



Unit 1

The Characteristics of a Successful Negotiator

Learning Outcomes

By the end of this unit the learner will be able to:

- ✓ Understand how often we all negotiate and the benefits of good negotiation skills.

Unit 1

What is Negotiation?

Defining Negotiation

When you hear the word “negotiation” what picture comes to mind? Is it a high-powered deal being hammered out as a powerful sport figure’s agent demanding more money for his client? Perhaps it is a high profiled union negotiation involving a lockout or strike, or a peace deal in a warring nation. Often, we think of atmosphere that is tense, negotiators who are tough, and stakes that are high. The reality is that we negotiate a lot, and many negotiations are quite amicable.

Negotiation is a process centered on a discussion that is intended to produce an agreement. In its simplest form it could be considered to be about power as the parties work to achieve their own interests. Negotiating involves issues of ego, leveraging, saving face, being right, and compromise. Negotiation often leads to compromises, where both sides make concessions to get as close as they can to exactly what they want. Other times, no concessions may be available and a power struggle may go on for a long time. When negotiation is not effective, there are other options, such as bringing in a mediator, which can help both sides speak to one another and move towards a resolution instead of resolving nothing.

Whether you are someone who rises to the challenge and enjoys negotiating, or you would rather hide than have to get involved, we are all negotiators. We have to negotiate every day with family, friends, colleagues, or clients. We negotiate with our spouse about where to go for dinner. We negotiate with our child about bedtime, computer or gadget time, and allowances.

Negotiation takes place over a period of time and moves through a series of steps. Successful negotiation also opens the way for more negotiation.

There are several methods for negotiation. They can be judged by three criteria:

- If agreement is possible, the conclusion should include an actual agreement (verbally or in writing). This is what Roger Fisher, William Ury, and Bruce Patton describe as a “wise agreement.”
- The process and result should be efficient.
- The relationship between the negotiators should not be damaged and may even improve as a result of the process underway.

Types of Negotiation

Negotiation can be conducted, and categorized, in different ways. What follows are some common examples.

Integrative/Distributive

When we distinguish between integrative and distributive negotiations, we are saying that the parties are looking for different things as they approach the negotiation.

Integrative negotiations are commonly referred to as “win-win.” In this type of negotiation, each side is working toward a solution where everyone wins something. They can make tradeoffs, look at multiple issues, and try to expand the scope of what’s possible rather than divide it up. Integrative negotiations generally foster trust and good working relationships.

Distributive negotiations are referred to as “win-lose.” One party gets what they want, and the other party has to give something up. This can be the case when you negotiate a lease on office space, for example. If you feel like you got a good deal and the property manager had to give something up for you, you “won.” If you feel like the property manager had the upper hand and you got ripped off, you “lost.” The parties’ interests often seem to be opposed (although this may not be the case once you look at things creatively), and so this type of negotiation does not lead to lasting or positive relationships.

Inductive/Deductive/Mixed

The **inductive** method involves starting on small details and working upward until a settlement is reached. This can be the case where, for example, an employer and labor union are negotiating the details of an employee pension and investment plan. Small details are considered one at a time.

Deductive negotiations start with an agreed-upon strategy. They rely on established principles and a formula to frame the negotiation while the parties work out the details.

Mixed negotiations are the most common; they are a blend of inductive and deductive methods.

Soft/Hard/Principled

Soft and hard bargaining involves negotiating a **position** rather than **interests**. To avoid some of the common problems associated with bargaining over positions, negotiators who take a soft approach treat the participants as friends, seeking agreement and offering concessions as a way to create or preserve a positive relationship with the other side. A soft bargainer behaves transparently, sharing their bottom line, which can leave them vulnerable to a hard bargainer who is competitive, hides their bottom line, and offers few concessions, if any. In a negotiation between a soft and hard bargainer, the hard approach will almost always come out with a much better deal.

In their book *Getting to Yes: Negotiating Agreement without Giving In*, Roger Fisher, William Ury, and Bruce Patton recommend **principled negotiation**, instead of hard vs. soft, because principled negotiation relies on interests rather than positions. Principled negotiation means that negotiators are able to separate people from the problem, that they focus on interests rather than positions, generate multiple options, and base the results on an objective standard.

Alternative Dispute Resolution

Alternative Dispute Resolution (ADR) is a popular alternative to negotiation. If negotiations stall for any of a number of reasons, the result can often be a move to arbitration or litigation. However, arbitration and litigation can be expensive and time-consuming undertakings. Either of them can result in a solution that neither party is happy with (a “lose-lose” outcome), and both processes are full of friction.

