

Negotiating for Success

FSLI – October 2019

Dave Roberts

Assistant Professor

Executive Director, Center for Integrated Marketing and Sales (CIMS)

Kenan-Flagler School of Business, University of North Carolina



UNC
KENAN-FLAGLER
BUSINESS SCHOOL

Agenda

- What is Negotiation?
- Negotiation Types
- Sources of Power
- Developing Negotiating Power
- Managing Power Abuse
- Live Application Planning



Negotiating is ...

- “Bargaining (give and take) process between two or more parties (each with its own aims, needs, and viewpoints) seeking to discover a common ground and reach an agreement to settle a matter of mutual concern or resolve a conflict”



www.BusinessDictionary.com



UNC
KENAN-FLAGLER
BUSINESS SCHOOL

Negotiating is ...

- “To confer with another so as to arrive at the settlement of some matter”



Merriam-Webster



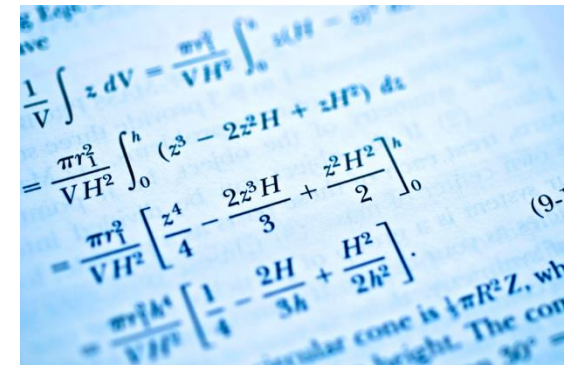
UNC
KENAN-FLAGLER
BUSINESS SCHOOL

Negotiating is ...

- Easy (when it doesn't matter)



- Difficult when it matters most



Negotiating vs. Selling / Persuading

“Selling” = If?	Negotiating = How?
<i>Extrinsic</i> Need	When?
<i>Compelled</i> to Act	Who / whom?
\$\$\$ / emotion	What?
	<i>Exactly</i> how?

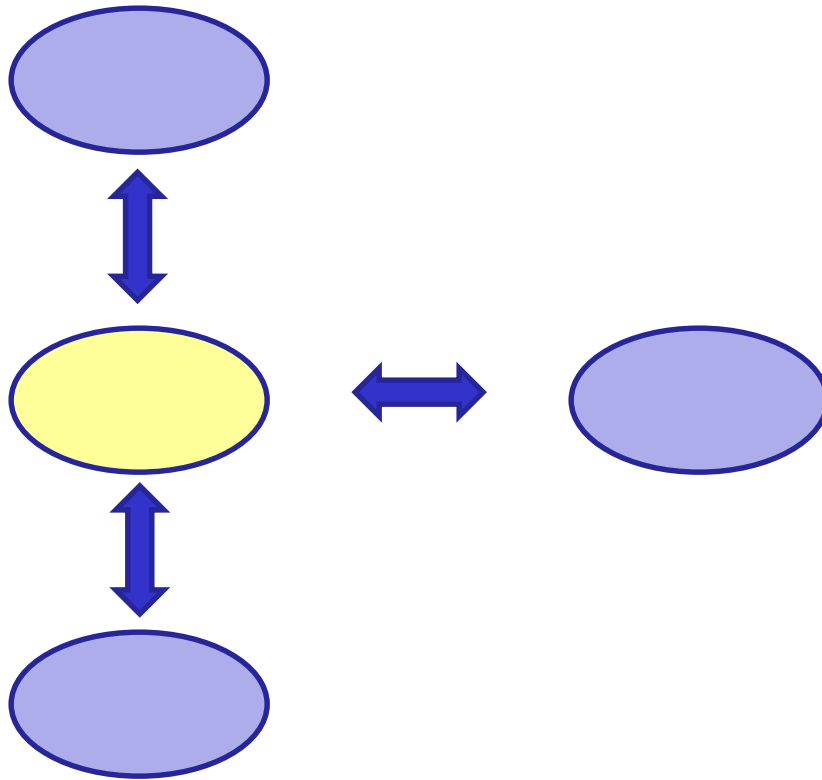


Fundamental Negotiating Types

- Hierarchy
- Intent



Negotiating Hierarchy



	Common	Differences
Superior		
Peer		
Subordinate		



Negotiating Intent

Type	“Application”
Combative	<ul style="list-style-type: none">• Transactional• No future relationship
Collaborative	<ul style="list-style-type: none">• Moderately difficult Need/Solution• Future Relationship
Synergistic	<ul style="list-style-type: none">• Cost of Failed Agreement = High• “Partnership”



