

التفاوض

NEGOTIATION

دليل التحضير للتفاوض

Negotiation Checklist

الفصل الخامس (المحاضرة الحادية عشر والثانية عشر)

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The Negotiation Checklist

Negotiation Checklist: is a guide for thinking about an important, upcoming negotiation. The items on this list:

- A. About You
- B. About the Other Side
- C. The Situation
- D. The Relationship between the Parties



Negotiation Checklist: A systematic way to ensure you are well prepared before your next negotiation

Item accomplished

A. About You

- 1. What is your overall goal?
- 2. What are the issues?
- 3. How important is each issue to you?

Develop a scoring system for evaluating offers:

- (a) List all of the issues of importance from step 2.
 - (b) Rank-order all of the issues.
 - (c) Assign points to all the issues (assign weighted values based on a total of 100 points).
 - (d) List the range of possible settlements for each issue. Your assessments of realistic, low, and high expectations should be grounded in industry norms and your best-case expectation.
 - (e) Assign points to the possible outcomes that you identified for each issue.
 - (f) Double-check the accuracy of your scoring system.
 - (g) Use the scoring system to evaluate any offer that is on the table.
- 4. What is your “best alternative to a negotiated agreement” (BATNA)?
 - 5. What is your resistance point (i.e., the worst agreement you are willing to accept before ending negotiations)? If your BATNA is vague, consider identifying the minimum terms you can possibly accept and beyond which you must recess to gather more information.

B. About the Other Side

- 1. How important is each issue to them (plus any new issues they added)?
- 2. What is their best alternative to negotiated agreement?
- 3. What is their resistance point?
- 4. Based on questions B.1, B.2, and B.3, what is your target?

C. The Situation

- 1. What deadlines exist? Who is more impatient?
- 2. What fairness norms or reference points apply?
- 3. What topics or questions do you want to avoid? How will you respond if they ask anyway?

D. The Relationship between the Parties

- 1. Will negotiations be repetitive? If so, what are the future consequences of each strategy, tactic, or action you are considering?
 - 2. (a) Can you trust the other party? What do you know about them?
 - (b) Does the other party trust you?
 - 3. What do you know of the other party's styles and tactics?
 - 4. What are the limits to the other party's authority?
 - 5. Consult in advance with the other party about the agenda.
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A. About You

About You includes:

1. What is your Overall Goal?
2. What are the Issues?
3. How Important Is Each Issue to You?
4. What is your BATNA?
5. What is Your Resistance Point?

A. About You

1. What is your Overall Goal?

Start with the big picture.

What basic need will an agreement address?

Why are you talking to this person or this company?

What do you hope to accomplish.

Note: Most people begin and end their negotiation determining their overall goal. It is just the beginning.

A. About You

2. What are the Issues?

What specific issues must be negotiated for the final agreement to meet your overall goal?

For example, if your overall goal is to buy laptops for your company, prices, functionalities, guarantees, qualities, will be involved.

A. About You

2. What are the Issues?

You should anticipate as many issues as possible for the negotiation. By doing so, you will be better informed and feel comfortable and confident when negotiating.

In general: the more issues you put on the table, the better off you are.

For example:

- Price maybe an obvious component.
- Delivery schedules
- Duration of contract
- Product or service upgrades
- Cancellation clauses, contingency plans, transportation services, complimentary room nights...etc.

A. About You

3. How Important is Each Issue to You?

A-list all the issues of importance from step 2.

B- Rank order all of the issues.

C- assign points to all the issues (assign weighted values based on a total of 100 points)

D-List the range of possible settlements for each issue.

E-Assign points to the possible outcomes that you identified for each issue.

F-Double check the accuracy of your scoring system.

G- Use the scoring system to evaluate any offer that is on the table.

A. About You

4. What is your “Best Alternative to a Negotiated Agreement” (BATNA)

Before you begin a negotiation, you need to have a backup plan in case you fail to reach an agreement with the other party.

This backup plan is called BATNA.

Each side’s BATNA is a key factor in determining negotiation power.

Your BATNA is what you get if you leave the table without an agreement.

Examples:

You can negotiate hard for a job if you already have a few offers in your pocket.

Are you negotiating with the only supplier in town?

A. About You

5. What is your Resistance Point?

- Your resistance point is the worst agreement you are willing to accept before ending negotiations and resorting to your BATNA.
- It is the point at which you decide to walk away from the table for good, and the BATNA is where you are headed when you take that walk.
- You should choose your resistance point based primarily on how good your BATNA is.

Note: your resistance point should be set just slightly better than your BATNA.

Example: if your BATNA is 100 US a night for room hotel, and you got an offer from a hotel for 105 US for better service than your other choice, you will accept the offer.

B. About the Other Side

1. How Important is Each Issue to Them (Plus Any New Issues they Added)?

- Attempt to estimate the other parties priorities.
- What trade-offs can you offer that enhance the agreement's value for both sides.
- If your counterpart had a scoring system like yours, what do you think it would look like?

B. About the Other Side

2. What the Other Side's BATNA?

- What are your counterpart's alternatives to doing business with you?
- How much do you think he values those alternatives?
- How badly does this company want to do business with you?

Example: If you are selling, the buyer's BATNA should determine the maximum price they would be willing to pay for your services or product.

B. About the Other Side

3. What is the Other Side's Resistance Point? , if Any?

- Given your assessment of the other party's BATNA, you can estimate the least favorable deal for which the other party might settle.
- If you know the other party's resistance point, you can push for an agreement that barely exceeds it.

