

Conflict Resolution & Negotiation

Prepared for



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WHAT IS NEGOTIATION?

- Negotiation is a “form of decision making in which two or more parties talk with one another in an effort to resolve their opposing interests.”
- Negotiation is a process of discovery that moves toward an agreement that satisfies both parties.
- Negotiation refers to win-win situations that occur when parties are trying to find a mutually acceptable solution.
- Bargaining describes competitive, win-lose situations involving haggling over price/terms.



FIRST IMPRESSIONS

- What is my age?
- Where did I grow up?
- What is my marital status? (Married, Single, Divorced, Widower)
- Do I have children? If so, how many?
- What is my favorite music?
- What type of vehicle do I drive?
- What are my hobbies or interests?
- What are two of my favorite foods?



PERCEPTIONS

Perceptions defined:

- The process by which individuals connect to their environment.
- A complex physical and psychological process
- A “sense-making” process



HOW DO PERCEPTIONS AFFECT NEGOTIATIONS?

- Understanding the other side's thinking is not simply a useful activity that will help you solve your problem, their thinking is the problem.
- Whether you are making a deal or settling a dispute, differences are defined by the difference between your perception and theirs.



WHAT IMPACTS OUR PERCEPTIONS

- Values
- Beliefs
- Biases
- Prejudices
- Stereotypes
- Context/Environment
- Experiences
- Culture
- Health
- Relationship
- Timing
- Importance
- Mood



WHAT IS CONFLICT?

- Conflict can develop from opposing work styles, ideas, perceptions, interpersonal styles, miscommunications, competition for resources, needs, demands, workplace pressures, etc.
- Conflict often arises due to “clashes” in any of these areas. However, conflict should not always be seen as a negative force. There are two types of conflict:

