

Chapter

1

An Introduction to Negotiation

*H*istory marks the dawn of civilization at the point when humans discovered that farming and domesticating animals offered a better way to sustain life than hunting and gathering. Permanent communities were formed to plant and reap crops and domesticate animals. Individuals, who might have previously observed each other only at a safe distance or as enemies on a battlefield, began to rely upon one another for survival. That survival not only involved joining together for mutual protection from outsiders, but also required internal agreement on the distribution of work and the allocation of resources. Some agreements would have flowed naturally: Men, because of their strength and endurance, would hunt and protect; and women, who would bear and raise children, would also plant and nurture the farms. Other agreements would have come by necessity: Those men and women who were most successful in fulfilling their roles would naturally wield the most influence and would therefore decide how work and resources were to be distributed.

Later the reliance on mores and myths, as well as the establishment of rules and laws, all contributed to the evolution of a society that united individuals for a common goal and made them dependent upon each other for success. And while such dependency did not eliminate disagreements, self-preservation did require these individuals to find ways to resolve internal conflict without weakening their ability to withstand external threats. In other words, they had to find ways to resolve conflict that did not involve destroying each other.

Millennia later, not much has changed. Conflicts continue to arise on both a grand and smaller scale. Most parties find ways to resolve such conflicts through an agreement of some sort. Many people today reach agreement through negotiation. However, many others avoid negotiating situations and some even fear them! Why? They may lack the simple skills, techniques, and experience to prepare and succeed at negotiations. The focus of this book is on understanding how negotiation works and what skills, knowledge, and abilities are necessary to

succeed. If you avoid or fear negotiating situations, realize you are not alone and that negotiation skills can be learned.

Negotiation Skills

In this chapter we present five negotiation skills that can be learned and developed by the novice negotiator, and applied to the end-of-chapter Learning Exercise, "House For Rent."

Skill 1.1 *Recognize the five essential elements in a negotiation.*

Skill 1.2 *Be able to model bargaining behaviors used by skilled negotiators.*

Skill 1.3 *Learn to recognize bargaining styles and how such styles impact bargaining behaviors and strategies in a negotiation.*

Skill 1.4 *Learn how to set collaborative goals to successfully resolve a conflict.*

Skill 1.5 *Recognize and avoid cognitive biases that hinder successful negotiation.*

CHAPTER CASE: ZONING CHANGE

Robert, who had just recently passed the Bar exam, has been approached by a condominium developer, Sophia, who is seeking a change in zoning on a piece of property adjacent to a neighborhood of single-family homes. She would like to hire Robert because her current lawyer is charging her \$300 per hour and she believes that a beginning lawyer would charge less. She is also of the opinion that the legal work involved in the zoning change is minimal, so the fact that Robert has very little experience in this area does not concern her. Robert is eager to have Sophia as a client because this type of work—zoning representation—can be a very good specialty for a lawyer. He is a little concerned about never handling a zoning case before, but he knows that a great deal of the work will involve negotiating and he has had a lot of experience negotiating.

At their initial meeting, Sophia was impressed by Robert's preparation. He knew a great deal about her company and specifically about the neighborhood where the condominium was to be built. When she brought up his fees, Robert, who knew what her last lawyer's firm usually charged per hour, suggested that his fee be a structured fee that reflected the kind of tasks involved. He was willing to discount his hourly rate of \$150 by \$75 for time spent on legal research because, as he admitted to Sophia, he would be doing some on-the-job learning that would benefit him as much as it benefited her. He would discount his hourly rate of \$150 by \$50 for time spent at meetings of the Zoning Commission and its subcommittees when he attended those meetings to gather information—but Robert felt his full hourly rate was appropriate for any appearances before the Zoning Commission and its subcommittees on Sophia's behalf and for any legal documents he would prepare. Sophia, who had

been through the zoning process many times before, countered Robert's proposal by agreeing to the fees he suggested for research and drafting legal documents but wanted to specify that the time spent at meetings when Robert was waiting to appear before the Zoning Commission or subcommittees also be discounted. Such meetings could go on all day, and paying Robert the same to sit there as she paid him for "doing something" was a problem for her. Robert's initial reaction to her counter was annoyance because Sophia seemed to be saying that his time was not valuable. He decided, however, that he would give Sophia these rates in order to get her business, so the deal was made.

The zoning approval process involves three basic steps: staff approval, neighborhood notification, and Zoning Commission approval. Robert and Sophia's first meeting with the Zoning Commission staff went well. They made a very thorough presentation and worked through the issues raised by the staff. Sophia agreed to add a tree line along one side of the development to shield it from the neighborhood and to limit the number of condos to 65 rather than the 70 she had originally proposed. Even though her plans for parking met the zoning standards, the staff wanted the number of parking spaces increased. Sophia would not agree to do that, however, because she would have to eliminate another five condos. Because 65 was her break-even number, she told the staff that the development could not be built with more parking spaces than the rules required. The staff dropped this request and completed its review, making a recommendation for approval to the Zoning Commission. Robert was feeling very good about the process so far, when the notice of the zoning change was published in the local paper as required by the Zoning Commission.

The adjacent neighborhoods of single-family homes, whose residents first learned of the development from the newspaper, started flooding the Zoning Commission with phone calls and e-mails. The staff directed all of these comments to Robert, and his phone began to ring off the hook. Many of the neighbors were misinformed about the project, not familiar with the zoning process, and misunderstood their legal rights as to how the property was to be developed. Robert and Sophia attended a meeting to discuss the condominium plans with the neighbors. The meeting did not go well. The residents were not interested in hearing what Robert and Sophia had to say. They were there to express their objections to the project in no uncertain terms. Their list of objections included the possibility of increased traffic through their neighborhood, a negative impact on their property values, a fear of subsidized condo owners (i.e., those who qualified for government assistance), and noise. After about an hour of listening to angry complaints and being interrupted when they tried to address the concerns, Robert and Sophia simply left the meeting.

After conferring with the Zoning Commission's staff, Robert suggested to Sophia that a three-party meeting be arranged at which Sophia, the zoning staff, and representatives of the affected neighborhoods would sit down and try to resolve some of the neighbors' complaints. Robert was afraid that if Sophia did not address their concerns, the neighbors would convince the Zoning Commission to turn down her zoning change. The parties agreed to the meeting to resolve the conflict.

Negotiation is a way to resolve issues without resorting to actions that hurt or destroy relationships. Not every interaction between two parties is a negotiation.

However, every negotiation requires an interaction between at least two parties who have a relationship. The parties must be motivated to negotiate. That is, each party must need or at least perceive that he or she wants or needs something that the other party has or can control. Furthermore, both parties must be able to propose options, make decisions, and deliver on their agreement.

There are three basic types of negotiations: deal-making negotiation, decision-making negotiation, and dispute-resolution negotiation. When people think of "negotiating" they are usually thinking of a type of **deal-making negotiation**, such as the purchase or sale of a home or a car, collective bargaining between a company and its employees, or entering into a contract for construction or legal services, as Robert and Sophia did in the Chapter Case. It is generally an exchange of something of value between the two parties. **Decision-making negotiation** is when the object of the negotiation is to arrive at a mutually beneficial decision. It occurs in numerous settings such as the exchange between Robert and the Zoning Commission staff, or within a workplace between co-workers who must jointly decide upon a course of action. **Dispute-resolution negotiation** occurs when an issue has reached an impasse and the parties are attempting to resolve the dispute. In the Chapter Case, there is the possibility that if Sophia is granted her zoning change but cannot satisfy the concerns of the neighbors, the issue might land in litigation. Settlement negotiations in litigation are a common type of dispute resolution.

