

University of Global Village (UGV), Barishal
Department of Business Administration

Course Title: Managerial Negotiations

Course Code: 0413-725	Credits: 03
Semester End Examination (SEE) hours: 03	CIE Marks: 90 SEE Marks: 60

❖ **Course Learning Outcomes (CLOs):** Upon completing this course, students should be able to

CLO1	Develop a deep understanding of negotiation theories, strategies, and frameworks, including distributive and integrative bargaining, to effectively analyze and plan negotiation scenarios.
CLO2	Build advanced interpersonal skills to communicate effectively, manage conflicts, and influence stakeholders, ensuring mutual understanding and beneficial outcomes in diverse managerial contexts.
CLO3	Demonstrate the ability to apply negotiation techniques in complex, real-world situations involving multiple parties, cross-cultural dynamics, and ethical considerations to achieve organizational objectives.
CLO4	Cultivate self-awareness and critical thinking to evaluate negotiation performance, adapt strategies to changing circumstances, and make data-driven decisions that balance value creation and value claiming.

❖ **Course plan specifying Topics, Teaching time and CLOs**

SL. No.	Topic	Hours	CLOs
1	Introduction to Negotiation:	5	CLO1 CLO2
2	Negotiation	5	CLO1 CLO3
3	Strategy and Tactics of Distributive Bargaining	4	CLO3 CLO4
4	Factors That Facilitate Successful Integrative Negotiation	3	CLO2 CLO3
5	Perception and Negotiation	4	CLO1

			CLO4
6	Ethics In Negotiation	3	CLO2 CLO3
7	Global Negotiation	3	CLO4 CLO2
8	Managing Difficult Negotiations	4	CLO1 CLO3

**Course plan specifying content, CLOs, Teaching Learning and Assessment Strategy
Mapped with CLOs: (TLS= Teaching Learning Strategy, AS= Assessment Strategy)**

Week	Course Content	TLS	AS	CLOs
1	Introduction to Negotiation: Characteristics Of Negotiation Interdependence Mutual Adjustment	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Assignment ▪ Case 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) 	CLO1 CLO2
2	Introduction to Negotiation: Levels Of Conflict Function/Dysfunction Conflict Management	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Assignment ▪ Case ▪ 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) ▪ 	CLO1 CLO2
3	Negotiation What is a Frame? Why are Frames Critical, Goals.	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) ▪ Class Test 	CLO1 CLO2
4	Negotiation Goals, Direct effects of Goals , Indirect effects of goals, Strategy, Elements establishing a realistic strategic task, How are strategy and tactic related? How are strategy and planning related? Strategic Options, Getting Ready to Implement the Strategy,	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case ▪ 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) ▪ Class Test 	CLO1 CLO2
5	Strategy and Tactics of Distributive Bargaining What are Hardball Tactics?, Typical Hardball Tactics, Dealing with Typical Hardball Tactics, Good Guy/Bad Guy, Highball/Lowball, Bogey, Nibble.	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) 	CLO1
6	Strategy and Tactics of Distributive Bargaining	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) 	CLO1 CLO2

	Chicken, Intimidation / Aggressive Behavior, Snow Job, Dealing with Typical Hardball Tactics.	<ul style="list-style-type: none"> ▪ Case 		
7	<p>Factors That Facilitate Successful Integrative Negotiation</p> <p>Some Common Objectives or Goals, Shared Goals, Joint Goals, The Motivation and Commitment to Work Together.</p>	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) 	<p>CLO1</p> <p>CLO2</p>
8	<p>Factors That Facilitate Successful Integrative Negotiation</p> <p>A Belief in the Validity of One's Own Position and in the Other's Perspective, Faith in One's Own Problem-Solving Ability, Trust, Clear and Accurate Communication, An Understanding of the Dynamics of Integrative Negotiation.</p>	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) ▪ Class Test 	CLO2
9	<p>Perception and Negotiation</p> <p>The Role of Perception, Perceptual Errors in Negotiation, Stereotyping, Halo Effects,</p>	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case ▪ 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) ▪ Class Test ▪ 	CLO2
10	<p>Perception and Negotiation</p> <p>Halo Effects continued, Perceptual Errors in Negotiation, Selective Perception, Projection</p>	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) ▪ Class Test 	CLO2
11	<p>Ethics In Negotiation</p> <p>Typologies of Deceptive Tactics, Misrepresentation of One's Position to Another Party, Bluffing, Falsification, Deception, Selective Disclosure or Misrepresentation to Constituencies.</p>	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case ▪ 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) ▪ Class Test ▪ 	CLO2
12	<p>Ethics In Negotiation</p> <p>Appropriate Neutral Inappropriate</p>	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) ▪ Class Test 	CLO2
13	<p>Global Negotiation</p> <p>OBJECTIVES/AGENDA, What Makes Cross-Border Negotiation Different? Explain How Environmental and Immediate Context Factors Can Influence Negotiation.</p>	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) 	CLO1

