

Negotiation Skills



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About this manual

This manual is to be used as either:

- Student manual (for self-study)
- Student manual for a participant to a workshop who wish to learn further
- Trainer manual for a workshop facilitator

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Chapter 1 – Are you ready to negotiate?

Learning Outcome:

Developing specific skills needed for successful negotiation

After completing this topic you will be able to:

- understand what negotiation is
- identify the necessary skills for successful negotiation

Introduction

- What is negotiation?
- Have you ever discussed who should wash the dishes?
- Have you ever tried to organise a time for a meeting when everyone could attend?
- Have you ever discussed the price you wanted to pay for an item, or discussed how much money you should spend on something?
- Have you ever tried to organise extra time to complete a job?

If you answered **yes** to any of these questions, you have already been involved in negotiating. All of these situations involve elements of negotiation. They become more or less complicated depending on the responses of the other people involved.

A negotiation is an interpersonal communication that

- **involves two or more people who each have goals they wish to achieve**
- **and where these goals require the cooperation of the other person.**

Negotiation is the process that is used to achieve agreement about the outcome of the situation.

In all areas of our lives - family, work, and community - we negotiate in order to obtain goods, services, and opportunities that we need or want. For example, we may negotiate when we buy a motorbike in order to get

it at a price we can afford. Or, we may negotiate over the opportunity to take on a new project or position at work.

The potential for conflict exists in all situations where we negotiate. Successful negotiation involves knowing how to manage potential and real conflicts. To do this, you need skills to recognise the signs and causes of conflict. You also need to be able to use strategies to deal with any conflict.

There are many techniques that people use when negotiating. You will encounter these when you analyse, observe, and participate in a negotiation.

Additional Examples, Analysis Toolkit and Case Study

Additional Examples

Throughout this module you will find several sections titled *“Additional material”* and *“For Example...”*

Take a moment to study each of these, by either reading the material under the heading or by visiting the link which has been provided.

During this module it is critical that you constantly refer to **Annex A: Negotiator’s Analysis Toolkit**. This toolkit contain some extra skills needed for understanding the module.

Negotiation skills case study

Throughout this module, you will be asked to complete a range of activities so that you can practice your learning. A case study about a workplace negotiation at *Education Materials* (EM) is presented to provide you with a case to think about through all the stages of negotiation. You will be referring to this case study throughout the module for many activities.

EM produces educational publications dealing with language teaching, community health and agriculture. The Language Department, Health Department and Agriculture Department are each headed by a Manager. EM has a number of regional offices, mainly responsible for sales and supervised by Regional Supervisors. The Administrator has two Administrative



Assistants. There are Sales Staff based in the regional offices. A number of Materials Development Officers work in the head office developing new materials for publication.

You have been given responsibility as Administrator for a particular change in working conditions being introduced in the workplace.

One of the funders providing a grant to EM requires that EM implement an effective system for regulating the amount of time worked by each employee. This is a normal practice in the workplace designed to protect employees from exploitation. The system will be applied to the time worked and leave (time-off) for all employees.

Because EM started very small and many staff were volunteers, until now EM has used an informal system where all employees are expected to work hard, often involving long hours. The work is seen as 'for the benefit of the community'. When employees need time off, they just take it and inform the other staff they work with why they need time off.

The new system will make clear which days are to be regarded as official public holidays, what hours the employees are expected to work during work-days, and how much time off they may take for various reasons, e.g. because of sickness, for annual holidays etc.

Some of the staff have been with EM a long time and have never taken any annual holidays. Others have only recently started work. Some workers have been allowed to take many days off for 'family reasons.

As the Administrator, you will have to be involved in a range of negotiation situations to successfully manage the change. The process involves:

- informing the staff about the new system*
- organising the introduction of the new system, including*
- making sure that management makes clear rules about the required daily work hours*
- how much leave the staff are allowed each month or per year worked,*
- having all the staff fill in time sheets for time worked,*
- making applications to their supervisor when they want to take leave,*
- organising administrative staff to record time worked and leave taken by each staff member,*

- *making decisions about how much leave each employee has owing to them through the work they have done in the past and the leave they have taken in the past (which was never officially recorded!),*
- *making sure that the new system is working successfully*

It is not your job to set the rules concerning the actual hours to be worked and the amount of leave to be permitted (that is the responsibility of the management team, of which you are a part).

However, it is your job to achieve a successful transition from the current system to the new one.

Some of the things that you will have to manage include:

- ✓ *deciding what information the staff needs to know about the new system*
- ✓ *establishing time lines for the introduction of the new system, and which staff will administer the system*
- ✓ *agreeing on a process with the management team for the establishment of the rules for the new system.*

In these situations, you will need to negotiate with one or more parties in order to achieve a successful outcome for yourself, for EM and for achieving a successful introduction of the new system.

Throughout the module the EM case study will focus on a range of situations that will require negotiation by you, the Administrator. The case study will involve people in a range of different jobs, such as Department Managers, Administrative Assistants, Materials Development Officers, Regional Supervisors, and Sales Staff. You will need to consider each individuals personality when conducting your negotiations.

Finally, the EM case study will consider ways that you can evaluate the success of the negotiation process. The more you can relate the case study activities to your actual life experiences, the more it will be useful to you as a learning tool.

We are now ready to take an even closer look at the art and the science of negotiation.

Chapter 2 Understanding Negotiation

Learning Outcomes:

- Planning for and analyzing the components of a negotiation
- Understanding the concept of principled negotiation

After completing this topic you will be able to:

- prepare for a negotiation by identifying the actors, problems, goals, needs and concerns.
- prepare a map for your planned negotiation and think about a wide range of possible outcomes
- understand how to use principled negotiation and its four key ideas

Introduction

This Chapter will introduce you to **skills for planning an effective and successful negotiation**. It will discuss how to:

- consider the issues and goals of the negotiation
- assess your needs and the needs of the other parties
- consider some of the processes that can be used for conducting negotiations
- learn to plan for a range of outcomes

In addition you will **learn the concept of principled negotiation** and how this differs from positional negotiation.

The four main points of principled negotiation are stated as: people, interests, options, and criteria. These points are what make principled negotiation an effective method which can be used under almost any circumstance.

Preparing for negotiation

The preparation stage is essential to the successful outcome of any negotiation. It is important that you consider all the key points of preparation, and that you put time and effort into this stage.

Although we will look in depth at preparing for negotiation throughout this Chapter, the basic steps are:

Analyse the negotiation

- What is the problem?
- What are the goals?
- What are the issues?

Assess the people involved

- Who are they?
- What do they see as the problems?
- How do they feel about the issues?
- What are the relationships that need to be considered?

Record the facts

- What information is known?
- What is the context for the negotiation?
- What outcomes are possible?
- What action is needed to set up the negotiation?

Additional material:

We must think comprehensively about the negotiation which we are about to undertake if we are going to be successful. It is not enough to think only about one or two points – **we must prepare for our negotiation by thinking** about all of the above questions.

The following talk by Alain Lempereur, Professor at the ESSEC Business School in France, discusses the key points we must think about in a negotiation: the People, the Problem, and the Process. This material helps you understand just how much work you should do before the negotiation even begins.

“But there is so much!” you are saying! “How could we possibly think about all that?”

Well, everything that Alain has discussed will be taught in the following pages. By working through the information, exercises and case studies carefully, you too will learn how to effectively prepare for negotiations.

Click [HERE](#).

Activity 2.1 Case Study

Thinking deeply about negotiation

To be effective negotiators we must think about the negotiation deeply. The following sections help you to do this.

Remember to use empathy at all times. Empathy is what helps you understand the situation from the perspective of the others involved. You are using empathy when you "put yourself in the others' place."



Identify the problem

When you identify the problem in a negotiation, attempt to describe the overall issue that is causing concern.

You should not try to develop a statement of right and wrong, or a statement of positions that each side will take. But try to anticipate what problems the negotiators might face.

It is important to focus on these potential problems while you are planning. The **issues** should be your main concern rather than the different **views** of the involved parties.