For purposes of this text, rather than focus on the difference between these types of negotiations, we will focus on the five elements common to them all: (1) at least more than one party or interest, (2) interdependency, (3) common goals, (4) flexibility, and (5) decision-making ability or authority.

THE FIVE ELEMENTS OF NEGOTIATION

Not all conflict situations can be resolved through negotiations. As noted in the preceding paragraph, the elements that must be present for negotiations include multiple parties or interests, interdependency, a common goal, flexibility, and the ability to make a decision. In the Chapter Case, there are multiple parties and interests involved in the proposed zoning change: Robert, Sophia, the zoning staff, the neighbors, and the Zoning Commission. They are certainly interdependent because without approval of the Zoning Commission, Sophia could not proceed with her project and Robert would not have a client or an opportunity to learn how to handle a zoning case. The neighbors need the Zoning Commission to stop Sophia's development or at least to make changes in it that they can live with. Sophia needs the assistance of the Zoning Commission staff to help her satisfy the neighbors' concerns, or else she will risk not getting the zoning change. The parties have a common goal in having the zoning request decided—although at this point their individual goals on how the request is decided may be in conflict. The parties probably have sufficient flexibility in how they address the competing interests, although Sophia's decision to go forward may be limited by the feasibilities of developing a profitable project. Finally, it remains to be seen if the parties can make the decisions necessary to move the

decision forward. Representatives of the neighborhood, for example, may not be in a position to speak for all of the neighbors, and the zoning staff's role is limited to making a recommendation to the Zoning Commission, which has the final say. Let's explore these elements to a negotiation in more detail.

The Parties and Their Interests

The parties to a negotiation can be friends trying to agree on what movie to see, co-workers trying to come up with a solution to a work-flow problem, a business owner and her vendors, world leaders trying to avoid war, or a developer and disgruntled neighbors as in the Chapter Case. Conflicts occur when the parties believe that their goals and/or needs cannot be satisfied at the same time. This perception can come from the parties' beliefs about their own goals and needs, beliefs about the other parties' goals and needs, a belief that they lack viable solutions. Conflict resolution experts Robin L. Pinkley and Gregory B. Northcraft explain that disputants have a certain orientation by which they view a conflict situation. That orientation, or frame, leads them to focus on some characteristics of the conflict and ignore others. These *conflict frames* are relationship/task, emotional/intellectual, and cooperate/win.

- The **relationship/task frame** refers to the extent that the parties focus on either their ongoing relationship or the subject matter of the dispute. A person with a relationship orientation will focus on interpersonal concerns, and a person with a task orientation will focus on the material aspects of the dispute (such as money or property).
- The **emotional/intellectual frame** reflects the degree of attention that the parties pay to the emotional components of the dispute. An emotionally oriented person will be concerned with the emotions displayed in the dispute, whereas an intellectually oriented person will be concerned with the behaviors that the parties exhibit.
- The final orientation, the **cooperate/win frame**, reflects the attitude of the parties about responsibility for the dispute. A person with a cooperative orientation will see both parties as sharing some responsibility and focus on increasing the benefit to both parties to reach agreement. The person with a win orientation blames the other party for the dispute and seeks to win, maximizing personal gain at the expense of the opponent.¹

The Negotiators Negotiations can take place between two individuals who are representing their own interests, such as an individual and her lawyer who are negotiating a representation deal. Or it can be between a group of people engaged in a decision-making process, such as the developer and the staff of the Zoning Commission in the Chapter Case. Or it can be between two parties representing interests other than their own, as is typically found in a business transaction between a company and its suppliers. *Independent agents*, such as a lawyer or broker, are *outside parties* that are often hired because they have the expertise that their client believes is needed to negotiate with the other party. Outside parties are also hired when the client is worried about preserving the relationship with the other party, while still wanting a good deal. An agent can put distance between the client

and the other party, thus enabling the agent to be more aggressive than the client would be while pursuing a better deal. *Non-independent agents* are *inside parties*, individuals who are identified with and who act on behalf of the principal party. A Human Resources director will often negotiate union contracts on behalf of the employer. The ability of an inside agent to put distance between the boss and the other party is more limited.

The challenge in being an agent of a principal party who is not in the negotiations is to make sure the principal party is aware of how the negotiations are progressing. **Bargaining** is a process that includes gathering general information, learning the priorities of the other side in the specific negotiation, and assessing the strengths and weaknesses of their positions. If the principal is not a direct part of that process, the agent must discuss the information gathered at the negotiating table and get direction from the principal about how to proceed.²

Traits of Skilled Negotiators Negotiators can aid or impede the progress of a negotiation. In a study of "successful" negotiators, researchers were able to identify behaviors that can make the difference between the success or failure of a negotiation.³ The negotiators were observed bargaining and were identified as "successful" in the following circumstances:

- If they were rated effective by both sides
- If they had a track record of significant successes, where the parties agreed
- If they had a low incidence of failures where the parties could not reach agreement

Prior to the actual negotiations, skilled negotiators spent about the same time planning as average negotiators, but, the skilled negotiators also did the following:

- Considered a wider range of outcomes or options
- Averaged twice as many discrete ideas
- Gave three times the attention to areas in which the parties might agree
- Referred to long-term considerations twice as often
- Developed a range of possible settlement points rather than a single goal

During negotiations, techniques used by skilled and average negotiators also differed. Average negotiators planned to cover issues sequentially in a predetermined order, whereas skilled negotiators allowed issues to be separated, dealing with them independently in order to promote both flexibility and an atmosphere of agreement.⁴ Skilled negotiators used neutral phrases such as "another offer," rather than the more irritating phrase "generous offer," and skilled negotiators did not immediately offer a counterproposal as often as average negotiators, because an immediate counterproposal indicates that the party didn't take the proposal seriously. The skilled negotiators focused on one or two very specific reasons why their proposals or positions were good. By focusing on the key or best reason for their argument, these skilled negotiators did a much better job of communicating the needs of their side. The average negotiators, on the other hand, generally gave the opposing side at least three or more reasons why their position was superior in each area of disagreement. Such overkill can leave their bargaining partner without a clear idea of their needs.

After the negotiations, differences also surfaced between the skilled and the average negotiators. Two-thirds of the skilled negotiators reviewed the process afterward to see what they could learn, whereas fewer than half of the average negotiators bothered to do so.

Thus, in general, skilled negotiators differed from average or less successful negotiators in nine behavioral areas, summarized in Table 1.1.

Developing Negotiating Skills Throughout this text, you will find skills that you can learn and practice to become a better negotiator. The following points give you an idea of what to focus on as you begin to build these skills.⁵

Negotiations are rarely pure win-lose or win-win propositions. The typical win-lose negotiation involves a strictly distributive result—for instance, in buying a house, more money paid to the owner represents less money for the purchaser. A win-win negotiation is when both parties' interests have been integrated into the result—as when an elderly homeowner is relieved of the obligation of keeping his house up to code and the purchasers could afford the house because they can do home improvements themselves. However, in reality most negotiations are mixed-motive situations where one party benefits more than the other, although both have some of their interests satisfied. A skilled negotiator remains flexible in order to respond to the changing dynamics of a negotiation.