ADR is an alternative that allows the negotiating parties to take advantage of a formal dispute resolution process. Using mediators or facilitation, parties work through the process together and try to come up with an acceptable solution. One factor that makes ADR different is the idea that the negotiating partners must both be satisfied with the outcome. If a stalemate results with proper use of ADR, then the negotiations can move to arbitration or litigation as a last resort.

Non-Negotiable Positions vs. Options

There are several ways that you can handle non-negotiable positions or options. As a negotiator, you must not go to the table with an intention like, “This is all the money we have, and so this position is non-negotiable.” If you dig your heels in on such a position, there really isn’t going to be much of a negotiation. Similarly, if you elect to draw the line on a particular issue, you must know your limits and the room you actually have to negotiate.

For example, perhaps you approach your boss about a raise. The boss says no because he has no money left in the budget. Instead of giving up your idea of getting a raise (because you know that you have already earned it), consider whether there are other things that would satisfy you, like attending a conference, taking a course, or working fewer hours each week. If you are prepared with your justification for the raise before you approach your boss, and you also have a few alternatives based on your knowledge of the need for training, the availability of a conference budget, and so on, your chances of success are much greater.

Just because someone says no to your request does not mean you have asked the only question that is available.

A good negotiator is prepared to use several possible approaches and formulas. They often ask questions more than they provide answers. They can assess a situation, including the expertise of the parties involved, and adapt their approach to suit the occasion. An employer’s negotiator, for example, who starts out insisting that they have a winning formula for this round of negotiations, will raise the defenses of the other party instantly, even if the formula would have been ideal. At the beginning of a negotiation, it is important to establish an approach that will be agreed upon between the parties. It is equally important to recognize when the formula is getting in the way of making progress because it is too rigid and needs to be tailored to the situation.

Positional Bargaining

The essence of negotiating is that in order to get what we want, sometimes we have to give something up. We can negotiate on price (you give me more value and I will give you more money), or principles.

Argue Based on Principle instead of Positions

You've probably heard that expression that someone is arguing and "digs their heels in," meaning that they are so focused on what they want (and their position) that they have lost sight of the topic being argued, and the principle.

If you are arguing – or negotiating – try not to defend a position; otherwise you simply become more attached to it and will defend it even harder. You'll try to save face, and lose your commitment to the real problem.

Arguing Chips Away at Relationships

Since a negotiation is a form of conversation, the idea is to have successful negotiations that contribute to more conversations. Be careful that your approach to negotiating does not lead to a battle of wills. Each of you can clearly state what you are willing to do or not do, and then work through the problem rather than deteriorating to personal attacks and bravado.

The Softer Side

Sometimes people who resist conflict, or who understand the high price that can be exacted for hard bargaining, try to soften the edge by being friendlier in approach. They get focused on the relationship and on reaching an agreement rather than simply pushing their own agenda. This is an example of soft negotiation where we extend trust to the other side, make offers and concessions, and do what we can to avoid confrontation.

Principled Negotiation Works

Instead of having to choose whether to stick to your position, or to use a soft or hard positional approach, we recommend that you apply **principled negotiation**. This approach is neither soft nor hard, and works in almost any negotiation by applying four simple strategies, as described in *Getting to Yes* by Roger Fisher and William Ury.

Each point deals with a basic element of negotiation and suggests what you should do about it.

- People: Focus on the problem not the people.
- Interests: Be concerned with interests of both parties, not digging in your heels.
- Options: Think of different solutions and possibilities instead of starting out from where you want to end up.
- Standard: Make sure that results are based on an actual standard, instead of something subjective.

Focus on the Problem, Not the People

We often make the comment that we have to focus on behaviors not people, and this point takes this concept seriously. Don't get angry: get clear about behaviors that need to change.

Negotiators are People First

When it comes to negotiations, we are dealing with human beings. And when people get passionate about something, it is a good reminder for us to see that they have emotions, convictions, and different paradigms. People can be unpredictable, too!

When things get heated, which they will at times, remember that your emotions and hot buttons are also involved. Ask yourself if you are paying attention to the people, or are getting distracted by positions.

Principled Negotiating

We mentioned something called **principled negotiating** earlier, as an alternative to soft or hard negotiation.

Soft negotiators want to create a conflict-free environment and make concessions readily in order to reach agreement. Their goal is for amicable resolution, yet they often end up being exploited and feeling bitter.

Hard negotiators approach a situation as a battle of wills, and will take an extreme position on the premise that the negotiator that holds out the longest will get what they want. Their aim is to win, although what often results is a response by the other negotiator that is just as hard. Hard negotiations take a lot of energy and tend to leave the negotiator exhausted, and the relationship damaged with the other side.