14	Global Negotiation Explain How Environmental and Immediate Context Factors Can Influence Negotiation, Culturally Responsive Negotiation Strategies, Responsive Strategies, Responsive Strategies.	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) 	CLO1
15	Managing Difficult Negotiations 3 Particular Issues That Produce Special Difficulties, 5 General Strategies for Conflict Resolution, Reducing Tension, Improve the Accuracy of Communication, Controlling the Issues, Establish Commonalities	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) ▪ Class Test 	CLO1 CLO2 CLO3
16	Managing Difficult Negotiations Addressing Collaborative Shortfalls, Dirty Tricks, Responding to the Other Side's Dirty Tricks, Responding When the Other Side Has More Power, Coping With Difficult Negotiators.	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion ▪ Exercise ▪ Assignment ▪ Case ▪ 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) ▪ Class Test ▪ 	CLO1 CLO2 CLO3
17	Review Class	<ul style="list-style-type: none"> ▪ Lecture ▪ Discussion 	<ul style="list-style-type: none"> ▪ Question & Answer (Oral) ▪ Class Test 	CLO1 CLO2

Assessment and Evaluation

1) **Assessment Strategy:** Group Discussion, Class tests, Case Study, Term Paper, Presentation.

2) **Marks distribution:**

a) **Continuous Assessment:**

- Class attendance is mandatory. Absent of 70% classes; disqualify the student for final examination only authority recommendation will be accepted with highly reasonable causes.
- Late submission of assignments is not allowed. Late submission of assignments will be only taken with highly reasonable causes and 20% mark will be deducted.
- To pass this course student will have to appear mid-term and final examination.

b) **Summative:**

❖ **CIE- Continuous Internal Evaluation (90 Marks)**

Bloom's Category Marks (out of 90)	Test (45)	Assignments (15)	Quiz (15)	External Participation in Curricular/ Co-curricular activities (15)
Remember	10			Bloom's affective domain: (Attitude or Will) Attendance: 15 Copy or Attempt to copy: -10 Late Assignment: -10
Understand	05	05	05	
Apply	10		05	
Analyze	05	05		
Evaluate	10	05	05	
Create	05			

❖ **SEE- Semester End Examination (60 Marks)**

Bloom's Category	Test
Remember	10
Understand	10
Apply	10
Analyze	10
Evaluate	10
Create	10

3. Make-up Procedures: Dates for exams will be strictly followed. No makeup exam (Normal case), for exceptional case university rules and regulation should be followed

Recommended Books:

1. Negotiation, *seventh edition*, **Roy J. Lewicki, David M. Saunders, Bruce Barry** Vanderbilt University.

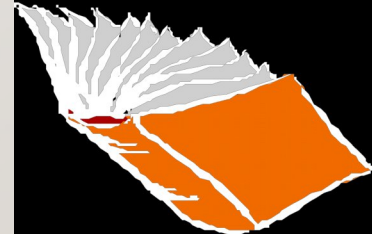
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- Week-1
 - Slides: 1-6

INTRODUCTION TO NEGOTIATION: CHAPTER 1

LARRY WOLFE
OBE 155

CHAPTER 1: CONTENT

- Characteristics Of Negotiation
- Interdependence
- Mutual Adjustment
- Levels Of Conflict
- Function/Dysfunction
- Conflict Management



CHARACTERISTICS OF NEGOTIATION

- Two Or More Parties
- Conflict Of Interest
- Use Influence To Get A Better Deal
- Search For Agreement Rather Than Fight
- Expect Give And Take
- Management Of Tangibles/Intangibles