Negotiations take place under conditions of ambiguity and uncertainty. Negotiators are constantly faced with the choices of accepting what's been offered, breaking off the negotiations, or continuing to negotiate in hopes of forging a better agreement. This decision must be made when the parties cannot be sure that they have all the information or that they have explored all of the possible areas of agreement. Both sides have likely attempted to shape the other side's perceptions by framing the issues,

Table 1.1 Contrasts Between Skilled and Average Negotiators

SKILLED NEGOTIATORS	AVERAGE NEGOTIATORS
Considered a wide range of outcomes or options	Considered a narrow range of outcomes or options
Gave three times the attention to common ground areas	Considered one-third as many common ground areas
Anticipated twice as many long-term areas	Anticipated half as many long-term areas
Developed upper and lower limits for possible settlement points	Planned goals around fixed settlement points
Were flexible on the order of issues to discuss	Addressed issues in an inflexible, predetermined order
Used neutral phrases when proposing offers	Used judgmental phrases when proposing offers
Took time to consider proposals before countering	Offered counterproposals immediately
Gave only one or two key reasons why their position was better, quality over quantity	Gave numerous reasons why their position was better
Reviewed the negotiations afterwards for improvement	Did not review negotiations afterwards

selectively providing information, invoking principles of fairness, and perhaps making threats or promises. A skilled negotiator learns to navigate through the ambiguities and uncertainties by preparing for the negotiation as thoroughly as possible and by being vigilant during negotiations in paying attention to the other side's real interests.

Most negotiations involve existing or potential sources of conflict that impede reaching agreement. A negotiator is often called upon to diagnose such sources of conflict and to play a mediator's role in managing the conflict between the sides or within one's own side. By doing this, a skilled negotiator establishes and sustains a productive working relationship with a bargaining partner.

Negotiations are chaotic and seldom pass sequentially through distinct phases such as pre-negotiation, deal structuring, detailed bargaining, and agreement. Skilled negotiators are imaginative and creative in order to cope with the chaos. They have a firm grasp of their goals but are flexible on how to get there.

Negotiations involving multiple parties and complex issues challenge a negotiator. A skilled negotiator knows when and how to create coalitions in multiparty negotiations, and how to structure the negotiation so that the right parties are at the table and the right interests are being addressed.

Most negotiations are linked to other negotiations. Negotiations are seldom self-contained or stand-alone processes. Even a simple negotiation like the purchase of an automobile can involve more than just the purchaser and seller, because there are competitors who might affect the dynamics of that exchange. Certainly, the parties to a negotiation may have a long history with each other or with the same third party or other types of linkages that can influence the negotiations. Skilled negotiators seek to advance their interests by creating or neutralizing those linkages depending upon the desired result.

Negotiating progress comes in stops and starts. Movement toward or away from agreement occurs in surges rather than an even flow. The parties make choices when they lack more attractive alternatives but know that doing nothing is not an option. Skilled negotiators employ techniques to build such momentum toward agreement—including establishing ground rules that prevent backsliding, making unilateral concessions to pressure concessions from the other side, and setting deadlines.

Most complex negotiations take place between agents of groups and not the groups themselves. Often the skilled negotiator is called upon to work within his or her own group to shape their negotiating goals and expectations. Good negotiators play a leadership role in managing the multiple, interacting levels of negotiations within the group itself and between the group and the other side.

Complex negotiations often involve a team approach. A skilled negotiator knows when and how to use a team approach to negotiations. For example, complex negotiations requiring a diverse set of knowledge, expertise, and abilities and with the potential for integrative solutions are ideal for teams. Negotiations involving diverse constituencies and interests, such as labor negotiations, lend themselves to a team approach. The skilled negotiator shows trust and respect for team members and takes the time to organize and coordinate the team effort.⁶

Negotiating skills can be learned. Although certain people may have more inherent ability, everyone can learn to be a better negotiator. Research suggests that the difference between a novice and an expert negotiator includes the ability to see familiar

patterns, such as coalition alignments, in negotiations; to filter out irrelevant clutter in order to grasp threats and opportunities in a timely manner; and to develop action and contingency plans on the spot that anticipate reactions, and to refine or discard those plans as necessary.

Bargaining Styles People have different bargaining styles—relatively stable, personality-driven clusters of behaviors and reactions that arise in negotiating encounters.⁷ A popular way of describing bargaining styles is the **dual concern model** described by noted educators Dean G. Pruitt, Jeffrey Z. Rubin, and Sung Hee Kim.⁸ The dual concern model, pictured in Figure 1.1, explains how one's behavior while bargaining or during a conflict is based on two concerns: the desire to satisfy oneself and the desire to satisfy the other party.⁹ The bargaining styles associated with the dual concern model stem from two personality dimensions: *assertiveness* and *cooperation*. Assertiveness measures the attempt to satisfy oneself, and cooperation assesses the attempt to satisfy the other party. These two dimensions yield five negotiation styles commonly designated as follows:

- Avoiding
- Accommodating
- Collaborating
- Competing
- Compromising

Avoidance and accommodation are used to deescalate a negotiating conflict. Competition, compromise, and collaboration are used to engage in the negotiating conflict and, if possible, resolve it. Avoidance, accommodation, and compromise are essentially unilateral behaviors, whereas competition and collaboration require active participant by both parties.

Negotiators with a strong predisposition to *avoiding* are adept at deferring confrontational aspects of negotiation. As a positive trait, avoidance can be displayed as tact and diplomacy. As a negative trait, however, it can lead to stalemate. By avoiding conflict, a negotiator may eliminate the communication necessary for the parties to indicate what is truly critical to reaching agreement.

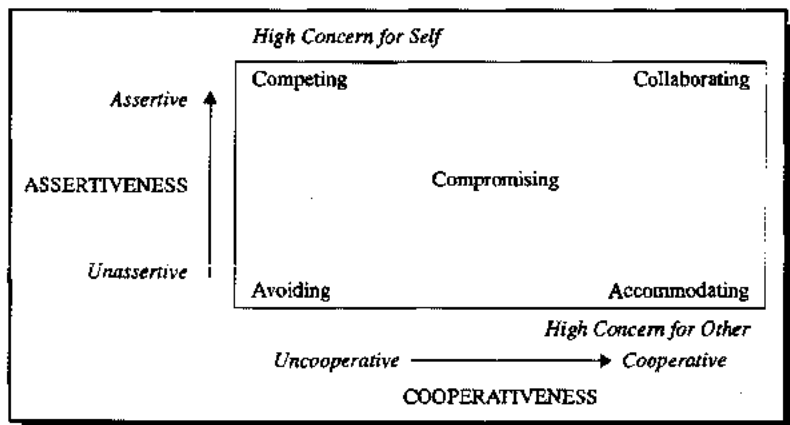


Figure 1.1
Dual Concern
Model of
Bargaining Style

Source: Adapted from Dean Pruitt, "Strategic Choice in Negotiation," in *Negotiation Theory and Practice*, eds. J. William Breslin and Jeffrey Z. Rubin (Cambridge, MA: Harvard Law School Program on Negotiation, 1991), 27-46.

A negotiator with a strong predisposition to *accommodating* derives satisfaction from solving someone's problem. This negotiator is a good team-builder and is sensitive to others' emotional states and body language. The accommodating style is useful in joint decision making negotiations, sales-based deal making, and conflicts when emotions are running high. The tendency to emphasize the relationship over the content of a negotiation, however, may cause an accommodating negotiator to make unwise concessions.

Competitively inclined negotiators see negotiations as an opportunity to win what they view as a game or a sport. These negotiators, with a predisposition to *competing*, thrive on winner-take-all situations. Self-interest—that is, achieving one's goals at the other's expense—is the primary motivation. They have excellent instincts for pressure tactics such as creating leverage through the use of deadlines and threats or taking advantage of positioning techniques such as initial offers and ultimatums.