Commonly applied negotiating strategies can fall between the extremes of hard and soft, and focus on trading off between getting what one party wants and getting along with people.

Principled negotiation is a third approach and draws from the strengths of hard and soft negotiation. This approach relies upon a commitment to mutual gain, so the benefit to both parties is clear. Where interests conflict, the outcomes need to be grounded on a development of a fair standard that is independent of the desires of the other party. Principled negotiation is the method we prefer, and you will see it throughout this workshop.

There are three basic negotiating styles:

- Co-operative style
- Aggressive style
- No pattern

We may not be able to change our primary style a great deal, but if we recognize the traits of a good negotiator, we can continually practice and sharpen our skills until we are better than we are right now. The better we become, the more we can get done in less time. A good negotiator will try to address their own agenda but does so with consideration to the other party's agenda.

Phases of Negotiation

Model Overview

Although people often think that negotiating is the same as bargaining, it is not. Negotiating is a process, and bargaining is one stage of that process. There are three other stages of negotiating, and even those are tempered by timing, intuition, and flexibility to the process.



(Adapted from "Bargaining for Advantage: Negotiation Strategies for Reasonable People" by Richard Shell)

When the negotiating formula works as it is intended, the parties are more likely to work together with trust and respect.

Preparation

We have already mentioned that preparation is extremely important in negotiating. An inexperienced negotiator who is well prepared can successfully make their argument and "win" their case against a seasoned negotiator. In the preparation phase, negotiators need to review previous examples or other incidents that might have bearing on the current situation. It is in this phase that parties will decide to negotiate rather than pursue court-ordered settlements as a way to control their costs or the amount of time spent in court. When the cost of not negotiating a resolution is higher than the cost of negotiating, then negotiation can be the most desirable course of action.

Exchanging Information

This is not a step that many negotiators consider consciously, except perhaps in legal situations (where it is referred to as disclosure), but it makes sense, even in negotiations at home, and, certainly, in the workplace. Exchanging information is really an extension of preparation, and allows both parties the opportunity to

consider all of the available information before a bargaining meeting takes place.

For example, say that you are the new supervisor of a 20-person team at work. Your sense is that production could be improved if the tasks were divided differently among members of the team. You mention this in passing to your boss. He shares with you that a couple of team members tried something like this before, but it never got off the ground because some members became territorial and felt their jobs were being threatened.

Your boss has shared an important piece of information with you. How can you use this knowledge as you continue to prepare for a negotiation with your boss?

The strength of these answers could put you in a much stronger bargaining position when you present your ideas to the boss.

Bargaining

This is the “meat and potatoes” of the negotiation. Interested parties go over their agreements and negotiate changes, sometimes one term at a time. There are times when an agreement in principle can lead to a long and protracted quest for agreement on smaller details. Those smaller details are worked out in bargaining, the phase where actual sacrifices and concessions are made.

Tempers and parts of our personalities we aren't all that proud of can become apparent during bargaining, as parties work on the fine details of an agreement. It is important for negotiators to remain calm, professional, and relaxed during this phase. No progress can be made if people are not speaking to one another, and negotiations can easily stumble apart at this stage.

A common example of bargaining outside of the workplace is in divorce proceedings. The divorcing couple may agree in principle that they will share custody of their children equally. However, the details of deciding how to share the children during special occasions like birthdays, school holidays, or Christmas can become extremely difficult to work out – much more so than deciding other details, such as who is responsible for particular amounts of debt, or who gets the photo albums, music collection, or crystal stemware.

Commitment and Closing

Once the parties have completed bargaining, made all the adjustments, and agreed upon the final details (some of which may not be ideal, but are agreed upon), the negotiation is ready for commitment and closure. At this time in a new car negotiation, you would be paying the deposit on your new car. In the workplace, a bargaining committee would return to their membership with recommendations to vote on a new collective agreement.

Commitments can be made public (through press release or some other media) as a way to share the conclusion of the process. By this time, any hostility should be long over with since the parties have moved to this stage following the conclusion of bargaining. At times, though, resentment can be just under the surface, and so any positive steps that can continue to support relationship building are important at this time. One final, important note in the process is to make absolutely sure that you have a commitment to carry out the agreement that has been negotiated.

Pre-Assignment Review

Communication Skills

Active Listening

Active listening means that we try to understand things from the speaker's point of view. It includes letting the speaker know that we are listening and that we have understood what was said. This is not the same as hearing, which is a physical process, where sound enters the eardrum and messages are passed to the brain. Active listening can be described as an attitude that leads to listening for shared understanding.

