

Negotiation & Collaboration

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Challenges of Leading in Multi-Party Environments

- More parties = smaller solution space
- In Harborco
 - 55 possible 5-way agreements
 - Only 9 possible 6-way agreements
 - Premium on motivation
 - to create value, not just claim it!
 - Premium on information
 - need to understand underlying interests: leaves vs. roots
- Collecting information is harder!
- Did you have a process strategy for uncovering underlying interests?



Challenges of Leading in Multi-Party Environments

- Ways to simplify complexity (badly...)
 - Negotiate one issue at a time
 - But this limits the ability to integrate
 - Identify partners, form coalitions
 - But this limits degrees of freedom for trade-offs
 - Cut out dissidents
 - But this creates losers...(implementation problems!)
- Better approach: Identify priorities!
 - Link issues in proposals (voting?)
 - Use visual reminder (white board?)
 - Solutions more likely to emerge when you “see” the problem better



	Harborco	Env	Ports	Gov	DCR	Unions	Joint
Industry Mix							
1. Dirty	14	0	0	14	0	15	43
2. Clean/dirty	8	22	4	8	11	20	73
3. All clean	0	45	10	0	5	0	60
Ecological Impact							
1. Harm	11	0	0	12	0	0	23
2. Main/rep	7	25	0	8	20	0	60
3. Improve	0	55	0	0	25	0	80
Employment Rules							
1. Union pref	0	0	12	24	0	42	78
2. 2:1	5	0	8	18	2	35	68
3. 1:1	10	0	6	12	4	25	57
4. No preference	17	0	0	0	9	0	26
Fed Loan							
1. \$3 B	35	0	0	40	10	30	115
2. \$2 B	29	0	8	30	26	20	113
3. \$1 B	20	0	13	23	40	10	96
4. None	0	0	18	0	0	0	18
Other Ports							
1. \$600 M	0	0	60	0	4	2	66
2. \$450 M	5	0	45	2	8	4	64
3. \$300 M	10	0	30	4	15	6	65
4. \$150 M	15	0	15	7	12	8	57
5. No	23	0	0	10	0	0	33
Reservation Price	55	50	31	30	65	50	271
Maximum possible	77	100	64	77	100	90	
Max with consensus	70	77	54	60	81	83	

Challenges of Leading in Multi-Party Environments

- “Spectators” = process loss!
- Your solution can’t address interests you don’t know about
- For complex problems, you need everyone working/thinking to find a solution
- Being a “spectator” is learned behavior! As a leader...
 - Get people talking early
 - Be vigilant about
 - non-participants
 - Make conflict welcome!
 - (legitimate dissent)



Challenges of Leading in Multi-Party Environments

- The Calculus of Consensus
- When there are dissidents, consider costs & benefits of creating a loser
 - Be wary of “majority rules” – creates losers!
 - No agreement is any better than your ability to implement it! (Losers = retribution?)
- When you are the dissident, consider costs & benefits of being a loser
 - People are often willing to pay off a gracious loser (to avoid possibility of retribution, and sometimes just to say “everyone agreed”), but not a whiny one...
 - So MAINTAIN A PROBLEM-SOLVING TONE!!!
 - Pick your battles and jump on the ship if it’s going to sail

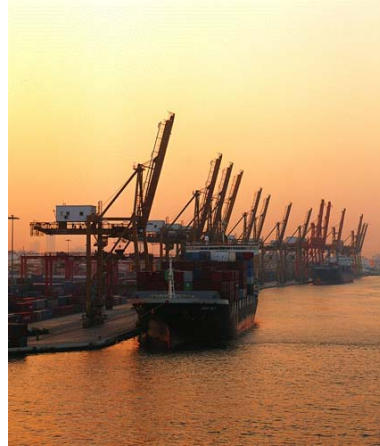
Bangkok Port opens but hurt by work slowdown

By The Nation
Sep 21, 2008

Bangkok Port remains plagued by work slowdown as workers have called in sick to join the anti-government protests.

Port governor Sunida Sukulratana conceded on that she could not speculate when workers would go back to their job.

Sunida reminds workers that prolonged slowdown would hurt the port business, the economy as well as labour benefits such as year-end bonus.



Challenges of Leading in Multi-Party Environments

- Anchoring...
- is particularly influential in group settings
 - Uncertainty enables social influence
- First acceptable proposal often becomes the proposal
 - Difficulty to find others that are acceptable (complex)
 - Someone usually loses for everyone to do better
- But first advocacy can also be used to “anchor” perceptions of what process should be used
 - Most people strategize content before a meeting
 - Almost no one strategizes process
 - Consider the impact of decision rules, voting procedures – suggest them?

Behavior of Effective Negotiators

What do skilled negotiators actually do?

- Compared with average negotiators, skilled negotiators **plan** more effectively by...
 - Considering 2x as many options during planning
 - Giving 3x as much consideration to common ground
 - Giving twice as much consideration to long-term concerns
 - Resisting the temptation to sacrifice flexibility by sequencing issues

Source: Rackham, 1980



Behavior of Effective Negotiators

- Compared with average negotiators, skilled negotiators **act** more effectively by...
 - Using 5x fewer irritating statements
 - Offering fewer counterproposals
 - Entering 3x fewer defend/attack spirals
 - Giving 4x as many labels to preview their behaviors (except for disagreements)
 - Testing and summarizing understandings twice as often
 - Asking more than twice as many questions
 - Sharing more information about internal thoughts and feelings
 - Giving fewer reasons to support arguments
 - Reviewing and reflecting on the negotiation afterward

Source: Rackham, 1980



Your Personal Reflection

- START
- STOP
- CONTINUE

If You Want to Know More

- Negotiating Rationally (1994)
– By M. Bazerman & M. Neale
- Negotiation Genius (2007)
– By D. Malhotra & M. Bazerman
- Inventive Negotiation (2007)
– By J. Graham, L. Lawrence, & W. Requejo

