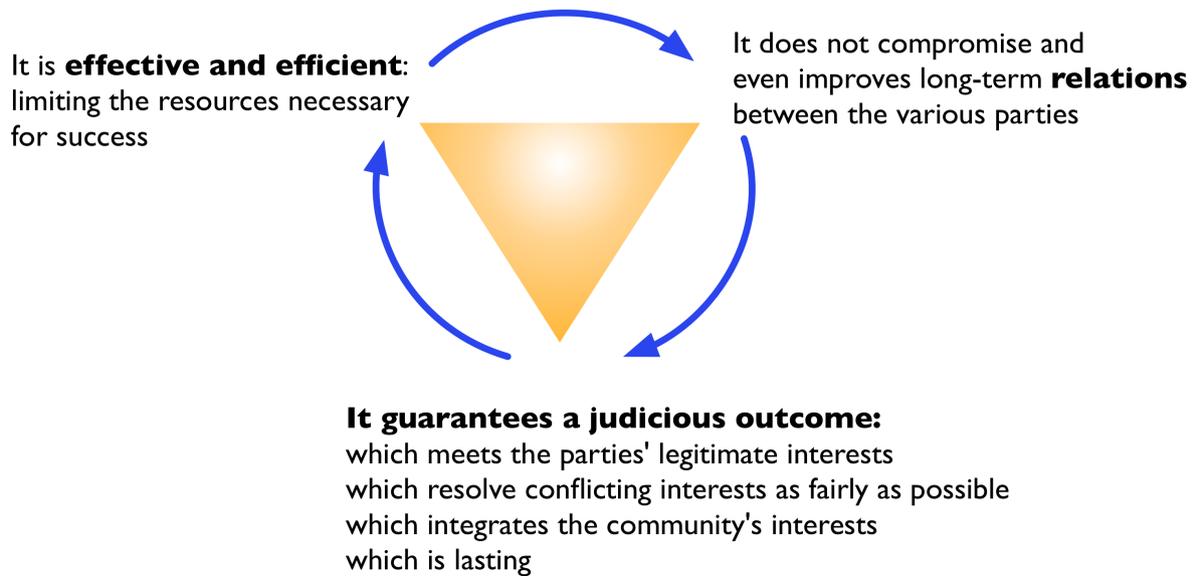
"Soft"	"Hard"
<ul style="list-style-type: none"> <li>• Candidates are potential allies</li> </ul>	<ul style="list-style-type: none"> <li>• Apply pressure</li> </ul>
<ul style="list-style-type: none"> <li>• The goal is agreement</li> </ul>	<ul style="list-style-type: none"> <li>• Try to win a contest of wills</li> </ul>
<ul style="list-style-type: none"> <li>• Make concessions to cultivate the relationship</li> </ul>	<ul style="list-style-type: none"> <li>• The goal is victory</li> </ul>
<ul style="list-style-type: none"> <li>• Be soft on the people and the problem</li> </ul>	<ul style="list-style-type: none"> <li>• Demand concessions as a condition of the relationship</li> </ul>

• Trust others	• Be hard on the problem and the people
• Change your position easily	• Distrust others
• Make offers	• Make threats
• Disclose your bottom-line	• Dig into your position
• Accept one-sided losses to reach agreement	• Mislead as to your bottom-line
• Search for the single answer: the one they will accept	• Demand one-sided gains as the price for agreement
• Insist on agreement	• Search for the single answer: the one you will accept
• Try to avoid of contest of wills	• Insist on your position
• Yield to pressure	• Candidates are adversaries

Verify the results

## 5.2 Interest-based negotiation

The alternative to positional bargaining is interest-based negotiation which is a relatively recent innovation in negotiating - Mary Parker Follett is recognised as the originator of this model in 1925. This negotiating style focuses on the 3 major issues involved whenever a conflict requires resolution.



This approach integrates three variables that are involved in any negotiating process: a position, interests and needs.

Here is an example of three children arguing over an orange:

**Position:** each of the parties wants the orange.

**Interests:** none of the parties is interested in cutting up the orange.

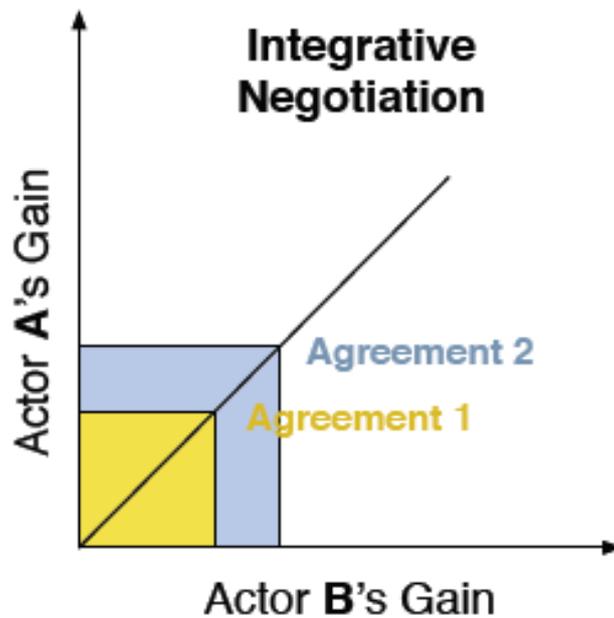
**Needs:** the reason why each party needs the orange is not the same. Party (A) needs the pulp to make a cake, party (B) needs the juice for a drink and party (C) needs the rind in order to decorate the cake.

In any situation involving different positions, problem-solving requires **the needs of the parties to be identified**. These needs may well be underlying the apparent interests at stake. **Analysing the underlying needs** will enable the problem to be solved in a mutually beneficial manner.

In an Interest-Based Negotiations the achievement of my goal does not prevent the other party from satisfying their needs.

(adapted from Walton & McKersie)

NB Most negotiations are mixed and a combination of position and interest-based negotiations combined with relationship factors.



### A method based on interests

If you wish to adopt a collaborative strategy based on interests, you should avoid arguing positions. Even if arguing positions can produce an acceptable result, the resulting agreement may be neither amicable, nor fair, nor efficient. Position-based negotiation condemns you to being either the soft negotiator who loses or the hard negotiator who wins.

Distinguish instead between the object of the negotiation (the problem) and the process (the negotiation method). Even if you believe you are only concerned with the object of the negotiation (e.g. the daily rate of a contractor), you are in fact negotiating procedural rules at the same time. Should you be a soft negotiator or a hard negotiator? The answer is: neither one nor the other. Change the game. This is the negotiation method proposed by Fisher & Ury in the Harvard Negotiation Project. It is based on four methodological principles.

1. Deal with people : separate the people from the problem and the issues at stake. Be soft on the people and hard on the problems.
2. Focus on interests, not positions : focus on interests and not positions because ultimately it is the interests that must be met, not the positions.
3. Invent options : before deciding, produce as many different alternatives as possible. Pressure makes it harder to discover optimal solutions. You should give yourselves sufficient time to "[...] invent options for mutual gain".
4. Use objective criteria: insist on using objective criteria that are independent of the wishes of the negotiating parties.