When we make a decision to listen for total meaning, we listen for the content of what is being said as well as the attitude behind what is being said. Is the speaker happy, angry, excited, sad...or something else entirely?

Asking Questions

As leaders, we should be spending a lot of our time asking questions and providing answers. When it comes to asking, however, we often aren't aware of our technique. Open questions in particular often give us difficulty, which is unfortunate since they are the most important ones for us to become skilled at using. If you are having trouble with open questions, it can be helpful to get more comfortable with small talk and easing yourself into the conversation at hand.

Building relationships with others (including our employees and our co-workers) becomes easier as we become skilled at asking questions that give us more information about that person and their wants and needs.

Questions help us find common ground with someone, show the person we are interested in them, and puts the emphasis on them rather than us.

Open Questions

These are broad, general questions that require your conversation partner to provide more than just a "yes" or "no" answer. They also permit the other person to decide how much information to give.

Open questions can do the following:

- Give us more information
- Encourage your conversation partner to speak openly
- Encourage people to share opinions and ideas
- Help us determine if people have interpreted what we say accurately

Closed Questions

Closed questions can be answered with a single word or two, such as a simple yes or no. They can begin the closing process in a conversation, or provide confirmation of a detail, but they don't usually lead to a richer conversation or gathering more information. The advantage of closed questions is that they give you control over the questions and the type of answers you receive. Closed questions are easy to interpret and more questions can be answered in less time.

However, closed questions don't allow for detailed explanations or for the other person to share how they feel about a particular circumstance. If you wish to encourage a richer response or to encourage a frustrated person to talk freely, then you need to avoid asking closed questions.

Probing Techniques

When we do not get enough information by using open-ended questions, we can use probes to expand the conversation. Common probing techniques include:

- Ask an open question.
- Pause.
- Use reflective or mirroring questions.
- Paraphrase.
- Use summary questions.

Body Language**Facial Expression**

This needs to be pleasant, or at least neutral. The face should be relaxed instead of tense to convey that you are comfortable with your role in encouraging and supporting the conversation taking place.

Smiling

Smiles are always welcome and help people to relax. When we are tense, however, our smiles can look like grimaces. Practice smiling in a mirror and get comfortable with offering more smiles. This shows that you like what you are doing and that you enjoy the process underway.

Eye Contact

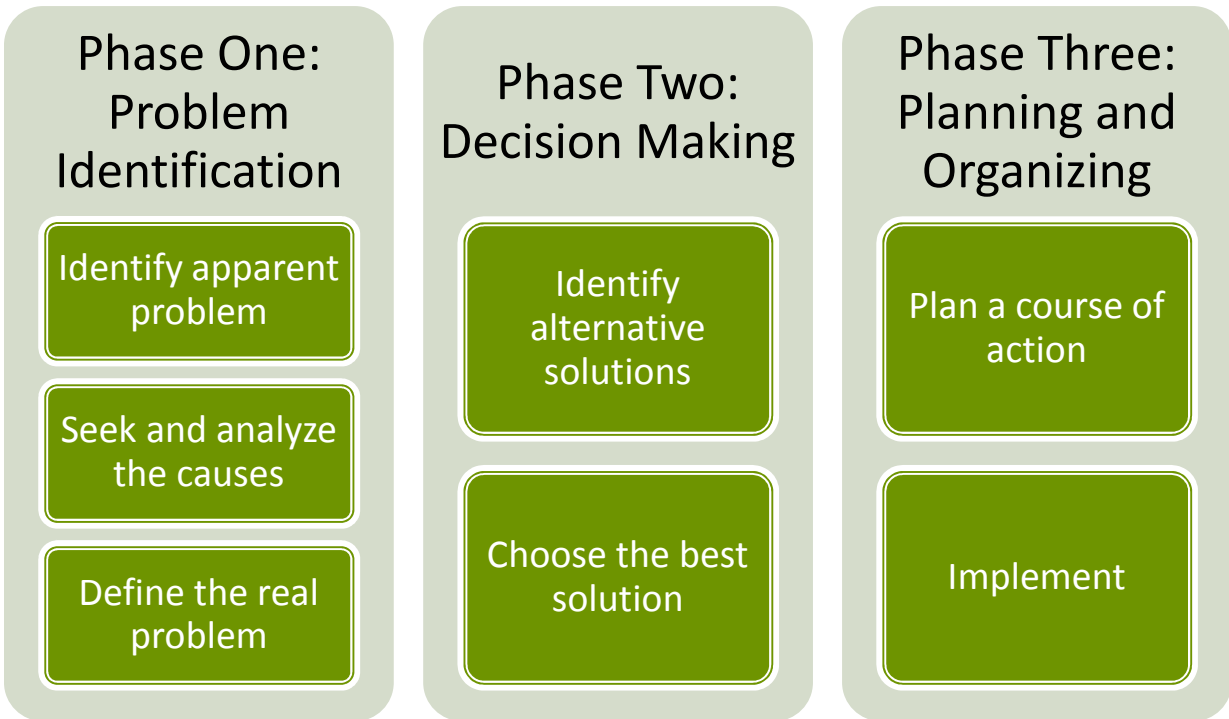
When you speak with people, your eye contact needs to be steady and confident. Don't stare people down, but do look at them. While there are cultural aspects to eye contact, during feedback it's our position that you need to look at people so that they see you are being genuine and honest. Also, if you are nervous you will tend to blink more frequently which can make it look like you have something to hide. Try to relax so that you blink at a more normal rate.