Define the goal

**The goal is not a statement of possible solutions.
It is designed to provide a focus for the negotiation.**

Stating your goal in a negotiation means making a statement about the best outcome that you can achieve in the situation. The goal should tell us the main substance of the negotiation: "Why are we having this negotiation?"



Defining your goal will help you:

- Think about what you want and what you are prepared to give in return
- Keep a clear focus during planning and negotiation
- Avoid being distracted or confused by issues that other parties will use
- Show from the start of the negotiation that you are clear about what you want
- Think about the goals of others and anticipate them

Remember, your goals do not have to be fixed forever; they can always be changed.

When planning for a negotiation and identifying the goal, or outcome to be achieved, it is important to consider your relationship with the others involved. If you will continue to relate with and work with them in the future, this will be an important factor in setting your goals. If, however, you will not relate with that person again you might be prepared to be tougher in the negotiation. Other factors like time and cost will also influence negotiations.

Activity 2.2 Case Study

Determine needs and wants

Needs are essential to account for in the negotiation process – our needs for goods, services, and opportunities are usually the main reason why we are planning to negotiate.

An essential process in conducting successful negotiations is to provide opportunities to identify your own needs and the needs of the other parties through discussion.

Our attitudes, actions, and values that we demonstrate during negotiation are based upon our needs. Our willingness to negotiate depends on how important our needs are in the negotiation.

It may not be easy for you to focus on your own needs because we often express our needs as wants.

We say what we want to gain, without stating why. The reason **why** is usually a more accurate statement of our **needs**.

For example: when you ask to leave work early, what you **want** is time off work. But **why** do you want that time off? Your supervisor has a

better chance of understanding the request for time off if the **need** is stated too. For example, if you need time off to go to an important appointment with your doctor, your supervisor is more likely to give you the time off if you make this need known.

Finding out the needs of people in a negotiation allows both parties to consider a wider range of outcomes.

Here are some of the tools that you can use to collect information about the needs and wants of the parties involved (make sure to look at the details of each in **Annex A: Negotiator's Analysis Toolkit**):

- SWOT analysis
- "Must / should / could get" chart

These tools will help you to identify the range of issues, needs, options, goals, and facts relevant to the particular negotiation. These tools could assist you to collect and assemble the facts and information about the negotiation, the context, and the people involved. **You can also use these tools to help you consider the needs and wants of the parties involved.** Once this information has been collected, then you need to use the facts to map out the negotiation.

A successful negotiator is always fully informed and prepared before starting to the negotiation

Activity 2.3 Case Study

Map the negotiation

From collecting and understanding the facts above you are now able to make a negotiation 'map' (see the example below). In this case the chart helps us to be clear about the needs and concerns of both parties at EM. In the upper section are the needs and concerns of the management at EM, and in the lower section those of the staff. When mapping your own negotiation you must do this for all the people involved.

Management

Needs	Concerns
<ul style="list-style-type: none"> • successful management of project • satisfied staff • maintain good communications with workers • work-time system in operation • self-esteem enhanced 	<ul style="list-style-type: none"> • anger from supervisors • discontent from staff • blame if system does not work

Staff

Needs	Concerns
<ul style="list-style-type: none"> • adequate allowance made for hard-work in past • time for training • confidence that the new system will be "fair". • clear definition of who will be responsible for calculating staff leave. 	<ul style="list-style-type: none"> • may lose leave that was earned before new system introduced • work- place will become bureaucratic ("Bureaucratic" refer to things working strictly according to regulations rather than on the basis of personal interactions.) • filling in time-sheets will waste time • clerical staff will have more work to do

Plan for the outcomes of the negotiation

The types of outcome

It is also helpful to think about the outcome of the planned negotiation. There are three ways to describe the possible outcomes of a negotiation: a **win/lose outcome**, a **lose/lose outcome** and a **win/win outcome**. (Please refer to the Outcome Matrix in **Annex A: Negotiator's Analysis Toolkit**.)

In a **win/lose** situation only one person has achieved an outcome that is satisfactory. The goals of the other party are not achieved. This results in on-going conflict and resentment. It is an unbalanced outcome and may require more negotiation in the future.

A different situation occurs when neither person nor side achieves a successful outcome. This is described as a **lose/lose** outcome, since both sides are left unhappy. This may result in bad feelings, disruptions to relationships, and more negotiation in the future.

The preferred end point for a negotiation is one that achieves an agreed outcome. This is described as a **win/win** outcome. In this scenario, the goals of all parties are reached. There is two-way communication, and no resentment. This outcome produces the best long-term solution, and maintains satisfactory working relationships between the people involved.

A win/win outcome should be part of the goal of any negotiation. The goal that you identify should address both the needs of the other parties, as well as your own needs. **Part of your goal in the negotiation will be to convince the other parties that it is in everyone's best interests to achieve a win-win solution.**

Thinking ahead

The effective negotiator has always thought about a wide range of possible outcomes before ever beginning the negotiation. This is a key part of being fully prepared. To do this **brain-storming** is very useful.

Brain-storming refers to a process of putting down in writing immediate ideas occurring in relation to a particular issue or problem.

The theory behind brain-storming is that the ideas from each person in the

group will generate more creative thinking from others. Or, if you are working alone, it encourages your brain to think more creatively. Here are two approaches to brain-storming which you can use:

To conduct an **unstructured brain-storming** session, your group will need to set a fixed time limit (usually between three and five minutes). Each member of the group will need a paper and pen to record ideas. When the time starts, each member writes down all of the ideas they can think of that are related to the issue. During the brainstorming time, all of the ideas are accepted. Later on, through discussion, the group can decide what ideas are the most useful and which ideas turned out to be not useful and can be rejected.

Or, we can use the **PMI (Plus, Minus, Interesting)** technique. This approach uses the same method as above, but three timed sessions are

used. In the first session, only positive ideas about the topic are stated (Plus). In the second session, negative ideas are stated (Minus). In the third, points of interest about the topic are stated (Interesting). These are recorded in three separate lists. All ideas should be recorded, and discussed by the group. Please refer to **Annex A: Negotiator's Analysis Toolkit** for an example of a PMI chart.

Activity 2.4 Case Study

Using principled negotiation

Traditional models of negotiation are based on adopting a clear position, and then bargaining with others so that they give in or compromise with you. This is called **positional bargaining**.

Using this approach, the parties pay more attention to justifying their positions (i.e. arguing why they **should** get what they want) and less to addressing the real issues. A good example of this style of negotiating is the bargaining that takes place between a shopkeeper and a customer, when the shopkeeper knows how little the profit margin is and the customer is aware of how small the budget is and has a fixed 'top' price. Perhaps they will reach an agreement; perhaps not.



Positional bargaining negotiating can be approached using "hard" or "soft" negotiation styles. The hard approach is used when the relationship between the parties is seen as important, the soft approach when it is not. But once each side has taken a position, they are usually very unwilling to make concessions. Concession is the word used to refer to what one side or the other gives way on or 'concedes' to the other side. The outcome will be win/lose, or no agreement at all.

Principled negotiation removes the need to choose between the hard and the soft approaches. Principled negotiation starts with the needs and interests of the people involved in the negotiation. Its final aim is to achieve a mutually acceptable outcome, or as this is described above, a win/win outcome. To understand in greater depth how this differs from

positional bargaining please refer to the Positional Bargaining Versus Principled Negotiation in **Annex A: Negotiator's Analysis Toolkit**.

The principled approach is based on four key ideas:

1. **Separate the people from the problem**
2. **Focus on the interests, not the positions**
3. **Develop options for mutual gain**
4. **Insist that results are based on an objective standard**

Any negotiation may be judged by the following three criteria:

1. Did the negotiation reach a wise agreement whenever agreement was possible?
2. Was the negotiation efficient?
3. Did the negotiation improve (or at least, not damage) the relationship between the parties?

Consider the following additional questions when working with a principled negotiation style:

- Is there ever a situation where positional bargaining makes sense?
- What if the other side believes in positional bargaining, and you believe in principled negotiation?
- Should you be fair, even if you don't have to be?

Additional material:

The following video is a **short introduction to negotiation, including principled negotiation**. What is it? Why is it important? How does it happen?

