Negotiating with Yourself and Winning

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Negotiation ...

• Is a strategy for resolving conflict

• Can occur anywhere we have interdependence
  – No dictating terms

• Is an opportunity to look for
  – Wyatt
  – Carmax
  – My children
A Short Exercise

• The New Recruit – A negotiation between a recruiter and a candidate (who has been offered a job)
• 10 Minutes to Read Instructions and Prepare
• 20 Minutes to Negotiate
• The final outcome should be reported on the recruiter’s contract sheet
• All eight issues must be agreed upon to reach a deal
• Who is paired with who?
Planning Time

• 10 minutes
• You can talk about what you plan to do with someone in your same role
Negotiating Time

• 20 minutes

• Good luck!
The New Recruit

• Why are some people’s scores so low / high?
  – Given the size of the pie (or amount of resources on the table) could they have done better?

• Where do you want (the candidate) to work?
  – Job assignment?
  – Location?
Types of Issues in business

• **Distributive** – Different preferences but **similar** values
  – *What issues in the exercise were distributive?*

• **Congruent** – **Similar** Preferences
  – *What issues in the exercise were congruent?*

• **Integrative** – Different preferences but **different** values
  – *What issues in the exercise were integrative?*
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Negotiating a Fixed Pie

- Distributive Negotiation
- Zero-sum Game
- Claiming Value
- How we assume most (all?) negotiations are.
But Not All Negotiations are Fixed Pie

• Sometimes there many issues on the table

• Sometimes those issues have different values

• Sometimes the size of the pie can be enlarged
An example of enlarging the pie

Just not yet! Wait to lift the curse until the opportune moment.
An example from Moscow, Russia
Why Increase the Size of the Pie?

• There is more resources to share (and take)?

• The other side is more motivated to reach a deal

• They are more likely to say “yes” to your requests
What gets in the way of enlarging the pie?

Assuming the Pie is Fixed!
Fixed Pie Bias

• A cognitive misperception where ...
  – Parties assume their preferences are opposed
  – Parties assume they each value the issues equally (every dollar gained for you is a dollar lost for them)
Example/Consequence of the Fixed Pie Bias

• The Case of Ben Cone
  – Mr. Cone had sustainably forested his 6,200 acres for 60 years.
  – In the 1990s, he clear-cut a large part of his forest.
  – Why?

Red-cockaded Woodpecker + Endangered Species Act
What can we do to enlarge the pie?

• Uncover Positions vs. Interests

• Information Sharing

• Be flexible in positions but firm in interests
Positions vs. Interests

- **Positions** = *what* someone wants
- **Interests** = *why* someone wants it

Buying a House in Greece
Information Sharing

- Reciprocity *(using norms)*
- Superordinate Goal
- Shared Identity

Using relationships
Flexibility X Information ...

- Transforms a (perceived) distributive negotiation into an integrative negotiation
ABCs of Negotiation

- Acquire Information
- Build-up the Resource Pool
- Claim Your Share of Resources
Remember!

• Beware of the Fixed Pie Bias

• Know what interests *drive* your positions

• Information is king in negotiation

• Be flexible in your positions while firm in your interests

• Know your ABCs of Negotiation