What’s negotiation’s DNA?

Keeping the process healthy to get good outcomes

Ray Fells

Business School, UWA

Negotiation’s DNA

- Two parties
- Reciprocity
- Trust
- Information exchange
- Power
- Ethics
- and
- an Outcome
Negotiation’s DNA

Two parties
- Stakeholders
  - Think about the implementation
- Unhelpful biases
  - Zero sum thinking: “If he is winning, I must be losing”
  - One-sidedness: “But I did consider the other party!”
  - Linear thinking: “If we … …, then they will… …”

- Two parties
- Reciprocity – the ‘crude law of social relations’
- Trust
- Information exchange
- Power
- Ethics - would I like to read about this on the internet? and
- an Outcome – it is the implementation that matters
Negotiation’s DNA

Power in negotiation
- How do I know whether I’m in a more powerful negotiating position?
- Is it true to say that ‘information is power’?

Information in negotiation
- What do you really need to know in a negotiation?
- What does information have to do with trust?

Cooperation in negotiation
- Why might it be unhelpful to be ‘cooperative’ in a negotiation?

Trust in negotiation
- Is trust a quality? Or an action? Or what?
- Is trust important if I’m in a stronger position?

Seeking Power
- If my alternative to negotiating is better than theirs
- Power over, or power for?

Information
- The answer to two questions: ‘who needs who the most?’ and ‘where do we differ?’
- ‘drip feeding’ information develops trust

Trust
- An expectation that the other party’s action will be non-exploitive
- Assuming you are in a stronger position, then at the very least you still need them to trust you
Being cooperative – unhelpful?

‘I find Ray Fells good to negotiate with – he’s so cooperative’

Cooperation means they are reasonable and flexible; cooperation means I give them something to take away from the table

Cooperation means a ‘win-win’ outcome
  I want to buy for $6; you want to sell for $10. We settle on $8

Instead, cooperation means
- Big picture thinking
- Matching behaviour
- Other directed behaviour
  - reflecting on, building on what the other person has just said
  - giving reasons first

Become a reflective practitioner

- WHAT happened?
- WHY did it happen?
- WHAT IF things had been different? (our actions; theirs; the context)
- HOW would the other party answer these questions?

- WHAT NEXT? What am I going to do differently next time? Why?