CONSTRUCTIVE and UNCONSTRUCTIVE

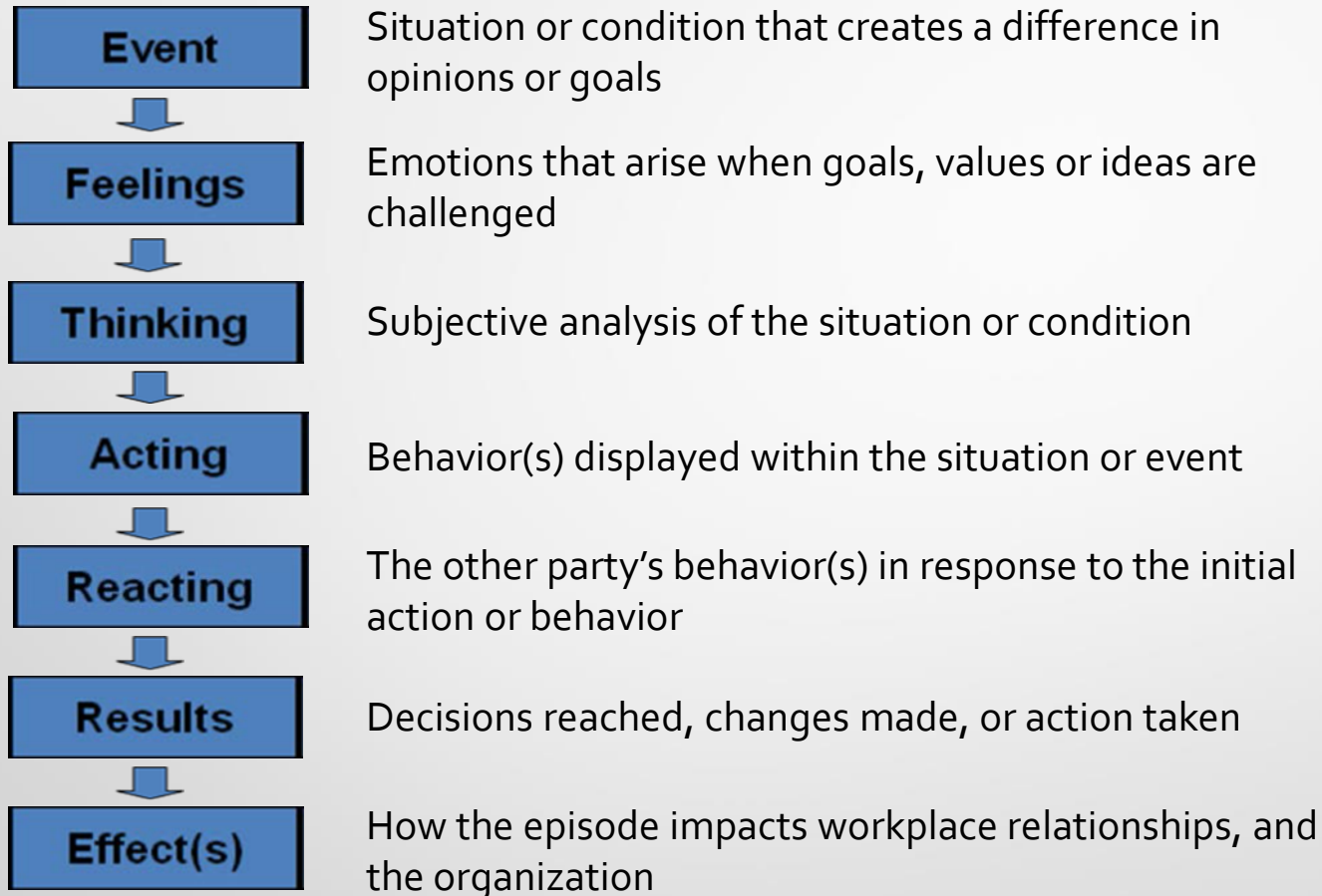


CONFLICT...THE GOOD AND BAD

CONSTRUCTIVE CONFLICT	UNCONSTRUCTIVE CONFLICT
<ul style="list-style-type: none">➤ Allows team members to change and grow personally➤ Results in a solution to the problem➤ Increases involvement of everyone affected by the conflict➤ Builds cohesiveness among team members	<ul style="list-style-type: none">➤ Still exists after several attempts to resolve it➤ Diverts energy away from more value added activities➤ Negatively affects team morale➤ Polarizes or divides the team



THE “LIFE” OF A CONFLICT



CONFLICT RESOLUTION MODEL

- Identify and define the problem
 - Understand the problem fully
 - Identify interests and needs on both sides
- Generate alternative solutions
- Evaluate and select among alternatives
- Implement the solution
- Follow-up to ensure resolution



THEIR THINKING IS THE PROBLEM

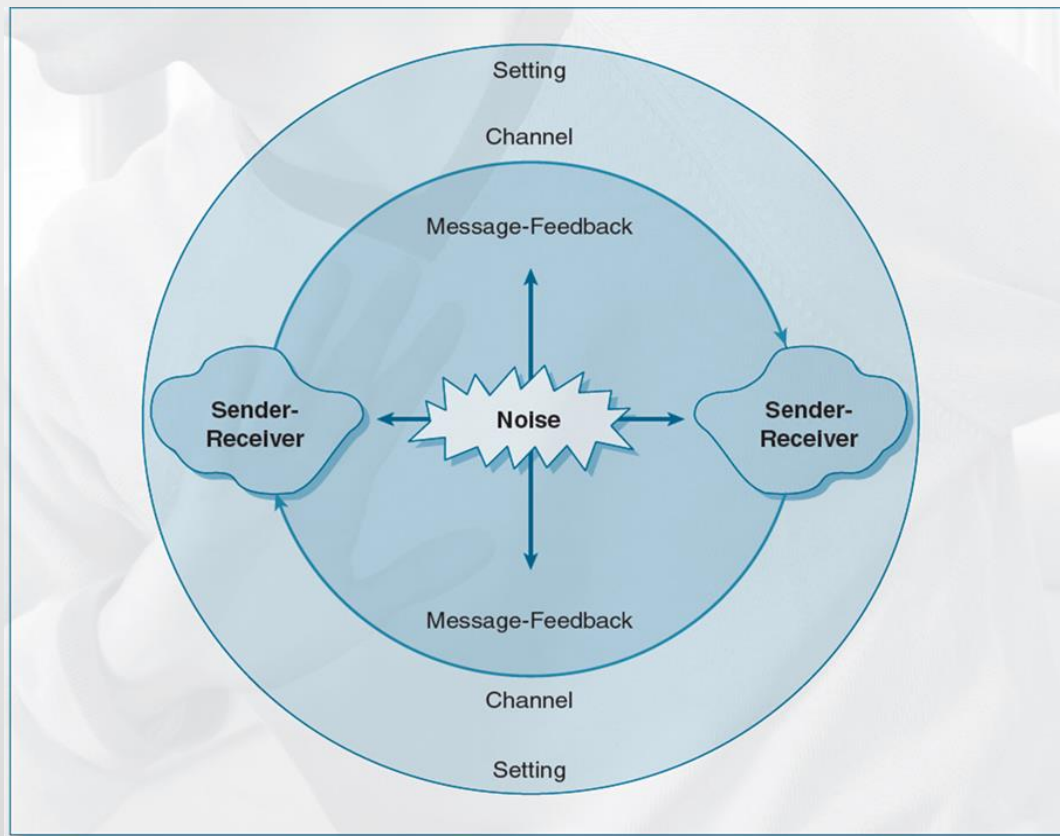
1. Put yourself in their shoes.
2. Understanding does not mean agreement.
3. Talk with them to change their perceptions.
4. Look for opportunities to act inconsistent with their perceptions.

