

Negotiation: Strategy and Planning

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Contents

- Please Read Me
- Purpose
- The importance of planning in negotiations
- Key steps in the planning process
- Goals
- Strategies
- Planning process
- Acknowledgments
- References

Please Read Me

- Check the message **Welcome greeting** published in the News Bulletin Board.
- Dear student please edit your profile uploading a photo where your face is clearly visible.
- The purpose of the virtual meetings is to answer questions and not to make a summary of the study material.
- This presentation is based on (Lewicki, Barry, and Saunders 2016, Chapter 4)

Purpose

Understand and explore the main elements of the negotiation strategy, the process to select a strategy as well as the way in which most negotiations evolve to effectively plan a negotiation.

The importance of planning in negotiations

- Some quotes about planning:

“Everyone has a plan until they get punched in the mouth”

— Mike Tyson

“No battle plan ever survives contact with the enemy”

— Helmuth von Moltke the Elder

- Therefore, there is no need to plan?
 - Absolutely not, but if your plan is not flexible you will get punched in the mouth and no part of your plan will survive when you negotiate with the counterpart.
 - Also don't expect everything will work millimetrically according to the plan because the counterpart might also have a plan and they will react strategically to your plan.

The importance of planning in negotiations

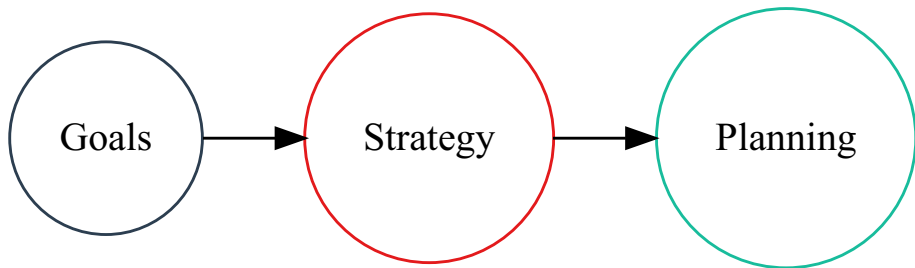
- Without planning results occur more by chance than by negotiator effort
 - Behaviour of Successful Negotiators: Find some successful negotiators and watch them during actual negotiations to find how they do it.
 - (Rackham and Carlisle 1978b): planning is the foundation for any successful negotiation
 - (Rackham and Carlisle 1978a): exploration of options, common ground, long-term implications, setting limits¹ and use an issue planning method over sequence planning²
- Also check out in the **Links of interest** the video: How to negotiate properly? (Magic Markers 2018)

¹Plan in terms of a range and not around a fixed point

²Issues are independent and not linked by a sequence

Key steps in the planning process

- Relationship between key steps in the planning Process (Lewicki, Barry, and Saunders 2016, Chapter 4, p 90)



Goals

- The first step to execute a negotiation strategy is to determine one's goals.
 - **Substantive:** goals about tangible factors (price, terms of a contract, product specifications)
 - **Intangible:** goals about intangible factors (personal values and emotions of the parties such as defeating the other party or reaching a conciliation at any cost)
 - **Procedural:** goals about how the negotiation process occurs (define plans or just have a voice during the negotiation)
- The negotiator must identify what kind of goals to pursue³. What definitely cannot be ignored is the substantive goals given that it refers to the tangible aspects.

³Identifying goals in practical terms simply means making a list to prioritize them