Collaboration as a negotiating trait is the cornerstone of integrative bargaining. Negotiators with a strong disposition to *collaborating* enjoy negotiations because they enjoy participating in the joint solution to a problem, recognizing the interdependence of the parties and the need to satisfy the interests of both. As a positive trait, collaborative negotiators bring both parties to the same side of the table so they can confront the problem on the other side. They instinctively probe beneath the surface of conflicts to discover the real interests of the parties.

Finally, a negotiator with a predisposition to *compromising* is eager to conclude the negotiation based on fair standards or established formula. As a positive trait, compromising negotiators are at their best when time is short and the stakes are small.¹⁰

What determines one's bargaining style: Is it personality driven, or does it come from the bargaining situation itself? And can we relate a negotiator's bargaining *style* to bargaining *behavior*—or do behaviors come also from the bargaining situation itself?

In a recent study conducted with 138 undergraduate students using a negotiation simulation, researcher Zhenzhong Ma sought to determine whether personality factors could predict an individual's bargaining style and whether one's bargaining style adequately predicts bargaining behaviors. Using the **Five Factor Model (FFM)** (also called the "Big Five" personality dimensions, which are detailed in Table 1.2), Ma determined that people high in *neuroticism*, who you might think would find conflict threatening, did not display a preference for any of the negotiating styles. Likewise, *openness* and *conscientiousness* were found not to relate to any specific behavior preference in a conflict situation. The personality dimensions that did relate were *agreeableness*, which was positively related to compromising and negatively related to competing, and *extroversion*, which positively related to competing or collaborating, negatively related to avoiding, and not particularly related in either way to compromise or accommodation. His study did find that conflict styles can predict actual bargaining behaviors: Assertive styles, such as competing and collaborating, led to more competitive behaviors; a collaborating style also showed a positive relationship to compromising behavior; avoiding was negatively related to the assertive styles; and, surprisingly, accommodating and compromising styles didn't predict compromise behavior.¹¹

Table 1.2 The "Big Five" Personality Dimensions

DIMENSION	ASSOCIATIONS	OPPOSING
Neuroticism	Anxious, depressed, worried, insecure	Emotionally healthy, calm, free from persistent negative feelings
Extroversion	Sociable, assertive, talkative, active	Introverted, quiet, low-key, deliberate
Openness	Imaginative, curious, original, open-minded	Conventional, narrow-minded, straightforward, conservative
Agreeableness	Courteous, flexible, trusting, cooperative, tolerant	Suspicious, unfriendly, uncooperative, critical, disciplined
Conscientiousness	Careful, responsible, organized, persistent	Unreliable, lacking ambition, easily distracted

Authors Grant T. Savage, John D. Blair, and Ritch L. Sorenson suggest that the classic negotiating styles, with some modifications, can be used as negotiating strategies. For instance, *actively avoiding negotiations*, when employed as a strategy as opposed to a style, can be used when a party is simply not interested in negotiating.¹² Perhaps the matter at issue is not important enough or worth enough to engage in negotiations. However, if the opponent is interested in negotiating, then *passive avoidance*, letting someone else take over the negotiations, for example, makes sense.

Accommodation as a strategy is known as *open subordination*, where a negotiator chooses a yield-win strategy to dampen hostilities, increase support, and foster more interdependent relationships. To protect oneself from a less than optimal situation at the negotiating table because the other party is not as interested in the relationship, one can adopt a *focused subordination* strategy, which limits the areas in which the negotiator is interested in reaching an accommodation.

As a strategy, *firm competing* can be used when the substantive interests are important but the relationship is not. Under some circumstances, such as when the parties have unequal bargaining power, the directness of firm competing should be modified to soft competition. The relationship may not be of much importance, but it is still wise to consider it on occasions.

Trusting collaboration, as a strategy, can be used when both the relationship and the substantive outcomes are important to the negotiator. If the other party does not reciprocate, then the negotiator can use a modified collaborative strategy known as *principled collaboration* by which the parties agree to conduct negotiations based on a set of mutually agreed-upon principles.

Behaviors during a negotiation can change. Anyone might employ any of the techniques in a negotiation situation depending upon the circumstances. A negotiation may begin in one behavioral style and move through others. Situational variables that influence the type of behavior exhibited include the following:

- Subject matter of the negotiation (resources, power, dependency of the parties)
- Previous success in using a particular style
- Relationship of the parties (family, supervisors, peers, or subordinates)¹³

The behavior by one party is obviously influenced by the response received. It is the interaction of the parties that determines the negotiating dynamics.¹⁴ If avoidance is matched by accommodation, then the negotiation is probably over. But if avoidance is met by competition, the negotiation can escalate in a negative way. And if avoidance is met with a collaborative style, the negotiation may result in agreement. Table 1.3 summarizes the bargaining styles discussed here.

The Role of Emotions in Negotiation Negotiation or conflict resolution is a process where the outcome is ultimately a choice made by the parties from among available alternatives. Deciding which alternative is one's preference involves not only an evaluation of facts but also an investment of some emotion. Emotions (anger, happiness, fear) and moods (grumpy, depressed, apprehensive) collectively influence a party's judgment and decision tendencies. Many decisions have pros and cons on both sides with no rational way to distinguish among the options. As you will see in the experiments described next, emotion may be a critical component of the decision-making process by giving the individual a basis for making a choice.

Table 1.3 Attributes of Bargaining Styles

CONFLICT STYLE	STRONG PREDISPOSITION	AS A POSITIVE ATTRIBUTE	AS A NEGATIVE ATTRIBUTE	WEAK PREDISPOSITION	AS A STRATEGY
Avoiding	Defers confrontational negotiation	Displays tact and diplomacy	Causes stalemates	Prefers hard-nosed bargaining	Used when not interested in negotiating
Accommodating	Derives satisfaction from solving problems	Is good team-builder	May make unwise concessions	Has little patience for other party's needs	Used when hostilities need to be lessened
Competing	Views negotiation as a game or sport to win	Has excellent instincts for claiming value	Focuses on issues that are easy to define as win-loss	Believes in treating people fairly and avoiding needless conflict	Used when substantive interests are important, but not the relationship
Collaborating	Enjoys participating in joint problem solving	Instinctively tries to discover and satisfy the real interests of the parties	May transform a simple problem into a complex one	No patience for the give-and-take that comes with collaborative thinking	Used when relationship and the substantive outcomes are important
Compromising	Is eager to conclude negotiation on fair standards	Is best when stakes are small and time is short	Can rush the process and agree to unnecessary concessions	Refuses to compromise on principle	Used when stakes are small, time is short, or in a weak bargaining position

Neuroscientists have studied the effect of emotion on decision making. Patients with damage to the frontal cortex of their brain experience greatly diminished emotional responses, although their intellectual function and memory are unaffected. In one experiment, when given a choice of two possible dates for an appointment, one patient spent 30 minutes trying to choose, using a sophisticated cost-benefit analysis that far exceeded the demand of the task. In another experiment simulating gambling, the parties were asked to choose a card from one of four decks. Every time a party chose a card from A or B deck, he won \$100; when he chose a card from C or D deck, he won \$50. After a while the parties were told that they had to begin returning some of the winnings. The rate of unpredictable losses per 10 cards from stacks A and B averaged \$1,250, whereas the average unpredictable losses per 10 cards from stacks C and D averaged \$250. So choosing cards from C and D decks resulted in the most gain. The normal subjects learned to pick from C and D, and experienced signs of tension as they selected a card. The impaired subjects, on the other hand, continued to select from the A and B decks and showed no signs of tension.¹⁵

