

Negotiation skills and techniques

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NEGOTIATION

An interactive **communication process** aimed at reaching agreement (a **joint decision about future action**), when both parties have some interests that are shared and some interests that are **conflicting**.

WHEN TO NEGOTIATE?

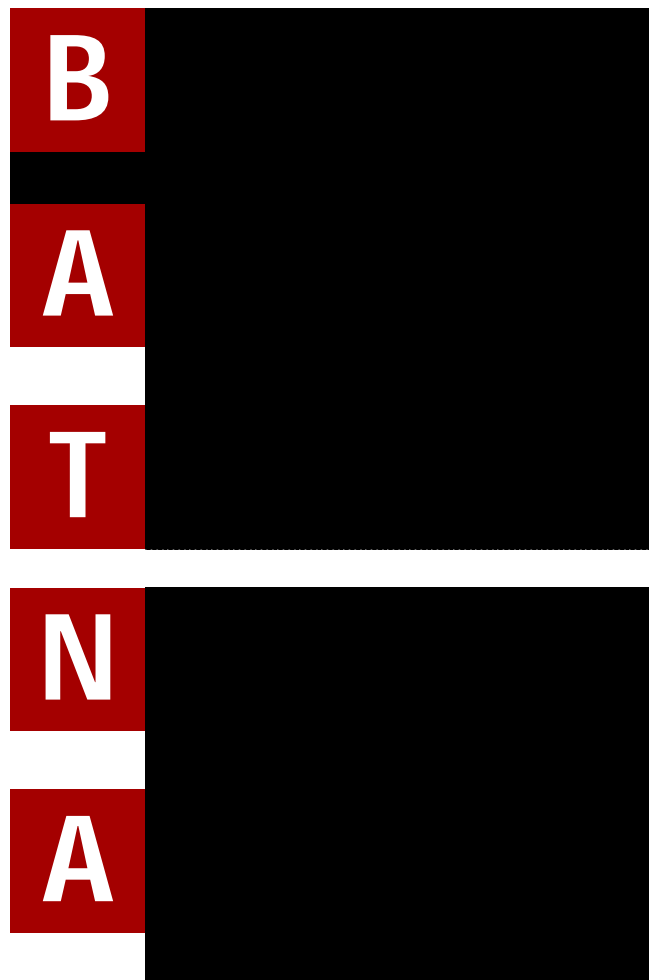
1. Interdependence of parties
2. Mutual uncertainty
3. Perceived conflict



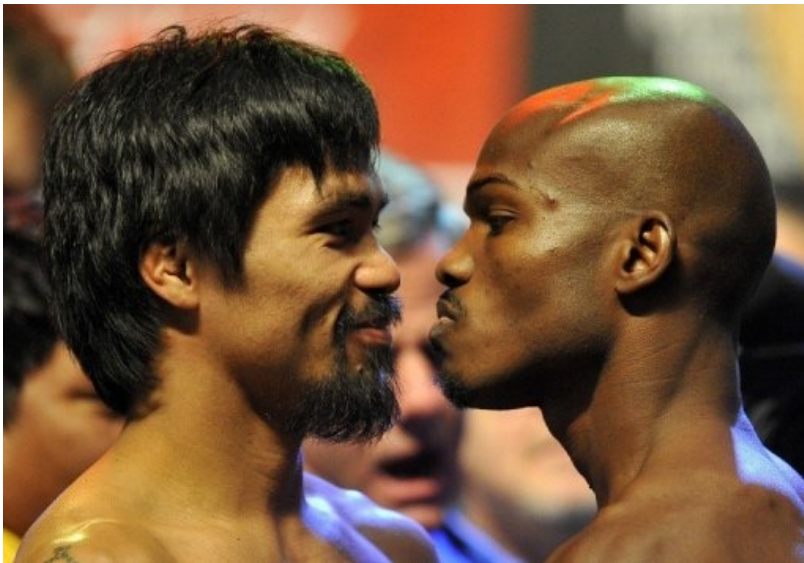
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WHAT CAN WE DO IF WE DON'T NEGOTIATE?



