

## MOB 7511-01: Negotiation

### Final Paper: Self-Assessment and Negotiation Guidelines

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Negotiations are an integral part of both personal and professional life, serving as the bridge between differing interests and objectives. Before taking this course, I felt I was good at negotiations, but, after taking this course I understood that I had a lot to learn about the art of negotiation and by pursuing this course, I have deepened my understanding and enhanced my capabilities in this complex field. This educational journey shed light on the multifaceted nature of negotiations, highlighting how various elements can influence the process and outcome. It was an enriching experience that expanded my knowledge of negotiation as both an art and a science, equipping me with the tools and frameworks to navigate this terrain more effectively.

I resonated with the metaphor of negotiation being a balancing scale; where we have to weigh the interests of both, or several parties involved in the negotiation at the same time for a favorable outcome. At its core, negotiation is about finding a common ground among parties with differing views, needs, and aspirations. Now, I believe the ultimate aim is to foster a win-win scenario where all parties feel their interests have been adequately addressed and respected.

At this point, after completing this course, I believe I can resonate with **Christopher Voss** when he said, *"Successful negotiation is not about getting to 'yes'; it's about mastering 'no' and understanding what the path to an agreement is."* And with former Secretary of State, **Dean Rusk**, when he said, *"One of the best ways to persuade others is by listening to them."*

During the course, I engaged in a series of practical iDecisions exercises and roleplay simulations that provided invaluable insights into my negotiation style. These hands-on experiences helped me to recognize the contexts in which I excel and the areas where I need to refine my approach. By diving into these simulated negotiations, I gained a heightened self-awareness that has proven crucial in boosting my confidence and preparedness for real-world negotiation scenarios. This self-awareness, coupled with the theoretical knowledge gained, has armed me with a more nuanced understanding of negotiations, a skill that I am certain I will use in my future endeavors.

Reflecting on my experiences from this course, I have pinpointed several key strengths that have been instrumental in my success during negotiations, along with some challenges that have posed greater difficulties for me to overcome.

One of the first strengths I identified is my ability to develop a strategic plan. From the outset of each negotiation, I have had a plan in place, always supported by solid numbers, making it difficult for the other party or parties to refute the evidence provided. This approach was particularly effective in the Aerospace Investment case with a VC, where I prioritized selling my vision for the company, even though the VC initially wanted to negotiate equity. ***How to Negotiate with VCs, Page 5, Long term value, is a reading that helped me understand the importance of this step.*** A strategic plan helps me estimate, to the best of my ability, the ZOPAs, BATNAs, reservation values, and aspiration values of all parties involved in the negotiation. For instance, in the Harborco case, I devised a plan to understand the interdependencies of each party and how they could be influenced. Given that the Environmentalist had less power, I adopted an interest-based approach, convincing other parties, like the labor union, that the release of chemicals would negatively impact the local

community, and persuading the Federal DCR that protecting the environment was part of their mandate.

Additionally, having a strategic plan also allowed me to identify intangibles valued by the other side, which I could afford to concede. This enabled me to engage in the logrolling tactic, trading concessions based on respective priorities. An example of this was in my negotiation with the VC, where I made key concessions, such as offering preferred stock and vesting my shares for five years, while firmly resisting demands like CEO replacement. Moving forward, I plan to continue approaching negotiations with a strategic plan in place. However, I also recognize the importance of not being so rigidly adherent to the plan that I fail to adjust to new information or situations.

Another strength I have identified is my ability to be flexible and adaptable. This, to some extent, overcomes the earlier drawback of relying too heavily on a strategic plan, encapsulated in the question, "What if all my plans fail?" I demonstrated this adaptability when a solid plan I had in place to combine the efforts of grad CCD, Alumni Relations, and the clubs backfired. It was during the course of my negotiation studies, because of which I was able to assess the situation and go the balcony. I opted for dynamic strategy adjustment, changing the players by removing CCD from the mix. This led to the creation of an alternate option, saving the initiative from complete failure.

A similar situation where I demonstrated my strengths in flexibility and adaptability occurred in the job offer negotiation at Advant-Edge, where my BATNA was not that great. However, during the negotiations, this changed when the candidate offered to provide alternative referrals. In my opinion, this shifted the dynamics of the negotiation in my favor. Adaptability

involves being open to different viewpoints and solutions. This quality allows a negotiator to explore creative and mutually beneficial outcomes beyond the initial scope of the negotiation.

I should exercise caution and be careful so that I do not compromise my core interests, lose focus on the original goals and strategy, or risk over-negotiating, which can be time-consuming, exhausting, and potentially damaging to the relationship with the other party. I should also be careful not to be perceived as weak or lacking in conviction by the other party, as it could lead to them pushing harder for their own interests, potentially exploiting my willingness to accommodate.

Another valuable strength I possess in negotiations is my ability to utilize frameworks such as the seven-element framework, the circle of value framework, and the situational matrix. These matrices help me effectively prioritize interests, options, and criteria necessary for successful negotiation. By combining this approach with my relationship-building skills, I was able to fully grasp the potential of these frameworks during our 'Negotiation in the News' exercise. The real-world application of these frameworks, especially the seven elements and the circle of value framework, was fascinating. It gave me a new perspective on viewing problems objectively and critically with the help of frameworks. The seven-element framework allowed me to identify and understand the most important factors. I observed how a third-party negotiator acted as a mediator in the hospital and Nurse's association negotiation, where the relationship-building approach fostered a sense of trust and respect between the parties.