Author Daniel Goleman, in his book *Working with Emotional Intelligence*,¹⁶ promotes the idea that for individuals to negotiate effectively, they need to identify and use their emotional intelligence. Emotional intelligence is a term encompassing the following five characteristics and abilities as they relate to a bargaining situation: (1) *self-awareness*—the ability to be aware of which emotions, moods, and impulses one is experiencing and why, as well as being aware of the effect one's emotions are having on others involved in the negotiation; (2) *self-regulation*—the ability to keep one's emotions and impulses in check, to remain calm in potentially volatile negotiations, and to maintain composure regardless of one's emotions; (3) *self-motivation*—the ability to remain focused on one's goals in the negotiation despite setbacks, to operate from a hope of success rather than a fear of failure, and to accept change as necessary to attain goals; (4) *empathy*—the ability to understand the feelings being transmitted at the negotiations through verbal and nonverbal messages, to provide emotional support when needed, and to understand the link between others' emotions and their behavior; and (5) *managing relationships*—the ability to deal with problems without demeaning the opponents, not to let others' negative feelings prevent collaboration, and to handle conflict with tact and diplomacy.¹⁷

In the Chapter Case, Robert and Sophia could have drawn on their emotional power and intelligence during the meeting with the neighbors, to defuse their anger and facilitate a healthy dialogue.

Interdependency

If there is no interdependency between the parties, there can be no reason to negotiate and no motivation to reach agreement. If one party is totally dependent upon the other, the dependent party has nothing to offer and the other party can simply dictate the terms of the relationship. Likewise, if both parties are totally independent, there may be no need to negotiate because either party can survive without the other. Interdependency means that for some reason each of the two parties depends upon the other—at least as it concerns the object of the negotiation—and therefore the parties are motivated to enter into a negotiation and to reach agreement.

The degrees of interdependency can vary based on the depth and duration of the relationship. In a *one-shot negotiation*, such as a negotiation for the purchase of a

car or a home, the transaction is generally between strangers in which one party supplies the other party with the car or house in exchange for money. The interdependency between the parties in this instance is shallow and of short duration. *Repeat transactions* between parties, as might occur between a manufacturer and its suppliers, can create a deeper relationship in which the parties have more interdependency than in a one-shot negotiation. The relationship can be of long duration because they have the possibility of more transactions in the future. But the parties, while interdependent in these transactions, are still *free agents*—that is, if either party becomes dissatisfied with the other, both could walk away.

Some negotiations occur between parties in a long-term relationship in which one side controls more of the resources, such as an employer and her employees. In a situation like this, the relationship from the employees' standpoint is deep, as they have the greater dependency because the employer controls the resources needed to pay them. In terms of duration, it is a long-term relationship as long as the employees perform so that the employer can stay in business. The employer, in turn, is dependent upon the performance of the employees—but because employees can be replaced, the employer's dependency is less.

A negotiation between parties in a long-term relationship of equal standing, such as a business partnership, typifies a very deep interdependency. The parties have a common identity, goals, risks, and rewards—so if either party became dissatisfied with the other, walking away would be difficult. The tactics in Box 1.1 can help you identify the interdependency in a negotiation.

BOX 1.1 Tactics for Success

Find Common Interests by Asking the Right Questions

Interdependency means that the parties to a negotiation have some reason to reach agreement. If a negotiator can identify the common interests, then he or she may be able to offer solutions that address those interests. One way to find common interests is to ask the right questions. Following are some examples:

Open-ended questions seek information: What were you hoping to settle today? How can we move this issue forward?

Leading questions point in a particular direction: Don't you think that our last proposal gave both of us some benefit? Don't you think that it is important that we resolve at least this issue today?

Clarifying questions focus the discussion: Do you find the discipline troubling mainly because of this past year's experiences? You want me to agree that the new bonus system will not begin until the new fiscal year?

Gauging questions aid in finding the other's point of view: Is it important to you if we finish up today, or can we have another day to consider the offer? How do you feel about our latest proposal?

Decision questions seek to reach agreement: If I could guarantee an abbreviated hearing process, would you be willing to limit appeals to dismissals? If all of the salespeople could report to the office on a regular schedule, could we begin using flextime?

Common Goals

There are two types of goals within every conflict: content goals and relationship goals. A **content goal** is the substance of the issue, such as getting a development plan approved, landing a client, or satisfying neighbors. The **relationship goal** defines how the parties intend to relate to each other—for instance, whether the parties are important to each other, whether they are willing to share decision-making authority, whether they intend to dictate to one another. The parties may not be aware that there are two goals within a negotiation. They might resolve the content goal without ever addressing the relationship goal. If this happens, the conflict continues after the negotiation is complete, albeit in subtler ways. In the Chapter Case, Robert and Sophia wanted to cooperate with the Zoning Commission staff in order to establish a good working relationship for this project and for projects in the future.

The parties may have a **prospective goal**—that is, the goal they identify at the start of a negotiation. In the Chapter Case, for instance, Robert and Sophia's prospective goal for the three-way meeting with the Zoning Commission and the neighborhood was to eliminate the neighborhood's opposition. Goals may change or emerge as the negotiation progresses. **Transactional goals** are those that either arise or become apparent during the negotiations, not before or after. Adaptability is crucial to successfully resolving transactional goals; the parties must be able to change their expected result during the negotiation. For example, in the Chapter Case, Sophia initially did not have any reason to agree to the Zoning Commission staff's suggestion on increasing parking spaces. However, after the neighbors began to protest her development, she decided it would be beneficial to have the enthusiastic support of the staff, so she agreed to the parking change.

Retrospective goals are those that emerge after a negotiation has concluded. People continue to make sense of a negotiation after it is over—either as a way to justify their decisions or as a learning process on how to resolve similar issues in the future. If, for example, employees whose encounter with their employer did not result in a raise but did give them a sense of how the employer values or does not value their work, the goal of clarifying the relationship may become, in retrospect, the point of the negotiation.

In integrative negotiations, the parties set **collaborative goals**—that is, they attempt to identify and satisfy mutual goals. A negotiation that takes the interests of both sides into account results in a fair and durable agreement. It has both solved the content dispute and enhanced the relationship of the parties.¹⁸

Flexibility

In a study to determine how people who have not negotiated regularly view the negotiation process, 25 undergraduates were asked to generate a sequence of 20 actions that occur when two people negotiate. The results showed that when the term *negotiate* is used, most individuals characterized the interaction as “competitive” and involving “incompatible interests.”¹⁹ In such a negotiation, a distributive

model* would dictate that the negotiator should approach the bargaining table expecting a lot, giving up a little, and willing to walk.²⁰

Although that might work well in simple negotiations, such bargaining is less productive in negotiations involving multiple hard-to-quantify issues where no obvious common ground exists. In those kinds of negotiations, integrative and interest-based bargaining models are more productive. Participants in a negotiation need to be flexible about the processes they are willing to use. If they approach a negotiation with a closed mind as to how the negotiation is to be conducted, it is unlikely they will reach agreement.