It also introduces us to the idea that negotiations are processes of dialogue between stakeholders (in other words people talking to each other), and the different types of people in negotiations.

Take a moment to watch it. But don't worry if you cannot understand all of the information— we will visit each point again later!

Click [HERE](#).

Separate the people from the problem

During negotiation people see the world from their own perspective and this can lead to difficulties. We have all experienced the fact that people often misunderstand each other, get angry, or taking things personally when they disagree about something. This type of behavior limits rational thinking. Without rational thinking, solutions become impossible, and negotiations fail.

A simple fact is that negotiation deals with human beings and human beings are unpredictable. This can be helpful or disastrous. One way to help avoid disaster during negotiation is to separate people from the problem. You can do this most effectively by showing concern for what others are thinking and feeling.

Failing to deal with human beings sensitively can mean the end of negotiations. Always ask yourself: "Am I paying enough attention to the other person?"

Additional material:

Separating the people from the problem is a critical part of communicating for results. Watch this short animation to learn a little more about what it means to **tackle the problem, rather than focusing on the person**.

Click [HERE](#).

Perceptions

Understanding the other parties' thinking will not help you to solve the problem. Their thinking **is** the problem! Whether you are making a business deal or settling a family dispute, the issue will always be the difference between your thinking and theirs.

Let's look at the difference in perceptions between a tenant and a house - owner negotiating the renewal of a lease. The tenant wants rents to stay the same, but the house - owner wants to raise them.

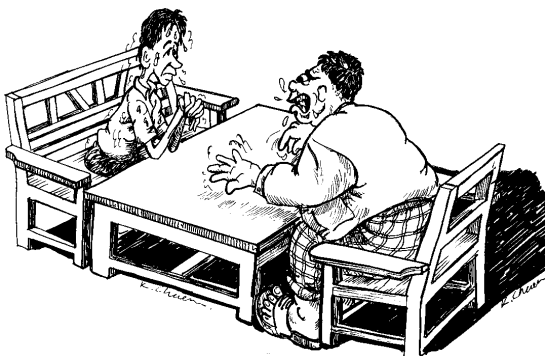
Tenant's perceptions	House – owner's perceptions
The rent is already too high.	The rent hasn't been raised in a long time.
With electric and water costs going up, I can't afford to pay more for housing.	With my own costs going up, I need more income from my rentals.
I know people who pay less for a similar apartment.	I know people who pay more for a similar apartment.
Young people like me can't afford to pay high rents.	Young people like him tend to make noise and to be hard on an apartment.
The rent should be lower since the neighborhood is run-down.	We landlords should raise rents in order to improve the quality of our neighborhood.

As you can see, these two people have significant differences in their perceptions.

Understanding the others' point of view does not mean you have to agree with them. Discuss each other's perceptions. If you do this honestly and openly, without blaming either side for the problem, such a discussion may provide the understanding needed to find a solution.

Emotions

Often in negotiation, feelings become more important than facts. People come to a negotiation feeling threatened. They don't want to lose anything. Emotions from one side will generate emotions on the other. Emotions may quickly bring negotiation to an end. Releasing emotions can sometimes lead to an emotional reaction. If this is not controlled, it can result in a violent quarrel.



Look at yourself during the negotiation. Are you feeling nervous? Does your stomach hurt? Are you angry at the other people? You may find it useful to write down what you are actually feeling and how you would like to feel. Do the same for the other side.

Talk with everyone involved in the negotiation

about their emotions. Share your emotions with them. It never hurts to say, "You know, the people on our side feel they have been mistreated, and are very upset," or, "We are afraid if we reach an agreement, it will not be kept." Do the people on the other side feel the same way?

Making emotions an important focus of the discussion may lessen the seriousness of the problem. It may also make the negotiations less reactive and more proactive. Often, when people are freed from the burden of unexpressed emotions, they become more interested in working through the problem.

Symbolic gestures are acts that produce a constructive emotional environment with little or no cost to either side. A sympathy note, a personal visit, a small present, shaking hands, or eating a meal together, all give the opportunity to improve a hostile emotional situation. Also, an apology can often be one of the most rewarding investments you can make.

Communication

Negotiation is a process of communicating back and forth in order to reach a joint solution. Without communication, there is no negotiation. During negotiation, there are three problems:

1. Negotiators may not talk to each other, using instead a third party or mediator.
2. Negotiators may not listen properly.
3. Negotiators may misunderstand or misinterpret each other.

What can be done about these three problems?

- Listen actively. Acknowledge and clarify what is being said.
- Use appropriate and clear language, and speak to be understood.
- Speak with a clear purpose, concise, and to the point.

Before making a significant statement, remember these points. Know what you want to communicate or find out, and know what purpose this information will serve in the negotiation.

Activity 2.5 Practical Exercise

Focus on interests, not positions

The basic problem in negotiation is the conflict between each side's needs, desires, concerns, and fears. Such desires and concerns are called interests. Interests motivate people. Your position is something you have decided upon. Your interests are what caused you to decide. Consider this story:

There are two men quarreling in a library. One wants the window open, the other wants it closed. No solution satisfies both at the same time. The librarian asks one why he wants the window open. "To get some fresh air," he replies. She asks the other why he wants it closed. "It is too loud outside," the other replies. After thinking a moment, the librarian opens the window in the next room, letting in fresh air, but without the noise.



This story is typical of many negotiations. The problem was position. One wanted the window open the other wanted it closed. Since the goal of each man was to achieve their position, they could not agree half-open and they could not see an alternative solution.

If the librarian had focused on the positions, she could not have invented a solution. She looked at the underlying interests of 'fresh air' and 'no noise'.

This difference between position and interest is crucial for successful negotiation. Trying to reconcile interests rather than positions works for two reasons.

1. Positions are usually black and white: the position is either met or it isn't. **But for every interest there are usually several positions to satisfy it, even if you can't think of them at first.**

2. Even when there is no solution that achieves both positions, **there is usually a solution that meets the common interests.**

For example, look back at the interests of the tenant and the landlord. Their positions are quite different. The landlord wants to raise rents; the tenant wants them to stay the same. But they share some key interests. Both want stability. Both want the apartment well maintained. Both want a good relationship with each other.

These shared interests will likely result in a long lease, an agreement to share the cost in maintaining the apartment, and an effort by both parties to accommodate each other to form a good relationship, but only if the interests are discussed. If the negotiation centres on the positions of "raising rent" or "rent staying the same", a win/win agreement will never be made.

Shared interests can serve as the building blocks for a successful agreement.

How to identify interests

The benefit of looking behind positions for interests seems clear. But how do we do this? A position is usually clear, but interests may be vague or intangible. The other party may only be talking about their position, and may not even be aware of their interests!

Start by putting yourself in their place. Examine each position a person takes, and ask yourself: "why?" or "why not?" Remember, you are not trying to justify their position. You are trying to understand their needs, fears, hopes, and desires. **Why** do they feel the way they do? **Why** don't they agree with you?

A common error in negotiations is to assume that each person has the same interests. In fact, in almost every negotiation each side will have many different interests. A successful negotiator will try to understand all of these interests and identify which are shared between the parties.

Interests are basic human needs

The interests behind positions can be complicated. When trying to understand the interests, try to identify the basic human needs which are involved. If you can do this, your chance of reaching an agreement, and guaranteeing that the other side will keep to it, is much better.

Basic human needs are things like security, a sense of belonging etc

Tip: when thinking about the basic human needs you should make a list. This will help you remember everything. You will also be able to assess these interests and prioritise them. Making a list will also stimulate ideas for how to meet these interests.

Activity 2.6 Case Study

Talk about interests, both yours and theirs

The purpose of negotiating is to serve your own interests. The chance of that happening increases when you communicate them. If you don't communicate your interests, they may never be known by the other side. It is up to you to make the other party understand just how important your interests are. But don't become too consumed with only what's important to you. People will listen better if they feel you have also listened to them and acknowledged their interests as important.