Goals

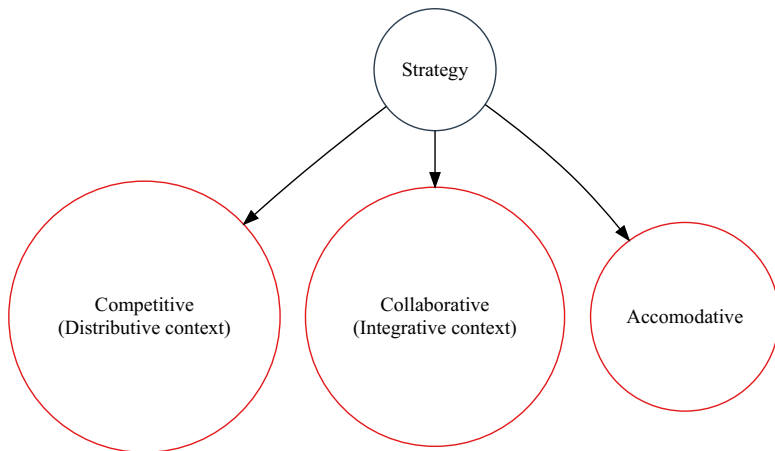
- When defining goals take into account these 4 aspects (Lewicki, Barry, and Saunders 2016, Chapter 4, p 90-91):
 - Goals are specific objectives that are sought realistically.
 - Own goals can potentially be linked to the goals of the other parties.⁴
 - If in identifying the goals these are not attainable then:
 - Modify them so that they are attainable
 - Discard the negotiation as an option to reach an agreement⁵
 - The goals that are identified must be concrete, specific and measurable so that it is easier to:
 - Communicate to the other party what you want to achieve
 - Understand what the other parties want
 - Determine if the proposed proposals satisfy what you want to achieve

⁴It is easier to reach an agreement if you have common goals

⁵Remember that negotiation as a form of **decision making** is not the only method that exists!

Strategies

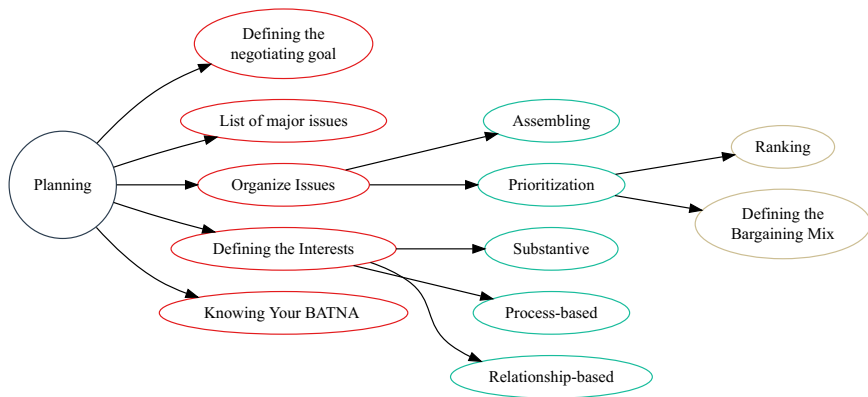
- Different engagement strategies in a negotiation context⁶



⁶Check out (Lewicki, Barry, and Saunders 2016, Chapter 4, p 94, Table 4.1) for more details

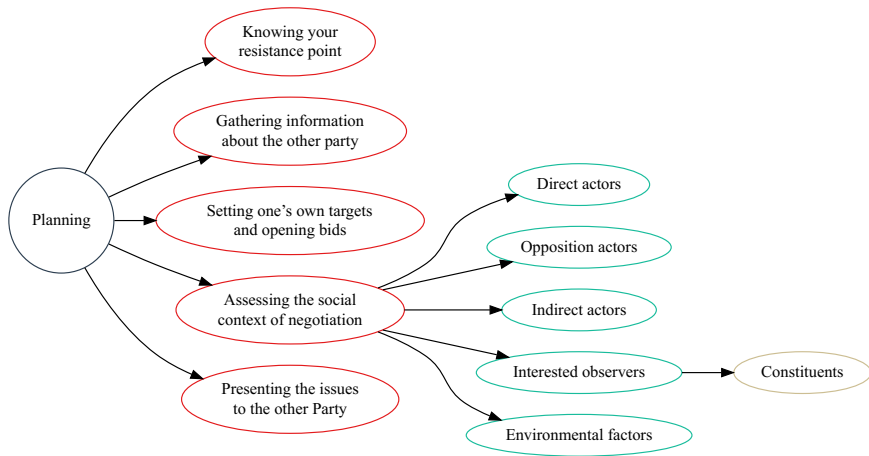
Planning process

- Key steps in the planning process (Lewicki, Barry, and Saunders 2016, Chapter 4, p 96-112)



Planning process

- Key steps in the planning process (Lewicki, Barry, and Saunders 2016, Chapter 4, p 96-112)



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