

## NOTES on NEGOTIATIONS 101

**“Negotiations 101”  
begins with a “QUIZ”.**

I give people two minutes to decide which of the items on the list is (or is not) a “negotiation.” After two minutes I ask them to look especially at the last item and I ask aloud: “Is there anyone in the room who has negotiated with him or herself?” Heads nod yes. I ask, “Is it possible to negotiate with yourself?” Again most heads will nod affirmatively.

The answer, of course, is **that all the items on the QUIZ are negotiations.** I will usually say, “As I see it, ALL interactions between two or more points of view are negotiations.” I go on to point out that the **“theory of negotiations covers all interactions—personal and professional—where there are two or more points of view.”**

Often people will raise a hand, “But ...war?” And then they will think. And realize that war is a use of force—in a negotiation.

## **FIRST GRAPH**

### **“There are many possible strategies in negotiation”**

I start with the “story of the orange.” There are by the way many stories of the orange, and a delightful role-play called the Ugli Orange—sometimes I tell a fanciful story about a fight over a single orange. In all versions, persons (or teams) A and B are fighting over an orange. Each wants the whole orange. I ask, “You are a third party to this dispute. What will you do to manage the dispute?”

Usually someone will say, “Eat the orange.” And some will say, “Divide it in half.” I produce Graph #1 and point to Avoidance. I will smile at a person who suggests eating the orange, and say that there is a technical definition for the strategy of eating the orange—called Avoidance.

I then point to Compromise and suggest that all over the world this is an essential strategy and widely practiced. Then I will point to Competition (as A will see it) and Accommodation (also as A will see it) and then ask if it is obvious that these two points are reversed for Person B. People will nod.

Then I will point to the dot inside the triangle and ask the significance of the dot.

Sometimes someone will understand that the dot represents a damaged orange.... a point where A and B will each get only a bit of the orange. I ask, “Has anyone ever seen a negotiation where that which is at stake gets damaged? The goods or the services or somebody’s reputation?” Usually many people nod. If I have time I will ask for examples. I look for examples that show **INTANGIBLE** loss as well as **TANGIBLE** damage.

I point out that all the points within the triangle represent **INEFFICIENT** solutions—value is left on the table. Not only are these simply win-lose solutions but they also are not cost-effective.

Then we think about the nature of “win-lose.” Is it sometimes a good thing? Is it the best we can do? I ask the class, “How many in the class believe in ‘justice’?” Of course most of us raise our hands, including me. I point out that the diagonal (competition to accommodation) IS the line of justice, as one would find it in court. That is, the winnings of the one represent loss to the other. And I ask rhetorically, “But is this always the best we can do? Can we do better than win-lose, in some cases? ”

## THE SECOND GRAPH “Why Does Each Party want what they say they want?”

Often someone in the class will point out that there is another way to help in the dispute about the Orange. The third party might ask each person WHY he or she wants the orange. (If no one in the class notices this possibility I will raise it.)

In our delightful example, the third party asks the interests of each. A says he wants the orange for the peel—to flavor the frosting on a cake with the “zest.” B says she wants the juice—she has a cold and wants to get better. A thus gets all the peel, B all the juice. Each gets all of what he or she wanted. We find a wonderful point on the graph called Collaboration.

I ask how common such a solution is, in real life. People shake their heads, “This is not common, because of scarce resources, scarce time, scarce space.” I ask, “Nevertheless can you give me a common example, where both A and B will tell you that they GET more than they GIVE, in the relationship with each other?” Some people will look puzzled. I ask again, slowly, so that people digest the oddity of the concept—it is possible every day in a relationship to get more than one gives, and two people might both feel this way in the same relationship.

One answer, of course, is the example of a very happy marriage—or a very happy work team—where both parties will say that they get more than they give—every day. How is this possible? Are they deluding themselves? Or is it just the addition of intangibles—happiness in being with the Other?

I will note, at this point in the lecture, that as a young person growing up, I was taught to be collaborative, (whenever I could reasonably behave this way). I thought that I was taught to be collaborative, because collaboration was *morally better*. It was not until I took math that I realized that collaborative solutions—at least those inscribed in the square box outlined inside the north east triangle—are (also) *mathematically better*, in the sense that both A and B are better off than in a win-lose settlement.