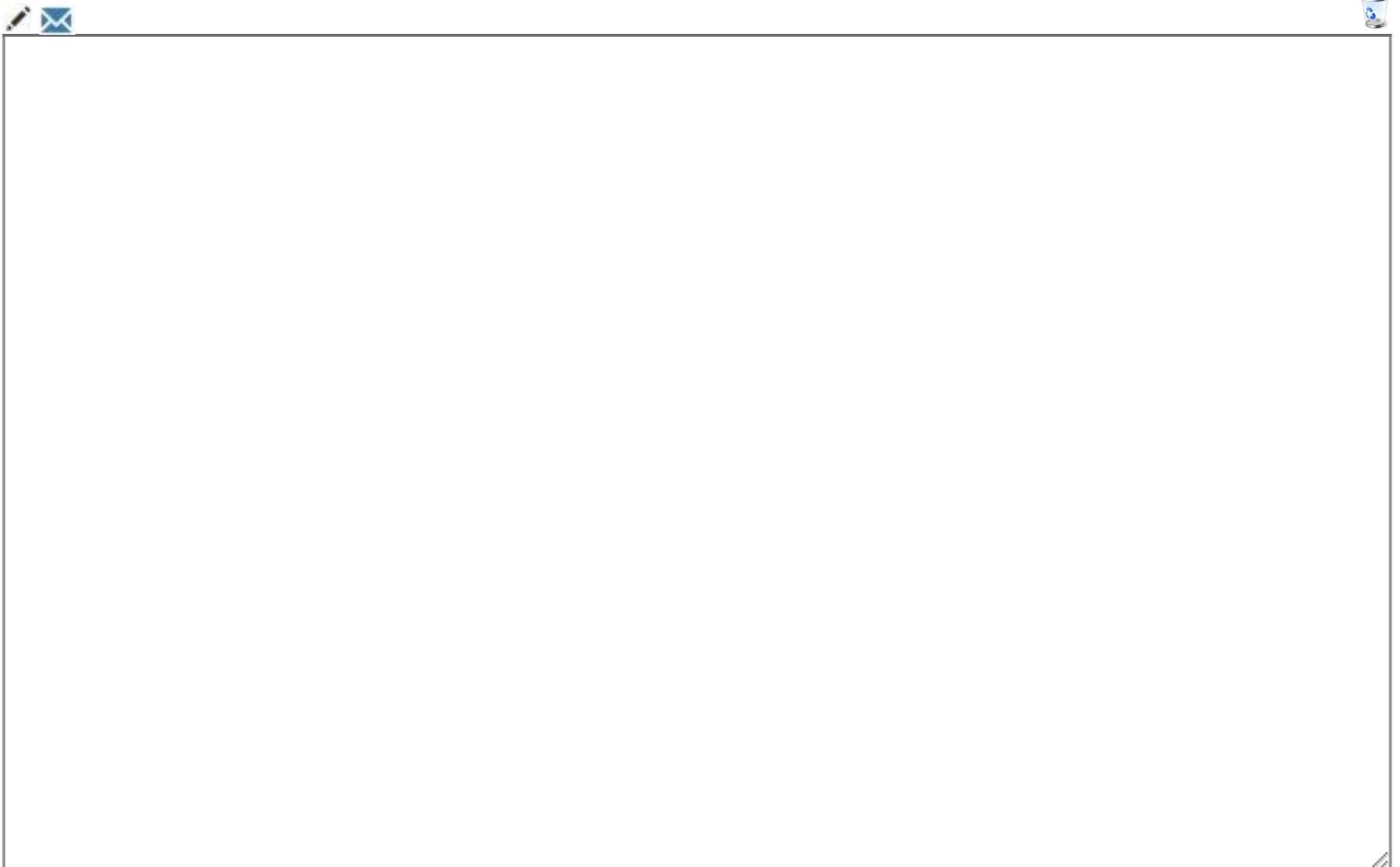
The methodology above can help you achieve results without sacrificing long-term relationships.

### Going deeper...

- In this video (<https://www.coursera.org/learn/negotiation-skills/lecture/xaCpq/a-position-based-or-interest-based-negotiation>) University of Michigan Negotiation course hosted on Coursera, Professor George Siedel differentiates between position- and interest-based negotiations (EN with multi language subtitles)
- Brad Spangler helps us to differentiate between positional bargaining and integrative bargaining in this essay (<http://www.beyondintractability.org/essay/interest-based-bargaining>) (EN)
- An anonymous conflict professional lists the top 10 differences between positional- and interest-based bargaining in

this article (<https://creativeconflictwisdom.wordpress.com/2010/12/09/the-top-ten-differences-between-positional-and-interest-based-bargaining/>) (EN)

- A simple story here (<http://web.mit.edu/negotiation/www/NBivsp.html>) illustrates the difference between interests and positions
- Rob Grace outlines five analytical approaches (<http://atha.se/thematicbrief/understanding-humanitarian-negotiation-five-analytical-approaches>) that drive humanitarian negotiations and are relevant in the EU organisational context
- Six important reminders about the win-win approach are listed here (<https://thoughtexchange.com/collaborative-negotiation-6-important-reminders-about-this-win-win-approach/>) in this summary of Getting to Yes by Selena McLachlan



## DAY-TO-DAY NEGOTIATION

## 6. Negotiating in Different Contexts

*“Wisdom is intelligence in context.” Raheel Farooq*

### 6.1 Negotiating in a multicultural context

The term “culture” tends to be used in a rather narrow way in the EU institutional setting - being limited to “national culture”. We suggest the definition should be also widened to include: organisational, professional, gender, ethnicity, educational, ideological, contractual, religious, political, class culture and many others. This makes the EU organisational context an extremely complex one in which to negotiate.

People who work across cultures, whether internationally or within nations, need general principles -a cultural compass if you will- to guide their negotiation strategies.

Such a compass will help them to:

- identify the general elements of cultures - the beliefs, attitudes, behaviours, procedures, and social structures that shape human interactions;
- avoid the fallacy of cultural homogeneity (“all the people from this country are like this”). All of us rely on various elements of culture (national, professional, familial, etc.) on which we build our personality throughout our lives. For this reason we are all unique and working with culture is about interacting with others more than about using models that would give us “one size fits all” explanations;
- recognise potential hazards, obstacles, and pleasant surprises that intercultural travellers and negotiators might miss without a guide;
- select responses that will be more likely to achieve successful interactions and outcomes.

**Intercultural negotiation is a process** initiated by individuals, groups, or organisations from different cultures that enables them to:

1. Jointly define the form of their relationship.
2. Clarify individually and together the goals and outcomes to be achieved.
3. Communicate about issues of individual or common concern.
4. Educate each other about shared and differing issues, interests, or needs.
5. Develop options that address their interests, needs, issues, problems, or conflicts.
6. Influence and persuade each other.
7. Reach mutually acceptable decisions and agreements.
8. Implement agreements reached.



The following tips should serve you well prior to any future cross-cultural negotiation:

- **Understand** your counterparts' expectations from the negotiation process – prior to the meeting, pick up the phone or send an email with an agenda and some ideas on what you seek to achieve in order to prompt similar preferences from the other side.
- **Be clear** with yourself about the stance and strategy you are going to take – if you feel you need to adopt a new strategy, i.e. being more relationship focused rather than business orientated or listening more than talking, then make sure you sit down and think it all through.
- **Don't jump** to assumptions and conclusions in the negotiation process – if someone says or does something that seems really odd, the chances are it isn't. Think about possible cultural reasons behind the behaviour and try not to rationalise according to your own view of the world.
- If you sense confusion always **clarify and re-check** for understanding – when it's impossible to work out what's going on, put the brakes on and ask. Simply expressing your willingness to learn or show sensitivity can lead to good things.
- **Speak slower**, avoid complex or colloquial language and keep it simple – always, always, always temper your language. Think how you would feel being in another culture trying to negotiate in another language.
- Use your **active listening skills** – it's always a good policy to ask questions, sit back and listen to the answers. The more you let the other party speak, the more information you will have to use to your advantage.
- **Explain** the decision making process from your side and ask for them to clarify theirs – who makes the decisions tends to differ from culture to culture. In more hierarchical cultures, it is usually always the boss who has the final say. Outline how it works from your end and elicit the same from them so you are able to plug any potential gaps in terms of information or next steps.
- **Pay attention** to potential gender dynamics – if you are working across cultures and genders, make sure you are fully aware of any sensitivities. For example, for cultural reasons, some people tend not to shake hands with the opposite sex. In some cultures they may assume that the woman present is not of consequence whereas in reality they may be the decision maker.
- **Keep it professional** no matter how challenging it may get – even if the negotiations are testing your patience always remain courteous and keep it to business. Some cultures like to test and prod the other party to gauge their trustworthiness factor. Others may take any loss of temper as disrespectful and soon kill off any further discussions.

## 6.2 Negotiating with your boss/hierarchical superior

A warm welcome to those people who visited this section first. Your relationship with your boss or hierarchical superior is probably the important factor in your job satisfaction and motivation at work. Negotiating with your boss, then, can be very nerve-wracking but should not be approached as if the result is a foregone conclusion (i.e. that the boss “wins”).

Here is some strategic advice for “negotiating up”:

- **Frame the negotiation** as an effort to solve a mutual problem or achieve a mutual goal.
- If possible, **tie your request** to a goal, concern or objective the boss has. You are bound to get his/her attention and time by addressing something he/she cares about.
- Always **lead with the business case** for what you are asking for. Even if the issue seems personal, e.g. a request for certain holiday dates, lead with why and how your request addresses a critical organisational goal or need.
- **Bring your boss a solution**, not just a problem. Walk in with several options for how the issue you raised might be addressed and be explicit about the pros and cons of each option and what you recommend.
- **Listen deeply** to his/her responses. Deep listening means listening for meaning, tone, pace, emotion. It means asking questions for a deeper understanding, it means watching body language which is a more accurate predictor of the inner emotional state than any words uttered.
- If you aren't clear about the problem or the goal or how best to achieve or solve it, **propose a process** by which the answers can be determined, e.g. if we put together a task force with members from finance and, I think we can come up with the best answers.
- Timing is critical. If the organisation is in crisis, or it's the busiest time of the year, **schedule the negotiation** for a time when your boss is likely to be less stressed and better able to focus on your request.
- If the urgency of the matter doesn't allow you to wait to address the issue, **acknowledge the fact** that you know it's not the best time and explain why you are choosing to raise the issue now. If your boss still says now is not a good time, ask when would be a good time and whether you should talk with someone who reports to him who might be more accessible at the moment.
- If you don't have a good working relationship with your boss or your boss doesn't even know you exist, consider:
  - Postponing your request while you develop and execute a strategy to improve the working relationship.
  - Schedule an informal lunch or breakfast to address the relationship issue, i.e., I know I failed to deliver on last year's goals, but I wanted to update you on my progress since then, or, I would like to improve the working relationship we have so that we can work more productively together, what advice do you have for me? Then listen and don't argue with the advice, it will tell you volumes.
  - Negotiating with an influencer instead of the boss, someone whom the boss respects and to whom he/she listens
  - Solicit criticism of your proposal or request, i.e., “What would be wrong with \_\_\_\_\_? Or, “What problems would doing \_\_\_\_\_ present?” If you don't have good answers to the boss's concerns, ask for time to consider them and come back later with some options that address those concerns.