INTERDEPENDENCE

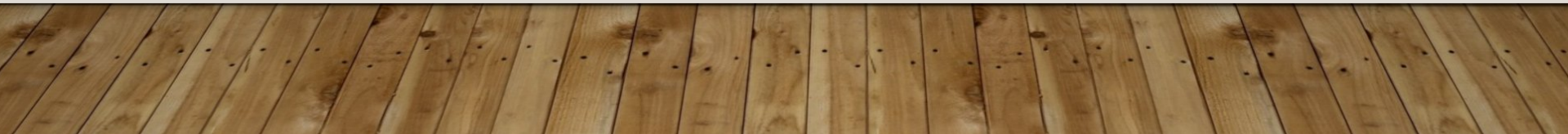
- Both Parties Need Each Other
- Characterized By Interlocking Goals
 - Parties need each other to accomplish goals.
- Structure Determines Outcomes
 - “Win-Lose” or “Win-Win”.

MUTUAL ADJUSTMENT

- Both Parties Act To Influence The Other.
 - People will adjust and readjust what they say during negotiations based on what the other party does and is expected to do.
- Problem Solving
 - Specify the elements of a desired outcome.
 - Clarify and share information about what both parties want as outcomes.

WEEK-02

SLIDES: 6-15



.....MUTUAL ADJUSTMENT

- Concessions
 - One party a accepts change in his/her position.
 - Restrict the range of options in which a solution can be reached.
- Dilemmas Of Concession
 - Honesty
 - Trust

LEVELS OF CONFLICT

- Intrapersonal- within an individual
- Interpersonal- between people
- Intragroup- within families
- Intergroup- between families

CONFLICT: FUNCTION/DYSFUNCTION

- Competitive Process
 - Parties believe goals are in opposition and that they cannot achieve their objectives.
- Misperception/Bias
 - Interpret people as being “for or against”.
- Emotionality
- Decreased Communication
 - Parties communicate less with those who disagree with them.

FUNCTION/DYSFUNCTION

- Blurred Issues
 - Central issues of dispute are less defined.
 - New issues are drawn in.
- Rigid Commitments
 - Parties become locked into positions.
- Magnified differences/Minimized Similarities
- Escalation Of Conflict

CONFLICT MANAGEMENT: PARTIES THEMSELVES

- Contending (Competing Or Dominating)
 - Pursue own outcomes, little concern for the other party.
 - Threats, punishment, and intimidation.
- Yielding (Accommodating)
 - Little concern for obtaining own outcomes.

CONFLICT MANAGEMENT: PARTIES THEMSELVES

- Inaction (Avoiding)
 - Little concern about own outcomes and other part's outcomes.
 - One party refers to retreat or do nothing.

CONFLICT MANAGEMENT: PARTIES THEMSELVES

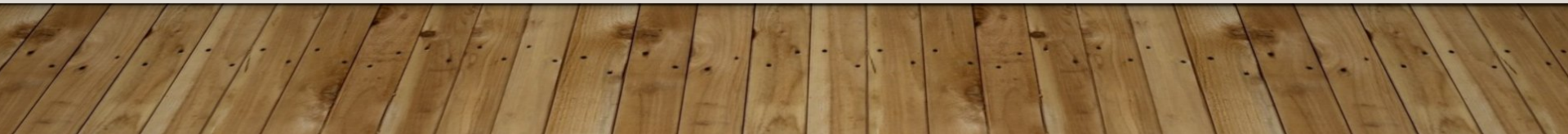
- Problem Solving (Collaborating)
 - High Concern for own outcomes, and the other party's outcomes.
- Compromising
 - Moderate effort to achieve outcomes, moderate effort to help other party achieve outcomes

CONFLICT MANAGEMENT: OTHER PARTIES

- Third Parties
 - Parent intervening when children fight
 - May invoke any number of procedures to resolve the dispute
- Systems
 - Civil court system
 - Bound to follow procedures set out by the system.

END OF CHAPTER 1

WEEK-03
SLIDES: 18-26





Chapter 2: Negotiation

b Content:

- **Framing the Problem**
- **Goals**
- **Strategy**
- **Getting Ready to Implement the Strategy**



Framing the Problem

b What is a Frame?

- **An individualized definition of a situation**
- **Framing is how parties define a negotiating issue or problem**

Framing the Problem (cont.)

b Why are Frames Critical?