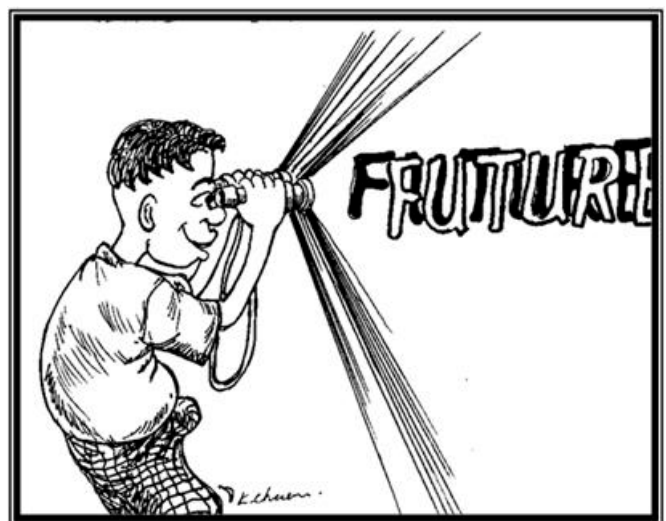
If you want other people to appreciate your interests, begin by showing that you appreciate theirs.

Activity 2.7 Case Study

Look forward, not back

Often we simply react to what someone else has said. We fall into a pattern of communication that resembles negotiation but has no purpose of resolution.

We disagree with each other and talk back and forth, but no agreement is ever reached. Each is more interested in "scoring points", or being hurtful, than a win/win solution. Quarrels like these often start between husband and wife, or between employer and worker.



Any negotiator will satisfy their interests better if they talk about where they would like to go rather than where they have come from. Instead of arguing about the past, talk about what you want to happen in the future. They focus on long-term interests.

In negotiation, you want to know where you are going, yet you must always be open to new ideas. Often, people will go into negotiation with no plan or agenda. This usually leads to a win/lose outcome. Similarly, if you stick to your position inflexibly, a win/lose outcome will usually result. (And you may just as often be on the losing side!)

Having clearly thought about your interests, go into a negotiation with:

- several options for solutions,
- your interests clearly identified,
- An open mind.

Successful negotiation requires being both firm regarding your interests and open-minded regarding the solution.

Develop options for mutual gain

Some negotiations cannot avoid a win/lose outcome, such as: the price of a product, the length of a lease on an apartment, or the size of a commission on a sale. However when this is not the case, the ability to invent options is one of the most useful skills a negotiator can have.

A successful negotiator will try to develop solutions that benefit both sides, even when each side feel that they are right and the solution should benefit them.

There are four basic steps in developing creative options for solution:

Step 1: The problem

What is wrong? What are the current symptoms? What is disliked about the current situation? What is a preferred situation?

Step 2: Analysis

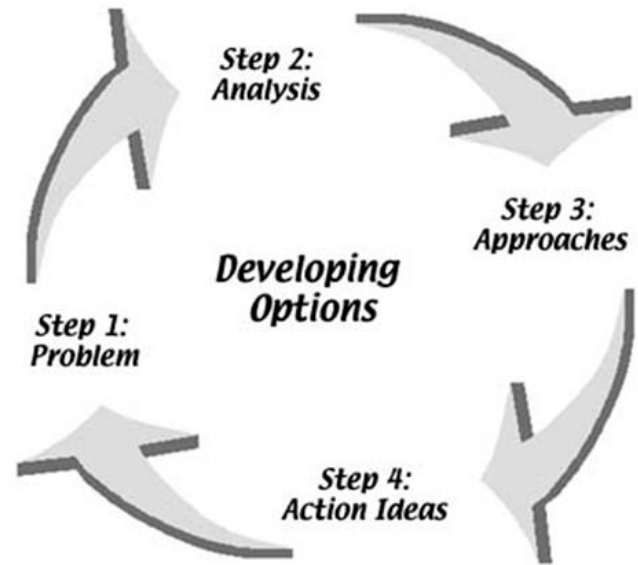
Diagnose the problem. Sort symptoms into categories, and suggest causes. Observe what is lacking, and note any barriers to resolving the problem.

Step 3: Approaches

What are possible strategies or solutions? Generate broad ideas about what might be done.

Step 4: Action ideas

What might be done? What specific steps might be taken to deal with the problem?



Be aware of obstacles to solutions

There are four obstacles to creative solutions in negotiations. These are:

- **Premature judgment**
- **Searching for a single answer**
- **Assuming a 'no - growth' situation**
- **Thinking that solving their problem is *their* problem**

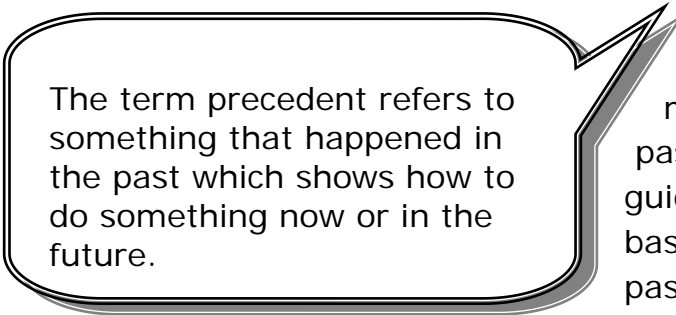
Refer to **Annex A: Negotiator's Analysis Toolkit** for a detailed discussion on each of these "Obstacles to creative solutions".

Activity 2.8 Case Study

The agreement

Your job as a negotiator is to generate options that will encourage the other side to change their minds and decide in your favour. Your task is to give them not a problem, but an answer. Not a tough decision, but an easy one. Therefore, it is crucial that you focus intently on the decision itself.

Most of the time, you will want a promise, or an agreement. Take a pencil and paper and draft a few possible agreements. Prepare multiple versions of possible agreements, starting with the most simple. What are some terms the other party could agree on? Whose approval are you seeking... a single negotiator, an absent boss, or a management committee? Is the agreement fair? Is it legal? The other side is more likely to adopt a solution if they perceive it to be the right thing to do.



The term precedent refers to something that happened in the past which shows how to do something now or in the future.

Use **precedent** as a tool in decision making. The precedent may be a past decision that may be used as a guide for new decision making. Try to base a proposed agreement on some past precedent that was successful.

This will give you an objective standard for your request and make it easier for them to agree. They will be more likely to think the solution is fair since it worked in the past.

Use objective criteria

However well you understand the interests of the other party you will still have conflicting interests. Trying to resolve these based on who has the stronger will can be disastrous. No negotiation is likely to be efficient or amicable if you are trying to dominate the other. This will lead to deadlock, failure or a win/lose outcome.

The path to escape from this situation is to try to negotiate using some basis other than a contest of will. That is on the basis of **objective criteria**, or information which we can use to judge the fairness of the negotiation. In other words an objective criterion is an approach used to reach a solution based on principle, not pressure. Using objective criteria help us answer the question, "Have we made an effective decision?" at the end of negotiation.

A negotiator who insists on basing negotiation on merits will convince others to negotiate in the same way. In time other parties realise that this is the only way to satisfy all interests.

It is important to realise that the criteria are not the decision. Discussing criteria at the beginning of the negotiation is not talking about the actual outcome of the negotiation. It is talking about the factors that will be used to measure the success of the outcome.

Criteria can relate to: the cost of the decision, timing, space, location, fairness of the process, fairness of the outcome, or any other factors that relate to the particular purpose of the negotiation.

Consider, for example, the case of the tenant and the house - owner. The tenant wants a low price. The house - owner wants a high price. What is the **fair** price? Perhaps by finding the fair market value of the rent, a solution could be found that each accepts to be fair. Each of the parties in this example has conflicting interests, but by agreeing to find a fair price, they share the same goal.

Depending on the issue at hand, the objective criteria you decide to use may be different. The tenant and house - owner can find out the fair market value of the apartment. A shopper who wants to buy a motorbike can find the average retail price of the model he or she wants to buy. Other objective criteria may be:

- What is the legal solution?
- What are the organisation's policies?
- What are the precedents?

In every case, the idea is to find out what might be accepted as fair to both sides. Try to develop a fair set of objective criteria before the negotiation, and stick to it. Be open to reason. What makes the negotiation a *joint* search is that each party must come to the table with an open mind. When both parties are putting forward their standards, you should behave like a judge. Look for an objective standard for deciding between them. Some of their ideas may be good!