Negotiation Intent - Combative

- Win / lose
 - I win / you ...???
- Power – use and abuse
- Focus is on the Immediate Outcome
- Poor/No Relationship Protection



Negotiation Intent - Collaborative

- Balanced / equity of Return
- High levels of Trust
- Protected Relationship
- Medium- to long-term focus
- Controlled use of Power



Negotiation Intent - Synergistic

- Maximize the “Pie”
- Innovative “solutions”
- Long term “Partnering” relationship
- Mutual Power Development



Negotiation Practice #1

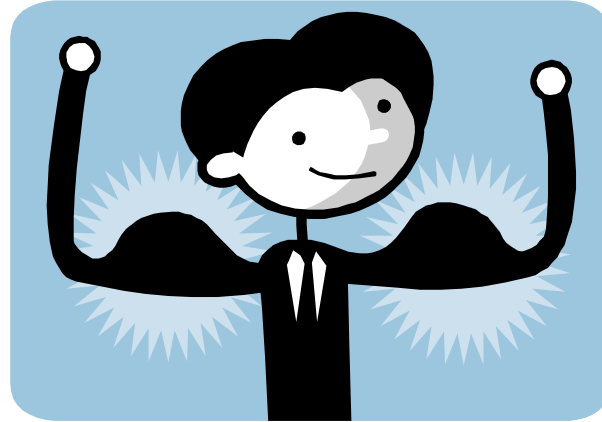


UNC
KENAN-FLAGLER
BUSINESS SCHOOL



Sources of Negotiating Power

- Knowledge
- Attitude
- Authority
- Objectivity
- Skills



Knowledge

- Data / Information
- Insight
- Known / unknown



UNC
KENAN-FLAGLER
BUSINESS SCHOOL

Attitude

- Strength of the Need
- “Value” of the Solution
 - Accepting
 - Resisting
 - Indifferent



Authority

- Real
- Perceived



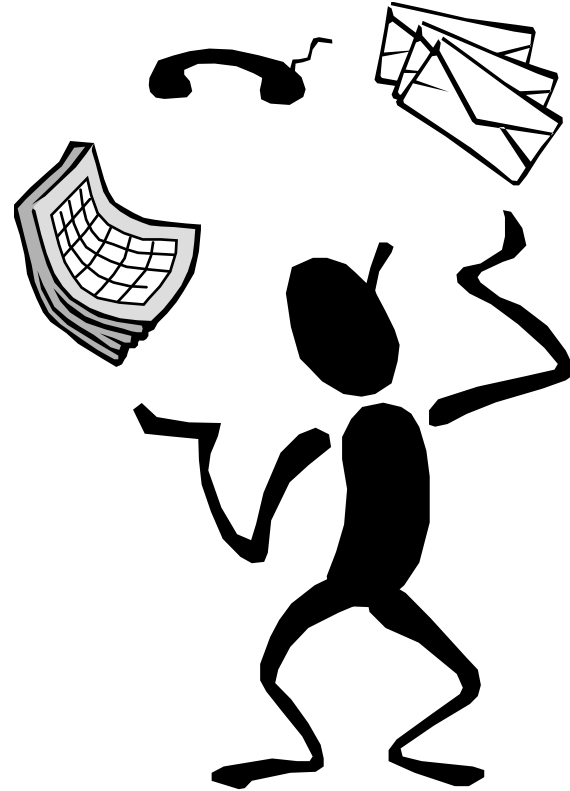
Objectivity

- Planned Interaction
- Considered Alternatives
- “Measured” Compelling Event
- Clinical
- P -> F -> B



Skills

- Preparedness
- Practice



Developing/Retaining Power

- Knowledge
- Attitude
- Authority
- Objectivity
- Skills



Increasing Knowledge

- Research
- Assumptions (“Think like the other person”)
- Questions
 - Open / Closed
 - High Impact
 - Situation; Problem; Implication; Need-Payoff
- Needs/Wants