Moving forward, I believe that my proficiency in using negotiation frameworks will continue to be an asset in future negotiations. Utilizing a structured approach enables me to identify

the key factors at play and prioritize them accordingly, ensuring that all parties involved work towards a mutually beneficial outcome.

Learning to assertively say “No,” a skill I've now honed, was a significant area of improvement for me in negotiations and now one of my key strengths. Through course activities such as the Mexico Ventures, Chuck’s Wagon, and Bakra Beverages, I understood that turning down an offer can be a valid and strategic choice. Faced with an egoistic party, my partner and I in the Mexico Ventures confidently refused the offer, applying the insights gained from the course. Later, in the case of Chuck’s Wagon, I understood that I made the right decision by saying “No Deal” because there was no ZOPA in that case between the two parties. This taught me the importance of not always feeling compelled to accept an offer, recognizing my worth, and being ready to walk away from deals that don't align with my best interests. My ability to say "no" has enhanced my negotiation skills, enabling me to focus on opportunities that align with my goals and interests. This also has helped me transition from a 'Yes man' to a 'Critical thinker' or 'thoughtful decision-maker.' By tactfully saying "no" in such circumstances, I signal to the other party that I won't settle for an unsatisfactory agreement and am committed to seeking a more favorable deal.

However, the use of "no" as a negotiation tactic must be approached with caution, as it can potentially harm relationships and hinder communication. It's essential to enter every negotiation with a clear understanding of the situation and potential consequences of my actions. I need to be adaptable, as I mentioned in the earlier paragraphs, ready to modify my approach to achieve the best possible outcome. The work of Lytle, Brett & Shapiro in 'The Strategic Use of Interests, Rights, and Power to Resolve Disputes' has helped me understand the situations in which I have the ability to say “No”.

Harnessing these combined strengths will enable me to adeptly manage intricate negotiation scenarios and secure successful results.

Addressing my areas of improvement, I think I am sometimes vulnerable and lack confidence, especially in power-based negotiations. Sometimes, I refrain from expressing what I truly want and become more accommodating and adaptable, succumbing to the opposite party's difficult tactics, such as stonewalling, particularly ultimatums, as well as attacks such as threats and personal insults, and tricks such as emotional manipulation. This tendency has occasionally led to perceptions of me as weak and incompetent. In confrontational situations, I initially react with a flight response and then shift to a fight response. This often results in anger issues, stemming from my frustration when I am fair, yet the other party acts unfairly. An example of this situation was in my personal life where my father, who continues to be employed by me in my business, brings in the father-son relationship as an emotional manipulation tactic and gives ultimatums to threaten me.

I am working on this by identifying the mutual interest of being an established and rich family when the business succeeds, and creating value for him by actively helping him understand how his position in society rises when the business succeeds. To neutralize the immediate threats, I adopt the 'going to the balcony' approach and detaching my emotional side, gaining perspective from it. Then, I attempt to formulate a constructive response, such as refraining from responding to irrational behavior in kind and maintaining my composure despite frustration, as described in ***“Stubborn or Irrational? How to Cope with a Difficult Negotiation Partner,” by Lawrence Susskind.***

Another one of my weaknesses is my need to respond without actively listening to the other party, often thinking of a response before fully understanding what the other party wants.

This is something that I am aware of now and working on. The marginal improvements made in this area were greatly beneficial for me, especially in my Aerospace negotiation where, after delivering my rocket pitch, I focused on deeply understanding the VC's concerns and viewpoints. This phase was crucial for claiming value, creating value, and demonstrating my capability to handle their queries. This aligns with ***Strategy 4: identify other party's multiple interest*** mentioned in Page 74 in ***Negotiation genius by Deepak Malhotra & Max H. Bazerman***. My strategy involved setting a tone of competence and confidence by actively listening, as described on ***the Page 159 in Negotiation genius by Deepak Malhotra & Max H. Bazerman***, and then responding to the VC.

One of my other weaknesses is being "The Assertive type" in some negotiations, which demonstrates my lack of patience. This may sound counterintuitive compared to my first weakness mentioned above, but this happens only in negotiations where I feel that I have more power over the other party. In these situations, I think, by getting to the point, I am saving everyone valuable time, whereas in reality, I would be exhausting for the other party and damaging the relationship. I realized this is a mistake that I also committed when the opposite party in the Mexico Ventures negotiation did this to me and my partner. He did not engage in any pleasantries and directly got to the point, and this scenario inadvertently expressed to me that my thoughts come second and that my cultural values are not respected.