Activity 2.9 Case Study

Chapter 3 – Conducting Successful Negotiations

Learning Outcome:

Understanding the processes that occur during a negotiation in order to reach an agreed outcome

After completing this topic you will be able to:

- create a positive non-verbal environment
- use active listening techniques
- use appropriate language for successful outcomes

Introduction

This Chapter introduces you to more skills you can use to conduct successful negotiations. You will identify important steps in starting the negotiation. You will learn about the benefits of a positive non-verbal environment and active listening, and how clarifying the needs and wants of yourself and others makes for smoother negotiations. The skills of confirming, checking, and recording the negotiated agreement will also be outlined.

Creating the Non-Verbal Environment

It is necessary to consider the non-verbal context if the negotiation is to be successful. A negotiator must take into account the needs of all parties involved in order to ensure a positive non-verbal environment.

There are several important issues related to the non-verbal environment that need to be considered such as:

- timing
- location
- practical needs
- team members

Timing

Organise an agreed time for the negotiations, which suits all the people, involved. This avoids interrupting other important work and allows everyone involved to attend the negotiation session. It is important to select a date that is not too close to deadlines. This ensures that those involved will be more relaxed and allow people time to explore all of the issues. A quick decision may not result in a lasting and beneficial outcome.

Location

Select a location where people are not going to be interrupted by other working demands such as the telephone. The location should suit the purpose of the negotiation. For example, the boss's office is not always the best place for workers to feel comfortable and the staff room could be too noisy. A quiet, non-threatening location is best.

Practical Needs

Furniture should be adequate for the group and the seats should be arranged to avoid creating barriers between people. A round table is the most effective seating during a negotiation. Chairs arranged in a circle can achieve the same effect.

Team Members

It is important that all of the people involved in the negotiation are available for the meeting. This is the only way to ensure that everyone will know the relevant information and that the agreement reached will be accepted by all. Wherever possible, ensure that the people with the power to make the decisions are at the negotiation. This eliminates delays in the process.

Activity 3.1 Case Study

Starting the Negotiation

Often the success of a negotiation is determined during the first few minutes of the session. It is important to have a clear plan for opening the meeting, and to know the kinds of topics to introduce early in the discussion.

One topic that should be addressed when starting the negotiation is to clarify the issue of the negotiation. It is essential that the parties in the negotiation are clear about the issue, and that they are all addressing the same issue. The **goals** of each party may be different, but the **issue** of the negotiation must be clearly stated at the start of the negotiation.

Each party needs to clearly state the issue as they see it. Each needs to listen to and restate the issues as others see it. All parties need to agree on the issue if there is to be any effective outcome to the negotiation.

Another topic to discuss when starting the negotiation involves identifying the process that will be used during the negotiation. All parties need to discuss and agree on the way that the negotiation will be conducted. This involves setting the agenda or the rules for the negotiation. Different processes can be used, depending on the goal of the negotiation. Two processes are outlined in this Chapter.

Dewey's six steps for problem solving

One process that works well when you are structuring a negotiation is **Dewey's six steps for problem solving**. These steps provide a structured way of negotiating to achieve an agreed outcome. They utilise brainstorming as an information generating technique. Their focus is to achieve an outcome that meets the needs of all parties. Here are the six steps in Dewey's process:

1. Clarify and define the problem
2. Generate or brainstorm alternative outcomes
3. Evaluate the alternative outcomes
4. Decide together on the most acceptable outcome
5. Plan to implement the outcome
6. Follow up with evaluation of the outcome.

Decision making agenda process

Another process that you can use during negotiation is called the **decision making agenda process**. This is a variation of Dewey's approach. Once again, brainstorming is used as a part of the process.

Here are the nine steps in the decision making agenda process:

1. Awareness: parties clarify the goals and establish the issues and agenda.
2. Statement of objectives: all possible outcomes are listed in a brainstorm.
3. Ranking objectives: objectives are divided up into two classifications; those that are *musts*, and those that are *wants*.
4. Identify obstacles to reaching objectives
5. State alternative means for reaching the objectives using a second brainstorm.
6. Analysis of how the alternatives will work if they are implemented, and if they will achieve the *musts*.
7. Choose a tentative decision that will achieve the *musts* and a large number of *wants*.
8. Testing the tentative decision against the possible results, and identifying any obstacles to be removed.
9. Choosing the best alternative by repeating the previous step if too many obstacles arise.

Of course, there are other ways that a negotiation can be structured. The choice of which process you will use for the negotiation is not as important as the group discussion and agreement about the process.

Appropriate language for the negotiation

Throughout the negotiation, your skills as a communicator will be essential, particularly at the start of the negotiation. You need to be able to clearly state the purpose of the negotiation and listen effectively to the statements and comments made by the other parties.

When you are planning for any negotiation, it is important to consider language use. Effective outcomes are achieved through the use of

appropriate language during the negotiation. Before you start the negotiation, you need to plan for how you will use language. Consider:

- the language needs of others involved in the negotiation
- the ways you will use language to achieve your goal

The second aspect of language involves considering ways you will use language effectively to achieve a successful outcome in the negotiation. Effective use of language during the negotiation will enable you to:

- clarify the issues as you see them
- find out as much information as possible about the way others view the situation
- propose a range of options for outcomes
- respond constructively to the comments that are made by others



Effective use of language is an essential skill for a successful negotiator.

Activity 3.2 Case Study

Effective responding and listening techniques

It is essential to use active listening techniques during negotiation. This involves listening to the points that the other parties are making so carefully that **you are able to summarise the main points of their arguments**. Taking brief notes is one way to aid effective listening. However, concentrating and giving the speaker your attention is the best approach. Through active listening, you will learn more about the needs and wants, and the position of others in the negotiation.

Good listening is aided by appropriate responses to show that you are listening. As well as summarising the main points of the conversation, you can reflect back the feelings of the speaker. For example, you could use phrases like:

- “You’re angry about.....”
- “You’re anxious because.....”
- “You’re feeling that.....”

Good listening is also aided by asking appropriate questions to obtain more information about the parties and their positions in the negotiation.

The following are useful language usage techniques that could help you in your negotiation:

'If' question

Using 'if' question such as, “What would be the outcome **if** we.....,” encourages creative thinking which will bring a wider range of issues into the discussion.

Information Seeking

This is a way of using language to obtain the necessary information for the negotiation. Information seeking involves a range of questions.

Open-ended questions allow the other party to express their ideas. Here are some examples of open-ended questions:

- Could you explain more to me about.....?
- Could you be more specific about.....?
- What else do you have in mind.....?
- You’ve told me what you want, but what do you need?
- What would you be willing to offer if I.....?

Such questions require wide ranging answers. The benefit of this type of language is that it is inviting the other party to talk and allows you to discover the other parties’ positions and to understand their goals, without having to reveal your own position.

Closed questions, on the other hand, are helpful in any examination of the facts because they require yes/no answers or focus on specific information. Examples of closed questions are:

- Are you willing to pay for this? (Requires yes/no answer)
- What are the costs involved in this decision? (Requires exact answer)
- How long will these changes take to implement? (Requires exact answer)

Review and clarification

This method uses language to review progress with the negotiations and slow down the move to the next step in the negotiation process. It allows people to gather their thoughts. It allows for slow transition to the next stage of negotiation.

- Just one question....
- I'd like to respond to your concerns....
- Perhaps we could review....
- Could I check something with you....

The benefits of this use of language is that other parties believe you are listening to them and that you are clear about what they expect of you. A negotiation blockage may be cleared through this use of language.

Testing understanding and summarising

This method of using language involves both direct questions and tentative statements. It is another step designed to bring about clarification. This is a useful way of sorting out misunderstandings during the negotiation. Here are some examples of direct questions and tentative statements:

- Do I know everything that I should on this matter?
- Am I correct in understanding that....?
- So your main concerns are....
- We seem to agree that....
- Are you saying that....?

