



15.665

Power and Negotiation

Professor Williams



Agenda

- Introduction and Overview
- Syllabus
- Negotiation Exercise
- Discussion
- Wrap-up



Agenda

- Introduction and Overview
- Syllabus
- Negotiation Exercise
 - Prepare for Negotiation
 - **Break**
 - Negotiate/Debrief in pairs
- Discussion
- **Wrap-up**
 - **Take Aways**
 - **What's Next**



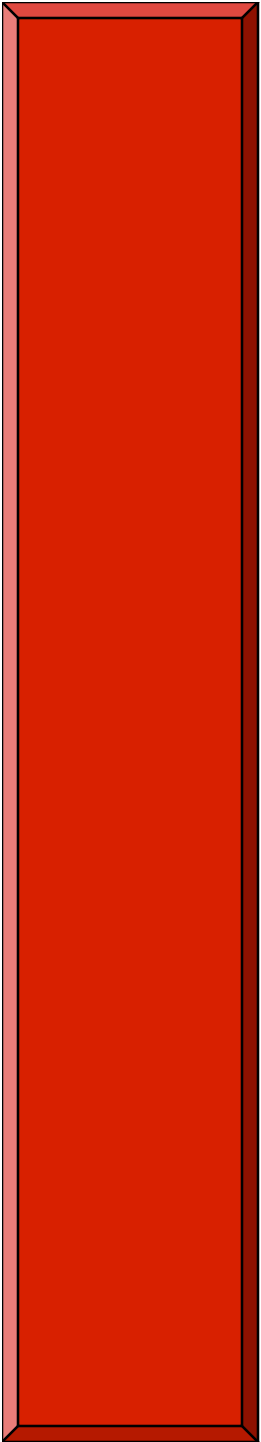
What is Negotiation?

Negotiation a field of knowledge that focuses on gaining the favor of people from whom we want things. -Herb Cohen



We negotiate when

- we decide which movie to see with our significant other
- We decide which city to live in with our spouse
- We look to buy a car
- We try to get a raise
- We try to get into a class that is full



More formally defined, we negotiate when

- Two or more parties must make a decision about their interdependent goals.
- Parties are committed to a peaceful means of resolving a dispute.
- There is no clear of established method for making a decision among multiple parties.



Power and Negotiation

What is power?

The capacity of one party to influence another.



MisPerceptions of power in negotiation

Extreme claims, followed by small, slow concessions

Bluffing and lying

Threats or warnings

Belittling the other party's alternatives

Good cop, bad cop

Take-it-or-leave-it offers

Personal insults or ruffling feathers

From Common **hard-bargaining tactics** by R. H. Mnookin



What is power?

The capacity of one party to influence another.

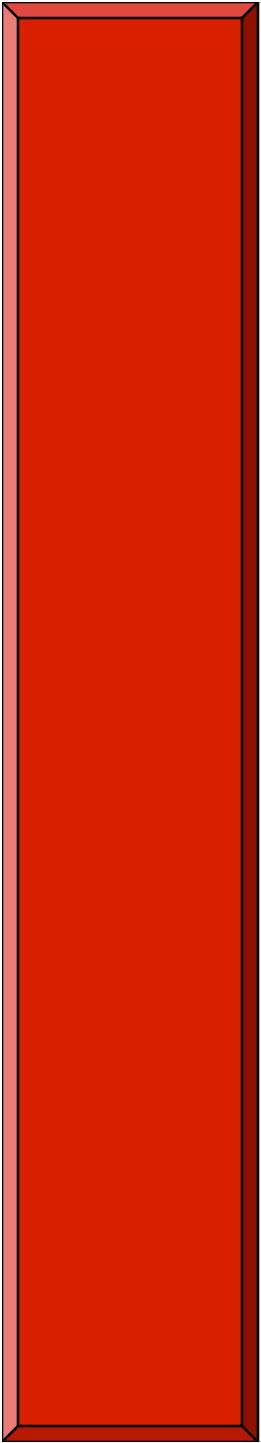
- **Coercive Power**

- Reward power

- Legitimate power

- Expert Power

- Referent Power (who you know)



What is power in negotiation?

