



Negotiation Skills

CLE Learning Module

Strategies, tactics, and counter measures to succeed in any negotiation.

CLE - McLean
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Successful Negotiating

“Are you tired of getting the short end of the stick in negotiations?”

For most of us negotiating is not something we come by naturally. Sometimes we don't even realize that we are directly involved in a negotiation. At other times we often wind up feeling uncomfortable, frustrated and angry because we rarely get what we wanted from the negotiation.

The fact is that negotiation is a skill and skills can be learned. Developing negotiating skills can be one of the most important management tools that you can have in today's competitive environment.

In this seminar you will learn how to recognize opportunities to negotiate as well as gaining a thorough understanding of the strategies, tactics, ploys, power plays and counter measures you need to succeed in any negotiation.

Key Objectives

- ✓ Avoiding the typical mistakes and pitfalls by understanding the objectives, principles and process of a negotiation.
- ✓ Understanding and capitalizing on the negotiating strength, style and approach of both parties.
- ✓ Enhancing your cultural awareness and understanding of international negotiations.
- ✓ Creating a solid game plan by conducting the proper research, developing realistic expectations and establishing settlement ranges.
- ✓ Determining the right starting position, controlling emotions and effectively implementing strategies, tactics, concessions, and counter measures.
- ✓ Dealing with tough negotiators, tough tactics and breaking deadlocks.
- ✓ Knowing when to walk away or bring the negotiations to a close.
- ✓ Getting it in writing!

Who should attend: Business professionals at all levels who negotiate for themselves or on behalf of their organization.

Special features: Highly interactive session that allows participants to practice and apply negotiating theory in specific exercises, role plays and case studies.

The Mutual Gains Approach

The Mutual Gains Approach (MGA) to negotiation is a process model, based on experimental findings and hundreds of real-world cases that lays out four steps for negotiating better outcomes while protecting relationships and reputation. A central tenet of the model, and the robust theory that underlies it, is that a vast majority of negotiations in the real world involve parties who have more than one goal or concern in mind and more than one issue that can be addressed in the agreement they reach. The model allows parties to improve their chances of creating an agreement superior to existing alternatives.

MGA is not the same as “Win-Win” (the idea that all parties must, or will, feel delighted at the end of the negotiation) and does not focus on “being nice” or “finding common ground.” Rather, it emphasizes careful analysis and good process management.

The four step Mutual Gains Approach was developed by scholars and practitioners at the Consensus Building Institute, a Cambridge, Massachusetts based company founded by MIT professor Lawrence Susskind.

The four steps of the Mutual Gains Approach are:

Preparation

Prepare by understanding interests and alternatives. More specifically, estimate your BATNA and how other parties see theirs (BATNA stands for “best alternative to a negotiated agreement”). Having a good alternative to agreement increases your power at the table.] At the same time, work to understand your own side’s interests as well as the interests of the other parties. Interests are the kinds of things that a person or organization cares about, in ranked order.

Good negotiators listen for the interests behind positions or the demands that are made. For instance, “I won’t pay more than ninety thousand” is a position; the interests behind the position might include limiting the size of the down payment; a fear that the product or service might prove unreliable; and assumptions about the interest rates attached to future payments. The party might also be failing to articulate other non-financial interests that are nonetheless important.

Value Creation

Create value by inventing without committing. Based on the interests uncovered or shared, parties should declare a period of “inventing without committing” during which they advance

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options by asking “what if...?” By floating different options and “packages” —bundles of options across issues—parties can discover additional interests, create options that had not previously been imagined, and generate opportunities for joint gain by trading across issues they value differently.

Value Distribution

At some point in a negotiation, parties have to decide on a final agreement. The more value they have created, the easier this will be, but research suggests that parties default very easily into positional bargaining when they try to finalize details of agreements. Parties should divide value by finding objective criteria that all parties can use to justify their “fair share” of the value created.

By identifying criteria or principles that support or guide difficult allocation decisions, parties at the negotiating table can help the groups or organizations they represent to understand why the final package is not only supportable, but fundamentally “fair.” This improves the stability of agreements, increases the chances of effective implementation, and protects relationships.

Follow Through

Follow through by imagining future challenges and their solutions. Parties near the end of difficult negotiations—or those who will “hand off” the agreement to others for implementation—often forget to strengthen the agreement by imagining the kinds of things that could derail it or produce future conflicts or uncertainty.

While it is difficult to focus on potential future challenges, it is wise to include specific provisions in the final document that focus on monitoring the status of commitments; communicating regularly; resolving conflicts or confusions that arise; aligning incentives and resources with the commitments required; and helping other parties who may become a de facto part of implementing the agreement. Including these provisions makes the agreement more robust and greatly assists the parties who will have to live with it and by it.

Planning Your Negotiation

What information do you need about the other side?

- 1.
- 2.
- 3.

What are the issues or concerns?

Issue (prioritize)

Why is it important?

Settlement range?

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1.

2.

What do we want?

What do they want?

-
-
-

Areas of agreement?

Areas of disagreement

Low

Moderate

High

-
-
-

Our BATNA:

Their BATNA:

Possible concessions

1.

2.

3.