"Negotiations is a field of knowledge; an endeavor that focuses on gaining the favor of people from whom we want things."

Herb Cohen, You Can Negotiate Anything.



COMMUNICATION – THE PROCESS



The Goal of Effective Communication is
MUTUAL UNDERSTANDING!



ELEMENTS OF COMMUNICATION

- Verbal (7%) – The words we use
- Vocal (38%) – Tone or inflection
- Visual (55%) – Body Language



Because body language is the largest aspect of communication (sending and receiving, negotiations begin before you think they do, and they are not over when you think they are over).



WHAT IS COMMUNICATED DURING NEGOTIATION?

- Offers, counteroffers, and motives
- Information about alternatives
- Information about outcomes
- Social accounts
 - Explanations of mitigating or exonerating circumstances
 - Reframing explanations
- Communication about the process



FOUR POINTS OF NEGOTIATIONS

1. There is always pressure on the other side.
2. You are negotiating all the time.
3. Everything you want is owned by someone else.
4. You can negotiate anything.



Of course, just because you can negotiate anything does not mean that you will always achieve the outcome you desire!



FOUR PRINCIPLES OF NEGOTIATIONS

1. No doesn't mean no.
2. Never make the first offer.
3. Never say yes to the first offer.
4. Always maintain your walk away ability.



PLANNING YOUR NEGOTIATION

Elements Needed to Plan Your Negotiation

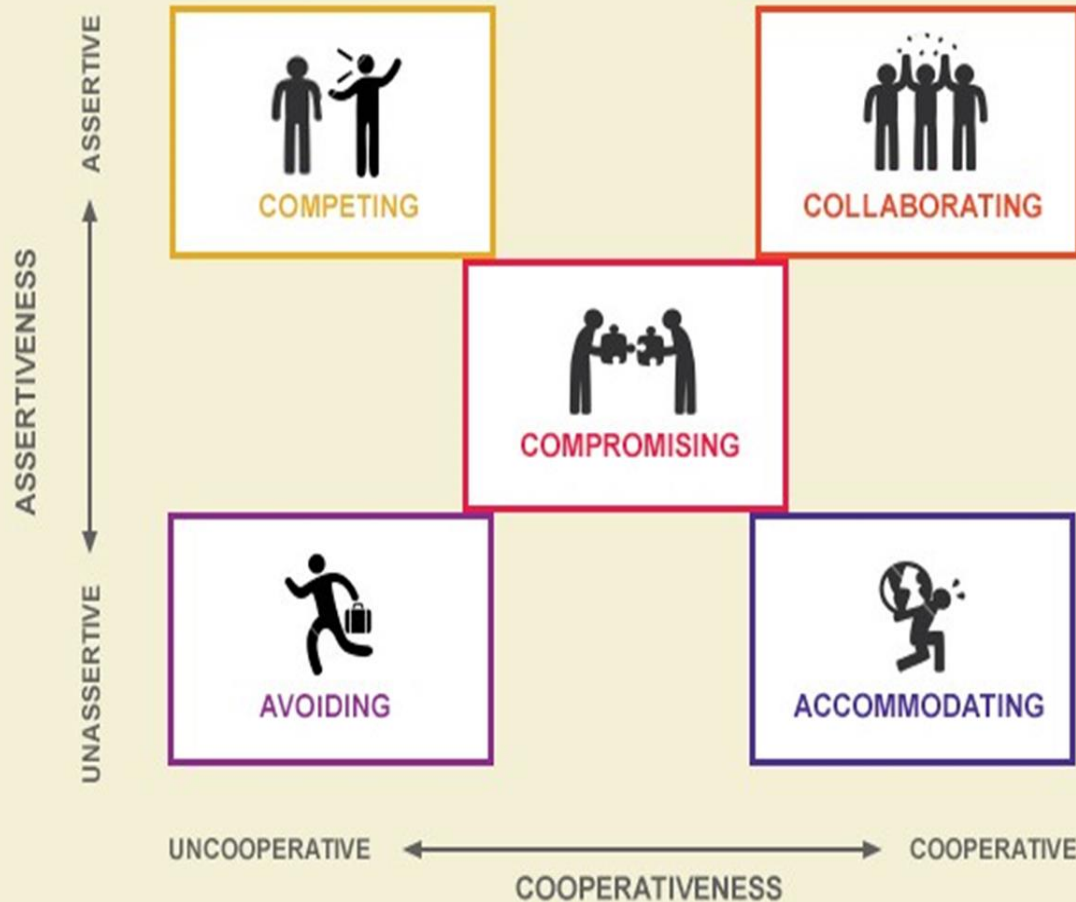
- Starting/asking price – initial offer
- Target point – aspiration point
- Walkaway – resistance point
- Alternative outcomes – BATNA