Thus, in circumstances where a collaborative solution is appropriate—which is of course not always the case—then a solution in the northeast square is absolutely “better.” And any solution in the northeast triangle adds value to the two-people-taken-together. Our two happy people are not “deluding themselves.”

So how do very happy marriages happen? One answer lies in the lines of the northeast square that define the “box” inside the northeast triangle. Whenever something matters more to A, then B gives in..... whenever something matters more to B, then A gives in. The effect, for both of them, is to feel as if they live on the northeast corner that is marked Collaboration.

Of course, in addition, intangibles do matter. That is respect, affection, trust, friendship, and graciousness add to the tangible value received, and help to push the negotiations to the northeast. **In fact one can almost always add real value to any negotiation, by adding intangibles, especially by “delivering respect.”**

Finally I usually ask, “If I love to cook and my partner loves to clean, and we want to divide the housework 50/50, how should we divide the work? Should we each do half the cooking and half the cleaning?” Usually a class immediately understands that collaboration depends on people valuing things differently, one from the other. So effective collaboration depends on finding out what the Other’s real interests actually are.

## THE THIRD GRAPH “Cost Control”

Before we leave my adaptation of the two conventional graphs about strategy and style in negotiation, I add a third one. This graph is intended to illustrate the situation where the real interest of one or both of the parties is to injure the other, or to take from another that which they have already. This graph is about cost control.

(The first two graphs focus on division of something of value “on the table” between the parties. The third graph does not require a negotiation of anything on the table, though something may be there to be negotiated.)

The third graph is important as an illustration of a situation where the negotiator or employer may want to prevent damage or costs. I ask rhetorically, “What sends people west and south, or, worst, to the south west quadrant—in which, in order to inflict damage—I am willing to accept damage myself?”

The class is usually puzzled and concerned. There are of course business reasons to consider going to the southwest quadrant. I might cut prices to drive a competitor out of business, even if I take losses myself. There are also thoughtless, mundane examples of behavior in this quadrant, for example, gossip. (If I gossip, I may hurt the Other, though I will probably hurt myself as well.) And there are terrible examples—homicide/suicide in the workplace.

The reasons for wanting to injure another are of course complex. But, long ago, as a young ombudsman, I asked myself, in the context of workplace disputes, what sends people to formal grievances or to agency complaints or to court or to “drop a dime” on someone? Are there any commonalities?

From observations of thousands of disputes I do have one idea that is germane to the present teaching of negotiations theory—that is, the effect of perceived humiliation. **I believe that perceived humiliation is often *the* parent of destructive behavior—and that it is almost always one of the reasons for destructive behavior.** This point about HUMILIATION is, of course, the flip side of RESPECT.

In sum, one can almost always “add value” in a negotiation, through offering an *intangible*, namely respect. And one can almost always subtract value, or set up a costly and destructive interaction, through causing humiliation, another intangible.

## Interests and Positions

In the Story of the Orange, both A and B said they wanted the orange. In the language of negotiation theory they stated a **position**. In the story, A wanted the peel and B the juice—these are the real **interests** of the disputants.

## Interests, Rights, and Power

The Story of the Orange could have been settled on the basis of **power**—the stronger disputant could have taken the orange. Or the orange dispute could have been settled on the basis of **rights**. Someone could have asked, “Who bought this orange and therefore owns it?” or “Who got the orange yesterday?”

But, as we saw, the dispute could also be settled on the basis of **interests**—by discovering the underlying reasons why each party wanted the orange.

All three bases of dispute settlement are of course useful in real life. Of course one wants to use the mode that is appropriate under the circumstances. In my class I define “ADR”, not as “alternative” dispute resolution but as **appropriate dispute resolution**.

## Tangibles and Intangibles

I often ask the class, “How many of us have bought something from a store where you like the manager or service person, even though the price is higher than somewhere else?” Everyone will raise a hand.

I then point out that there should almost never be a pure win-lose negotiation in ordinary life. One can ALWAYS offer respect. And I review the negative “intangibles”—intimidation, disrespect, and discomfort in a negotiation.

And I add that in my experience most business decisions are based at least in part on intangibles—relationships, trust, pleasure in dealing with certain people.