POSITION BARGAINING



The stronger one wins

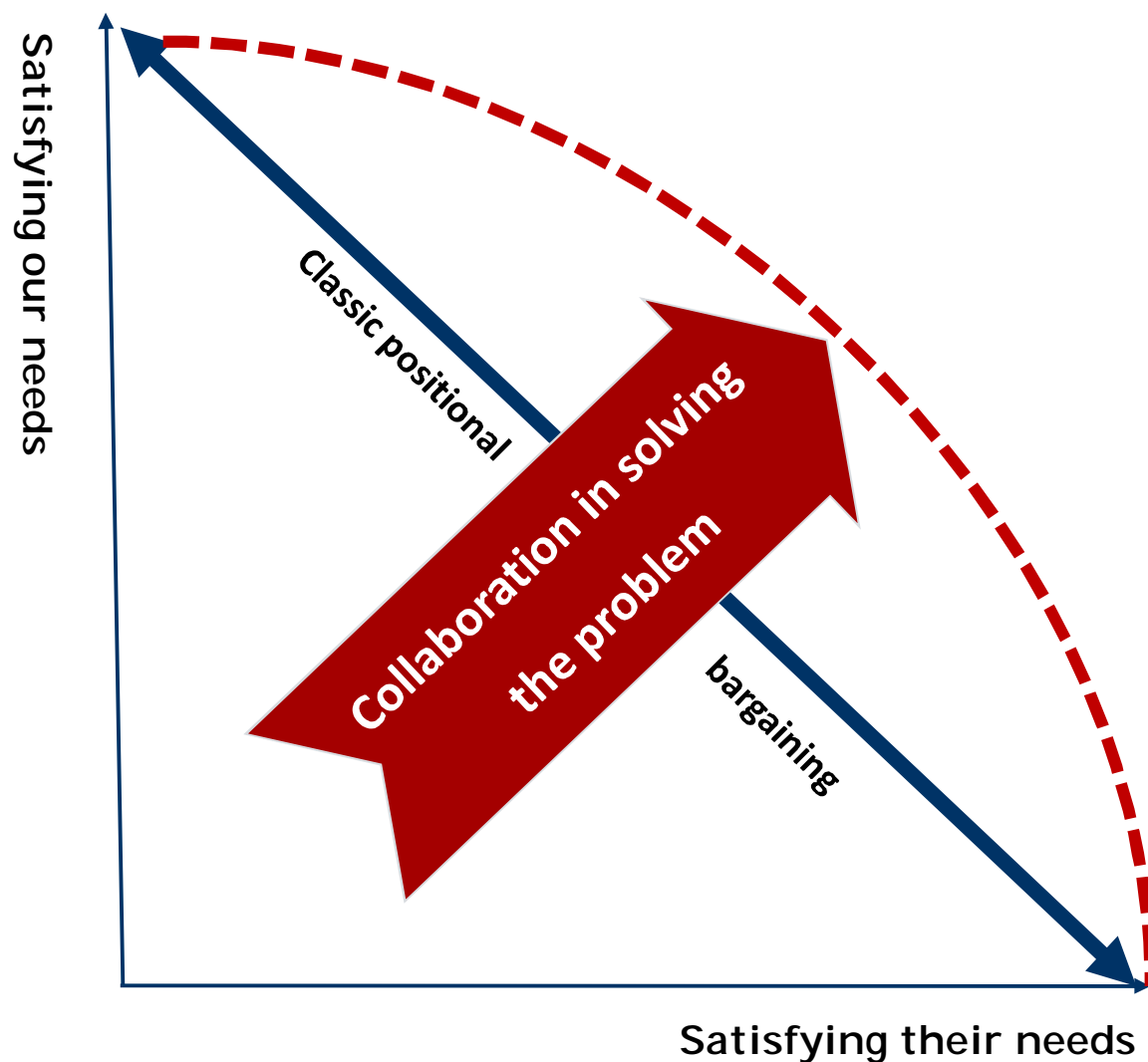
- **Limited goods (zero sum game)** – if we win they lose (and vice versa)
- **Concentrate on positions** – negotiation is about dividing goods – make sure you get a bigger share
- **Negotiators as opponents** – use pressure, tricks, dirty tactics – anything to make them give up and yield
- **Battle of will** – the one who is ‘psychologically stronger’ wins

Fisher, R., Ury, W. & Patton, B. „Getting to YES”



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PROBLEM-SOLVING STRATEGY (Interest-based negotiation)