Why do we continue to think of negotiation as a win-lose proposition? For one thing, society encourages us to engage in hard bargaining. Certainly in U.S. culture we learn to win at games, beat opponents, and get the best grades, car, or deal, regardless of anyone else's needs. Such an attitude is difficult to unlearn because hard bargaining may have worked in the past, so changing to something that is seen as weaker or emotional is not very appealing. Negotiators often feel they have taken the moral high ground in a negotiation and that any change would compromise their principles. But being flexible does not require compromising principles or acquiescing for the sake of an agreement. Being flexible means protecting and fulfilling your own interests, while finding creative ways to minimally satisfy the interests of others as well.²¹

Participants must be flexible to respond to power plays in a negotiation. Negotiators often make tactical moves—such as belittling a proposal, making threats, or appealing for sympathy—in an attempt to shift power in the bargaining situation. A negotiator must be able to respond to such tactics in a strategic way. For instance, strategies for responding to power moves made by the other side include taking a break, asking a question, correcting a misstatement, or ignoring the attempt and continuing to negotiate.²² A power shift can quickly occur in a negotiation situation. Just the addition of new facts can quickly alter the balance of power between parties—even between a father and son as illustrated in the accompanying cartoon, or in an actual negotiation as described in Box 1.2.

Zits



Source: Zits is syndicated by King Features Syndicate Inc. Used by permission.

* In later chapters we will examine in detail the negotiation models commonly called *distributive bargaining* (Chapter 3), *integrative bargaining* (Chapter 4), *interest-based bargaining* (Chapter 4), and *alternative dispute resolution* or *ADR* (Chapter 7).

BOX 1.2 Traps to Avoid

Shift in Power

In a recent labor negotiation, the parties, who had been negotiating for five months, were nearing the expiration of the current contract and had resolved all issues except for pay. One of the major areas of conflict at the negotiating table had been the perceived "hierarchical" management structure of the organization, particularly as to how overtime pay issues were handled. And although there was a new operations manager, most of the line supervisors were still in place. The employer, aware of the employees' complaints, had made a number of noneconomic concessions in the negotiations on the overtime issue. The employees' negotiating team seemed pleased with the progress made to date, and all indications were that agreement could be reached on wages before the deadline. The employer was prepared to negotiate the last issue from a position of relative advantage, as the employees would not get a raise in pay until a new contract was in place.

However, the day before the parties' negotiation session, at what they thought would be for the last time, a line supervisor told union members that when the contract expired—since agreement on a new contract was not imminent—supervisors would be able to mandate overtime whatever way they chose. When the negotiation session began, the employer was thus confronted with an angry bargaining team that accused the employer of negotiating in bad faith. The employees believed the employer was stalling negotiations in order to allow the contract to expire so he could impose mandatory overtime rules unilaterally. The employer assured the employees that he had not stalled negotiations and that he did not intend to impose new work rules even if agreement was not reached before the deadline.

The employer's opportunity to get an agreement on wages favorable to the company evaporated when he had to agree to continue the current contract day-to-day until they reached agreement on a new contract. The shift of power in the negotiation resulted from inappropriate statements of those not at the bargaining table.

Decision-Making Ability

When conflict is at the core of negotiations it manifests itself in three areas: relationship conflict, resource conflict, and process conflict. *Relationship conflict* comes from interpersonal incompatibilities, friction or tension between parties, their lack of familiarity, or their lack of trust. *Resource conflict* is a disagreement or difference of opinion over the object of the conflict, or incompatible goals or disagreement over the allocation of resources between the parties. And *process conflict* can arise when the parties use different strategies for resolving conflicts—competing versus collaborating, for example.²³

Underlying all those manifestations of conflict is the fact that negotiation is an activity that involves at least two people making decisions that require judgments and choices. *Judgment* involves recognizing and evaluating the content of the options presented. *Choice* involves actually selecting an option. Negotiators or the

parties to a conflict often differ in how they think or process information and in their beliefs and value systems, so when called upon to make judgments, conflict can escalate. The parties may differ on how they react emotionally to a conflict or by what motivates them. Both of those factors can influence their choices, making agreement more difficult.

People develop *schema* as a way of organizing current knowledge and as a way to process future information. A *schema* is a framework or structure for one's beliefs about a particular issue. Through the use of schemas, people can quickly organize most everyday situations and act effectively without effort. For example, most people have a stairway schema, and can apply it to climb staircases they've never seen before. Because one's schema, or *frame of reference*, is determined by personal experience and expertise, the parties to a conflict may not be experiencing the particular situation in the same way. In Box 1.3 you can see how a schema might affect a bargaining situation.

It is essential to the negotiating process that both parties are in a position to *make a decision* and are *willing to commit* to the agreement reached. Keep in mind that in many situations the parties doing the bargaining may be representing other parties. For instance, two or three union negotiators may represent 1,000 workers in an assembly plant, while the management representatives across the table from them represent its owners. A car salesman may have to check with the manager before reducing the price of a car, while a buyer may have to check with a spouse before committing to buying it. In those circumstances, even though both sides have to "go back" to their respective principals for "ratification," the negotiators must be empowered to reach agreement or the negotiations are a waste of time.

Max H. Bazerman and Margaret A. Neale applied behavioral decision theory to negotiation and moved researchers away from simply focusing on the bargaining process of moves, countermoves, goals, and expectations to understanding the cognitive process of judgment and choice involved in negotiation.²⁴ Howard Raiffa refined this research by noting that the study of negotiation must include not just the study of what negotiators *should* do—the rational or normative perspective—but also what negotiators *are likely* to do—the behavioral or descriptive perspective.²⁵ Decision making in negotiations thus involves cognition, personal biases, and motivation.

Cognition and Heuristics Cognition refers to the process of assimilating information to make rational choices. Negotiation is an activity that requires participants to make judgments and choices. Theoretically, negotiators gather the optimal amount of information needed for decision making, make accurate assessments of that information, compare the expected value of an agreement to the expected value of nonagreement, and choose the alternative that maximizes their interests. This *rational choice theory* is the basis for the most frequently used bargaining processes. However, when judging the contents of options, two people can look at the same information and draw totally opposite conclusions, because each is seeing it from his or her own vantage point.

Parties in a negotiation are faced with a constant stream of choices and many choices involve uncertainty. They may also be called upon to process information

BOX 1.3 Traps to Avoid

Negotiating with a Friend

You're in the market for a used car for your son to take to college and find out that a friend of yours is selling her car. You know that the car is in good condition because she is selling it only because she inherited a better car from her mother. This would be a perfect solution—buy the car from your friend—yet you hesitate. The thought of it makes you uncomfortable. But why?

Individuals develop and use schemas to chart their way through day-to-day routines. One such schema is knowing how to act with friends, including behaviors that are acceptable and unacceptable. Likewise, we develop schemas on how to behave in negotiations, which include not revealing too much information about your priorities, offering less than you are willing to pay, and arriving at the best deal for yourself. These schemas can clash when negotiating with a friend. Friendship involves trust and concern for the other's welfare. Trying not to violate the friendship schema can cause the parties to enter into a deal that is not the best deal. Your friend might sell you the car for less than its market value, or you might offer too much to avoid conflict. Either way, the negotiation itself can have a negative effect on the relationship if there is a feeling that one took advantage of the other.

One way to get around this trap is by making it clear it is "just business" and not a personal exchange. Another way is to engage an agent to negotiate on your behalf. Or you can decide not to negotiate with your friend if the object of the negotiation is simply not worth the risk to the friendship.

