



# Negotiation

# In-Session Case Study

February 27, 2024

# Definition and Key Terms

## Definition

# Negotiation: “Negotiation is the process in which two people with different opinions about what the result should be, come to a win-win situation, acceptable to both of them.”

# Negotiation is the process through which interested parties:

* Resolve lack of alignment
* Agree on courses of action
* Bargain for advantage
* Attempt to craft outcomes that serve their mutual interests

## Key Terms

* **Most Desirable Outcome (MDO)** - The best outcome you could possibly achieve in the negotiation. In a negotiation, your opening position is your Most Desirable Outcome.
* **Goal** - An outcome that will leave you satisfied and content.
* **Least Desirable Outcome (LDO)** - The least desirable outcome that you would still accept under pressure. You may not be totally satisfied with this outcome, but it’s better than walking away.

Your Least Desirable Outcome serves as a “tripwire” to warn you that you are fast approaching the limits of what is acceptable.

* **Best Alternatives** - When you’ve gone beyond the limits of what is acceptable, you are ready to consider what some negotiators refer to Best Alternative to a Negotiated Agreement. These “contingency plans” are your options when agreement is unlikely or impossible and you’re ready to “walk away.”
* **Power** - The power that each party in the negotiation possesses.

# Case Study – Consultant and Manager

A manager needs a technical consultant’s help on a special project at Speridian. The consultant is so busy right now with his own work that the thought of an additional project has him upset. And, based upon what he knows of the project, it requires a level of expertise that he doesn’t have.

The manager has been challenged by her own boss to make certain that her department is represented on the special project team by someone with credibility and a good reputation. That’s one reason why the manager selected the consultant. The boss also delegated full decision-making authority to the manager; once the manager makes her selection, her boss will abide by her decision.

Until a year ago, the consultant and the manager were peers. The manager views the consultant’s participation on the special project team as a way to increase his visibility outside the immediate department and be better positioned for a promotion when a slot becomes available. (The consultant has previously expressed an interest in assuming greater responsibility within Speridian).

The manager has asked the consultant to meet with her next week to discuss the project in more depth. The consultant wants to find solutions that work for both of them.

## Analyze the Case Study and Identify:

* What is the Most desirable outcome for the Manager, and for the consultant?

Manager: Consultant agrees to join the special project willingly, bringing expertise and enhancing department's reputation.

Consultant: Reaches a solution where workload is manageable and gains visibility for potential promotion.

* What is the goal for the Manager, and for the consultant?

Manager: Secure a credible and reputable representative for the special project team to enhance department's standing.

Consultant: Balance workload while leveraging the opportunity for career advancement.

* What is the least desirable outcome for the Manager, and for the consultant?

Manager: Consultant declines to join project, leaving department without a credible representative.

Consultant: Feels overwhelmed with additional workload and unable to negotiate a favourable solution.

* What are the best alternatives to a negotiated agreement?

Manager: Offer support or resources to lighten consultant's workload on other projects.

Consultant: Recommend a suitable replacement with the required expertise or negotiate a compromise on workload.