# **NEGOTIATION SKILLS**

DR. SAMEIR M. HAMMAD

ASSISTANT PROFESSOR, ARCHITECTURAL ENGINEERING DEPARTMENT, BENHA FACULTY OF ENGINEERING

# WHAT IS .. **NEGOTIATION**

A process where mandated representatives meet in order to resolve their differences and reach agreement.

# **TYPES OF NEGOTIATIONS**

Positional Negotiation

Interest Based Negotiation

Competitive Negotiation

Co-operative Negotiation

Principled Negotiation

# **BARRIERS TO NEGOTIATION**

Poor communication skills

Overreacting & emotional responses

Misunderstandings

Conditioned or learned responses

Relationship dynamics

# **RULES FOR NEGOTIATION**

Be strategic and deliberate with words

Be willing to prepare & prepare well

Have high expectations

Be patient in listening

Maintain your integrity

## **NEGOTIATION ESSENTIALS**

#### **Communicate**

- No clear lines of communication = no negotiation.
- PROBLEMS fall into three categories: perception, emotion, and communication.
- Facts, even if established, may do nothing to solve the problem.

## **NEGOTIATION ESSENTIALS**

# **Co-operate**

# Be Cooperative, But Don't Let Your Guard Down

- Statistics show that cooperative negotiators are more effective than competitive negotiators.
- However, in positional bargaining, a hard game dominates a soft one.

## **NEGOTIATION ESSENTIALS**

#### Listen

# The Power Is In Listening

- Ask questions, test for understanding, summarize, and listen, listen, listen.....
- Get more by finding out what others wants than by clever arguments for what you need.
- The cheapest concession you can make is to let others know they have been heard.

# **NEGOTIATION WINNERS**

Have a Game Plan Focus on Your Goals

Identify the Issues

Have
Powerful
Justifications

Evaluate, Evaluate, Evaluate

Pay Attention to Closure

#### THE PRE-NEGOTIATION PLANNING PHASE

- Decide if Subject Matter Expert involvement required.
- Research options/issues and precedence's.
- Understand the motivators of affected stakeholders.
- Know impact of each option (time, cost, quality, scope).
- Risk/opportunity assessments.

#### THE PRE-NEGOTIATION PLANNING PHASE

- Timing issues (urgency, best time to meet, etc).
- Summarize pros and cons.
- Cultural considerations (people and Enterprise)
- Formulate strategy based on knowledge of the stakeholders.
- Pre-meeting info dissemination.

## THE PRE-NEGOTIATION PLANNING PHASE

- Invite appropriate empowered representatives.
- Set conducive agenda, facilities, timeslot, and refreshments.
- Plan for timely post negotiation action.
- Plan for analysis of "lessons learned" after negotiating.

## HANDLING EMOTIONSTIPS

- Don't lose your cool (remember the swan!).
- Try to defuse with acknowledgement, empathy, patience, impartiality.
- Consider dealing with less emotional issues first
- Know your own "Hot Buttons"
- Practice (consider Toastmasters, etc)

# **NEGOTIATION STRATEGIES**

Win - Lose

Lose - Win

Compromise

Lose - Lose

Win - Win

## PRACTICE WIN-WIN NEGOTIATIONS

- Establish rapport and common goals.
- Probe for understanding of beliefs, goals, win-win options, and hidden stakeholder motivators.
- Paraphrase for confirmation/affirmation.
- Analyze outcomes and risks.
- Summarize what was agreed on, and next steps (even if these are only "baby steps").

## TIPS OF WIN-WIN NEGOTIATIONS

- If stalled, back up to a fundamental that you can agree on (e.g. "We both want to make this a profitable venture")
- Build on this common ground (recycle if necessary)
- Avoid emotional responses (even if insulted)
- Consider interim options (or postponement) if undesirable outcome is imminent or key information is missing.

# PRINCIPLE I: SEPARATE THE PEOPLE FROM THE PROBLEM

- Disentangle the people from the problem
- Deal with the people problem: acknowledge perceptions, emotions
- Listen actively
- Speak to be understood
- Speak about yourself, not them

# PRINCIPLE 2: FOCUS ON INTERESTS, NOT POSITIONS

#### **POSITIONS**

**INTERESTS** 

- What disputants say they want in a negotiation: a particular price, job, work schedule, change in someone else's behavior, revised contract provision, etc.
- Underlying desires or concerns that motivate people in particular situations (May sometimes be the same as their positions!)

# PRINCIPLE 3: INVENT OPTIONS FOR MUTUAL GAIN

- Focus on the variety of ways issues/ interests (yours/theirs) might be addressed?
- Avoid assuming there's a single solution
- Separate brainstorming from evaluation of options
- Don't assume zero-sum conditions
- Think creatively

# PRINCIPLE 4: INSIST ON OBJECTIVE CRITERIA

FAIR STANDARDS

FAIR PROCEDURES

- market value, precedent, blue book value, professional standards, "best practice," industry average, equal treatment, etc.
- e.g. last best offers, taking turns, drawing lots

## PREPPING FOR YOUR NEGOTIATION

- What are our interests? What are theirs? How can we find out?
- What's our BATNA? What's theirs?
- What's our WATNA? Theirs?
- What do we know about their circumstances that might affect the negotiations?
- What's their negotiation style? Etc.

# **NEGOTIATING STEPS**

Develop ground rules

Jointly identify issues

**Explore** interests

Develop objective standards

Brainstorm options

Evaluate options using standards

Try to reach consensus decision

# **THANK YOU**

NEXT LECTURE: CRITICAL THINKING AND PROBLEM SOLVING