I understand that there are scenarios where I want to exercise the assertive nature, but I believe taking an interest-based approach would be more fruitful for building trust and long-lasting relationship. I want to align my thoughts and actions with the following words:

***" According to Ury, Brett, and Goldberg (1993), disputants can choose to focus on several different approaches to negotiate: interests, rights, or power. Focusing on interests means***

***that the parties try to learn each other's underlying needs, desires, and concerns, and find ways of reconciling them in the construction of an agreement."***

To overcome my negotiation weaknesses, as you can observe, I am adopting strategies to enhance confidence, improve active listening, and balance assertiveness with empathy. By identifying mutual interests, such as family success in business, and detaching emotionally through the 'going to the balcony' approach, I will respond constructively and maintain composure. I am also focusing on deeply understanding other parties' concerns before responding, aligning with interest-based negotiation principles for building trust and relationships, as recommended by Ury, Brett, and Goldberg.



Based on the my experiences so far, I am setting forth the essential guidelines that I intend to consistently consider in my future negotiation endeavors:

**Guideline 1: I will prioritize active listening and understanding the other party's interests to understand their ZOPAs, BATNAs, reservation values, and aspiration values.**

- **Evidence:** This guideline is supported by the principles discussed in "Overconfidence, irrational optimism, and the illusion of superiority, Page 132" in "Negotiation Genius" by Deepak Malhotra & Max H. Bazerman. The importance of actively listening and understanding the other party's interests is emphasized as key to successful negotiations. This will help me avoid the tendency to assume I understand a particular point midway through the other party's statement, which risks misinterpretation and could potentially derail the conversation.
- **Expected Benefits:** The above approach will alleviate the First Offer Dilemma in negotiations. By actively listening and understanding the other party's interests, I can identify mutual interests and areas for potential collaboration. The other party will feel

heard and will be more willing to negotiate a contract. This approach not only helps in claiming and creating value but also builds trust and a positive negotiation environment.

- **Risks/Limitations:** Overemphasis on the other party's interests could lead to neglecting my own interests. Balancing between understanding the other party and advocating for my own interests will be crucial.

**Guideline 2: I will maintain flexibility and adaptability, balancing it with Strategic Planning so as to not lose focus on the main goal.**

- **Evidence:** The concept of balancing strategic planning with flexibility aligns with Ury, Brett, and Goldberg's approach (1993) in focusing on interests, which suggests that negotiators should be prepared to adapt their strategies based on evolving situations and interests. Bruce Patton clearly explains in the "Negotiation Power" that "If you haven't figured it out, you may agree to something you later regret, or reject something you later prefer". This outlines the importance of strategic planning.
- **Expected Benefits:** Being flexible and adaptable enables me to respond effectively to unexpected changes and new information during negotiations, leading to more creative and mutually beneficial solutions or in worst case being prepared with a strategic plan will help me not to settle for the worst offer.
- **Risks/Limitations:** Excessive flexibility might lead to straying too far from my original objectives or being perceived as inconsistent. It's important that I maintain a clear sense of my core goals and boundaries.

**Guideline 3: I will employ assertiveness tactfully while balancing it with relationship building in order to overcome the initial stage fright and avoid being perceived as a weak and incompetent negotiator.**

- **Evidence:** Patton, Bruce. "Building Relationships and the Bottom Line: The Circle of Value Approach to Negotiation," *Negotiation*, April 2004 has made me understand on what and where to focus my attention while negotiating and why it is important to establish communication and relationship before I can explore Interests, options, and legitimacy. Stubborn or Irrational? How to Cope with a Difficult Negotiation Partner by Lawrence Susskind helps outline the strategies to keep in mind to negotiate with difficult person.
- **Expected Benefits:** Assertiveness helps in clearly stating my needs and boundaries, which is vital in any negotiation. By using tactics such as refraining from responding to irrational behavior in kind and maintaining my composure despite frustration, I will be able to ensure that I am heard and respected, potentially leading to more favorable outcomes in my case. I will use affirmations to constantly remind myself to show deference and allow the other side to lead. They possess information that they are eager to share, and it's crucial for me to listen and understand it.
- **Risks/Limitations:** If not balanced with empathy and consideration for the relationship, assertiveness can be perceived as aggressiveness, potentially damaging relationships and hindering collaborative solutions. Taking an interest-based approach would be more fruitful for building trust and long-lasting relationship.

## **Conclusion:**

In conclusion, this course on negotiation has been a transformative journey, profoundly enhancing my understanding and skills in this intricate field. The exploration of various frameworks and the application of practical exercises have not only honed my negotiation abilities but have also offered valuable insights into my personal strengths and areas for improvement.

The recognition of the importance of active listening, the balance between flexibility and strategic planning, and the art of tactful assertiveness have emerged as pivotal components of my negotiation toolkit. These skills, combined with a deeper understanding of negotiation dynamics, prepare me to approach future negotiations with a more nuanced perspective and a robust set of strategies. Moreover, the guidelines I have outlined serve as a testament to my growth and learning. They reflect a commitment to continuous improvement and adaptation, ensuring that I remain adept and effective in various negotiation scenarios.

This course has been more than an academic endeavor; it has been a journey of self-discovery and professional development. As I move forward, the lessons learned, and the skills acquired will be invaluable assets in both my personal and professional life. The art of negotiation, once a field of unexplored potential, now stands as a domain of expertise, offering endless possibilities for growth, success, and mutual understanding.