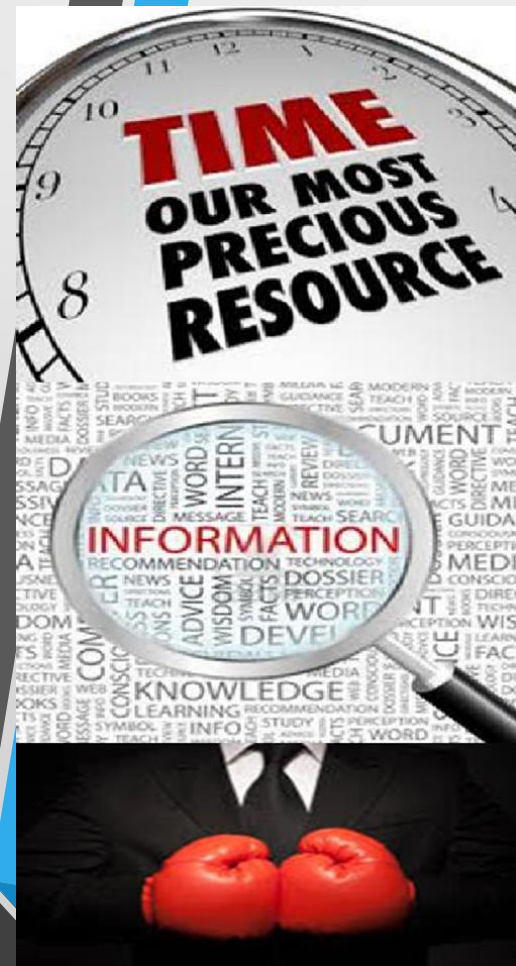
BEST ALTERNATIVE TO A NEGOTIATED AGREEMENT



DUAL CONCERNS MODEL



FACTORS IN EVERY NEGOTIATION



1. TIME – Most concessionary behavior will occur at or even beyond the deadline; be patient! The other party has deadlines just like you.
2. INFORMATION – It is the heart of the matter. It can unlock the vault to success. Get all you can. Don't give away until you must.
3. POWER – Power, as it applies to negotiation, has a very large impact on the process and the outcome. You have more power than you think you do.



POWER AND INFLUENCE

POWER

Power is the ability to force someone to do something they would ordinarily not choose to do. This is considered power over others.

INFLUENCE

Influence is the ability to have someone choose a course of action they want to take. This is considered power with others.



BASES OF POWER

French & Raven: Bases of Power



- Legitimate
- Reward
- Coercive
- Reverent
- Expert
- Connection
- Information

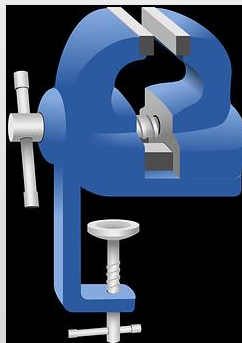
NOTE: *POWER* is a matter of perception. If the seller perceives you as having any of these, then you do. If they don't perceive you to have any, then you don't!



TACTICS

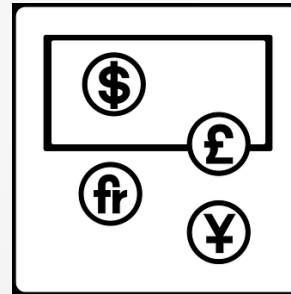
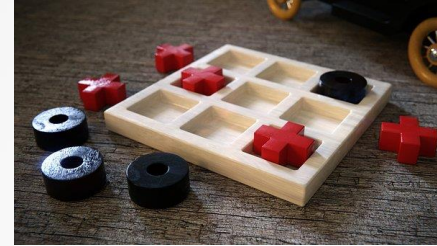
Note: Any tactic that is abused is easily defused!

- What if's...
- Higher Authority
- The Nibble
- Bogey
- Good Guy, Bad Guy
- Dumb is Smart
- Vice



TACTICS (cont'd)

- Feel, Felt, Found
- Let's Set That Aside
- Flinch
- Snow Job
- Funny Money
- Escalation – Two Ways
- Puppy Dog
- Exploding Offer



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