## 6.3 Peer-to-peer negotiation

Successful peer negotiation requires a range of communication and personal skills.



### Exercise:

Drag and drop the right description to match with the corresponding skill



## SKILLS

- **Strong self-esteem, to ensure that you value yourself.**
- **The ‘other side of the coin’ from self-esteem, empathy.**
- **An ability to put your point across assertively, and not aggressively.**
- **As with so many interpersonal activities, it is impossible to collaborate effectively without being able to listen well.**
- **You will need to be able to ask good questions to clarify points.**
- **In any interpersonal situation, it is always important to reflect on what went well and less well.**

Verify the results

## DESCRIPTION

This ensures that you are able to see others’ points of view, and put yourself in their place. With good empathy, you will come to value others as much as you value yourself, and recognise why “win-win” is so important.

This requires an ability to accept challenges from others, and to challenge effectively and calmly when you believe that something is unfair.

You need to check that you have correctly understood what someone else has said. You may also need to ask questions to clarify anything that is unclear.

Effective collaboration requires a belief that your views are worthwhile, and equal to those of others; an equal concern for self and others. Without this, it will be tempting to simply give up, and create a “win-lose” situation, where you are the loser.

It is good to get into the habit of thinking about what happened, and how you could have improved on it. Developing habits of reflective practice will probably help you throughout your life, not only in peer negotiation situations.

This means putting aside any thoughts about how you are going to respond, and simply concentrating on what the other person is saying. This includes non-verbal communication as well as the words that they are using.

### A Final Thought

You may find yourself thinking that the term “peer negotiation” is an over-academic way of describing “working together with other people”.

This may be true, but the skills needed for effective peer negotiation will be useful throughout life. What may be even more important, however, is the mindset that everyone’s views are equally valuable, allowing you to develop a “win-win” solution through collaboration.

## 6.4 Negotiating with subordinates

If you manage others, here are some guidelines for negotiating with your subordinates:

### I. Treat each subordinate as an individual

The effective manager does not try to intimidate his staff members, but rather encourages them to apply their strengths in areas where they can make the optimum contribution. They find a way to utilise each person's unique attributes to foster cooperation in service of the organisation.

## **2. Develop trust by listening**

The more fairly negotiators feel they've been treated, the more likely they are to trust and cooperate with each other, according to some academic research.

In fact, our perceptions of the fairness of a negotiation process can have a stronger impact on our overall satisfaction than our objective outcomes. To make sure your counterpart feels fairly treated throughout the negotiation process and reciprocates with trust, be modest about your own gains at the table and express admiration for his quick thinking and achievements.

This can be especially important when you have more power than your counterpart - if you're his boss, for example, or if you have many other negotiating partners to choose from. In addition, keep in mind that the other party is likely to judge your fairness (and trust or distrust you accordingly) by comparing her progress to that of her peers, her competitors, and others who aren't at the table.

Finally, give your counterpart ample time to express his point of view, including any frustration or hard feelings he may have. When you listen closely to someone and make an effort to understand his perspective, not only will you educate yourself, but you will likely encourage him to feel more trusting of you and more positive about the negotiation in general.

## **3. Provide clear objectives**

One leading cause of workplace stress is confusion over expectations. When your subordinates have clear guidelines for job objectives, this confusion disappears. Describe the task and then give your subordinate options for how to accomplish it in their own way. Effective managers do not say, "Do it this way because I say so." They describe the objective, telling subordinates what to do but not how to do it. If your staff's skill set is in sync with their position, and they understand their objectives, they will get the job done. The manager's function is to provide clear options that lead to the desired result.

## **4. Involve subordinates in decision making**

Make subordinates feel that they are part of the decision-making process. Because they are involved in the process, they have a stake in the outcome. They can later see how they contributed to the end product, and they enjoy a sense of completion. Workers who feel that they are an integral part of an operation are far more productive than those who do not. Employees who are able to see the fruits of their labour and ideas derive a strong sense of satisfaction from their jobs.

## **5. Give constructive criticism**

People who manage by fear are often abusive in their application of criticism. In adversarial management, criticism is a tool for bullying. The effective manager, however, uses constructive criticism - criticism that encourages you to correct the mistake without insulting or offending. Sometimes criticism is called for, but if it is delivered in an objective, affirming and kind way, it will make subordinates want to do better in the future, not feel shame about their mistakes.

# **6.5 Multilateral negotiation - negotiating in a team (with/without your manager)**

Teams of negotiators can bring important value and should be used when:

1. The upcoming negotiation is very complex and requires a diverse set of knowledge, abilities, and expertise.
2. Diverse constituencies and interests must be represented at the table.
3. It is important for your side to display strength.
4. You want to show the other side that you are serious about the negotiation and you are willing to invest the necessary resources.
5. You have sufficient time to organise a team and build its chemistry.
6. The team has sufficient time to prepare together before the negotiation.
7. The team is trustworthy and can work well together.
8. The ultimate decision-makers have confidence in the team's ability to get the best possible deal.

In order to be effective, they also need to possess:

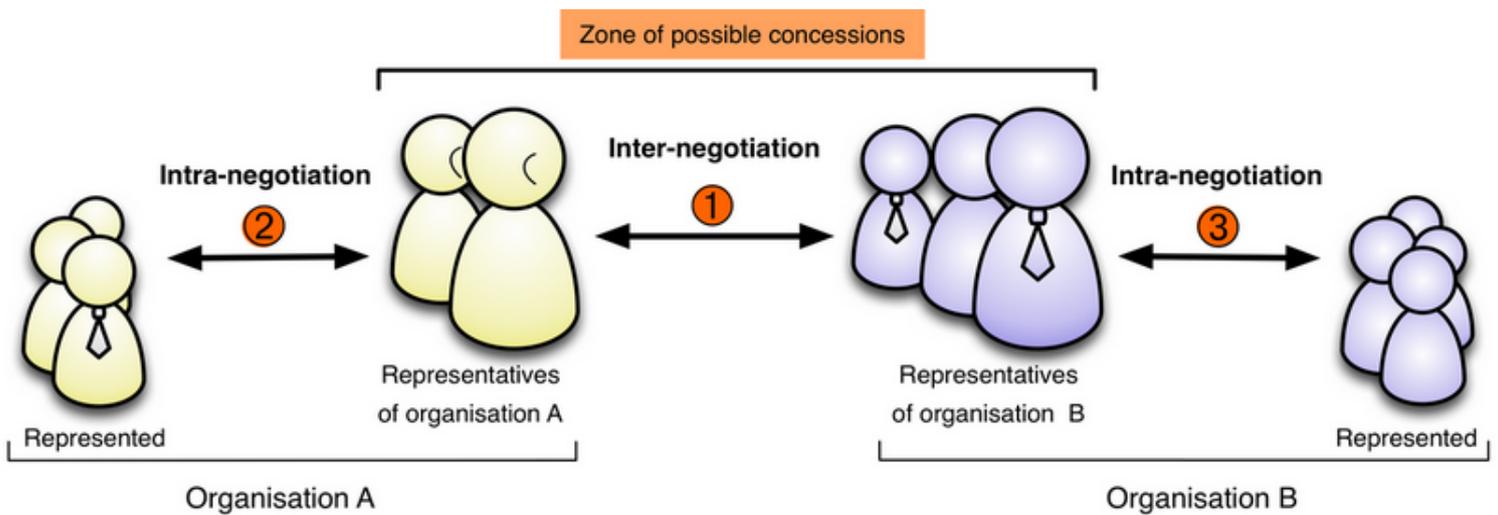
- the right spread of **technical skills** (e.g. legal knowledge, financial acumen);
- **strategic skills** - the ability to see the “big picture” and make strategic moves away from the negotiating room (e.g. building coalitions);
- **political skills** - less experienced negotiators fail to recognise the power and interests of some players who are not at the table but in a position to destroy the deal. Include them;
- **public relations skills** - “recruit” the stakeholders you wish to influence by designing and managing public relations campaigns. For example, the public plays an important role. It can either give parties “public legitimacy” to their actions or take it away. Coming to the table with “public legitimacy” is much better than without;
- **negotiating skills** - to negotiate effectively, one needs knowledge and expertise relevant to the negotiating task. For example, it is critical to know the moves away from the table, such as creating the set up of the negotiation (mastering the issues, setting objectives, determining the no-deal point, developing multiple options, sequencing the issues, designing multiple offers) and the tactics at the table (when and how to ask for and make concessions, when and how to make offers, who should make the first offer and why, how to frame the issues to your advantage, and how to use the universal principles of persuasion). Technically skilled experts in legal matters, financial analysis, project management, or telecommunications design, are not necessarily effective negotiators. To negotiate well, your negotiating team should include an expert in negotiation;
- **psychosocial skills** - understanding human behaviour and social dynamics in the negotiation process is the most neglected skill area in most negotiations, often delegated to lawyers, executives, diplomats, and labour negotiators who might not be fully capable of it. In high stakes conflict situations, for example, one of the common hazards is “groupthink.” Groupthink is a phenomenon in which the members of the team feel pressured to conform to a uniformed mindset and are reluctant to present ideas which conflict with the already established group mind set. The psychological tyranny of the team creates a false feeling of cohesive, “we” (the good team) versus “them” (the bad team). Teams trapped in “groupthink” treat conciliatory attempts such as genuine concessions made by the other side as dishonest “tricks” and reject them. Another potential psychological trap is “illusion of control.” It is the tendency for a team to overestimate its ability to control events. Under this spell, the team feels invincible, overconfident, and may, as a result, take higher risks than necessary. An expert in psychological and social dynamics of groups can make a significant contribution to the negotiating team by analysing psychosocial processes and pointing out potential or existing psychosocial barriers and hazards.

