Negotiation Theory & Practice II

Professional Development and Skill Building in Medical and Life Science: Management Fundamentals
February 4, 2010
Overview of Module

• Review: cooperation & competition
  • Recognizing “X” and “Y” signals
  • Strategy short term with long term implications
    • “tit for tat”
    • Trust & reciprocity
    • Incentives

• Review: 3-D framework
  • 1st dimension: interpersonal skill and tactics
  • 2nd dimension: creating value – a bigger pie
  • 3rd dimension: mapping, sequencing, process design
Negotiation Fundamentals

- **PREPARATION**
  - Map the PARTIES (actual & potential, internal & external, principals & agents)
  - Anticipate INTERESTS (economic and non-economic, short-term & long-term)
  - Evaluate ALTERNATIVES, identify the BATNA
  - Sketch possible OPTIONS
  - Assess OBJECTIVE CRITERIA to evaluate options
  - Consider opening frame and process
TODAY

• Bargaining Styles: 4:10 – 4:40
  • Small groups by dominant style
  • 3 strengths; 3 challenges
  • Large group summary

• The New Recruit
  • Negotiate: 4:50 – 5:20
    • Candidates: Green and Gold: Choose a pink or purple partner
    • Recruiters: Pink and Purple: Choose a green or gold partner
  • Debriefing: 5:25 – 6:00
Why do negotiators leave value on the table?

- Failure to really know own interests and capabilities
- Failure to probe for the full set of other’s interests
- Failure to build trust, communicate, share information
- Excessive “value-claiming” by one or both sides
- Information as two-edged sword: essential to solve joint problem, but a source of vulnerability
Creating Value

- Don’t accept the standard situation and process as “given”
- Know your own interests and capabilities
- Probe the full set of their interests and capabilities
- Do research
- Ask lots of questions; listen actively
- Give away some information; seek reciprocity; build toward trust
- Foster communication, information-sharing, trust, and creativity
- Pinpoint DIFFERENCES [risk, priority, value of time, discount value] as well as shared interests
- Recognize and productively manage the powerful creating-claiming tension