- power of an elegant solution
- power of commitment
- power of information
- social-relational power
 - Who you know
 - How you relate to others
- (BATNA)



Focus of this course

- Strategy/Style
- Process
- Sub-Processes
- Sources Power



Strategy and Style

Strategy

Distributive (fixed-pie)

Integrative (expanding the pie)

Mixed-motive

Style

Competitive

Cooperative

Avoid

Accommodate (give-in)



Negotiation Process

Process

Preparation—”prepare,prepare,prepare”

Relationship Building

Exchanging Information

Opening and Making Concessions

Closing and Gaining Commitment



Negotiation Sub-processes

Communication/Persuasion

Relationship building

Self-awareness

Other-awareness (Intersubjectivity)

-know what the other is thinking/feeling



Syllabus

Grading and Assignments

Class participation (15%)

Quality of discussion in class (5%)

Performance on negotiation exercises (10%)

Pre-Exercise Diagnoses and Journals (60%)

Weekly pre-exercise diagnoses (30%)

Analytic Journal A and B (15% and 15%)

Short Self-Assessment Paper (25%)



Syllabus

Attendance-

Course 15.665 has an attendance policy that is strictly enforced. You are expected to participate in all negotiation exercises and discussions. Name cards are required for each class.

Medical excuses (written by a physician), deaths in the immediate family, and personal emergencies are the only acceptable excuses for missing an exercise.



Syllabus

Books and Course pack

Reference:

Lewicki et al. Essentials of Negotiation

Paperbacks: (language of negotiation)

Fisher, R. et al. Getting to Yes:

Ury, W. Getting Past No

Course pack

and required self-assessments: 1) Keirsey Sorter (MBTI)

2) FIRO Element B (online)



Syllabus

Negotiation Exercises:

Negotiation Strategies

(New Recruit*, Computron*, El-Tek*)

Negotiation Subprocesses

(Sharc*, Chem-E, Amanda*, Telepro*)

Power and Politics

(Federated Science*, Negotiating Change~,
Global Negotiation)

~ Harvard Business School Publishing

* Dispute Resolution Research Center



Questions, Comments?



Negotiation Exercise

Read Case

Take a 10 minute Break

Begin negotiation

Post-negotiation:

- Fill out negotiation agreement

- Fill out Feedback form

- Debrief with Partner

- Turn in Feedback form to TA

Prepare for class discussion



Discussion

Bargaining Range?

Did you set a Goal? Aspiration?

Did you set a minimum/maximum
acceptable?

Reservation point

Resistance point

Zone of Possible
Agreement



Negotiation

Strategy

Distributive/
Fixed Pie

Style

Compete

Compromise

Avoid

Give in



BATNA

Best Alternative to a Negotiated Agreement



Negotiation Terms



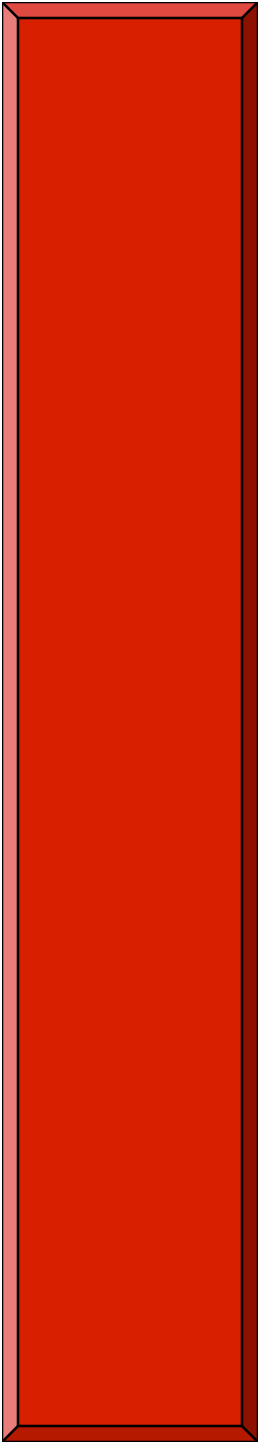
Take Aways

One's BATNA is Power

Prepare

know your goals and your situation
plan your style and strategy

Focus on your aspiration



What's Next

Negotiation Exercise: (pick up from folder)

Reading:

Mnookin “Empathy vs. assertiveness”

Lewicki et al. “Tactics of Distributive Bargaining”

Cohen. “Getting your feet wet”

FYI

Sebenius: “Negotiation Lessons From the Browser