Negotiation Mastery

Module 3 Managing the Process: Bargaining Style & Emotion

The first two modules of the course analyzed the substantive dimension of negotiation, specifically the tension between creating and claiming value. Here, the focus has been on the process and behavioral dimensions of negotiation. The way that parties relate to each other, positively or negatively, raises another perceived tension: namely, asserting one's own interests while also attending to other parties' needs and feelings.

These substantive and relational dimensions are closely connected. How well the parties jointly manage the process impacts how much value they generate and who gets what share. It can also spell the difference between reaching agreement and being deadlocked.

Key Concepts and Techniques

- Defining the relationship, Part one: terms and conditions. As you saw in the Discount-Hawkins simulation, weighing the value of non-monetary factors is both challenging and essential. Especially in long-term deals, contract language and financial provisions are important in defining parties' respective rights and responsibilities.
- 2. Defining the relationship, Part two: interpersonal dynamics. As you also saw, negotiators' statements and actions establish their relationship, for better or for worse. Often this happens implicitly, with little deliberate attention. But master negotiators continually monitor how what they do and say shapes the direction of negotiation on three critical levels:



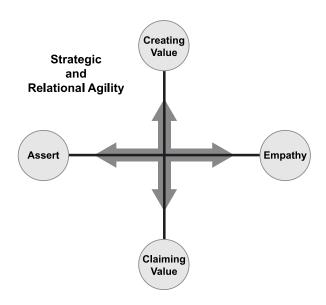




3. **Negotiation dynamics.** Your success in a given negotiation depends partly on your luck, good or bad, in regard to whom you happen to deal with. In the best of all worlds, they will be trustworthy, respectful, and creative. Unfortunately, that won't always be the case.

Either way do your best to encourage constructive behavior from your counterparts. That requires surfacing their interests, options, and attitudes so that you maximize your potential influence. (In fact, that was the point of the "Payoff Game" that you played in on-boarding module.) Now, thanks to videos here, you've had the chance to assess pairs of people interacting back-forth, some successfully; others, less so.

- 4. **Tactics.** Beware of hard-and-fast rules about negotiation, such as "never make the first offer" or "always negotiate on your own turf." Instead, remember that:
 - a. Context matters. What works in one situation could backfire in another.
 Before acting, consider how your counterpart may react, positively or negatively.
 - b. **Be prepared to respond to aggressive tactics.** If they do arise, be firm without escalating tensions. And do your best to change the game.
 - c. **Strategy should always drive tactics.** Make sure that whatever you say and do at a particular moment advances your overall plan.
- 5. **Emotion.** Many people feel some degree of anxiety when they negotiate. That's understandable given the limited control and uncertainty in the process. Even if you enjoy negotiating, many people with whom you will deal may feel defensive, even hostile. Be careful not to confirm their fears. Remember to use the 6-step Emotional Preparation exercise so that you are poised and energized entering the process, and ready to regain your balance if you encounter obstacles.
- 6. Your self-assessment profile. Now that you have completed three simulations, it's a good time to review your profile. Thanks to your own reflections—and the feedback that you've received from fellow students—you may discover that you are better at a particular skill than you initially thought. Adjust your assessment accordingly.



Remember that the survey adjusts to the preceding graph based on how you rate your relative skills, how one compares to another. Raising one rating means lowering something else. In real world practice, stretch yourself in every direction. Agility will bolster your success in dealing with different types of people and situations.

Summing up and Looking Ahead

The relational side of negotiation that was emphasized here, was foreshadowed in the Unshrinkit case that you analyzed in the previous module. We will continue to explore relationships in Module 4 where we will address the challenge of negotiating *within* your organization; be it with colleagues, people who report to you, or even with your boss

Right now, congratulations on the progress you're making through the course!