- **The way parties frame and define a negotiating issue or problem is a reflection of what they distinguish as critical :**
 - **negotiating objectives**
 - **expectations and preferences for certain possible outcomes**
 - **what information they seek and use to argue case**
 - **procedures used to present the case**
 - **manner in which evaluate actual outcomes**

Framing the Problem (cont.)

b Three Views of Framing

- **Frames as cognitive heuristics**
 - **Set of simple decision rules for simplifying complex situations**
 - **Heuristics often lead parties to make decisions that are not the best but are simply reasonable**
 - **Once these set of rules have been set, party's frame tends to persist regardless of the events that follows it**

Framing the Problem (cont.)

- **Frames as categories of experience**
 - **Frames are shaped by previous experience of negotiation, background, and knowledge**
 - **predispose the negotiator to pay attention to some aspects of the situation and ignore others**
 - **Seven dominant frames that might be used in conflict**
 - **Substantive**
 - **Loss-gain**
 - **Process**
 - **Outcome**
 - **Aspiration**
 - **Characterization**
 - **Evidentiary**

Framing the Problem (cont.)

- **Important insights about frames**
 - **Parties can use more than one frame**
 - **Mismatches in frames are sources of conflict**
 - **Particular frames may lead to particular agreements**
 - **Specific frames may be used with certain types of issues**
 - **Parties may assume a particular frame**
- **Frames as a process of issue development**
 - **focuses on patterns of change**
 - **Disputes tends to transformed through a process of naming, blaming, and claiming**

Framing the Problem (cont.)

- **Frames as issue development (cont.)**
 - **Factors that shape a frame**
 - Bargaining context
 - Conversation about the issues in the bargaining mix
 - **factors that affect how the conversation is shaped**
 - Parties argue for stock issues every time parties deliberate
 - Each party tries to make best possible case
 - Multiple agenda items

Goals

b **Determining one's goals**

- **Negotiator must anticipate what they want**
- **Must prepare in advance by paying close attention to goals, goal priorities and multigoal packages**
- **Negotiators should specify goals and objectives clearly**
- **Determine the priority among their goals**
- **Evaluate a possible trade-off among them**

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Week-04

slides: 26-35



Goals

b **Direct effects of Goals**

- **Wishes are not goals**
- **Our goals are often linked to the other party's goals**
- **There are boundaries/limits to what our goals can be**
- **Effective goals must be concrete or specific**



Goals

b Indirect effects of goals

- **Goals that are simple and direct and can be obtained in one single negotiation session support a competitive strategy**
 - **Because we tend to view this as a single event without future consequences it affects our choice of strategy in developing our goals and we ignore the relationship with the other party**
- **Goals that are complex tend to support collaborative or integrative strategy**
 - **Motivates negotiator towards a strategy in which a relationship with other party is of value**



Strategy

b Definition

- **Pattern or plan that integrates an organization's major target, policies , and action sequences into a cohesive whole**

b Elements establishing a realistic strategic task

- **Choice**
- **Chance**
- **interdependence of parties**
- **imperfect and incomplete**



Strategy

- b How are strategy and tactic related?**
 - **Tactics are maneuvers to enact or pursue broad strategies**
- b How are strategy and planning related?**
 - **Planning is the process or the action component**



Strategy

b Strategic Options

- **Alternative Situational Strategies**
 - **Competition**
 - **Winning the deal without regards for a relationship**
 - **Collaboration**
 - **Interested only in the relationship outcome**
 - **Accommodation**
 - **interested in both the deal substance and relationship**
 - **Avoidance**
 - **Not interested in neither substance or relationship**



Strategy

- **Avoidance: Non-engagement Strategy**
 - **Why not to negotiate**
 - You are able to meet all your needs
 - Not worth the time and effort
 - negotiation outcome is closer related to the alternative

Getting Ready to Implement the Strategy

b Understanding the Need for Planning

- **Planning is the dominant force for success**
- **Weaknesses of not planning**
 - **Negotiation can fail**
 - **Agreeing to something that is not to your advantage**
 - **Not having clear objectives can keep you from evaluating new possibilities quickly and accurately**
 - **Will not be able to formulate convincing arguments to support your own position**
 - **Negotiators cannot depend upon being quick and clever during negotiation because the other party might plan to win by stalling.**



Getting Ready to Implement the Strategy

- **Effective Planning requires hard work on:**
 - **Defining the Issues**
 - **Assembling Issues and Defining the Bargaining Mix**
 - **Defining your Interest**
 - **Consulting with others**
 - **consult with those you represent so that their concerns and priorities are included in the mix**
 - **consult with other side to make sure they both know each other's issues.**