Other Aspects of Body Language

Overall, our body language needs to be welcoming, confident, and comfortable. Even if we are incredibly busy, our body language should show that we are interested and focused on this conversation with this person at this time. Leaning into the conversation, avoiding distractions such as phone calls or people at the door, and controlling nervousness, all convey positive messages through our body language.

Problem Solving

Here is a problem-solving process that you can customize for almost any situation.



Creative Thinking

The process of negotiating can become stale. Positions can become immovable when both sides run out of ideas and have little to offer. Sometimes that can simply be the result of spending a lot of time bargaining and everyone getting tired. If that is the case, take a break from negotiating to brainstorm.

Brainstorming is one of those creative periods where you can surround yourself with a group of people and simply generate ideas. Gather a group of people, let them know that you are looking for ideas, and arrange a brainstorming session.

Brainstorming is a time when ideas are:

- Freely generated
- Recorded (on chart paper or computer is usually convenient)
- Explored
- Not judged

In a brainstorming session, make sure that the ideas being generated are not judged, or you will find that people's creative juices stop flowing as they become wary of having their ideas ignored or discounted. The idea of brainstorming is to get ideas out in front of the team.

Thinking outside of the box takes your brainstorming session to a new level. Fully exploring ideas and trying to solve them in ways that are unique and fresh means that you are stretching your ability to solve problems, and are really considering all possibilities in a situation.

Outside-the-box thinking can generate stunning gains in the negotiation process, and lead to applicable and valuable outcomes that you never imagined when you were preparing for the process to get underway.

Building Enthusiasm and Confidence

Being confident and enthusiastic is key to a successful negotiation. Self-confidence is based on the knowledge that you will probably be successful at an activity because you have been successful at similar activities in the past. There are several techniques that you can use even when we don't feel self-confident.

Pretend you are confident.

Imagine yourself to be a confident person. This is a similar strategy that is used in sports, where an athlete visualizes themselves getting the ball or crossing the goal line. Put your successful negotiating self in your mind and act it out. Project confidence. Stand up straight, dress better, and be confident.

Monitor your self-talk.

Listen to what those little voices are saying inside your head. If they are eroding your confidence, stop those tracks and put in new, positive messages.

When you meet people, look them in the eye.

Confident people do that. People who aren't confident don't. (This is culturally sensitive, however, as some cultures do not value looking one another in the eye. Know your audience and what is expected. If you are negotiating in North America, Australia, and much of Europe, eye contact is expected and encouraged.)

Smile.

This can be a subtle sign of confidence. It is also a sign of welcome for your own team (in group or collective bargaining), as well as the other party.

Listen.

Confident people are generous enough with their time to listen to others.

Know your stuff.

Your confidence can't be a complete false front. While you are behaving like a confident person, you also have to know what you are doing. If you are well prepared and sure of your facts, you've got a better chance of projecting confidence. (We will discuss preparation methods this afternoon.)

Rehearsal is the best confidence builder.

Rehearsing can be as simple as writing out a speech or your intended conversation with someone, and practicing it in front of the mirror. Do a role play with a trusted friend or colleague. To tackle your underlying fear of failure, include imagery with your rehearsal. Imagine yourself succeeding.

Start small.

Begin practicing your skills in small scale situations where you are comfortable. If you successfully negotiate a chore schedule with your spouse and a child care arrangement with your baby sitter, you will likely feel more confident when it's time to negotiate a pay raise with your boss.

Further Reading:

- ✓ Cialdini, Robert. *Influence: The Psychology of Persuasion (2nd Edition)*. Collins, 2006.
- ✓ Cialdini, Robert, Noah Goldstein, and Steve Martin. *Yes! 50 Scientifically Proven Ways To Be Persuasive*. Free Press, 2008.