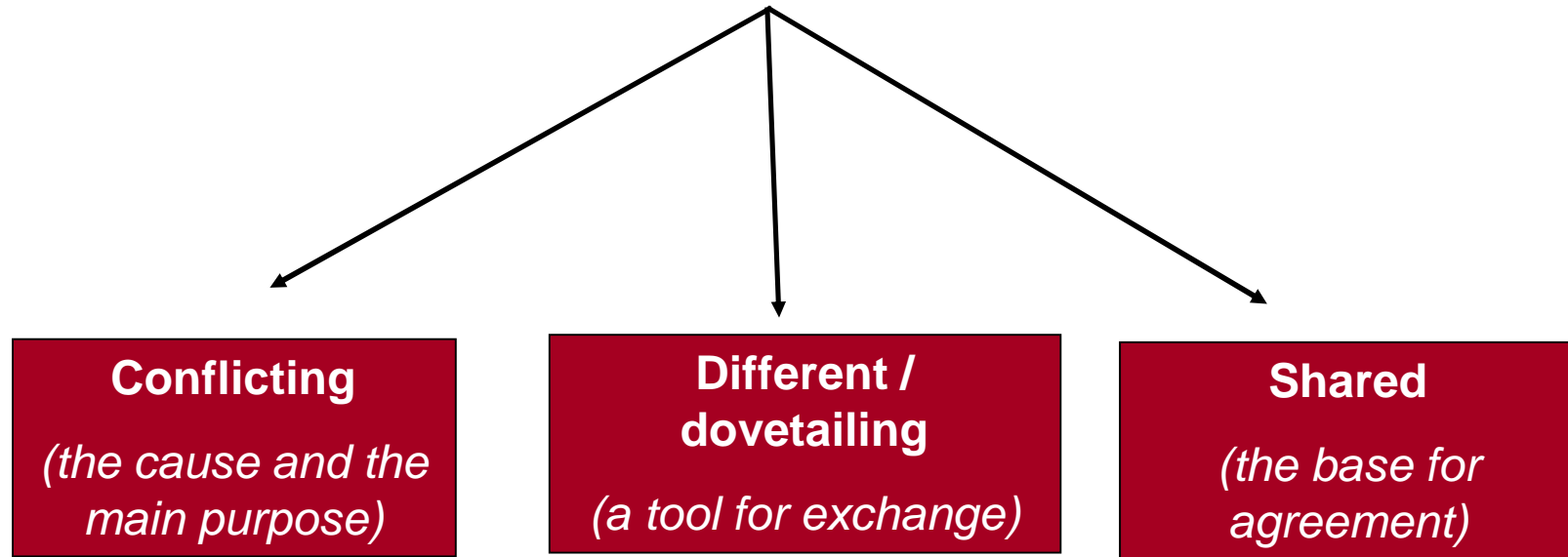


- **Benefits are not limited** – your win does not mean his/her loss (win-win)
- **Concentrate on interests** – satisfying your needs to the highest possible level is more important than ‘winning’
- **Separate people from problems** – you need each other’s creativity, expertise and rationality to get the best solution
- **Objective principles and criteria** – we need each other to find those and build good arguments

Let's win the race first and then we divide the medals

Fisher, R., Ury, W. & Patton, B. „Getting to YES”

INTERESTS IN NEGOTIATIONS



INTERESTS IN NEGOTIATIONS

- **Political** (*domestic, international*)
- **Economic**
- **Prestigious** (*image*)
- **Military**
- **Relational**
- **Others....**
- **Short – term**
- **Long - term**
- **Negotiator's**
- **Organisation** (*country, region, firm etc.*)
- **Stakeholders**

DEFINING INTERESTS

Proposals (how?)



Issues (what?)



Interests (why?)

To solve conflict

- Define your interests (not demands, not dreams)
- Understand interests of the other party
 - Negotiators
 - People and organisations represented by the negotiators

To understand other party's interests:

- Ask questions
 - Why such a proposal ?
 - Why not?
- Listen to understand, not to reject and argument
- Mind the non-verbal communication
- Try to walk in their shoes

LOOKING FROM OTHER PARTY'S PERSPECTIVE

- **Put yourself in their shoes:**
 - *What would you do if you were on their position?*
 - *Why they don't want to, or can't accept our demands?*
 - ***Remember: if you want to change their mind, you need to find out where their mind is now***

PRESENTLY PERCEIVED CHOICES

WHY NOT?

Identify a basic decision and ask yourself: why they did not make it?

OBJECTIVE CRITERIA

- Objective criteria help to find a fair solution in conflicting issues (if there is no win-win strategy).
- **Looking for objective criteria replaces the battle of will**
 - Present each issue as a problem, and **an invitation to look for 'fair solution'**
 - Propose objective criteria
 - **Ask the other party for their proposal of objective criteria**
 - **Explain and be open to explanations**
 - **Never give up under pressure**

Market price (value)
Rule of law
WIBOR, LIBOR
Replacement value
Work input
Sharing added value
Student's rule of sharing a cake
...

