

Health Promotion Leadership Training Course

WHO WPRO and SEAMEO TROPED Network
NEGOTIATION WORKSHOP

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Negotiation

Negotiation is a basic means of getting what you want from others. It is back-and-forth communication designed to reach an agreement when you and the other side have some interests that are shared and others that are opposed.

Roger Fisher and William Ury
Harvard Negotiation Institute



Whenever people exchange ideas with
the intent of changing relationships,
whenever they confer for agreement,
they are negotiating.

Gerard Nierenberg
President of Negotiation Institute



For purposes of this workshop, I say that:

negotiation is an exchange of communication for the purpose of resolving conflicts, obtaining agreements, and changing the nature of the relationships of the two sides.



5 Characteristics of Negotiation

1. Both sides need or want something from each other.
2. Both sides seek agreement.
3. There is apparent conflict of interests.
4. There may be some tension over who gets what and how much.
5. Elements of the process can change, and often do.



3 Key Elements in Negotiation

- **VALUE** - Different people have different values. Security, achievement, money, reputation differ in value to different people.
- **INTERESTS** - One's interests determine one's position on an issue. Stated positions may or may not correspond to real interests. Focusing on real interests than on stated positions fosters understanding.
- **AGREEMENTS** - they are reached when both sides are able to serve their respective interests.



Two Ways To Negotiate

Soft

Avoids personal conflicts and so makes concessions to reach agreement.

Often ends up exploited and bitter.

Hard

Sees any situation as a contest of wills in which the side that takes the more extreme positions and holds out longest wins.

Often ends up producing an equally hard response, exhausting him and alienates the other side.



Third Way To Negotiate

- There is a third way to negotiate - it is both hard and soft. It is called Principled Negotiation.
- This method decides issues or resolves problems on their merits rather than through a haggling or bargaining process.
- It suggests that you look for mutual gains.
- When the interests of the two sides conflict, the desired results should be based on some objective standards.



Principled Negotiation

- therefore means
 - not bargaining over positions;
 - separating the people from the problem;
 - focusing on interests, not positions;
 - thinking of various options for mutual gains; and
 - using objective criteria.



Positional Bargaining

- The most common form of negotiation is taking and then giving up a sequence of positions.
- It tries to maximize its gains by each side starting with an extreme position and then each giving some concession little by little.



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- It becomes a contest of will, each side trying to force the other to change its position.
 - The more one tried to convince the other of the firmness of his opening position, the more difficult it became to do so. Agreements reached are often less satisfactory to each side than they could have been.



Disadvantages of Positional Bargaining

- Positional bargaining:
 - Is inefficient;
 - Makes the parties adversaries;
 - Often produces unwise agreements, that is they fail to meet the legitimate interests of each side.



Separating People From the Problem

- ❑ Before resolving the substantive issue, the people problem should be resolved first.
- ❑ Negotiators are human beings. They have emotions, their own values and viewpoints which stem from their different backgrounds. They get angry, disappointed, offended, and hostile.
- ❑ Negotiators usually come to the negotiating table as separate parties each working to gain advantage over the other, not as working side by side to resolve an issue.



The Interests of a Negotiator

- Every negotiator wants:
 - To reach an agreement that satisfies his substantive interest.
 - To establish or preserve his relationship with the other party.

- To most family members, business associates, fellow professionals, suppliers/service providers and their clients, government officials, the ongoing relationship is more important than the agreement being negotiated.



Separating the Relationship from the Problem

- Dealing with a substantive problem and maintaining a good working relationship need not be conflicting goals.
- Tackle the people problem directly; do not give concessions on the substance in exchange for good relationship.



People Problems

- People problems fall under three categories:
 - Perception: seeing things the way people want to see them, so different people see the same thing differently.
 - Emotion: people have certain emotions like anger, fear, hostility, mistrust.
 - Communication: what people say and how other people understand what was said.



Dealing with People Problem

□ Perception

- Let each side state what its perception of the issue is.

□ Emotions

- Ask yourself before and during the negotiation what your emotions are and why you feel that way. Ask the other side to do the same. Don't react to anger with anger.



□ Communication

- Make sure the other side is paying attention to what you are saying. And listen to what they are saying. Repeat what they said.



Diminishing the People Problem

- Know as much as you can about the other side.
- Build a personal relationship with the other side even before the negotiation.



Interests Define the Problem

- The basic problem in a negotiation lies in the conflict between each side's needs and desires - or interests.
- Interests motivate people. They are the underlying cause of the position people take during the negotiation.
- The interests of each side may conflict but they can also be compatible.
- Find out what the underlying interests are by asking why the other side is taking a particular position. Ask yourself the same question.



Basic Human Needs Behind Interests

- In searching for the underlying interests, look for those needs that motivate people. They include:
 - Survival
 - Safety
 - Sense of belonging
 - Recognition
 - Control over one's life



What is true for individuals is equally true for groups, institutions, and nations.



4 Facets of Interests

- Interests can be multi-faceted. If you are buying equipment, the vendor can entice you with the:
 - technical aspects – performance, durability, user-friendliness, and cost efficiency
 - emotional/psychological aspects – the feeling that you get that you are abreast of the trends or current practices
 - cultural/political aspects – general acceptance of your decision by the organization’s publics because the brand is popular among non-profit organizations



Broadening Options

- The 4 basic steps in broadening options:
 1. Define the problem. What are the symptoms? What are the disliked facts contrasted with the preferred situation?
 2. Analyze the problem. Sort symptoms into categories. Note barriers to resolving the problem.