Negotiating as a team brings many benefits. However, there are also **potential hazards**. Perhaps the greatest hazard is team disunity where fragmentation and internal competition might compromise the negotiating goals of the team. **To foster team unity**, you should emphasise the overall team's goals, create opportunities for the team members to know

each other, interact and prepare together for the negotiation before they go to the table, introduce a measure of competitive spirit against other teams, consider multiple perspectives and interests, and use a team building expert to help your team become the most effective it can.

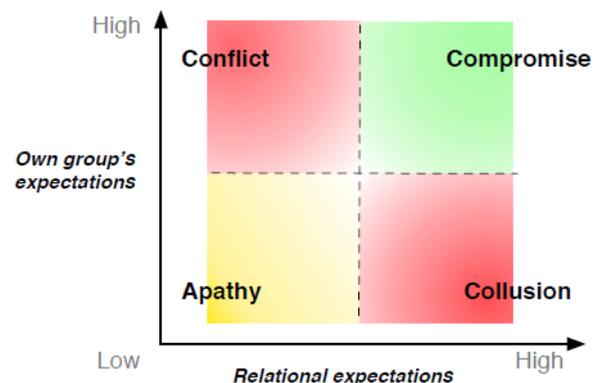
## 6.6 Negotiating internally - intra-organisational negotiation

When you are engaged in an inter-organisational negotiation (for example with another employee, another unit, another institution, or an outside supplier), you should be aware that each of the parties is in fact conducting a double negotiation: an inter-negotiation and an intra-negotiation. An inter-organisational negotiation thus gives rise to three negotiations.



### The temptation of becoming a double-agent

Negotiators involved in intergroup negotiations might experience a conflict of loyalties. The following diagram illustrates the various scenarios that can result.

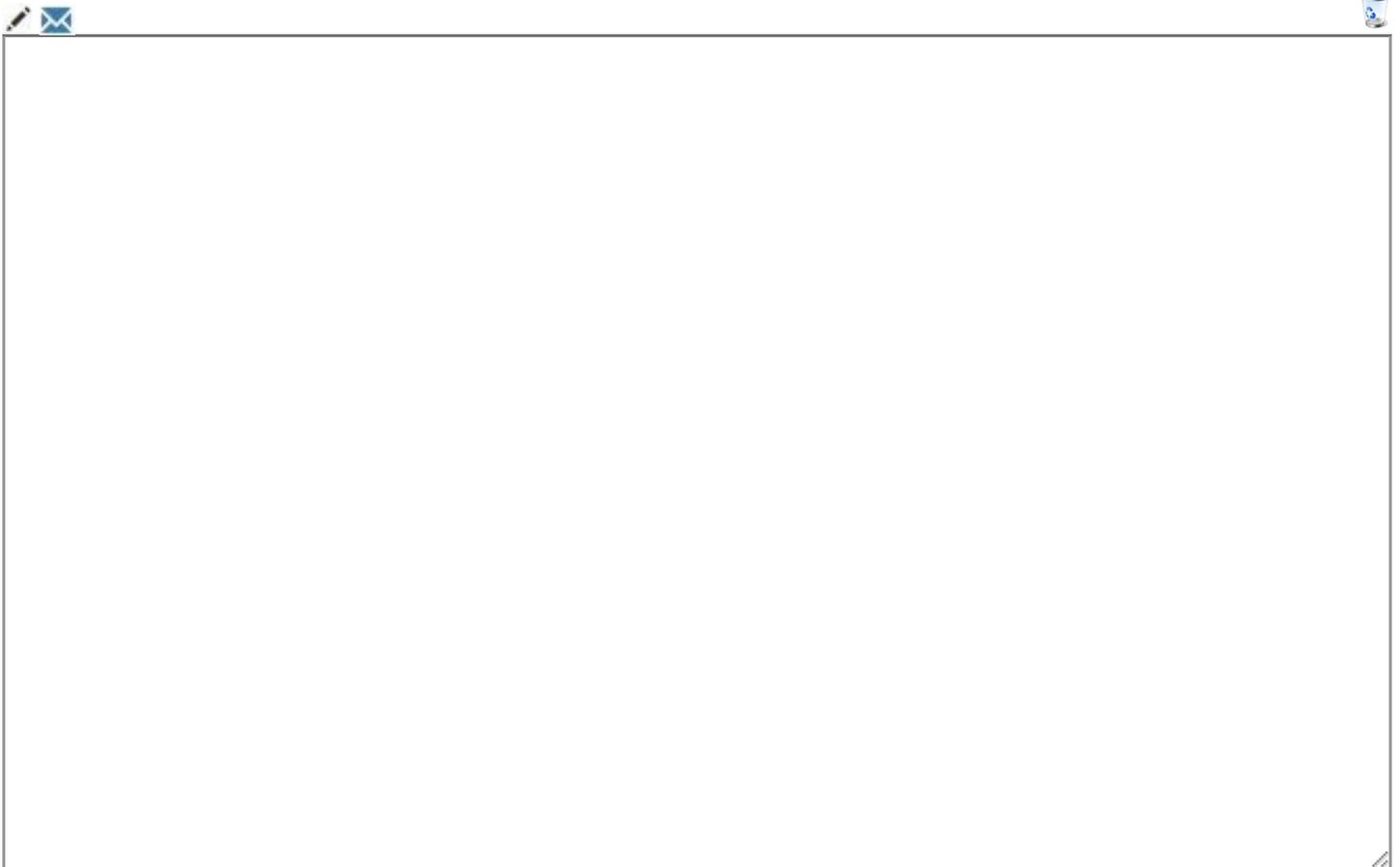


## Going deeper...

- Professor Paul Thompson of the Strathclyde Business School presents Negotiation Content and Context (<https://www.youtube.com/watch?v=gRITog3sCyw>) (EN) - a video about the economic and cultural contexts that set the 'rules' for negotiations
- The Handbook of Global and Multicultural Negotiation (<http://blogs.unpad.ac.id/teddykw/files/2012/06/Handbook-of-Global-and-Multicultural-Negotiation-Christopher-Moore.pdf>) (EN), by Christopher W. Moore and Peter, J.

Woodrow provides a step-by-step guide to intercultural negotiation and is available for free.

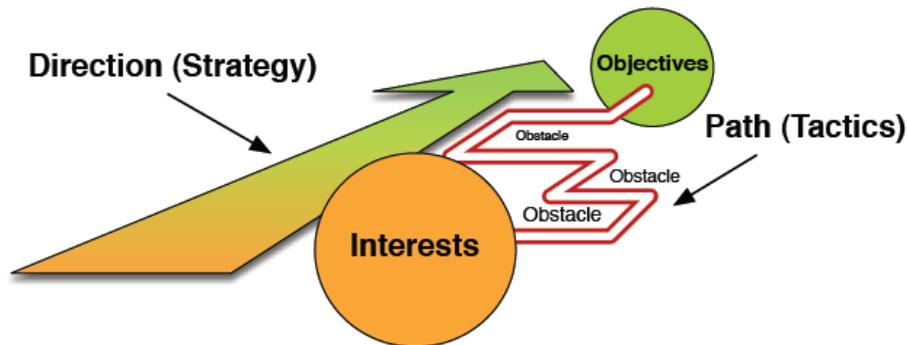
- In an Ivey Business Journal article, Jeswald W. Salacuse discusses how we can cope with culture when negotiating  
Negotiating: The Top Ten Ways that Culture Can Affect Your Negotiation  
(<http://iveybusinessjournal.com/publication/negotiating-the-top-ten-ways-that-culture-can-affect-your-negotiation/>) (EN)
- This article by Jacquelyn Smith tells us a few things your boss will never tell you about how to negotiate successfully in 3 Things About Negotiating Your Boss Doesn't Want You To Know (<http://uk.businessinsider.com/negotiating-tricks-your-boss-wont-tell-you-2015-1?r=US&IR=T>) (EN)
- This Duke University webpage on Multicultural Negotiation in Environmental Conflict Resolution (<http://sites.duke.edu/ecrmulticultural/multicultural-negotiation/>) (EN) explores how the Wheel of Culture Map developed by Christopher Moore can help us to explore cultural differences in negotiation
- This series of 3 articles by Calum Coburn analyses the study of power and its effect on the understanding of negotiation and relationships flowing from any negotiation - The Use of Power in Negotiations (<http://www.calumcoburn.co.uk/articles/articles-powerone/>) (EN)



## DAY-TO-DAY NEGOTIATION

## 7. Strategies, Methods and Tactics

*"I believe that people make their own luck by great preparation and good strategy."* Jack Canfield



Strategy	Tactics
Planning	Doing
Larger Scale	Smaller Scale
Why	How
Difficult to copy	Easy to Copy
Long Time Frame	Short Time Frame

### 7.1 Strategy

Two tools we have introduced already - the modified version of Thomas & Kilmann's model and Crozier & Friedberg's stakeholder analysis go some way towards the creation of a negotiation strategy. However in this section we go into more depth.