B. About the Other Side

4. What is your Target?

- By now you should know what is the least favorable agreement that you will accept, and you have estimated the other side's least favorable agreement.
- Now, consider the most favorable agreement for you. Your upper limit.
- If you focus primarily on your resistance point, you are unlikely to secure an agreement that is far superior to that point.
- The bargaining zone: is the range between the two parties' resistance points.

C. The Situation

1. What deadlines exist? Who is more impatient?

- The negotiator who feels a greater sense of urgency will often make rapid concessions in an effort to secure a deal quickly.

C. The Situation

2. What Fairness Norms or Reference Points Apply.

-What might constitute a “fair deal”?

There are many valid ways to determine fairness, and each negotiator will often choose the fairness norm that most favors his/her position.

Example: when fresh graduate of business goes for a job interview and the employer offers “market value” salary for the fresh graduate in business as a fairness norm, and the job seeker judged that as unfair, as the market value for ranked universities such as the one he graduated from higher, so he/she redefined the market value by giving examples of other graduates salaries from his ranked university.

C. The Situation

3. What topics or Questions do you Want to Avoid? How will you respond if the other side asks anyway?

-You might find yourself in a position where there is something that you do not want the other negotiator to know. For example, your BATNA may be weak.

-Good negotiators plan in advance how to respond to questions they do not want to answer.

D. The Relationship between the Parties

1. Are the Negotiations Part of a Continuing Series? If So, What Are the Future Consequences of Each Strategy, Tactic, or Action You Are Considering?

-Consider whether you expect or want to continue a business relationship with the other party.

-Trust facilitates successful negotiations.

D. The Relationship between the Parties

2. Can you Trust the Other Party? What Do You Know about Them?

- Call around to inquire how this company conducts negotiation.
- The extent to which you trust the other party should determine your approach to sharing and collecting information.

D. The Relationship between the Parties

3. What do you know of the other party's styles and tactics?

-You are likely to secure the best deal if you learn about other party's style in advance and try to accommodate it.

There are three types of negotiators:

First type: prefers to have some personal contact and then ease into the issue at hand. So put him/her at ease to reveal the information.

Second type: prefers a direct approach and avoid disclosure.

Such a negotiator requires a competitive approach.

Third type: has carefully computed and decided what is the best deal and makes the offer up front and announces that is nonnegotiable.

Simply assess the offer, if it beats your BATNA, take it, if it does not, then politely refuse.

D. The Relationship between the Parties

4. What are the limits to the Other Party's authority?

- Most negotiators, unless they are the CEOs of their companies, are authorized to negotiate only certain specified issues and within certain ranges.

D. The Relationship between the Parties

5. Consult in Advance with the other party about the agenda.

-Consider calling the other party beforehand to share what issues you plan to discuss and to ask what issues the other party might raise.

For example, calling trainers to discuss training courses in advance and get their points on issues that might raise if we worked with them on training contract.

Ten Best Practices in Negotiation

1. Be Prepared:

Good preparation means understanding your own goals and interests as well as possible and being able to articulate them to the other party.

Also being ready to understand the others party's communication in order to find an agreement that meets the needs of both parties.

2. Diagnose the structure of the Negotiation:

Make a decision about whether you are facing distributive negotiation (competitive) or an integrative negotiation (cooperative win-win) or a blend of the two. Then choose your strategies and tactics accordingly.

Ten Best Practices in Negotiation

3. Identify and Work the BATNA.

4. Be Willing to Walk Away.

Strong negotiators remember that: the goal of most negotiations is achieving a valued outcome, not reaching an agreement. Thus they are willing to walk away from a negotiation when no agreement is better than a poor agreement or when the process is so offensive that the deal isn't worth the work.

Ten Best Practices in Negotiation

5. Master the key contradictions of Negotiation:

For example:

- Sticking by your principles vs. being resilient to the flow
- Honest and open vs. closed
- Trust vs. distrust (trust can be built by being honest and sharing information with the other side, which hopefully will lead to reciprocal trust and credible disclosure by the other side).

Ten Best Practices in Negotiation

6. Remember the Intangibles:

- Intangibles include avoiding loss, looking tough or strong to others, winning, not looking weak, being fair, and so on.
- It is important that negotiators remember the intangible factors while negotiating and remain aware of their potential effects.
- Intangibles frequently affect negotiation in a negative way, and they often operate out of the negotiator's awareness.
- The best way to identify the existence of intangible factors is to try to “see what is not there.” behavior that doesn't “make sense” it is time to start looking for the intangibles driving this behavior.

Ten Best Practices in Negotiation

7. Actively Manage Coalitions:

-Negotiators should recognize three types of coalitions and their potential effects:

1-coalitions against you,

2-coalitions that support you, and

3-coalitions undefined that may materialize either for or against you.

-Managing coalitions is especially important when negotiators need to rely on other people to implement an agreement.

Ten Best Practices in Negotiation

8. Protect your Reputation:

-Starting negotiations with a positive reputation is essential, and negotiators should be vigilant in protecting their reputations.

9. Remember that Rationality and Fairness Are Relative:

People tend to view the world in a self serving manner and define the “rational” thing to do or a “fair” outcome in a way that benefits themselves.

Negotiators need to be aware of this tendency in both themselves and the other party.

Ten Best Practices in Negotiation

10. Continue to Learn from the Experience:

-Three step process is recommended:

1-plan a personal reflection time after each negotiation.

2-Periodically “take a lesson” from a trainer or coach (books, seminars, training courses, coaches who can refine skills...etc.)

3-Keep a personal diary on strengths and weaknesses and develop a plan to work on weaknesses.

Questions & Answers



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