

Roger Fisher and William Ury, Five Basic Guidelines to Principled Negotiation

- 1) Separate the people from the problem. The negotiators should attack the problem, not each other.
- 2) Focus on interests not positions. Your positions are what you want. Your interests are why you want them. Focusing on interests may uncover the existence of mutual or complementary interests that will make agreement possible.

One interest that Fisher and Ury suggest is typically important to both negotiators is that of maintaining a good long-term relationship between them. This relationship is of much less concern to those who follow a competitive strategy and is often a casualty of such a strategy.

- 3) Invent options for mutual gain. Negotiations need not be a competitive game in which each negotiator seeks to gain the biggest slice of a fixed pie. To the contrary, there may be bargaining outcomes that will advance the interests of both negotiators. One well-known example involves the two children who are trying to decide which of them should get the only orange in the house. After some frustrating negotiations, they decide to divide the orange in half. If they had realized that one child wanted to squeeze the orange for its juice, and the other wanted to grate the rind to flavor a cake, an agreement that maximized the interest of each would have become apparent.
- 4) Insist on using objective criteria. There are some negotiations, or at least some issues, that are not susceptible to a “win-win” approach. The price of something can be such an issue, since each dollar I give you is one dollar less for me. To minimize the risk of either inefficient haggling or a failure to reach agreement on such issues, Fisher and Ury suggest that the parties focus on objective criteria to govern the outcome. Thus, instead of negotiating over the price of a used car, one party might look to the blue book value, the other to the depreciated cost. Even if they cannot agree on which standard should control, focusing on objective criteria may narrow the range of disagreement.
- 5) Know your best alternative to a negotiated outcome (BATNA). The reason you negotiate with someone is to produce better results than you could obtain without negotiating with that person. If you are unaware of what results you could obtain if the negotiations are unsuccessful, you run the risk of entering into an agreement that you would be better off entering into. For example, it would be unwise to agree to buy a car from a friend for USD 6,000 without knowing how much a similar car would cost you elsewhere. The latter figure is your BATNA.

You should also know as much as possible about the other party's BATNA. If your friend does not sell the car to you, how much can she get for it elsewhere? Knowing the answer to this question might substantially affect the amount of your offer. It may be difficult to determine the other party's BATNA, but the value of this information is often sufficiently great that you should be willing to devote considerable effort to determining it. At the very least, you should ask questions of the other party designed to aid you in determining the other party's BATNA.

Source: Stephen Goldberg, Frank Sander and Nancy Rogers. Dispute Resolution. Negotiation, Mediation, and Other Processes. Boston: Little, Brown and Company, 1992, pp. 36-37.