Getting Ready to Implement the Strategy

- **Identifying limits**
 - identify the importance of each issue so that if an item is refused by the other party, can it be dropped, and if not is negotiation feasible ?
- **Setting targets**
 - considered four key points
 - » Specific target point
 - » Resistance point
 - » Alternative
 - » Asking price or opening bid
- **Developing supporting arguments**
- **Analyzing the other party**

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Week-05

slides: 37-45

Chapter 3

Strategy and Tactics of Distributive Bargaining



Outline with a Main Point Presentation
Prepared by Adrienne Howze
OBE 155

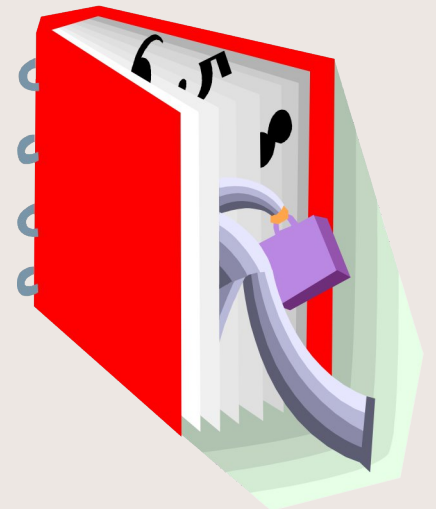
Chapter Outline



- Distributive Bargaining Process
- Fundamental Strategies
- Tactical Task
- Positions taken During Negotiation
- Commitment
- Closing the Deal
- Hardball Tactics

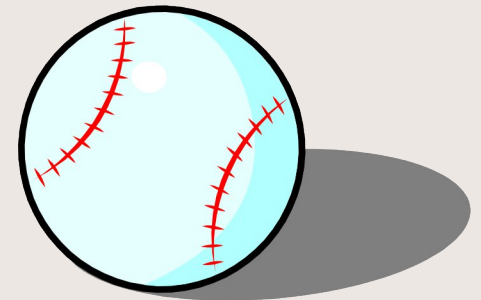
Hardball Tactics Outline

- What are Hardball Tactics?
- Typical Hardball Tactics
- Dealing with Typical Hardball Tactics
- Summary



What are Hardball Tactics?

- They are designed to pressure targeted parties to do things they would not otherwise do.
- They are tactics which result in a change out come of Distributive Bargaining Process.
- They are tactics which work on poorly prepared negotiators.



Typical Hardball Tactics

- Good Guy/Bad Guy
- Highball/Lowball
- Bogey
- Nibble
- Chicken
- Intimidation
- Snow Job
- Aggressive Behavior





Good Guy/Bad Guy

- Named after police interrogation technique.
- It is relatively transparent, especially with repeated use.
- Negotiators using this tactic can become so involved with their game and act they fail to concentrate on obtaining their goals.



Highball/Lowball

- Starts with a ridiculously high/low opening offer that know they will never achieve.
- The tactics goal is have the other party reevaluate their opening offer and move closer to the resistance point.
- The risk is the other party will think negotiating is a waste of time.



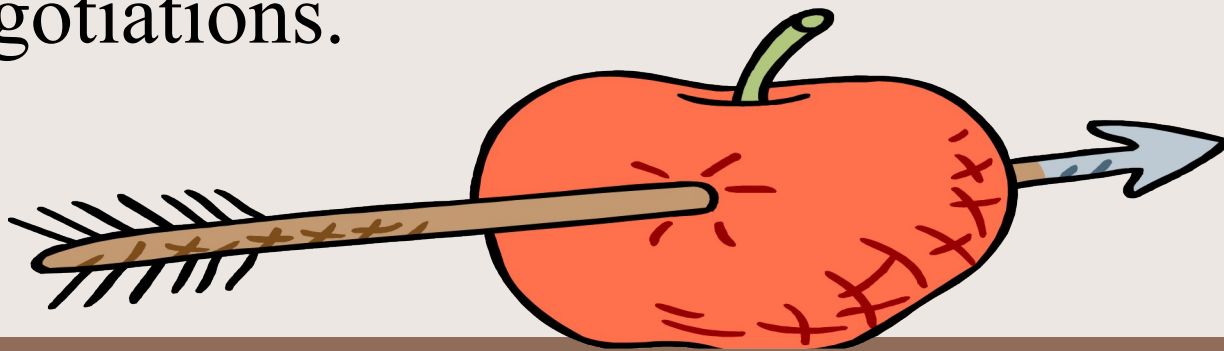
Bogey

- When a negotiator pretends an issue important and it is not.
- It only works well IF they pick a issue that is important to the other side.
- The book says this can be a difficult tactic to enact.