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3. Determine possible strategies.
 4. Determine possible steps that can be taken to deal with the problem.



Obstacles to Options

- ❑ Premature judgment – you judge your own ideas as not acceptable.
- ❑ Searching for the single answer –coming to the negotiation table with what you think is the single best answer.
- ❑ Assumption of a fixed cake – each side sees the situation as getting the whole cake or else the other side does.
- ❑ Thinking that solving their problem is their own problem – each side thinks only of its interests.



Generating Option Ideas

- Look through the eyes of different experts in different fields like scientists, sociologists, businessmen;
- Invent agreements of different strengths. Should it be applicable in certain geographical areas, or for a certain period of time only?;
- Identify shared interests and dovetail conflicting interests;
- Ask the other side for their preferences.



Using Objective Criteria

- ❑ Objective criteria must be independent of each side's will.
- ❑ They should be both legitimate and practical.
- ❑ They should apply to both sides.



Examples of Fair Standard

Market value

Precedent

Scientific judgment

Professional standards

Moral standards

Costs

Equal treatment

Tradition

Industry/community practice

What a court of law would decide

Etcetera



Uses of Fair Standards

- The more you bring standards of fairness to bear on the problem, the more likely you are to produce a sound and fair agreement.
- The more you and the other side refer to precedent or industry/community practice, the less chance that either side will feel that he was tricked into the agreement and will try to rescind the agreement.



The Negotiating Process

- Preparation and planning
- Pre-negotiating tactics
- Opening
 - establishing mutual purposes
 - setting initial mood
 - sizing up other side – gaining insight
 - agreeing on rules and procedures
- Initial probing discussion – general discussion of broad issues



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- Initial proposals – presentation of proposal by each side and analysis of proposals by the other side
 - Intermediate bargaining
 - determining each side’s real interests
 - creating and exploring options
 - narrowing down to each side’s basic interests



□ Final bargaining

- final trade-off
- tying down loose ends
- final agreement
- closing and agreement on next steps



Checklist for Preparing to Negotiate

- What are your general objectives for negotiating?
- Analyze the situation with a view to identifying the relevant information to be collected
- Determine your underlying interests and those of the other side
- Identify bargaining strengths and weaknesses



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- Define specific objectives
 - Explore options other than negotiating (can I go it alone? Are there other potential partners?)
 - Decide your negotiating approach and style
 - Plan your opening statement



Power Analysis

- Evaluating your strengths and weaknesses and those of the other side will help you draw the power picture.
- For each of your strengths, consider how to best use it. For each weakness, if exploited by the other side, think of how to minimize or neutralize it.



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- For each strength of the other side, consider acknowledging, neutralizing, or downplaying it.
 - For each of their weaknesses, ask yourself whether you will point it out, exploit it, or strengthen it.



Negotiation Tactics

- Cooperative tactics – using them makes for smoother and quicker negotiation.
- Examples of cooperative tactics:
 - assuming a “let’s work on the problem side by side” attitude and not “we look at the problem from opposite sides” attitude
 - being honest
 - being hospitable
 - acknowledging the other side’s strengths and not disparaging the other side’s weakness
 - choosing a comfortable time and place



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- Competitive tactics – if the other side uses them, don't get intimidated or sweet-talked. Keep your cool. Do not respond with the same tactics. Examples are:
 - outrageous demands
 - hostile posture
 - bluffing or lying
 - threatening
 - self-serving time and place
 - dubious entertainment or gifts
 - sad-story telling



Probing

- ❑ To get an insight into the thinking of the other side, you need to probe.
- ❑ Probing is not the same as prying, which is probing carried too far or into the wrong area.
- ❑ The second purpose of probing is to build further rapport – both personal and professional.
- ❑ Productive probing requires preparation of questions. They have to be thought out well before the actual negotiation.



□ Preparation of questions means

- thinking of the questions to ask
- crafting their wording
- planning the sequence
- anticipating situations that would call for additional questions as when the listener looks puzzled, confused, or unable to answer.



Probing Tools

□ Basic questions:

- closed questions like How much? How long? Where?
- The purpose is to get specific facts.
- Open-ended questions like What are your thoughts on ___? What could be the reasons? Do you think it can be done? The purpose is to learn the other side's thoughts, feelings, attitude.



□ Follow-up questions:

- closed questions (follow up on an answer that is too general or vague)
- open-ended questions like Could you elaborate on that? How else could you do it?



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- Leading questions like *Wouldn't you find that simpler? Wouldn't you find that fair and reasonable?*
 - The purpose is to suggest the type of answer you want to lead the listener into a particular area or thinking
 - Combining closed, open-ended, and leading questions.



Handling Objections

- Listen well to the objection and try to understand it.
- Do not interrupt.
- Restate and confirm the exact objection to make sure that you understood it.
- Probe the objection.
- Respond to the objection in a sincere and cool manner.
- Control the length and tone of your response.
- Maintain a “let us tackle the problem together” attitude.



Thank you.

Oscar Lagman