Source: Adapted from Terri Kurtzberg and Victoria Husted Medvec, "Can We Negotiate and Still Be Friends?" *Negotiation Journal* 15 (October 1999): 355-361.

quickly, which they may do intuitively rather than rationally. To aid the cognitive process as they try to assimilate information, individuals often react to such uncertainty and make intuitive decisions by relying upon a small number of general-purpose heuristics, or rules of thumb, to simplify decision making. Heuristics are helpful, but they can also misdirect a negotiator when used inappropriately.

Biases Certain heuristics employed in negotiations can create knowledge-based or cognitive biases, which cause negotiators to make faulty or irrational decisions. One example of such a bias is an **availability bias** that occurs when the negotiator estimates the probability of an outcome based on how easy that particular outcome is to imagine—that is, how readily it comes to mind. For example, it is normal for vividly described, emotionally charged possibilities to be perceived as being more likely than those that are harder to picture or are difficult to understand.²⁶ People who are afraid of dying in an airplane crash have no problem riding to the airport in a car, even though more people die from car crashes than airplane crashes. But because airplane crashes involve multiple deaths and are widely reported in the media, and deaths from car accidents, unless drinking is involved, receive less attention, the possibility of being in an airplane crash is more "available." In the Chapter

Case, the neighborhood may have reacted negatively to Sophia's development because the picture of unsightly multi-family dwellings was more *available* than a picture of a tastefully developed condominium.

Another example of a cognitive bias is a **representativeness bias**, or *stereotyping*. This occurs when one uses superficial qualities rather than essential characteristics in deciding that two things are similar when they are actually unique. In the Chapter Case, it would seem that the neighbors assumed that Sophia was an irresponsible developer who had no concern for the impact of her development on the neighborhood, simply because some developers had no such concern.

An *egocentric* or **self-serving bias** occurs when people believe an uncertain option will more likely be beneficial to them than is objectively true, because their perceptions and expectations are biased in a self-serving manner. Research by Max A. Bazerman and Margaret Neale has demonstrated that individuals in final offer arbitration, for example, consistently overestimate the likelihood of their success. They believe that the arbitrator will rule in their favor because they perceive their final offer to be the most fair.²⁷ A related perception, **self-enhancement bias**, occurs when one party to a conflict views his or her behavior as more constructive and less destructive than that of the opponent—again, seeing oneself in the best light.²⁸

One cognitive bias that is often the cause of an unresolvable conflict is an **impact bias**, which occurs when a person—who may accurately predict that he or she will feel positively or negatively about a certain outcome—**overestimates** the intensity and duration of those feelings. Lawyers often have this problem with clients in litigation when settlement discussions begin. By the time most lawsuits reach the settlement stage, the parties have been engaged in an adversarial process for some time. During that time, one of the parties may have anticipated vindication that his cause was just, which is more important to him than money to compensate for the injury he believes he suffered. So, when the financial offer during settlement negotiations is the amount expected, but the accountability falls far short of what he had imagined, he doesn't want to settle. He believes that he will feel much better if the jury finds the other party "guilty" rather than just settling the case. In fact, the satisfaction he derives from such a finding is short-lived. For example, in the Chapter Case, the neighbors anticipated that the building of condos would be so detrimental that they reacted emotionally to its development. However, if the condominiums were developed as Sophia contended, they would probably become such an integral part of the neighborhood that any lingering concerns would be minor.

These biases—availability, representativeness, self-serving, self-enhancement, and impact—lead to an unrealistic assessment of the value of various options to the parties in a negotiation. Such assessments either cause the parties to greatly overestimate what can be achieved at the bargaining table or cause them to fear agreement, thinking that they may have been taken advantaged of by the other party.

Motivation Experienced negotiators know that the key to reaching agreement is to ascertain the other party's motivations. What is influencing the decisions that the other party makes? Of course the obvious and certainly most common motivation is to claim more value from the negotiation than the opponent claims. Beyond that, however, motivation affects both information processing and the strategies one employs in a negotiation.²⁹

Social motivation refers to the negotiator's preference for particular outcome distributions between the parties—either *selfish* (trying to maximize one's gains with no regard for the other party) or *prosocial* (trying to maximize both parties' gains). Research indicates that a negotiator's inclination toward selfish versus prosocial preferences will influence what information he or she recalls.³⁰ In a typical distributive bargaining situation in which both parties are attempting to claim as much value for themselves as possible, a negotiator could easily "forget" conciliatory statements made by the other party earlier in the negotiations.

Epistemic motivation refers to the effort a negotiator uses to process information relevant to the negotiation. An epistemic motivation attempts to get at the truth and avoid error through the process of knowing and, more precisely, of being aware—knowing, thinking, learning, and judging. The extremes are between a negotiator who jumps to a conclusion, relying to a large extent on heuristics, and a negotiator who tries so hard to develop a complete understanding about the issue that he or she is never able to reach a conclusion. And while a negotiator's personality may lend itself to one extreme or the other, in negotiations it is often the situation itself that causes an individual to be either highly motivated to gather extensive information or motivated to move on with limited information. Generally, when one is accountable to other parties for the outcomes in the negotiation, or when one has less power at the negotiating table, or when the task at hand is complex, the motivation to process more information will be high. Fatigue and deadlines tend to undermine the need for more information.

Impression motivation is defined as the desire to make a good impression and to get along. It may stem from the negotiator's need for confidence and self-esteem. Or, as in the Chapter Case, the negotiator's need to land a client caused Robert to suppress any annoyance he had toward Sophia's fee arrangement. But such motivation can be difficult when the negotiator wants to be seen as a hard bargainer. An impression motivation may be a function of a negotiator's cultural background, such as someone with collectivist values, or may stem from a negotiator's accountability to a constituency.

MULTIPARTY NEGOTIATIONS

Generally the discussion and the examples given for negotiating techniques involve two-party negotiations. But as in the Chapter Case, many negotiations involve multiple parties and multiple interests. Multiparty negotiation occurs when three or more parties, each representing their own interests, try to resolve a conflict or agree upon a course of action. Multiparty negotiations can present significantly different and difficult challenges in finding common goals, balancing the interdependency, being flexible, and identifying the true decision makers. For example, although most collective bargaining negotiations involve numerous individuals on both sides of the table, they actually involve only two interests: management and labor. However, collective bargaining in the public sector can be a multiparty negotiation if a legislative body such as a city council inserts itself between a mayor (management) and the public employees (union). In that instance, the legislators' goal may be to win political points with the union rather than helping the goal of the mayor to finalize a

contract fair to both the taxpayers and the employees. Certainly interdependency suffers if the union can abandon the negotiations with the mayor and go to the legislators for an agreement.

The war in Iraq provides an example of multiparty negotiations, as represented by the U.S.-established Iraqi Governing Council (IGC). The IGC was specifically designed to bring together the diverse ethnic and religious groups of that post-Saddam country, to make decisions for reordering Iraq's political life and government. The 25 members represented a varying number of individuals from five key groups: Shiite and Sunni Muslims, Kurds, Turkmen, and Christians. In order to reach agreement the groups had to form coalitions that shared at least one interest. Such coalitions can cause otherwise minor players to have a greater influence on the outcome of the negotiations than their numbers might warrant. In this case, the Shiite members, who represented approximately 60% of the nation's population originally, refused to sign the interim constitution because they thought it gave too much power to the Kurds. Eventually, through negotiation, the Shiite representatives were brought back to the table and the document was signed.