During a negotiation you can distinguish two levels: **the strategic level and the tactical level.**

When focussing on strategy, there are many theories and practical guides to negotiating strategies. They are often based on theories of war, business and trade, politics, social or interpersonal relations, and may sometimes be based on scientific models (e.g. game theory).

Nevertheless, **there is no single truth on "winning" negotiating strategies.** The strategy you choose will depend on a wide range of mainly contextual variables, including:

- those relating to the stakes (in particular the pressure for an outcome) and to the objectives (the nature and quality of expected outcomes, the cost that each negotiator is prepared to pay to achieve them);
- those relating to the negotiating situation (see above, context analysis) and, in particular, the setting, the time available, but also the balance of power and each party's room for manoeuvre etc.;
- those relating to the various negotiators (their skills and expertise, personality, state of mind, physical and psychological condition).

In addition, strategy relates to:

- the whole process, including preliminary or parallel phases, during which the parties may not necessarily be in contact;

- the way in which the negotiators will handle the specific phases of face-to-face discussion.

In general, a strategy is defined as the steps taken and methods used by a party to achieve maximum satisfaction of their needs and expectations.

### **“Take the initiative” or “wait and see”**

Analysis of a large number of negotiating situations highlights **two major strategic approaches**, which may be applied in different ways depending on the situation:

- taking the initiative, making the first move, going for it;
- waiting to see, holding back, standing off.

These two strategies correspond to what could be referred to as **“direct” and “indirect” approaches**. Some writers on negotiation theory refer to these two approaches as “distributive” and “integrative” negotiation, or “collaborative” and “competitive/combative” negotiation.

**The direct approach** means that the negotiator forges ahead and attempts to exert his/her will, whereas in **the indirect approach** he/she sets up the conditions to create change or conversion, often by playing with time, events and the willing or unwilling involvement of other protagonists.

These two approaches should be assessed with respect to:

- their impact on achieving objectives;
- possible short- and long-term consequences on the relationship;
- the individual negotiator’s abilities;
- the price paid for achieving the objective (or not).





## 7.2 Tactics

*“Tactics mean doing what you can with what you have”* Saul Alinsky

If strategy is defined as the whole set of steps and means necessary to reach the desired objectives, the tactics are **the set of initiatives implemented at any given step of the strategy**. The information and exploration phase is therefore the first occasion to deploy the tactics selected.

The number of possible tactics is virtually infinite. The value of any particular tactics depends on the situation – the latter being understood as the issues plus the practical context of the negotiation, the nature and quality of the other negotiators and the balance of power.

Nevertheless, all of these tactics globally fall into 2 broad categories:

- cooperative tactics;
- non-cooperative tactics.

The table below gives a few examples of the 2 categories and indicates some of their features and possible disadvantages.



### Exercise:

In the table below, drag and drop the cases in the LIMITS column to find the correct matching.

Then, read the table and consider which of the co-operative and non-cooperative tactics you have used and have had used against you. What were the results?



Tactics	Types	Characteristics	Limits
<b>Coopera- tive</b>	<b>Disclosing</b>	The negotiator is transparent in what he/she says so as to create trust: he/she shares information only and shows his/her resources	<i>Makes the negotiation on over emotional situation and may lead parties to target their High or Hyper High limits</i>
	<b>Rewinding</b>	The negotiator acknowledges possible weaknesses in his/her position (misunderstandings, lack of information, mistakes) so as to "soften" the Other party	<i>May make the relation tense. The threatening party must make sure the threat is not an imaginary one</i>
	<b>What if ...</b>	One party suggests the other looks at aspects he/she had overlooked so far, such as the consequences of disagreeing	<i>Temporary solutions often become permanent - the negotiator should make sure the sug-</i>

			<i>gested temporary solution suits him/her</i>
	<b>Temporary solution</b>	A temporary solution may seem less frightening, and therefore be more acceptable for the other	<i>Places the negotiator in a certain dependence vis-à-vis the other party</i>
	<b>Value analysis</b>	Getting the other party to agree that: <ul style="list-style-type: none"> <li>• The chosen solution may not be the ideal one</li> <li>• The price they are determined to pay makes this solution the only possible one</li> </ul>	<i>Opens the door to lengthy bargaining about possibly quite limited benefits</i>
<b>Non-co-operative</b>	<b>Threat or intimidation</b>	Whether verbal or physical, they suggest possible negative consequences from the other party, sometimes out of proportion	<i>The risk is losing credibility and give the other party "ammunition"</i>
	<b>Destabilisation</b>	Not showing up, being late, attempting to put pressure on the parties through numbers, status or the presence of someone in a high position who is less well disposed	<i>May make the relation tense, and prove useless if the other party is not impressed or has superior resources</i>
	<b>Manipulation</b>	<ul style="list-style-type: none"> <li>• Playing "good" and "bad cop"</li> <li>• Trying to break the cohesion of a team through seduction, misinformation, etc.</li> <li>• Lying deliberately or hiding key information</li> </ul>	<i>May make the relation tense. very risky if the "bluff" element is spotted</i>
	<b>Conflict</b>	<ul style="list-style-type: none"> <li>• Provocation</li> <li>• Creating a feeling of guilt</li> </ul>	<i>Amounts to reducing the room for manoeuvre and particularly makes the fallback hypothesis very difficult to sustain</i>

Verify the results

## 7.3 Influencing and persuading

Any discussion of influencing and persuading naturally leads to questions of ethics in negotiation. While there are no easy answers, we should make clear three essential principles of our approach:

- we do not endorse, recommend, or excuse lying;
- we do not endorse, recommend, or excuse intentionally deceptive moves;
- we do not strive to tell others what their ethical standards in negotiations should be.

### Building rapport

The initial minutes of a negotiation are the first opportunity for negotiators to build rapport. Some negotiators may have met already. However, a new situation calls for creating new common ground all over again, even if only for a short while. The negotiators make use of these first moments, in particular to gather information on the degree of mutual trust.

Greetings and first words said to each other rarely have any importance as regards the issues, but they do play an important part with a view to:

- creating a favourable atmosphere;
- giving first hints as to how each party wishes to appear in the eyes of the others (withdrawn, expert, “good cop”, “outsider” ...).

Note that this information is not only verbal. Smiles (or absence thereof), tone of voice, gestures and looks are all signs that can indicate what the negotiators' intentions are.

In this perspective, the way the room is set up is an important factor. Key issues are:

- Where each negotiator is located – can everyone see everyone else easily? Is the room lit in a way that certain areas, certain people, are in shadow? Are all members of a team sitting close to each other?
- The distance between the various actors – beyond the objective physical distance, this may depend on cultural habits or behaviours (subjective/social distance). But this may also impact on how easily the negotiators can take the floor or whisper to each other and, more globally, on how the patterns of influence can develop.

### Influence

Our interpersonal relationships provide us the opportunity to use certain processes to influence others to achieve our goals. Here is a list of the six mechanisms used consciously and most often unconsciously by us all:

#### *Authority*

We tend to obey people who represent authority or take on the characteristics of an authority figure. For example, instructions given by a fake doctor or a fake policeman are still likely to be followed. In negotiations, we tend to use our hierarchical or expert authority most often.

#### *Liking*

People who are closed, cold and anti-social and who do not show any interest in others will have difficulty in convincing others to respond to their requests. On the contrary, people who seem to be personable and interesting easily succeed. Others may exploit this while negotiating by looking for your interests, beliefs and ideas.

## Reciprocity

People have the tendency to want to give back what they receive, to say thank-you by doing a favour in return. You can use this mechanism to obtain information or a particular service from a person by making them feel indebted. You can even create indebtedness by only promising to offer a particular service. When people falsely overvalue any assistance given, or emphasise its exceptional nature, they are using this mechanism.

## Commitment and consistency

There's strong social pressure to 'keep your word', which means that if you commit to something, it is very difficult to go back on your commitment (otherwise you will be seen as 'inconsistent'). Others can obtain things from you if they get you to commit.