The benefit of using this type of language is to clarify information presented by the other parties, and to assist you to understand their position. It is a powerful technique to identify points of agreement during the negotiation. This positive use of language and stressing your shared interests can assist negotiations to progress more smoothly.

We will take a closer look at the importance of shared interests in the next Chapter.

Comments on feelings

This method of using language is effective during the negotiation to state an opposite position, but to avoid disagreeing openly with another person or party. The use of 'I' statements and the disclosure of your feeling helps establish trust and build understanding between people. This method also encourages the other person to respond in a similar way.

An 'I' statement is an effective way to explain the issue from your perspective during the negotiation. An 'I' statement is constructed as a non-blaming statement.

These are some examples of 'I' statements:

- I feel most concerned about....
- I'm not sure what might work best....
- I am worried about whether or not we have enough information to go on now.
- I feel hesitant about.....

The statement should contain your feelings, a description of the facts without blaming, and the effect that this situation is having on you. When used at the start of the negotiation, an 'I' statement provides others with an understanding of your feelings about the issue and the problem as you see it.

The benefit of stating your feelings is that it helps the other parties to understand your needs and position. It encourages them to respond with a similar statement of their own needs. This type of communication results in understanding.

Activity 3.3 Case Study

Chapter 4 – Conflict Resolution

Learning Outcome:

Dealing with conflict and evaluating the outcomes of a negotiation

After completing this topic you will be able to:

- handle conflict during a negotiation
- check the agreement and the viability of the outcome
- evaluate the negotiation and implement follow-up action
- evaluate yourself as a negotiator

Introduction

When people come to the negotiating table, they usually bring with them strong feelings and views. The process of expressing these views often produces conflict. As you are developing your abilities as a negotiator, recognising conflict and figuring out how to reduce conflict are important skills to learn.

Once conflict is resolved and the decisions have been agreed upon, the next step is to evaluate. It is an essential part of the negotiation process to plan how to implement the decisions. In this final Chapter, we will discuss both of these issues in detail.

Negotiation Styles

Indicators of negotiating style include:

- The way we approach the task of negotiation
- The processes that we adopt during the negotiation
- The manner in which we handle conflict

It is important to spend some time analysing your negotiation style. Once you know your usual style and a range of other styles, then you are in a

position to modify your style if necessary to suit the particular circumstances of any negotiation.

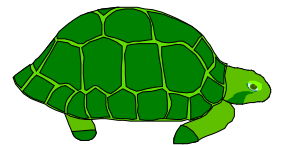
There is no single approach to negotiation that is effective in all situations. You need to approach each situation in the way that best suits the situation. For example, you will negotiate differently if you are acting as a mediator in a dispute between two other workers than if you are negotiating with your wife or husband about a personal issue.

The level of feelings, the importance of goals versus relationships, and the possibilities for conflict will all be different in each situation. You will apply the same basic skills in different ways in order to obtain an effective outcome.

Which negotiating style is your usual style?

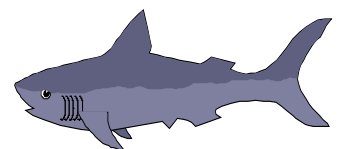
The turtle

Turtles withdraw into their shells to avoid conflicts. They give up their personal goals and relationships. They stay away from issues over which the conflict is taking place, and from the persons they are in conflict with. Turtles believe it is hopeless to try to resolve conflicts. They feel helpless. They believe it is better to withdraw from a conflict than to face it.



The shark

Sharks try to overpower opponents by forcing them to accept their own solution to the conflict. Their goals are highly important to them, and relationships are of minor importance. They seek to achieve their goals at all costs. They are not concerned with the needs of others. They do not care if others like or accept them. Sharks assume that conflicts are settled by one person winning and one person losing. Winning gives sharks a sense of pride and achievement. Losing gives them a sense of weakness, inadequacy, and failure. They try to win by attacking, overpowering, overwhelming, and intimidating others.



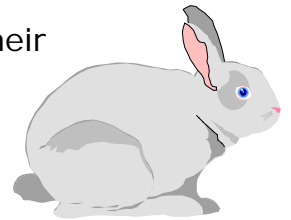
The dove

To doves, the relationship is of great importance while their own goals are of little importance. Doves want to be accepted and liked by others. They think that conflict should be avoided in favour of harmony and that people cannot discuss conflicts without damaging relationships. They get hurt in conflict. They give up their goals to preserve the relationship. Doves say: "I'll give up my goals and let you have what you want in order for you to like me." Doves try to smooth over the conflict in order to avoid harming the relationship.



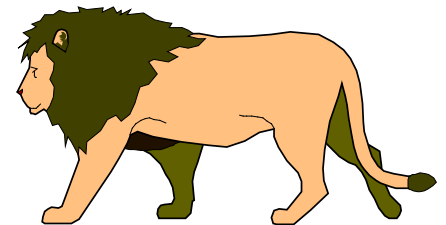
The rabbit

Rabbits are moderately concerned with their own goals and their relationship with others. Rabbits seek a compromise: they give up part of their goals and persuade the other person in a conflict to give up part of his/her goals. They seek a conflict solution in which both sides gain something: the middle ground between two extreme positions. They are willing to sacrifice part of their goals and relationships in order to find agreement for the common good.



The lion

Lions highly value goals and relationships. They view conflicts as problems to be solved and seek a solution that achieves both their own goals and the goals of the other person. Lions see conflicts as a means of improving relationships by reducing tension between two persons. They try to begin a discussion that identifies the conflict as a problem. By seeking solutions that satisfy both themselves and the other person, lions maintain the relationship. Lions are not satisfied until a solution is found that meets everyone's needs and they are not satisfied until the tensions and negative feelings have been fully resolved.



Remember, the art of effective negotiation is to be able to apply the best techniques to the circumstances of the particular negotiation.

Dealing with conflict

Undoubtedly, you can remember situations where your attempts to negotiate ended in conflict. Whether the situation was with friends, family, a teacher, or employer, conflict should never be ignored. Conflict needs to be expressed, discussed, and dealt with successfully before you can negotiate to achieve an agreed outcome.

There are a range of behaviours that can cause a negotiation to move into conflict. Below is a list of some of the factors that can cause conflict:

- **Competition:** arguing over who is better or worse
- **Righteousness:** where one party feels they are completely right and the other party is completely wrong
- **Not listening:** ignoring the view of others
- **Straying from the focus:** allowing the discussion to spread to new issues and situations, and bringing up past events that have caused problems
- **Dealing in personalities:** attacking the personalities of the negotiators rather than staying focused on the problem
- **Threats:** when one party is losing control of the negotiation and the focus moves to inflicting personal pain on others
- **Intentional hurts:** where the parties are no longer concerned about the on-going relationship, and focus on injuring each other in order to win the negotiation
- **Violating social rules:** rising levels of hostility can cause a complete break-down in the negotiation process

When these events occur, emotions block rational behaviour. The parties can only see **their own** behaviour as **reasonable**, and the other's behaviour as unreasonable. This process is destructive. The causes of the conflict have to be dealt with to everyone's satisfaction before the negotiation can have any chance of success.

Here are some techniques that can be used to handle conflict in a negotiation situation:

- **listening deliberately** to show that you are open to new information
- **showing concern** for the 'sensitive' issues of the other party

- **good will gestures** involving a small concession can encourage the other party to respond positively
- **talking about feelings** allows parties to express their concerns and emotions
- **finding alternatives and options** to break the deadlock causing the conflict
- **taking a break** away from the negotiation to allow the parties time to calm down
- **moving to another item** on the agenda if one issue cannot be resolved

Additional material:

In the following lecture, William Ury, an expert mediator and co-founder of the Harvard Program on Negotiation, talks about resolving conflict. He discusses some of the difficulties of negotiation and explains some things we can do to **improve our chances of reaching an agreement in complicated situations**.

Click [HERE](#).