Some specific issues to consider in multiparty negotiations include dealing with coalitions, formulating trade-offs, voting and majority rule, reaching consensus decisions, and coping with complicated communication patterns.³¹

Coalitions

In a multiparty negotiation often two or more of the parties will form a coalition in order to have more influence on the outcome. But because these parties are coming together only to wield greater influence and most likely agree only on narrow goals, they will find it difficult to sustain common positions and may lack the flexibility necessary to respond to events as the negotiations continue. For example, the Iraqi Governing Council, which had originally excluded the Shiite members and was formed primarily to reach agreement on an interim constitution, would be a very fragile coalition that one might expect to dissolve quite easily.

Trade-Offs

In a multiparty negotiation, each party has the ability to negotiate with one or more of the other parties and can engage in a trade-off that may have considerable influence on the eventual agreement. To garner support for its most important objective, for example, one party might be willing to give up on an issue important to the other parties and throw its support behind one of the major players, giving that player the ability to "win." In the Chapter Case, Sophia might decide to go back to the Zoning Commission staff and agree to their parking lot request if she thinks that doing so will gain for her the staff's assistance in overcoming the neighbors' objections.

Majority Rule

Majority rule arrived at by voting in a multiparty negotiation fails to recognize the strength or interest of individual positions. One person who has very little invested in a particular issue has the same vote as one who considers the issue paramount.

One neighbor in the Chapter Case may be very interested in the outcome of the zoning negotiation, but Sophia has invested time and money and may not accept that the weight of one neighbor's vote should equal hers.

Finding Consensus

Another approach to reaching agreement in multiparty negotiations is to try and find a consensus. A consensus agreement does not imply that all of the parties are in complete agreement on all of the issues, but rather that they have agreed that the total agreement is acceptable, even if some of its parts are less than desirable. Returning to our earlier example, the Shiite representatives came back to the negotiating table and agreed to the Iraqi Governing Council's interim constitution even though they originally thought the provisions concerning the Kurds were unacceptable. Finding consensus is time-consuming and difficult among multiple parties, but often it is the only way to reach a lasting agreement.

Communication

In multiparty negotiations the process of sending and receiving messages, understanding and interpreting those messages, and coping with perceptions can become more complex simply because of the number of people involved. Active listening techniques can help, but the party trying to use such techniques has to be careful not to be perceived as taking over the negotiations. When clarifying a statement made by one party, for example, the party repeating it should make sure that all of the parties agree with the restatement.

MYTHS AND FACTS

To understand how negotiation works and what skills, knowledge, and abilities are necessary to succeed, it is also necessary for you to dispel common myths about negotiations. Which of the following statements do you think are true and which are myth?

- Good negotiators are born.
- Experience is a great teacher.
- Good negotiators take risks
- Good negotiators rely on intuition.
- Good negotiators make concessions.
- Good negotiators never lie.
- Good negotiators look for common interests.
- Everyone is a negotiator.

According to Leigh Thompson, in her book *The Mind and Heart of the Negotiator*, the first four statements are all myths.³² Good negotiators are not born, but rather learn negotiation skills and, with practice, perfect them. Many people believe negotiators are born and not made because of their own experience in such common negotiations as buying a car or a house. In that isolated event, a person

may or may not be very successful because of things totally outside of his or her control. The next time, or on a different day, the negotiations may have had a completely different result. Effective negotiation requires practice and feedback. One is not born knowing how to assess a negotiation situation, how to recognize conflict resolution techniques, or how to diffuse a difficult situation. Furthermore, experience in negotiations is not necessarily a great teacher. Experience alone will not develop negotiating skills, because in the absence of feedback one cannot improve. Just because the end result of a negotiation is a "win" does not necessarily mean that the negotiator was skilled. In fact, such experiences may encourage a negotiator to take risks—but good negotiators don't take uncalculated risks. They are trained to evaluate risk so they can know when and how to proceed successfully. Nor do they act on intuition. Rather, good negotiators rely upon deliberate thought and preparation.

The last four statements in the list are all true. A good negotiator can and most probably must concede something during a negotiation. After all, a key to successful negotiation is compromise! Good negotiators do not enter discussions with the idea that they must get a certain number of things—but instead, enter with a range of things in mind and remain willing to consider alternatives. They are flexible! It is also true that good negotiators never lie. One of the most difficult skills to master in a negotiation is being candid and yet not revealing important information. A negotiator may not want to reveal all the details of her position early in a negotiation, but she must be careful not to misrepresent that position to such an extent that the opposite party believes she has lied. Successful negotiations depend upon trust, which can be established only if the parties interact truthfully. Good negotiators look for common ground and realize the value of starting discussions on a positive note by identifying common interests and agreeing to some issues quickly. If both sides realize that they do, in fact, have common interests and thus both can gain from a settlement, they are more likely to adopt a positive, compromising strategy. Also, early agreement on some issues often helps to resolve differences on other issues later in the process. Finally, the simple truth is that everyone who is able to communicate is a negotiator. Why? Because everyone is faced with negotiation situations every day—some realize their potential to negotiate a better deal, while others simply accept what is offered to them. Everyone can learn to be a competent negotiator by learning three things: (1) *when* a situation is appropriate for negotiation, (2) *who* to negotiate with, and (3) *how* to prepare and use common negotiation strategies and tactics.

SUMMING UP

You may have many opportunities each day to use negotiations to make a deal, make a decision, or resolve a problem. Select one of the parties in the Chapter Case and answer the following questions from that party's perspective.

1. Identify your interests in the zoning dispute.
-

Then name the other parties and describe what you think their interests are.

2. Describe five techniques a skilled negotiator might use to assist you in getting what you want from the zoning dispute.

a. _____

b. _____

c. _____

d. _____

e. _____

3. Determine how you can complement or counter each of the following bargaining styles to keep a negotiation moving in your direction.

Competing: _____

Collaborating: _____

Compromising: _____

Avoiding: _____

Accommodating: _____

4. Explain how each of the following attributes can help you in a negotiation.

Self-awareness: _____

Self-regulation: _____

Self-motivation: _____

Empathy: _____

Managing relationships: _____

5. Describe the degree of interdependency you have with each of the other parties in this dispute and explain why.

6. What relationship goals could you employ to move this zoning dispute to resolution in your favor?

7. Identify issues in this zoning dispute that you could be flexible on if given the opportunity.

Identify issues that you cannot be flexible on and explain why.

8. Explain how an availability bias may keep the parties from reaching agreement.

9. Describe possible alliances that the parties to this zoning dispute might form.

10. Describe four myths about negotiators, and four truths.

Myth: _____

Myth: _____

Myth: _____

Myth: _____

Truth: _____

Truth: _____

Truth: _____

Truth: _____

LEARNING EXERCISE: HOUSE FOR RENT

You have been relocated by your employer to a new city for an assignment that will probably last for two years. You do not want to sell your home—a four-bedroom, two-bath Tudor—so you decide to rent it. A friend of yours in real estate has a potential lessee for you to meet. He is a 30-something single doctor beginning a two-year residency in the local hospital. You have some concerns about a single guy living in your house and taking care of it the way you would, but you agree to meet with him and possibly negotiate a lease. Answer the following questions.

Skill 1.1: Who are the interested parties in this negotiation and what are their prospective goals? How would you compare the parties' dependencies and motivations? What are four options you are willing to propose in this negotiation so that all parties' goals are met?

Skill 1.2: Which bargaining behaviors of a skilled negotiator would be most advantageous to you in this negotiation?

Skill 1.3: Why is collaboration the only bargaining style applicable to this negotiation?

Skill 1.4: What are the collaborative goals in this negotiation?

Skill 1.5: Have you gone into this negotiation with a cognitive bias? If so, explain.