## Social proof

People also tend to do and behave as others do in order to feel more integrated. You use this lever when you explain to others that others have complied with your request. It is even more effective if your target person knows the people who have complied.

## Scarcity

The scarcity of an object or distinction considerably increases our desire to possess it. Scarcity is sometimes cleverly manufactured. In the negotiations context this can mean a deadline (scarcity of time) or limited supply, for example.

## Body Language

It doesn't matter how prepared you are to engage in negotiations if you don't understand what the other person's posture is telling you. Here are some cues to help you decipher your negotiating counterpart's, body language.

- **Identify a Baseline:** Baseline involves observing people when they're not under pressure. While interacting and discussing topics informally, ask several questions to which you are already familiar with the answers. Observe your partner's behaviour and body language as they answer the questions in a calm, honest, and relaxed state of being. Identifying a baseline aids in correctly interpreting body language during negotiations.
- **Hunt for "Gesture Clusters":** Gesture clusters are nonverbal cues disguised in a set of movements, actions, or even postures that emphasise a certain point of view. During negotiations, be aware of the three key nonverbal signals: engagement actions, disagreement actions, and tension cues.
  - **Engagement Actions:** (head nods, forward leans, eye contact) These represent and point out interest and agreement.
  - **Disagreement Actions:** (leaning back, frowning, looking away) Indicate disinterest, annoyance, suspicion, and possibly boredom.
  - **Tension Cues:** (face-touching, firmly crossed ankles, high vocal-tone) Define clear signs of discomfort and show that your partner isn't satisfied with how things are being handled or dealt with.

In order to find a compromise during negotiations, it's essential for you to have power over your own body language. If your end goal is to find a reasonable agreement, incorporate these nonverbal gestures to ensure that you are sending the right signals.

- **Nod Your Head:** Even when you're in the middle of a disagreement or being harshly criticised, nod your head and maintain eye contact. This nonverbal cue defuses tension and leads to alignment, especially during contentious

conversations.

- **Make Eye Contact:** During a negotiation, look someone in the eye as much as possible, especially if they are speaking, because it shows that you're listening. Individuals who feel that their concerns have been validated and addressed are more likely to be open to negotiating. Moreover, looking someone in the eye is also the best way to let them know that you are confident in their convictions and mean what you say.
- **Smile Like You Mean It:** Smiling is always a good sign during negotiations. Staying positive is essential to smiling because it aids in clear and effective thinking. The party you're negotiating with will be more receptive toward what you're saying, while simultaneously indicating that you're open to their ideas too.
- **Keep Yourself Open:** Keep yourself pleasant and appealing. Lean in, be engaged in the conversation, and keep an open stance. Be prepared by setting more boundaries than you actually have to give yourself more room to give and take. Set three times as many expectations as you think you need to show you're not stubborn or desperate to strike a deal.
- **Mimic the Other Party:** People respond better psychologically to those they feel are similar to them in certain manners. Building short term trust with someone – a necessity for successful negotiations – requires mirroring your opponent's behaviour. Take note of their body language when they speak and respond to them with the same enthusiasm.
- **Control Your Hands:** When you're negotiating, make sure your hands project confidence and poise. Shaky or awkward hand gestures indicate nervousness and stress, allowing your counterpart to take advantage of the situation. To remain in control, don't clasp your hands together or fidget. Instead, place your hands just below your chest and put your fingers together when you want to make a point confidently.
- **Relax Your Body:** Any gestures that indicate you're anxious or worried will demonstrate to your opponent that something is wrong. Plant your feet firmly on the ground to show your resolve and remain confident. Your counterpart has to see that you're calm and self-assured. You have to adopt a relaxed body position in order to reduce the tension. To lead your partner toward relaxation, combine your body's posture with soft-spoken, non-aggressive remarks. Be patient explaining things in negotiations because topics that are obvious to you may be foreign to them. By doing this, you'll gain your counterpart's trust, ensuring a better result.
- **Keep A Poker Face:** It's a common misconception that being a good negotiator involves a smart mouth and a quick tongue. A good poker face, however, is essential to being successful in negotiations. The best negotiators do their homework and support their needs with strong data and facts, but never show their hand.

## 7.4 Active listening

Often when we “listen” to others, we are not really listening. We are just waiting for a pause in the conversation to give our “superior” and “better-informed” point-of view. **Active listening is a more conscious process of deep listening.**

This may also be a useful tool when you find that you are in conflict with your negotiating counterpart.

<b>Avoid doing this:</b>	<b>Practice doing this:</b>
asking closed questions	asking open questions, following the emotional thread
directing the topic towards what we are interested	directing the topic towards what the other is

in	interested in
giving your point of view, making positive or negative judgements	accepting what is said, witnessing the affective dimension
bringing in new information	reflecting back what has been said, perhaps even repeating it verbatim
giving advice or seeking to solve a problem in order to help	being authentically present rather than 'doing' anything in order to help

## 7.5 Resilience - managing stress

We refer you initially to our other ebook, [Developing Your Resilience \(http://aim-associes.com/eusa/ebook/resi-en/book.html\)](http://aim-associes.com/eusa/ebook/resi-en/book.html).

Stressed-out negotiators tend to be less effective than their calmer counterparts, according to research at Cornell University (<http://www.sciencedirect.com/science/article/pii/S0022103110000922>). **If you tend to fear negotiations**, do whatever you can to keep stress levels low. Improve your pre-negotiation confidence by preparing thoroughly, carefully exploring your outside alternatives, or best alternative to a negotiated agreement (BATNA), and reminding yourself that **the other party may be feeling stressed, too**. When you can't control your stress, make an extra effort to stay actively engaged in the negotiation process and to collaborate with your negotiating counterpart as much as possible.

## 7.6 Post-negotiation assessment

In addition to preparing for your negotiation, to consistently improve your negotiation skills you should make a post-negotiation assessment of your performance. To do this it is necessary to assess the outcome of the negotiation whatever its result may be.

Assessing will enable you to:

- take some distance from the result and the course of the negotiation;
- draw the lessons from the choices you made (arguments, refutations, questions) and which may have brought about the agreement;
- measure the possible gaps with the objectives and what caused them;
- check whether you remained within your limits and hypotheses and why;
- check whether you were able to stick to the strategy that you had chosen, either taking the initiative or letting things happen;
- make sure that you showed a capacity to adapt (changing strategies or tactics if necessary);
- highlight the decisive moments – which arguments played in your favour or against you? How did objections disappear? Which concession played a determining part?;
- become aware of the way you handled the difficult moments – self-control or losing your temper, being aggressive or diplomatic.

The grid on the following page provides a useful way to reflect, record your observations and design an action plan of improvements for your next negotiation.



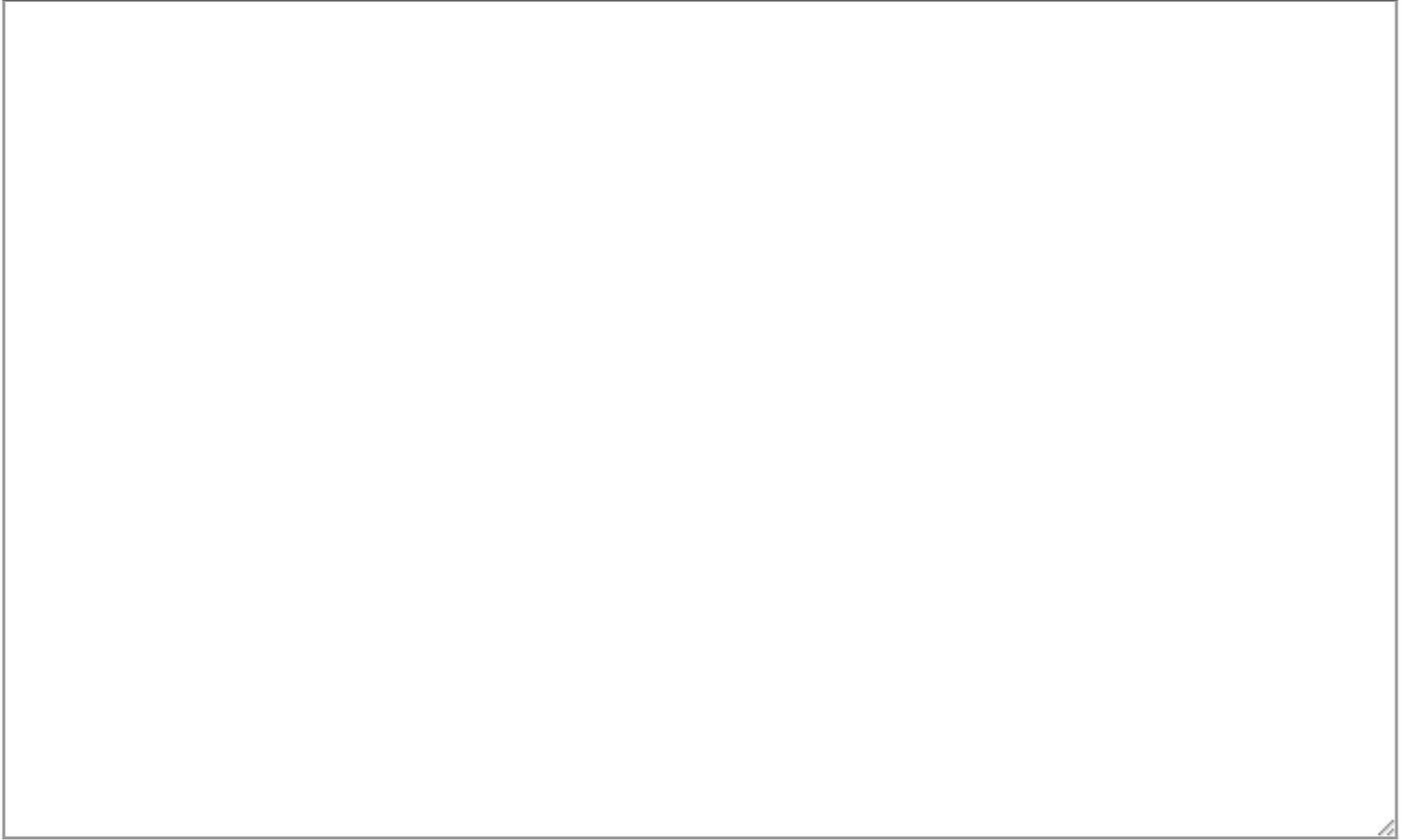
ASSERTIONS	TRUE	MOSTLY TRUE	FALSE	MOSTLY FALSE
<b>Immediate evaluation</b>				
I am satisfied with my negotiation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am satisfied with the outcomes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My partner is satisfied too	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Our relationship has been strengthened	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Preparation</b>				
I made a realistic strategic analysis of the negotiation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I realistically assessed the balance of power	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I defined my objectives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I took into account their interests and expectations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Consultation</b>				
I was able to build rapport naturally	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I paid attention and was open-minded	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I quickly found where we disagreed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I summarised this in a positive way	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I help create an atmosphere of trust	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Reaching agreement</b>				
I looked for mutual benefits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

