

THE GAME OF NEGOTIATION

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Why Negotiate?

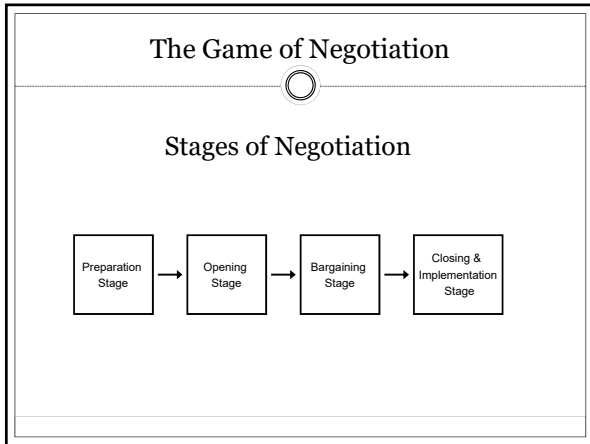
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- We all have needs to be met.
- Conflict is pervasive in our lives.
- Negotiating resolves conflict.
- Everyone negotiates something everyday.

The Game of Negotiation

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- We can understand the game.
- The game has a predictable sequence of activities.
- There are players.
- There are rules.



Preparation Stage

- **Collect Information**
 - Define objectives.
 - Learn about the other side.
- **Planning and Goal Setting**
 - Map out the negotiation.
 - Decide what you want to achieve.

Planning Checklist

- Who is on the team?
- What are our issues?
- What are their issues and objectives?
- What are the priority of the issues?
- What is our initial position?
- What is our settlement range?
- Who has what authority?

Opening Stage



- Reaffirm desire for mutually beneficial outcome.
- Get concerns or negativity out in the open.
- Opening position

Bargaining



- Classic give and take
- Process of both sides moving their opening positions toward their respective targets
- How you bargain is determined by the negotiating style you use.

Closing and Implementation Stage



- Wrap up the final agreement.
- Clarify anything ambiguous or incomplete.
- YOU write the final agreement!

The Five Styles of Negotiation

- **Competition** (win-lose)
- **Collaboration** (win-win)
- **Compromise** (split the difference)
- **Accommodation** (lose to win)
- **Avoidance** (lose-lose)

What Style and When?

- **TWO IMPORTANT FACTORS:**
 - **Outcome** – what you might lose or win
 - **Relationship** – how will your relationship with the players be effected

The Five Styles of Negotiation

- **COMPETITION (win-lose):**
 - Outcome important.
 - Relationship not important.
 - Win at all cost with no concern for relationship.

The Five Styles of Negotiation

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- **COLLABORATION (win-win):**
 - Outcome important.
 - Relationship important.
 - Maximize outcome and preserve relationship.

The Five Styles of Negotiation

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- **COMPROMISE (split the difference):**
 - Combination of styles.
 - Used when players cannot achieve collaboration but still wish to achieve positive outcomes and relationships.

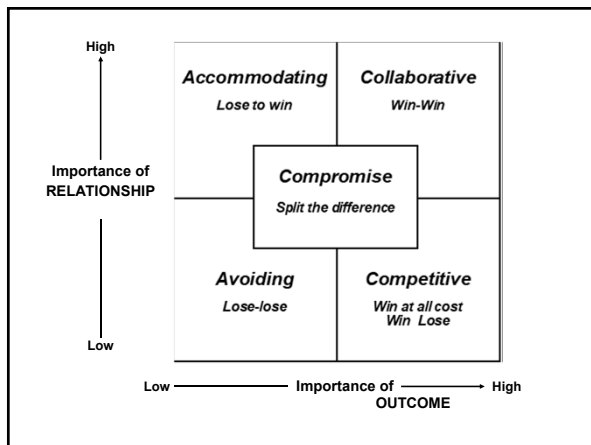
The Five Styles of Negotiation

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- **ACCOMODATION (lose-win):**
 - Outcome not important.
 - Relationship important
 - Intentionally lose on outcome to win on relationship.

The Five Styles of Negotiation

- **AVOIDANCE (lose-lose):**
 - Outcome not important.
 - Relationship not important.
 - Avoid or withdraw from active negotiation.



What Style and When?

- **COMPETITION:**
 - The goals of the parties are short term.
 - The parties' goals are incompatible.
 - The tangible benefits are the most important.
 - You expect the other party to be competitive.

What Style and When?

• **COLLABORATION:**

- Developing and maintaining a relationship is important.
- Both parties are willing to understand the other party's needs and objectives.
- Finding a long lasting, creative solution is required.

What Style and When?

• **COMPROMISE:**

- Parties are short of time or resources to achieve collaboration.
- A temporary settlement to a complex issue is needed.
- Issues are not worth the effort of a collaboration, but maintaining relationships are important.

What Style and When?

• **ACCOMODATION:**

- The relationship is more important than the outcome.
- Building goodwill is an important outcome.
- We want the other party to accommodate us in the future.

What Style and When?

- **AVOIDANCE:**
 - Neither outcomes or relationships are important.
 - The cost of the negotiation outweighs the gain of the deal.

Style Selection Criteria

- Situation
- Preferences
- Experience
- Perceptions

Style Selection Pitfalls

- Negotiating in teams
- Negotiating with agents & third parties
- Adjusting styles during negotiations

**The Games People Play:
Identifying Competitive Negotiation Tactics**

- Good Guy/Bad Guy (Mutt & Jeff)
- Big Bear in the Back Room
- Fait Accompli
- Threats and Ultimatums
- The Nibble

The Games People Play

- Limited or No Authority
- High/Low Balling
- "Take it or leave it"
- "Oh, poor me"
- Scrambled Eggs

The Games People Play (continued)

- Other Offers Pending
- The Shill
- Anger
- Psychological Ploys
- The Straw Man

Neutralizing Competitive Negotiation Tactics

• **Don't Over React:**

- Ignore the tactic or behavior
- Confront the tactic
- Prepare, prepare, prepare
- Break Off

Neutralizing Competitive Negotiation Tactics

• **Listen and Acknowledge:**

- Acknowledge the point
- Acknowledge the other party's feelings
- Acknowledge the person

Neutralizing Competitive Negotiation Tactics

• **Change the Game:**

- Ask why
- Ask why not
- Ask what if

Bibliography



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