The Nature of Negotiation

Luis Francisco Gómez López

FAEDIS

2024-07-21



Table of contents I

- Please Read Me
- 2 Purpose
- Oefinition of negotiation
- Elements of negotiation situations
- Interdependence
- **6** Approaches and tactics to negotiation



Table of contents II

- Conflict
- 8 Effective Conflict Management
- Course and book structure
- Acknowledgments



- 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 2024, chap. 1)



Understand the definition of negotiation, the elements in general of this process and the main types of negotiation that have been identified in the literature as well as the relationship between negotiation and conflict management.



Definition of negotiation

- Definition of negotiation that is going to be adopted in the course:
 - " a form of decision making in which two or more parties talk with one another in an effort to resolve their opposing interests."

 (Lewicki, Barry, and Saunders 2024, chap. 1, p. 3)
 - Also check out in the Links of interest the video
 - How to negotiate properly? (Magic Markers 2018)



- 6 characteristics are mentioned in (Lewicki, Barry, and Saunders 2024, chap. 1, p 6-9)
 - Element 1 assumes that in a negotiation there are two or more parties involved (people, groups or organizations).
 - Elements 2, 3, 4 and 5 implies that there exist **interdependence** between the parties involved²:
 - Parties depend on each other to achieve their own preferred outcome (Lewicki, Barry, and Saunders 2024, chap. 1, p 10)
 - Element 6 considers that there are tangible and intangible aspects:
 - Tangibles: aspects of which it is sought to reach an agreement within the negotiation (prices, terms of a contract, product specifications).
 - **Intangibles**: psychological motivations implicit in a negotiation (personal values and emotions of the parties involved).

²Dear student if you don't need to jointly agree with other parties to achieve your goals please don't negotiate with them. Use another form of **decision making process**



- The type of interdependence that occurs between the parties affects the dynamics and the results of a negotiation:
 - **Zero-sum or distributive situation**: for one party to obtain a profit, it is necessary for another party to obtain a loss.
 - Non-zero-sum or integrative situation: there exists the possibility
 that all parties involved can obtain a profit without a party obtaining a
 loss.
- The alternatives shape the interdependence where one way to analyze the alternatives is through the concept of:
 - Best Alternative to a Negotiated Agreement (BATAN)³



³For more details check out (Program of Negotiation 2012)

- Because the parties are interdependent during a negotiation there is a process called mutual adjustment where the parties try to influence one another to reach an acceptable agreement.
 - At the beginning each party proposes an initial level on the tangible aspects of negotiation.
 - Then there are replicas and concessions where the bargaining range tends to be reduced.
 - If the **bargaining range** is reduced enough to become a point, an agreement is reached.



- Distributive Negotiation Approach: it is conceived that there is only one winner in a particular situation and a course of action is sought to be the winner.
 - Tactic: claim value⁴ by doing whatever is necessary to claim the reward or gain the largest piece possible (Lewicki, Barry, and Saunders 2024, chap. 1, p 16)
- Integrative Negotiation Approach: attempts are made to find solutions so that both parties feel satisfied and reach their goals.
 - Tactic: **create value**⁵ by finding the way for the parties involved to achieve their objectives by obtaining more resources



⁴For more details check out (Spangler 2003)

⁵For more details check out (Spangler 2003)

- For definitions of conflict please check out (Lewicki, Barry, and Saunders 2024, chap. 1, p 20)
 - 3 different definitions that are related are mentioned
- For the different levels of conflict please check out (Lewicki, Barry, and Saunders 2024, chap. 1, pp. 20-21)
 - 4 levels on conflict are mentioned
 - We will not cover the first one in the course:
 - Intrapersonal or intrapsychic conflict
- For dysfunctions and functions of conflict please check out (Lewicki, Barry, and Saunders 2024, chap. 1, pp. 21-22)
 - Dysfunctions: negative aspects of conflict
 - Functions: productive aspects of conflict



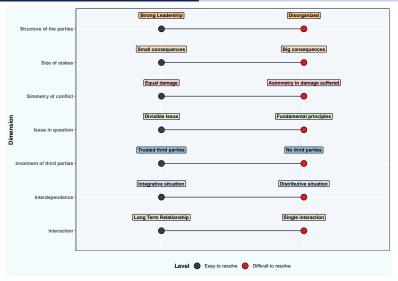


Figure 1: Conflict diagnostic model (Lewicki, Barry, and Saunders 2024, p 23) and (Greenhalgh 1986, p 47)



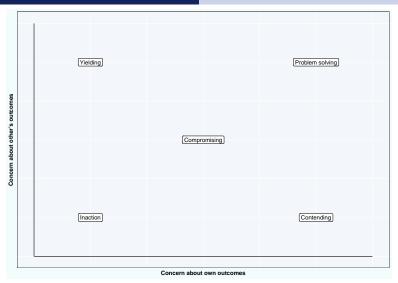


Figure 2: Dual concerns model (Lewicki, Barry, and Saunders 2024, p 24) and (Pruitt, Kim, and Rubin 2004, p 41)



- Cover in the course
 - Negotiation Fundamentals
 - (Lewicki, Barry, and Saunders 2024, chaps. 1–5)
 - Negotiation Subprocesses
 - (Lewicki, Barry, and Saunders 2024, chaps. 6-8)
 - Concluding Comments
 - (Lewicki, Barry, and Saunders 2024, chap. 20)



- Not cover in the course
 - Negotiation Subprocesses
 - (Lewicki, Barry, and Saunders 2024, chap. 9)
 - Negotiation Contexts
 - (Lewicki, Barry, and Saunders 2024, chaps. 10–13)
 - Individual Differences
 - (Lewicki, Barry, and Saunders 2024, chaps. 14-15)
 - Negotiation across Cultures
 - (Lewicki, Barry, and Saunders 2024, chap. 16)
 - Resolving Differences
 - (Lewicki, Barry, and Saunders 2024, chaps. 17-19)



- To my family that supports me
- To the taxpayers of Colombia and the UMNG students who pay my salary
- To the Business Science and R4DS Online Learning communities where I learn R and π -thon
- To the R Core Team, the creators of RStudio IDE, Quarto and the authors and maintainers of the packages tidyverse, tidyquant, ggnewscale and tinytex for allowing me to access these tools without paying for a license
- To the Linux kernel community for allowing me the possibility to use some Linux distributions as my main OS without paying for a license



References I

- Greenhalgh, Leonard. 1986. "SMR Forum: Managing Conflict." *Sloan Management Review* 27 (4): 45–51.
- Lewicki, Roy J., Bruce Barry, and David M. Saunders. 2024. *Negociación*. 9th ed. McGraw-Hill Education. https://www-ebooks7-24-com.ezproxy.umng.edu.co/?il=40562.
- Magic Markers. 2018. "¿Cómo Negociar Bien?" https://youtu.be/CnF26cflfQM.
- Program of Negotiation. 2012. "BATNA Basics: Boost Your Power at the Bargaining Table." https://www.bc.edu/content/dam/files/centers/cwf/individuals/pdf/BANTABasics.pdf.



References II

Pruitt, Dean G., Sung Hee Kim, and Jeffrey Z. Rubin. 2004. *Social Conflict: Escalation, Stalemate, and Settlement*. 3rd ed. McGraw-Hill Series in Social Psychology. Boston: McGraw-Hill.

Spangler, Brad. 2003. "Creating and Claiming Value." Conflict Information Consortium, University of Colorado, Boulder. https://www.beyondintractability.org/essay/creating_value.