I attempted to reduce the gap between my position and theirs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I came up with proposals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I was moderate and cooperative	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Conclusion</b>				
I seized the most appropriate time to end the negotiation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My words and actions were congruent	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I was able to persuade my negotiating partner	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I monitored the follow-up	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## Going deeper...

- Andrea Reynolds developed the Persuasion Tools Model ([https://www.mindtools.com/pages/article/newCS\\_80.htm](https://www.mindtools.com/pages/article/newCS_80.htm)) which links negotiation and persuasion style to emotional intelligence.
- In this article (<http://www.forbes.com/sites/work-in-progress/2013/12/05/six-surprising-negotiation-tactics-that-get-you-the-best-deal/#55856e745db8>), Kristl Hedges discusses the recommended best practices in negotiation tactics - Six Surprising Negotiation Tactics That Get You The Best Deal
- Mindtools have created a video (<https://www.youtube.com/watch?v=t2z9mdXl4A>) and article (<https://www.mindtools.com/CommSkill/ActiveListening.htm?>) on improving your listening skills with active listening.
- This Skillsyouneed webpage (<http://www.skillsyouneed.com/ips/active-listening.html>) goes into more detail about active listening, including verbal and non-verbal signs of active listening.
- In our louder and louder world, says sound expert Julian Treasure, "We are losing our listening." In this short, fascinating video (<https://www.youtube.com/watch?v=cSohjYQI2A>), Treasure shares five ways to re-tune your ears for conscious listening -- to other people and the world around you.





## DAY-TO-DAY NEGOTIATION

## 8. Conflicts in Negotiations

*“In the middle of difficulty lies opportunity.”* Albert Einstein



### **Our Definition**

Conflict is a situation where an actor (A) experiences a threat to his/her interests, needs or concerns that s/he attributes to the behaviour of another actor (B) because A and B have different perceptions, interests and emotions. All negotiations are based on a disagreement - the presence of divergent interests (link to first definition of negotiation). A negotiation becomes a conflict when the consequences of the disagreement (divergent interest) are experienced as threatening. A conflict may be constructive or destructive (see [8.2](#) for ways to solve/manage these two different types of conflict).

## 8.1 Sources of conflict in negotiations

### **The most frequent sources of workplaces conflict**

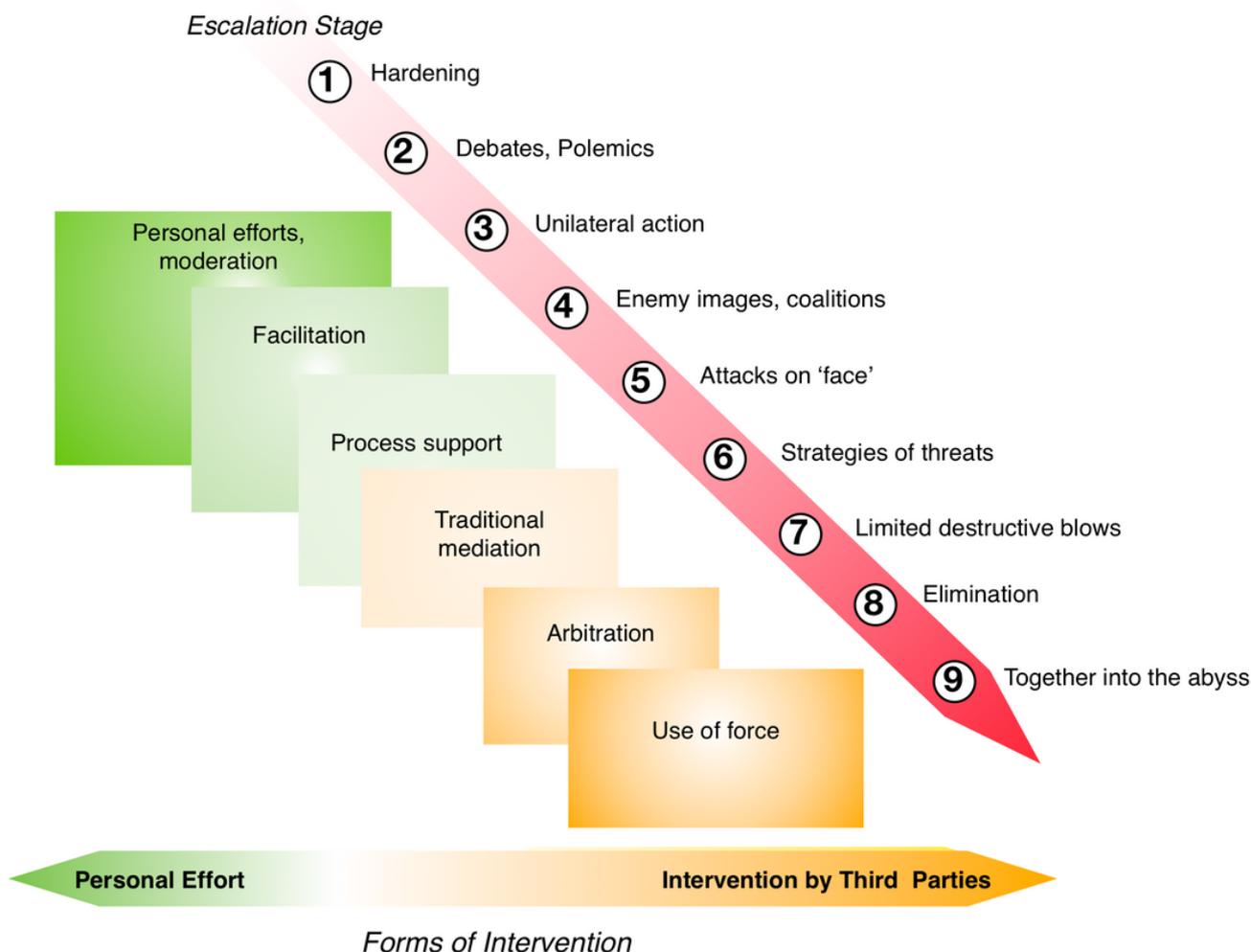
Differences in ideology philosophy, belief and values. Differences in character and personality. Differences in perception due to: culture, age, education, gender, status, hierarchical level. The very nature of the organisations creates conflict - even at the largest organisations, there will always be a fight over limited resources - staff, money, buildings.

## 8.2 Conflict dynamics in negotiations

### **Conflict dynamics according to Friedrich Glasl**

Glasl offers a very useful diagnostic tool that represents conflict escalation as a predictable succession of nine stages or plateaus. Escalation thus represents a qualitative transformation of the nature, intensity, and breadth of the conflict. Applying

the model allows one to understand the type of intervention (A to F) that will be effective for a given **degree of escalation** (1 to 9). The earlier in the conflict the intervention is made the easier it is to resolve bi-laterally.