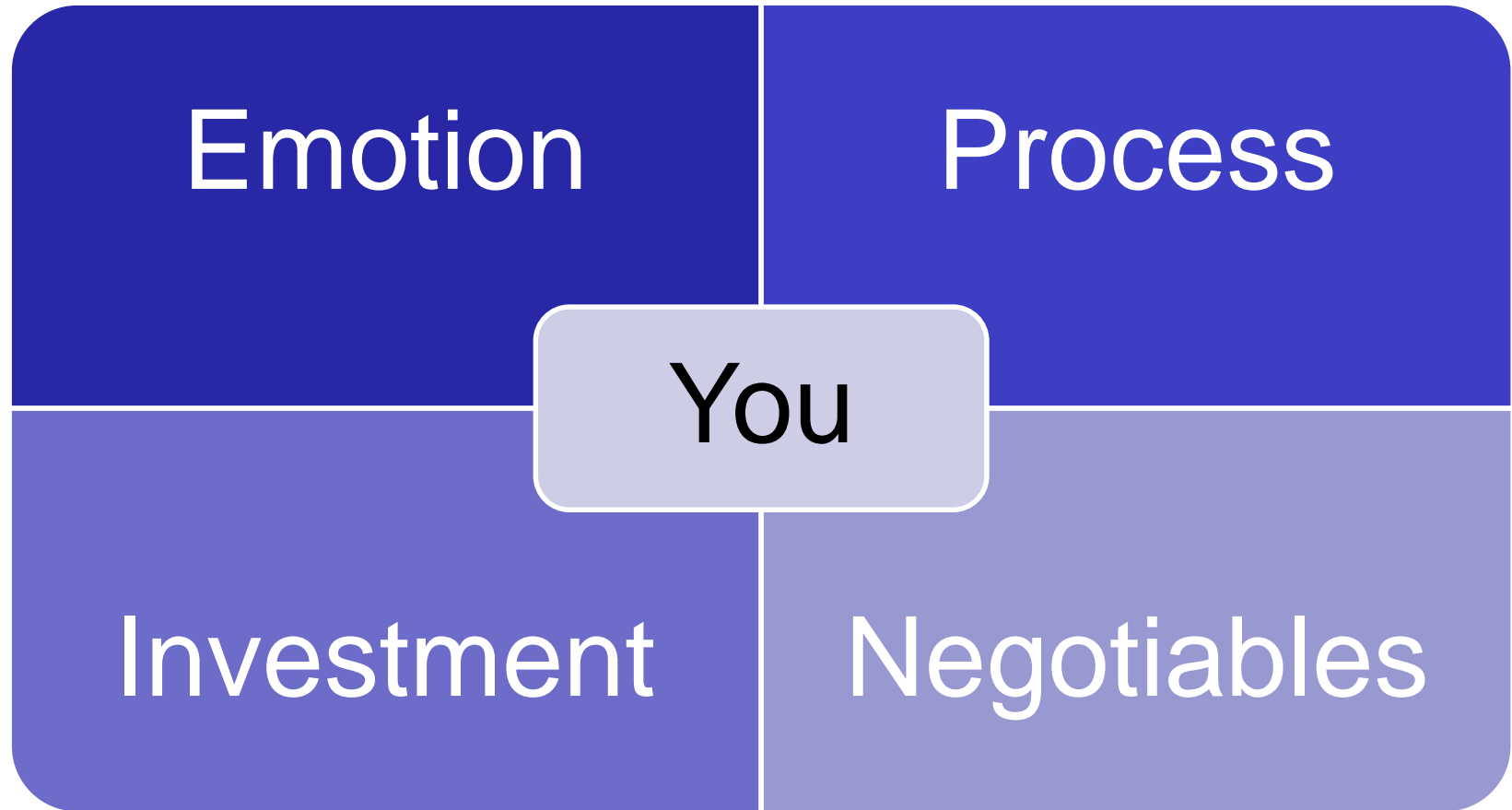


Increasing Objectivity

- Plan
- Consider and Provide Alternatives
 - Elegant Negotiables
- Expect ploys and tactics



Power Abuses = Ploys and Tactics



Power Abuses = Ploys and Tactics



The diagram consists of a large rounded rectangle divided into four equal quadrants by a white cross. In the center, overlapping all four quadrants, is a smaller rounded rectangle with a white border and a light blue fill, containing the word "You" in black text.

You



UNC
KENAN-FLAGLER
BUSINESS SCHOOL

Managing Power Abuses

- Use a ploy / tactic
- Concede / counter-demand
- Use “Golden Silence”
- **Fully** investigate the comment
- Acknowledge ...and then disagree
- Respond emotionally



Negotiation Practice #2



UNC
KENAN-FLAGLER
BUSINESS SCHOOL



Improving Skills

- Plan
- Practice / Role Play



UNC
KENAN-FLAGLER
BUSINESS SCHOOL

Negotiation Plan

- Current knowledge
 - Personality/style; needs/wants; history
- Missing knowledge
 - HIQs to uncover
- Desired outcome/intent
 - Alternatives / “elegant negotiables”
- Power Analysis



Live Application Planning



UNC
KENAN-FLAGLER
BUSINESS SCHOOL



3 Levels of Intent

Combative	<ul style="list-style-type: none">• Transactional• No future relationship
Collaborative	<ul style="list-style-type: none">• Moderately difficult Need/Solution• Future Relationship
Synergistic	<ul style="list-style-type: none">• Cost of Failed Agreement = High• “Partnership”



Sources of Power

- Knowledge
- Attitude
- Authority
- Objectivity
- Skills