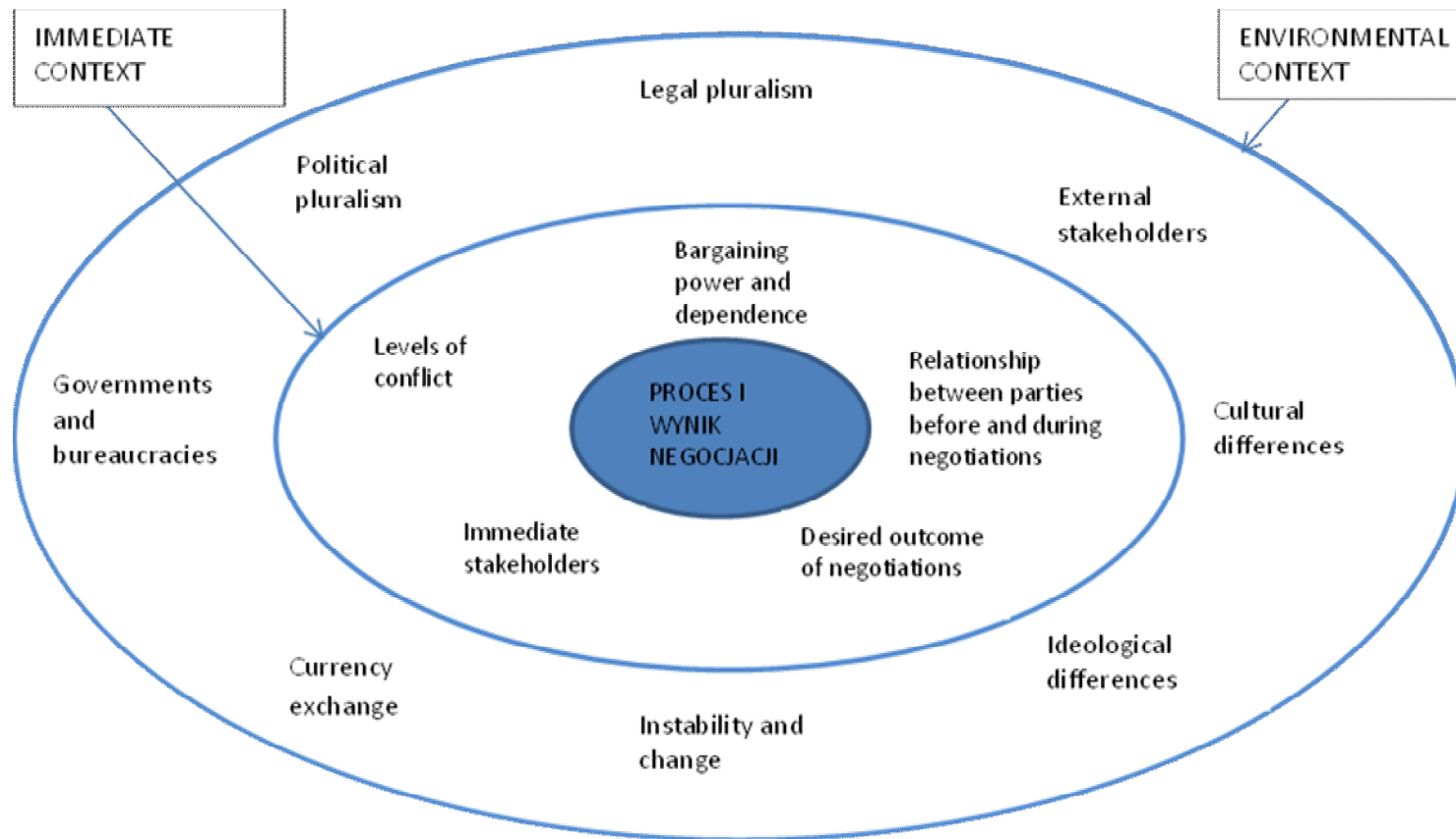
Fisher, R., Ury, W. & Patton, B. (1994). „Getting to YES”

INTERNATIONAL NEGOTIATIONS

BASIC SITUATIONS

1. International conflict
2. Trade negotiations
 - Between countries
 - Between organisations
3. International cooperation
 - Between countries
 - Between organisations

THE INTERNATIONAL CONTEXT





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- Fisher, R., Ury, W., Patton, B. „Getting To YES”
- Ury, W. „Getting Past NO” – *about negotiation strategies and tactics (both books)*
- Lax, D., Sebenius, J. „3D Negotiation. Playing The Whole Game” – *about strategic negotiation – outside of the table*
- Salacuse, J. „The Global Negotiator” – *about international negotiations*
- Voss, Ch. “Never split the difference.” – *position bargaining tactics in difficult situation (eg hostage taking)*
- Harvard Program On Negotiation

<http://www.pon.harvard.edu/>