



Proffitt

Management Solutions

Volume XVI, No. 10

Newsletter

Positive Progress and the Art of Negotiation

How much time and attention do you spend negotiating every day?

Think about it: just getting to your work space requires negotiating activities, meals, and space (think nutrition versus convenience, after-school activities, commuter lanes, etc.) At work we negotiate our way through business deals, customer relations, office politics, and career advancements. Such negotiations often require the agility of Captain America, the stamina of Dean Karnazes, and the wisdom of Yoda.

Ask any experienced parent (or listen to the news) and you'll hear how playing hardball with threats and bluffs simply does not yield positive progress. However, traditional wisdom that points to a win-win strategic formula of trades and compromises is not without challenges. Of course, most of us are not super-heroes or world class athletes. Positive progress requires mastery in the art of negotiation.

What is the Art of Negotiation?

Negotiation is the process of agreement that takes place between individuals or organizations autonomously (by algorithms or machines) or human interaction (verbal or written dialogue). Generally, the objective is to identify common interests and resolve opposing differences. But as authors Michael Wheeler and Jeff Cummings write in [*The Art of Negotiation: How to Improvise Agreement in a Chaotic World*](#), "agility is the mark of a master negotiator. Yes, preparation is important, but negotiation is a two-way street."

Negotiations often break down when people come to the table focused on their positions, rather than legitimate interests.

A Message from Nancy...

Let me ask you:

- Are the people on your team engaged and committed or just collecting a pay check?
- Do you have the right people in the right seats on the bus? Are *you* in the right seat?
- Is the high cost of turnover eating away your organization's bottom-line?
- Are your processes and procedures (or lack thereof) delivering productive and efficient results?
- How comfortable are the members of your senior team managing and leading others?



In today's highly competitive environment, it's no surprise that "*what got you here may not get you there.*"

At **Proffitt Management Solutions** we are fully committed to providing a unique blend of team and individual development and executive coaching sessions where participants achieve more focus, a sense of purpose, and better results in their leadership roles.

Find out how services such as individual or team coaching and development, motivational and skills workshops, seminars may help you better answer those 5 questions and benefit you...

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For example, you unexpectedly need to replace a piece of equipment *now*, but it's going to take some time to have something built to your unique specifications.

Fortunately, you find something pre-owned that will work for the interim, but it will cost you in terms of productivity (efficiency, and profits.) As such, you don't want to shell out a lot of money on this temporary solution, so you offer \$10k. The seller counters with \$60k.

You up your offer to \$20k, and make it firm. The seller counters \$60k.

Knowing that not having this equipment will shut down all your operations, you grudgingly up your offer. This dance of positional bargaining continues until you meet in the middle.

The problem with this tactic is that **the legitimate interests are not addressed**, rather, both parties focus on their position and the compromise does not take into account the needs of either party.

Here's another very common example. You want your children to eat something healthy for breakfast. You offer an orange, a cup of unsweetened steel-cut oats, and a cup of unsweetened almond milk. They counter that they want sweetened cereal and a glass of sweetened juice. You then drop your offer to half of an orange, three bites of the oats, and no less. One of your children counters with two orange sections. This exchange goes on until you meet in the middle.

Such a narrow focus squelches curiosity, creativity, and compassion. And it fuels polarization. This is often the case in positional bargaining, where egos are hooked, relationships become strained, and neither party is satisfied.

What's Your Negotiation Style?

Most people have a default negotiation style. Two of the most common are hard-bargaining and win-win.

The underlying motivation in the hard-bargaining style is based on a competitive, zero-sum game, that is to say, if one gains, the other loses. With this style of positional bargaining, there is a winner and a loser of limited resources.

In the win-win style, both parties seek to understand underlying interests and values of the other party. This gentler style is common with friends, family, and those who value relationships. Of course, a hard-bargaining, "muscle, might, or deception" style will

dominate a gentler style, and ultimately result in a loss for both parties. Alternatively, a principled negotiation style supports both parties equally.

When both parties seek to meet the legitimate, basic interests of both parties using fair standards, mutually satisfying options are identified and result in a sound agreement. Positions, personalities, and egos are separated from the problem or conflict. Mutual respect is demonstrated with direct, honest, and empathetic communication.

The Art of Principled Negotiation

It's not easy to change habits and disentangle emotions when negotiating. It may be difficult at first to enlist others in the task of working out a wise solution to a shared problem. Your first goal is to find a better way to negotiate.