Activity 4.1 Case Study

Achieving a Negotiated Outcome

The important task for the parties now is to focus on the win/win solution. All the issues, feelings, needs, concessions, and options have been discussed and identified. All of the conflicts have been resolved. Now the task is to reach a negotiated outcome by:

- selecting an appropriate solution
- checking the agreement and viability of the solution
- confirming and recording the agreement

Selecting an appropriate solution

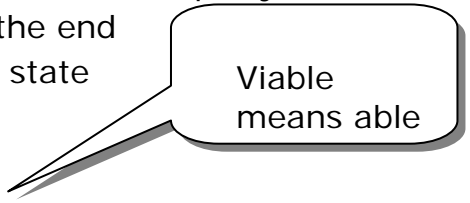
At this stage, you will have a range of possible options for solutions before you. The views of all parties should be clearly stated so that each

party knows how the other is feeling about each option. Good communication and listening skills are essential. Deal with each option in turn and focus on the advantages and disadvantages.

It is time to refer back to the objective criteria discussed back in Chapter 2, and to use them as a basis for selecting and rejecting from the range of options. Reject any options that don't meet the criteria. **Focus on agreement during the discussion rather than on areas of dispute.** The areas of agreement can form the basis of the final decision.

Checking the agreement and viability of the solution

The goal of the negotiation is to achieve an agreed outcome. Each party should be happy with the decision. The agreement at the end should be checked against this goal. Each party should state the effect of the outcome for them. They should also identify how successfully the outcome achieves their goal.



Viable
means able

Is the outcome viable? Does it meet our needs? Once again it is important to check the proposed solution against the objective criteria that have been established. This will help measure the success of the outcome.

Confirming and recording the agreement

Once the choice has been made, then it is important to confirm the agreement. Everyone should have a clear understanding of the outcome, and should state their acceptance publicly. An agreed outcome means all parties accept that the decision achieves the goal of the negotiation, and meets the essential criteria for the outcome.

It is important to record the negotiated outcome and the specific details of the decision. After the negotiation, the written record needs to be circulated to the parties for their confirmation. Even in a personal or home negotiation, a written record can be a very effective way to manage a successful negotiation. It can provide a record, for later reference, of exactly what was agreed upon, and the action taken by all parties.

Activity 4.2 Case Study

Evaluating the Negotiation

The follow-up action for a negotiated outcome involves the parties deciding how the outcome will be implemented. A step-by-step plan is needed to identify what action has to be taken so the outcome becomes reality.

- It is important to write down each step and record the decisions for future reference.
- It is also important to identify the person responsible for the action at each step of the implementation process.
- The final step in your implementation plan involves evaluating the success of the outcome.



This evaluation would probably involve the parties meeting again at a later time or series of times to discuss any problems and successes with the decision. You could also use questionnaires, personal interviews, rewriting of policy documents and financial reports as a way to gather information for the evaluation of the outcome. The choice of what to use for evaluation will depend upon the negotiated outcome and feedback from the parties involved.

Activity 4.3 Case Study

Evaluate yourself as a negotiator

After any negotiation has been completed, you should analyse yourself and your part in the process. You have learned that effective negotiators:

- know the theory about the negotiation process
- have developed the whole range of personal skills needed for negotiation
- follow through the planning, conducting, and evaluation stages of negotiation thoroughly
- have developed a wide range of diverse negotiation styles

Look back at the negotiation. How did you measure up to these standards? In what area do you possess negotiation skills? Where could you improve?

Activity 4.4 Practical Exercise

ANNEX A: Negotiator's Analysis Toolkit

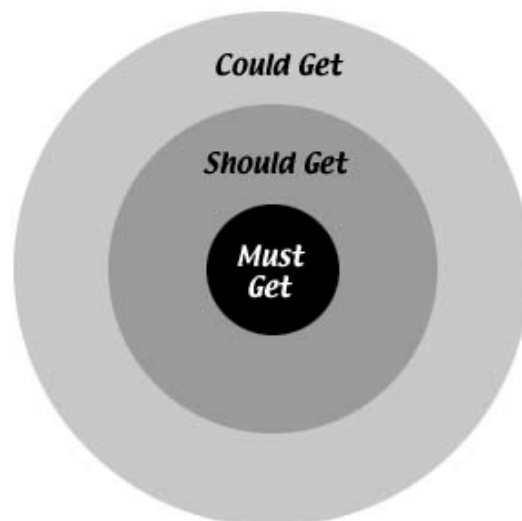
1. SWOT analysis

SWOT stands for Strengths, Weaknesses, Opportunities, and Threats. This tool enables you to view a situation from these four perspectives. In a negotiation situation, it is helpful to conduct a SWOT analysis for each person or party involved. The best way is to list relevant points under the four headings. This is a good starting point, and will help you clarify information.

2. Must/should/could get chart

This chart is drawn as three circles. The middle circle lists the outcomes that you **must** obtain from the negotiation. The next circle lists the outcomes you think you **should** gain from the negotiation. The outer circle lists the outcomes that would be a bonus, but they are not absolutely essential outcomes.

Before any negotiation, complete a circle for yourself, and for the other parties involved.



3. Outcome matrix

	<i>You Lose</i>	<i>You Win</i>
<i>They Lose</i>	Lose/Lose <ul style="list-style-type: none"> • no solution • everyone loses • resent each other 	Win/Lose <ul style="list-style-type: none"> • solution only benefits one side • one side wins, one side loses • resentment and conflict continue
<i>They Win</i>	Win/Lose <ul style="list-style-type: none"> • solution only benefits one side • one side wins, one side loses • resentment and conflict continue 	Win/Win <ul style="list-style-type: none"> • solution benefits all sides • both sides win • two-way communication • no resentment

4. Plus, Minus, Interesting (PMI)

Here is an example of the PMI technique used to brain-storm the question:
 "Should a meeting be called to inform staffs about a management proposal to save costs by having staff clean their offices instead of paying a cleaner?"

Plus	Minus	Interesting
efficient means of conveying information	too public for workers to express their views	workers could gain insight into views of others
sense of involvement	could generate negative mood	could see what public response is to management ideas
exchange of different views	too impersonal	
time efficient		
range of creative ideas could be generated		

5. Positional Bargaining Vs. Principled Negotiation

You may gain a better understanding by looking at the following chart. The method of principled negotiation is compared with both "soft" and "hard" positional bargaining. Pay special attention to the four basic points of principled negotiation.

Hard Positional Bargaining	Soft Positional Bargaining	Principled Negotiation
Participants are opponents.	Participants are friends.	Participants are problem-solvers
The goal is victory.	The goal is agreement.	The goal is a wise outcome reached efficiently.
Demand concessions from the other party.	Make concessions to cultivate the relationship.	<i>Separate the people from the problem.</i>
Be hard on the people and the problem.	Be soft on the people and the problem.	Be soft on the people, hard on the problem.
Distrust others.	Trust others.	Proceed independently of trust.
Stick to your position.	Change your position easily.	<i>Focus on interests, not positions.</i>
Make threats.	Make offers.	Explore mutual interests.
Search for the answer you will accept.	Search for the answer they will accept.	<i>Develop options for mutual gain.</i>
Insist on your position.	Insist on agreement.	<i>Insist on using objective criteria.</i>

6. Obstacles to creative solutions

Premature judgment

Developing options does not often come naturally. Nothing is more harmful to inventing than a strong critical sense waiting to reject any new idea. Rational thinking is necessary in negotiation, but overly - critical judgment hinders creative imagination.

Separate making options from making judgments. Critical judgments stop us from using our imagination and being creative. Invent first and decide later. Wild ideas should be encouraged and rationally assessed later. You may find that while you were letting your imagination free, you came up with a solution that normally you never would have thought of.

The brainstorming technique, like we have seen earlier in this Chapter, is a good way to do this. Also consider brainstorming with the other parties involved in the negotiation. This may be more difficult than brainstorming with your own side, but can prove to be extremely valuable. You may feel that there is a risk of saying the wrong thing, but don't worry about it. Joint brainstorming has the advantages of producing ideas that may satisfy everyone's interests.

There is no right way to run a brainstorming session. You should design it according to your needs and resources.

Searching for a single answer

In the minds of most people, developing options is not a part of the negotiating process. People think that negotiation is about choosing one side's solution or the other's (or something in-between). Actually, looking for the single best answer from the beginning will only hinder the negotiation process. Don't be in a hurry to get to the decision. Try out different ideas. Broaden your options.

