

# Advice Guides

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## ABOUT NEGOTIATING

"He's negotiating with me!!?"

Some years back a mate of mine who is a barrister was incredulous about the way my son Jimmy, who was then only 4 years old, was trying to buy a little more play time before being forced to sit at the table for lunch. This barrister spends much of his professional life negotiating and he recognised Jimmy's efforts immediately.

You don't think a 4 year old can negotiate? After walking and talking its the next thing kids learn.

Any time you try to convince someone to do something you want them to do - you're negotiating. We all do it all the time, but only a few of us do it well.

What constitutes 'good negotiating'? There are different levels of answering that question.

On the most superficial level it might mean just getting what you want.

The next level would require that you not only got what you wanted but you maintained a good relationship with the other party in so doing.

Yet a further level would define it to mean that you negotiated with integrity - without resorting to lies or 'sharp practices'.

And yet another level would not characterise the negotiating as 'good' unless the end result was fair to all concerned and involved mutual gain.

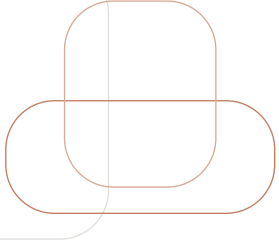
And if that sounds too esoteric, you might consider that being 'fair to all concerned' is one of the principles of the world-wide service network called 'Rotary'.

Whichever of these outcomes you want to focus on in measuring your success at negotiating, to be a good negotiator involves letting go of a number of myths about negotiation.

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|-------------------|---|
| <b>Myth No. 1</b> | Negotiating is a test of strength, of personal power - a contest of will.   |
| <b>Myth No. 2</b> | Good negotiating involves establishing an extreme position and then conceding as little as possible until the deal is agreed, hopefully with you having conceded less than your opponent. |
| <b>Myth No. 3</b> | The person you negotiate with is your adversary/opponent/enemy.   |
| <b>Myth No. 4</b> | There is only one satisfactory result of a negotiation - yours!   |
| <b>Myth No. 5</b> | You can have a good outcome of negotiation or a good relationship with the other party - but not both.  |

The essential elements of principled negotiation are;

1. to separate the people from the problem
2. to focus on interests not positions
3. to look for solutions which involve mutual gain
4. to use objective criteria to promote a fair result.



### 1. Separate the People From the Problem

Keeping the parties emotions out of the way during a negotiation is an important step toward reaching agreement.

If the relationship of the parties becomes entangled with the issues of substance, suddenly you've added a whole extra dimension to the problem and a major new barrier to resolution.

- > Make sure the other side has an accurate perception of your views and work to ensure you understand theirs. Help them to save face by making proposals consistent with their values.
- > As much as possible, take emotions out of the picture by acknowledging them, even letting them be released and then moving on.
- > Ensure accurate communication that is characterised by careful listening, positive focussed speaking and generally addressing how you feel, rather than making judgement statements about them.
- > Prevent people problems from arising by building relationships right from the start.

### 2. Focus on Interests Not Positions

The breakthrough in the 1978 peace talks between Israel and Egypt over the Sinai Peninsula came when instead of arguing about where the borders were to be drawn, both countries put on the table their interests - Israel's in her security and Egypt's in sovereignty over her traditional lands.

The obvious solution fell automatically into place - Egypt got the sovereignty over the land but agreed to demilitarise it.

Your position is something you have decided on, your interests are what caused you to decide that way. And there are usually many more interests that can be worked on and satisfied than there are positions.

To identify the other side's interests, if they won't (or can't) tell you, ask "why have they adopted their position?". Alternatively "Why won't you agree to what I am asking?"

Remember the five main interests common to all of us :

- > security
- > economic well-being
- > a sense of belonging
- > recognition
- > control over one's life

Another way of looking at negotiating was established by the Harvard University Negotiation Project which developed the concept it called "principled negotiation". This is the process of deciding issues on their merits with as much emphasis as possible on mutual gains.

Whenever interests conflict "principled negotiation" insists that the result be based on some fair standard independent of what each party says it wants.

### 3. Look for Solutions Involving Mutual Gain

Play win/win.

Remember the sisters who argued over the orange, agreeing eventually to cut it in half. One sister used the peel from her half in making a cake and threw away the fruit while the other ate the fruit from her half and threw away the peel. What a wasted opportunity for both of them!

To play win/win :

- > don't prejudge the possible outcomes - keep an open mind
- > don't search for just one single answer
- > don't assume that what you are negotiating over is a fixed pie - there are a myriad of solutions
- > don't leave their problem to them - helping solve their problem will help to solve yours.



#### 4. Use Objective Criteria To Promote A Fair Result

Pitting your will against the other party's may help you to win the argument but will not assist in maintaining relationships or limiting the personal trauma of resolving the dispute (see the four levels of successful negotiating I referred to earlier).

The solution is to use an objective criteria that brings with it a standard of fairness, efficiency and scientific merit. It also helps the parties to save face and avoid major conflict. There are many fair standards and fair procedures, such as :

##### **Fair Standards**

market value  
precedent  
professional  
equal treatment  
reciprocity

##### **Fair Procedures**

arbitration  
expert decision  
standards taking turns  
drawing lots  
one cuts, the other chooses

To discuss fair standards and procedures with the other party :

- > frame each issue as a joint search for objective criteria
- > try to persuade (and be open to persuasion) as to which standards are most appropriate and their application
- > don't give in to pressure, but be prepared to concede to agreed principles.

#### **Emotional Blackmail**

Often in negotiations emotive statements are made that are aimed at sabotaging the prime goal of reaching agreement on the issues.

One way to handle those emotive statements is to request the other party to be precise. Like this:

##### **Emotive Statement**

'Nobody respects me'  
(Universal)  
'I should, but ...'  
  
'You make me ...'  
'It's really really bad'  
'Too much/many/expensive'

##### **Demand for Precision**

'Absolutely Nobody?'  
(Precisely who)  
'What's stopping you?'  
'What would happen if you did?'  
'How do I make you ... ?'  
'Who/What specifically?'  
'Compared to what?'

Once that precision is injected, this sabotage can be specifically dealt with and becomes far less powerful.

#### **Develop Your BATNA**

You negotiate in order to get something better than you can obtain without negotiating.

If your negotiations are not going to produce that 'something better' then what is your alternative?

Knowing your Best Alternative To a Negotiated Agreement (BATNA or generally known as 'your bottom line') and measuring the outcome of your negotiations against that BATNA helps protect you from accepting terms that are too unfavourable and from rejecting terms that you should really accept.

Developing your BATNA involves :

- > considering the actions you might take if no agreement is reached
- > converting the better ideas into practical solutions
- > selecting the option that works best.

Judge every offer against your BATNA

Who's Winning?

To ask a negotiator who's winning is as inappropriate as asking who's winning a marriage.

The focus is better placed not on 'winning' and 'losing' but on producing the best substantive outcomes possible for both sides. If that can be achieved without sacrificing human relationships - that's the big WIN.