In the best-selling book [*Getting to Yes: Negotiating Agreement Without Giving In*](#), Roger Fisher, William Ury, and Bruce Patton outline four elements of principled negotiation:

1. **People:** Separate the people from the problem.
2. **Interests:** Focus on interests, not positions.
3. **Options:** Generate a variety of possibilities before deciding what to do.
4. **Criteria:** Insist on a result based on an objective standard.

These four elements require skills in analysis, planning, and discussion.

Analysis: Gather and organize information. Identify the outcome (basic need or want) you wish to achieve. Identify the desired outcome for the other party.

For example, if you are negotiating breakfast with your children, you'll need to specify exactly what you believe to be indicators of nutrition or health. Is it consistent energy until lunch? You may want your children to eat only unprocessed, unsweetened foods, but their nutritional needs may be met with a balance of unprocessed, minimally processed, and naturally sweetened foods.

You also need to know what each child wants. Is it something quick, easy, and sweet? This broader perspective differs from trying to convince both children to eat an orange, a cup of unsweetened steel-cut oats, and a cup of unsweetened almond milk. The focus is on outcomes—not positions or specific foods.

In principled negotiations, you'll want to consider any people problems, partisan perceptions, and unclear communications as you identify others' needs. Note the options already on the table (i.e., oranges, steel-cut oats, almond milk, sweetened cereal, sweetened juice), and identify any criteria already suggested as a basis for agreement (taste/pleasure, nutritional value, speed/ease, etc.)

Planning: Only after you have thoroughly analyzed legitimate needs, wants, and desired outcomes, generate ideas and decide what to do. Consider these questions:

- When people problems arise, how will they be managed?
- What are your most important interests (needs, wants)?
- What are some realistic objectives?
- What are some additional options?
- What criteria will be used in decision making?

Discussion: This is an opportunity to practice curiosity without judgement. Through two-sided, open dialog, both parties explore differences in perception, feelings of frustration and anger, and other factors. Remember to examine all four of the elements: *people*, *interests*, *options*, and *criteria*. Each side should come to understand the other's interests. Both can then jointly generate options that are mutually advantageous and seek agreement on objective standards for resolving opposition.

Using our breakfast example, one child may want to skip the meal entirely, while the other wants something sweet. Negotiating a compromise requires family members to examine options that satisfy the group. Ultimately, you may need to create two separate agreements.

This method of reaching agreement considers all parties' interests and allows you to reach a joint decision without the high costs of positional bargaining.

But what happens when positive progress fails?

When Negotiations Stall

Negotiating is about coping with complexity. To succeed, negotiators must be prepared, but more importantly, they must be prepared to cope with rapid change and mistakes. Agility and curiosity is the best approach.

We often act out of habit, without question. To be sure, it's difficult to admit our common human condition of thinking we know more than we do. The ego protects itself by gravitating toward feelings of certainty. In that state of mind we're unlikely to ask questions.

Instead, practice being a good questioner. Recognize your own feelings of discomfort or self-consciousness with not knowing. Ask naïve questions. A beginner's mind is open to all possibilities while an expert's is not.

When people do ask questions, they're often relying on assumptions and biases. Even if you don't yet know "how," it's important to ask "why" and "what if" questions. And remember to listen well.

Negotiation is the exploration of the scope of the issues, the best means for resolution, and the nature of your relationship with counterparts. When negotiations stall, you might just need to go back to the exploration stage.

When Negotiations Fail

Negotiations often fail when we cut corners, rush to solutions, and accept proposed solutions—even when our best alternative to a negotiated agreement ([BATNA](#)) would have been better. Similarly, failure also occurs when a solution can't be implemented.

Remember our breakfast example? If you had reached a point of exasperation and said to your children, "eat what I made, or go hungry," a stalemate would likely ensue. And it's really no surprise.

According to the [Harvard Law School](#) Program on Negotiation, negotiations fail when strong emotions come in to play. Instead of objectively discussing a proposed solution, comparing it to your BATNA, and making a rational choice, threats are issued.

While some critics argue that a BATNA encourages positional bargaining, others point to the objectivity and assurance an alternative provides. A well thought out BATNA, or estimated alternatives to a negotiated agreement (EATNA), increases your confidence, identifies your alternatives, and helps you to recognize subpar and best solutions.

The art of negotiation requires preparation and agility. With practice, you'll see positive progress while maintaining positive relationships during the process.



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