### Solving conflicts through negotiation

In a **constructive conflict** there are three strategic options using the different styles. We only have three possible strategic objectives to aim for:

Strategic option	Compatible Interaction Style
<b>Manage:</b> create it or maintain it for constructive purposes - creating healthy competition, combating groupthink.	Compromise or cooperation.
<b>Solve:</b> when it is destructive, or when it gives rise to undesirable results.	Competition, compromise or cooperation.
<b>Avoid:</b> (punctually) when you are uncertain as to which course to follow; (long term) if the threatened interests are minor, or if the conflict is constructive.	Avoidant.

With **destructive conflicts** our options become:

1. Change the other (unlikely).
2. Change the situation.

3. Change yourself (link to section 4.1 self-knowledge).

## 8.3 Conflict communication skills & tools

When conflict arises, it's easy for people to get stuck in their positions and for tempers to flare, voices to rise, and body language to become defensive or aggressive. One way to potentially avoid all of this is by using the **Interest-Based Relational (IBR) approach**.

Roger Fisher and William Ury developed the IBR approach and published it in their 1981 book, "Getting to Yes." They argue that you should resolve conflicts by separating people and their emotions from the problem. Their approach also focuses on **building mutual respect and understanding**, and it encourages you to resolve conflict in a united, cooperative way.

During the process, your focus should be on behaving courteously and consensually, and on insisting that others do the same. Your priority is to help each side develop an understanding of the other's position, and to encourage both to reach a consensus – even if that means agreeing to disagree.

To use the IBR approach effectively you and the conflicting parties need to follow these six steps:

1. **Make sure that good relationships are a priority.** Treat the other person with respect. Do your best to be courteous, and to discuss matters constructively.
2. **Separate people from problems.** Recognise that, in many cases, the other person is not “being difficult” – real and valid differences can lie behind conflicting positions. By separating the problem from the person, you can discuss issues without damaging relationships.
3. **Focus on the different interests, not positions.** You'll get a better grasp of why people have adopted their position if you try to understand what underlies their point of view.
4. **Listen first, talk second.** You should listen to what the other person is saying before defending your own position. They might say something that changes your mind.
5. **Set out the “facts.”** Decide on the observable facts and objective criteria that might impact your decision, together.
6. **Invent options together.** Be open to the idea that a third position may exist, and that you might reach it jointly.

You can often prevent heated discussions from turning bad by following these guidelines, and they can help you avoid the antagonism and dislike that can cause conflict to spiral out of control, as in Glasl's model.

However, bear in mind that the IBR approach may not be appropriate for all situations. For example, you may not be able to resolve differences in such a consensual, collaborative way if your part of the organisation is in crisis. On these occasions, you may have to involve a leader and get them to make quick decisions about disputes and conflicts.

### Dealing with a standstill

If, throughout the negotiation, you have paid attention to the relationship with your partner, the situation is not likely to end in deadlock. However, a conflict of interest may have arisen, at a time when you were concentrating on the issues rather than on the process. But an unexpected event may also have modified the balance of power, or made apparent a new interest. Or one of the parties may wish the negotiation to stop or fail, even though so far they have seemed willing to succeed.

Such a situation should be dealt with first at the **process and relationship level** before being dealt with at the issues level.

What should be understood by “dealt with at the process level”?

It means that the prime objective should not be to try and move on at any cost. What matters above all is to be able **to identify what has brought the negotiation to a standstill**.

In addition to the possible factors mentioned above, the following could cause a blockage:

- **one party wants to retaliate** after having felt some frustration – they may have made a concession at some earlier point and resent the fact that no gesture has been made in return;
- **some fine-tuning has been achieved** through force, or in a disguised manner, thus gradually creating an atmosphere of mistrust which suddenly crystallises;
- **communication is getting worse** and worse between the parties and, at one point, one of them considers a total absence of communication to be preferable to going from one misunderstanding to another;
- **one of the parties may be bluffing** by threatening to stop the negotiation altogether (for instance when repeated openings have been met by silence).

All the parties involved should conduct a joint analysis of what has happened. Indeed, although they may not be making much progress towards the outcome, this makes it possible to get the process back on track. **This contributes to reaffirm how much people value the partnership and provides a renewed basis for trust and respect.**

Technically speaking, it is about combining several specific initiatives in a way that fits the context and the situation:

1. Clearly **agree on what degree of agreement has already been reached** (generally through closed questions).
2. **Use limited questions** to search for possible reasons why the negotiation has stopped – “When we mentioned point N° 2, was it the deadline or follow-up aspect which made you react in such a way?” - Use paraphrasing (“If I understand you correctly, what you find unacceptable is the fact that the norm is set at that level.”). This should bring the negotiator back to the other party's reality. How do they visualise the situation? What is their frame of mind? It may just be a question of coming back to the partner's reality, crediting them with positive intentions rather than negative ones. Example: “I get the impression that we are going round in circles. What about taking some time to review the situation ...” But one should also empathise with the other party's emotional state. The body language can give much information in that respect and reveal a possible negative internal emotional state.
3. **Phrases such as:** “What do you think is causing you to feel like that?” or “I do understand your concern for...” will enable you to reopen the dialogue. Due to the effect of the various interruptions in the negotiating, your partner may have lost sight of the desired State. Suggest reconnecting with the desired State with questions such as: “What prevents you from ...?”
4. **Agreeing or defining the objectives again** – has everyone still clearly got the objectives in mind? Should we come back to them? “I feel we may somehow have lost contact with our objectives; what about summarising them?”. This type of question can help clarify the matter.
5. If time is not too short, it may be advisable to **suggest a break**.
6. **Use some lateral thinking techniques:** “What if we tried to take a radically different look at the problem? Imagine that, instead of doing ..., I suggested we do ...!”

If you are asked to act as a mediator in a situation where negotiators are stuck, or if you choose to do so yourself because you are the project leader, your job as a neutral party will be to help the other parties to solve their conflict without trying to solve it for them. You may have to restore healthy communications between the parties if communication has been damaged. It is essential to help them to talk through the problem in a positive way.

Accusations must be avoided.

Always have them speak of their needs instead of what the other party does wrong. It is your responsibility to get the parties to listen to each other. It may sometimes be a good thing to ask them to sum up what the other party has said. Allow some time for silence during the discussions.

This will help the parties listen to each other. Very often we do not listen because we are busy preparing what we will say when the other party has finished.

An important aspect of the role played by the mediator is to let the parties find their own solutions without putting forward any advice. If they find their own solutions, they are more likely to come to an agreement and think that the solution is fair.



### Exercise:

Imagine that you are head of section in a unit and you work closely with two colleagues, Krzysztof and Juanita. Krzysztof heads up research, and is eager to fund a new research programme in Croatia that will add to the growing European database. Juanita works in finance, and is keen to reduce costs. She understands Krzysztof's motivation, but informs him that the unit won't be funding any new research projects. This has created conflict and tension that is spreading throughout the workplace.

How would you use the 6 steps listed above to resolve this conflict?

### Needs-based communication (non-violent communication)

Another potential methodology that can be used in a conflict is Non-Violent Communication (<https://www.cnvc.org/>) (EN). It asserts that:

- a conflict is both the expression of a need and the sign of an obstacle;
- psychological needs are universal;
- we use a range of strategies and tactics to meet our needs;
- we need to identify each party's frustrated needs;
- the cooperative and needs-based approach backtrack from position to needs...

Cooperative  
approach



Needs-Based  
approach



Going deeper..

**POSITIONS** → **INTERESTS** → **NEEDS** • The UN Food & Agriculture Organisation website

List of basic needs that we often seek to satisfy in the workplace:

- self-esteem, respect
- self-expression, being heard and listened to
- belonging, autonomy
- trust, support
- making a useful contribution, appreciation
- calm, peace
- harmonious interpersonal relationships

has a useful page detailing a step-by-step methodology on - Negotiating conflict (<http://www.fao.org/docrep/w3210e/w3210e0b.htm>) (EN)

- In William Ury's TED talk on - The walk from "no" to "yes" ([https://www.ted.com/talks/william\\_ury?language=en#](https://www.ted.com/talks/william_ury?language=en#)) (EN) - he offers an elegant, simple (but not easy) way to create agreement in even the most difficult conflict situations
- This hour-long video (<https://vimeo.com/86671661>) (EN) by Michael Erdle is intended for entrepreneurs but his lessons on conflict resolution apply to the EU organisational context, too, especially dealing with power ploys.
- Eman Rashed asserts that conflict is necessary for a group to perform effectively in this slide deck (<http://fr.slideshare.net/emanrashed/conflicts-and-negotiation>)(EN) and explores the 3 types of conflict - task, relationship and process.
- The United States Institute of Peace (<http://www.usip.org/>) offers a free, self-study, certificate course in Negotiation and Conflict Management here ([http://online.usip.org/negotiation/1\\_0\\_1.php](http://online.usip.org/negotiation/1_0_1.php)) (EN)
- Following the 5 negotiation styles we introduced in chapter 2.1, Calum Coburn of Harvard University writes about when to use each style in this article on Negotiation Conflict Styles (<https://hms.harvard.edu/sites/default/files/assets/Sites/Ombuds/files/NegotiationConflictStyles.pdf>) (EN)