Even with the best of intentions, participants in a brainstorming session sometimes operate as if they are looking for one best answer. Developing and selecting elements from a large number of possible solutions usually makes for a wiser decision.

The assumption of "no growth"

Look at the following example:

A fruit seller has operated a fruit stand on a street corner for the last five years. He receives 20 customers a day, and earns 160,000 Kyats a month, just enough to support his family. In one month, three other fruit sellers opened up stands on the same block. The first seller was upset because he thought his income would be destroyed.

The seller was under the “no growth” assumption. He thought that if there were four sellers in the block, the four would be in competition for the same 20 customers. He thought that instead of 20 customers a day, he could only count on five. This would mean that instead of 160,000 Kyats a month, he probably could only make 40,000 Kyats.

The “no growth” scenario would look like the diagrams on the right.

But, in reality, the situation could be much different (see the diagram below). With four fruit sellers in one block, the block could become known as a fruit selling area. Four sellers would probably sell different items, and the variety could attract even more customers. Instead of 20 customers a day, the corner could attract 100. Even though he would have to share these customers with the others, the original seller could make more money. The new situation could grow to look like this: Each seller could have about 25 customers and could earn 200,000 Kyats !!

This type of scenario could occur in any situation. **The lesson to be learned is that cooperation with the competition is not always a threat to you.** A good negotiator will look for ways to work with the other parties for the benefit of everyone.

Thinking that solving their problem is *their* problem

When each side is only concerned with its own interests, agreement will be much harder to reach. To achieve a win/win outcome, a good negotiator needs to develop a solution that appeals to the interests of *both* parties. Self-concern leads a negotiator to develop only one-sided solutions. Addressing their interests is *your* problem, as addressing your interests should be theirs!

Try to identify shared interests. Shared interests help produce agreements. Try to remember these three points about shared interests:

1. Shared interests are not always obvious. They may only surface after negotiations have begun. Ask yourself: Do all parties want to preserve our working relationship? How can we benefit in the future from cooperation and mutual gain?

2. Shared interests are opportunities, not luck. When they occur, you need to make something out of them. Turn shared interests into a shared goal.

3. Stressing shared interests can make negotiation smoother and more pleasant.

As a negotiator, you will need to look for solutions that leave the other side satisfied as well. For example, for a shopkeeper, a win/lose situation is a failure. You won, the customer bought the product this time at the high price you asked but they will never come back to the store. If the customer is not satisfied, the shop owner has failed.

Activities Workbook

Chapter 2

Activity 2.1 Case Study

Refer to the EM case study (Chapter 1, page 4). For this exercise, make a list of the issues that you should consider as you are planning for the first stage of the negotiation. Your task as Administrator is to introduce the staff to the idea of the new work-time system. This involves informing them of the changes that will happen and the processes that will result from these changes. What are the key points that you need to think about as you plan this negotiation? What are some of the factors that will affect your negotiation?

Write your ideas below. The headings are provided as a guide to your thinking.

Analyse the negotiation:

Assess the people:

Record the facts:

Decide on action:

Activity 2.2 Case Study

Write down one or two sentences that explain the problem of introducing the new work - time system to the EM workplace.

Now, write down the goals for the negotiation (both yours and others).

Activity 2.3 Case Study

Now is your chance to try out these tools, and to develop a map of the negotiation for the EM case study. Use at least two of the tools listed below to collect information:

- SWOT analysis
- Must/should/could get chart

Explain your work below:

Activity 2.4 Case Study

Practice using the brainstorming techniques. Think about the issue at EM. Is a staff meeting the best way to announce the introduction of the new system into the workplace? Try both brainstorming techniques to see which one suit you best. Record your results below:

Unstructured:

PMI

Plus	Minus	Interesting

Activity 2.5 Case Study

Go to the marketplace or another part of your community where you can witness an example of negotiation. Who is involved in the negotiation?

How are they communicating?

What comments do you have regarding their communication skills?

Activity 2.6 Case Study

Make a list of the interests of everyone involved in the EM case study, including you, (as Administrator).

Activity 2.7 Case Study

Write a dialogue between yourself as the Administrator at EM and one of the staff affected by the introduction of new work - time system. The worker states a particular position about the new system, such as not wanting to use it or not wanting the extra work involved. The purpose of the dialogue is for you to find out the interests that affect the position that the worker is taking in the situation.

In the dialogue, show how you listen to the staff member's position, and then demonstrate how you use effective language techniques to find out the interests behind the position.

Activity 2.8 Case Study

What obstacles could you encounter as Administrator for EM in seeking to negotiate an agreement with the staff concerning the introduction of the new work-time system?

How could you overcome these obstacles?

Activity 2.9 Case Study

Write down the criteria you would use in your negotiation with EM's workers.

Chapter 3

Activity 3.1 Case Study

Here are two approaches which you, as the project manager of *EM* might use to tell the office staff about the new work – time system.

Approach 1

You stop one of the Department Managers in the hallway one morning. She is in a hurry. She is on her way to a regional meeting. You tell her that you have something important you want to discuss with her. You tell her that the new work-time system will be introduced next Monday and ask her to tell her staff. The Department Manager wanted to ask more questions and you tell her that all questions will be answered on Monday. She hurries away to the meeting. During the meeting, she is very distracted and unable to focus on the agenda.

Approach 2

You enter the office during the lunch break. The Administrative Assistants are at lunch while sales staff are working on a large report and trying to deal with the busy phones. Before you can start talking to them, one of the Department Managers comes into the office and asks when the report will be finished because it is needed by the end of the day. You announce that you have important information for the staff that will have a big impact on the way they do their jobs. You tell them that the new work – time system will be introduced next Monday. There is mixed reaction from the staff; some enthusiasm, some skepticism, but generally, they are too busy to talk about the issue. You tell them that you have all the details about the new system but they are not listening.

For this activity, you will analyse the features of the non-verbal environment in the two approaches presented. Write your comments on the effectiveness of each approach. Also, identify any problems that may occur.

Approach 1

Approach 2

Make some notes about the non-verbal factors you would have to consider in preparing to negotiate with the EM workers regarding the new system. The headings below identify factors that need to be considered:

Timing

Location

Practical Needs

Team Members

Activity 3.2 Case Study

Write down your ideas about the different language needs of people involved in the negotiation at EM. Think about their status in the workplace, their language fluency, their understanding of technical terms.

Administrative Assistants

Materials Development Officers

Sales Staff

Department Managers

Regional Supervisors

Activity 3.3 Case Study

Here are a range of statements and comments that you have to respond to in your discussions with the staff at EM. Under each statement, write a response that would facilitate the negotiation and assist the negotiation. In your responses try to show that you are demonstrating effective listening techniques.

I like the informal system that we use now, because it encourages us all to be committed to EM but caring about each other.

We will have a lot of extra work to do calculating overtime and leave entitlements.

Why should we do this because some funder demands it?

Now write down some of the **information-seeking questions** you would be likely to use during **one** of these dialogues.

Write down some of the **review and clarification statements** that might be useful to you in **one** of these dialogues.

Write down some **testing understanding and summarising statements**, relating them to situations that are likely to arise in **one** of these dialogues.

Try to record some of the ways in which you could **state your own feelings** during **one** of these dialogues.

Chapter 4

Activity 4.1 Case Study

What sources of conflict do you think may arise in the negotiations at EM?

List your ideas about ways to handle these conflicts successfully:

Activity 4.2 Case Study

Try to record below a likely outcome to the EM case study negotiations with the staff.

Your outcome should

- Satisfy the management's need for a clear system, which covers time worked, and leave taken.
- Satisfy staff because they will not need to feel guilty about taking time off.

Activity 4.3 Case Study

Prepare an implementation plan for the solution you worked out in the previous activity. How will you measure the success of the outcome? Outline a range of issues that will affect the outcome, and note ways to handle them.

Activity 4.4 Practical Exercise

Complete the checklist below. Record skills that you use effectively in negotiation on one side of the chart, and skills that you need to develop further on the other side.

Negotiation skills I can already use effectively	Negotiation skills I still need to develop