Nibble

- Is a tactic used to get small concession without negotiating.
- The concession is too small to lose the deal over, but large enough to upset the other side.
- It is felt that nibble tactic is not in good faith and may seek revenge in future negotiations.





Week-06
slides: 46-54

Chicken



- Negotiators who use this tactic combine a large bluff and threaten actions.
- A high stakes gamble.



Intimidation / Aggressive Behavior

- It is guilt, anger, legitimacy, fear, what ever gives you power over the other party.
- If you are making a concession, because you assume the other party is more powerful, or simply accepts the legitimacy of the other negotiator, as the books says you are INTIMIDATED.
- Aggressive behavior is similar accept it is the relentless pushing.



Snow Job

- Is the Governments favorite tactic when releasing information to the public.
- It is the overwhelming of information that you have trouble determining which facts are real or important.



Dealing with Typical Hardball Tactics



- Good Guy/Bad Guy
 - Especially if you call them out on it at the beginning.
- Highball/Lowball
 - The best way to deal is not to counter the offer.
 - Be prepared to leave to demonstrate dissatisfaction of using this tactic.

Dealing with Typical Hardball Tactics Cont....

- Bogy
 - Is difficult tactic to defend against; however, being well prepared for negotiation will make you less susceptible to it.
 - Also watch out for sudden reversals in positions.
- Nibble
 - Before closing a deal ask “What else do you want?” giving both parties a chance to negotiate in good faith.
 - Always have a your own list of nibble prepared to offer in exchange.



Dealing with Typical Hardball Tactics Cont....



- Chicken
 - Is very difficult to defend against.
 - Preparation and a thorough understanding of the situation.
 - Use external experts to help weigh your options.
- Intimidation
 - If the other negotiator is acting aggressively, then discussion the negotiation process.
 - Another effective strategy is the use of a team, usually not everyone is intimidated by the same thing and they offer support if the intimidation is uncomfortable.

Dealing with Typical Hardball Tactics Cont....

- Snow Job
 - Listen for consistent and inconsistent information. Do not be afraid to ask questions until you understand the answer.
 - If the matter is highly technical suggest for a technical expert to look over the technical issues.
 - Again, preparation is the key to dealing with a snow job tactic.



Summary

- The Book recommends not using any of the hardball techniques.
- Understanding hardball tactics will make you aware of the user's objective.
- Good planning will help you deal and avoid hardball tactics.
- Hardball tactics can backfire.
- They are offensive and motivate revenge.
- Many negotiators consider these tactics out of bounds for any situation.



I am



WEEK-07
SLIDES: 57-63



Factors That Facilitate Successful Integrative Negotiation

CHAPTER 4
Veronica Garza




Seven Factors to Facilitate Integrative Negotiation

- Common Goals
- Motivation & Commitment
- Validity
- Problem Solving
- Trust
- Communication
- Understanding




Some Common Objectives or Goals

- There are three types of goals to facilitate the development of integrative agreements:
 - Common
 - Shared
 - Joint
- 




Common Goals

- This goal is one that all parties share equally.
 - Each party benefits in a way only possible by working together.
- 




Shared Goals

- This goal is one that both parties work toward but that benefits each party differently.
- 




Joint Goals

- Individuals with different personal goals agreeing to combine them in a collective effort.
- 



The Motivation and Commitment to Work Together

- Motivation to collaborate together.
 - Goal that meets both parties ideas.
- 



Week-08
slides: 63-71



A Belief in the Validity of One's Own Position and in the Other's Perspective


- Accept the validity of both your position and the other party's position.
- 

Faith in One's Own Problem-Solving Ability

- Working with one another is up to your mind set.
 - If you believe you will work well together, then you will be able to do so.
 - If you believe there is no personal investment, then you are less likely to become involved.




Trust

- Trust is complex.
 - Depends on how the parties behave with one another.
 - Opens communication.
 - Less defensive.
- 



Clear and Accurate Communication

- Share information about themselves.
 - Opponents must understand the communication process.
 - Multiple communication channels.
- 



An Understanding of the Dynamics of Integrative Negotiation

- Enhances the parties abilities to pursue the process.
 - Training.
- 

Summary

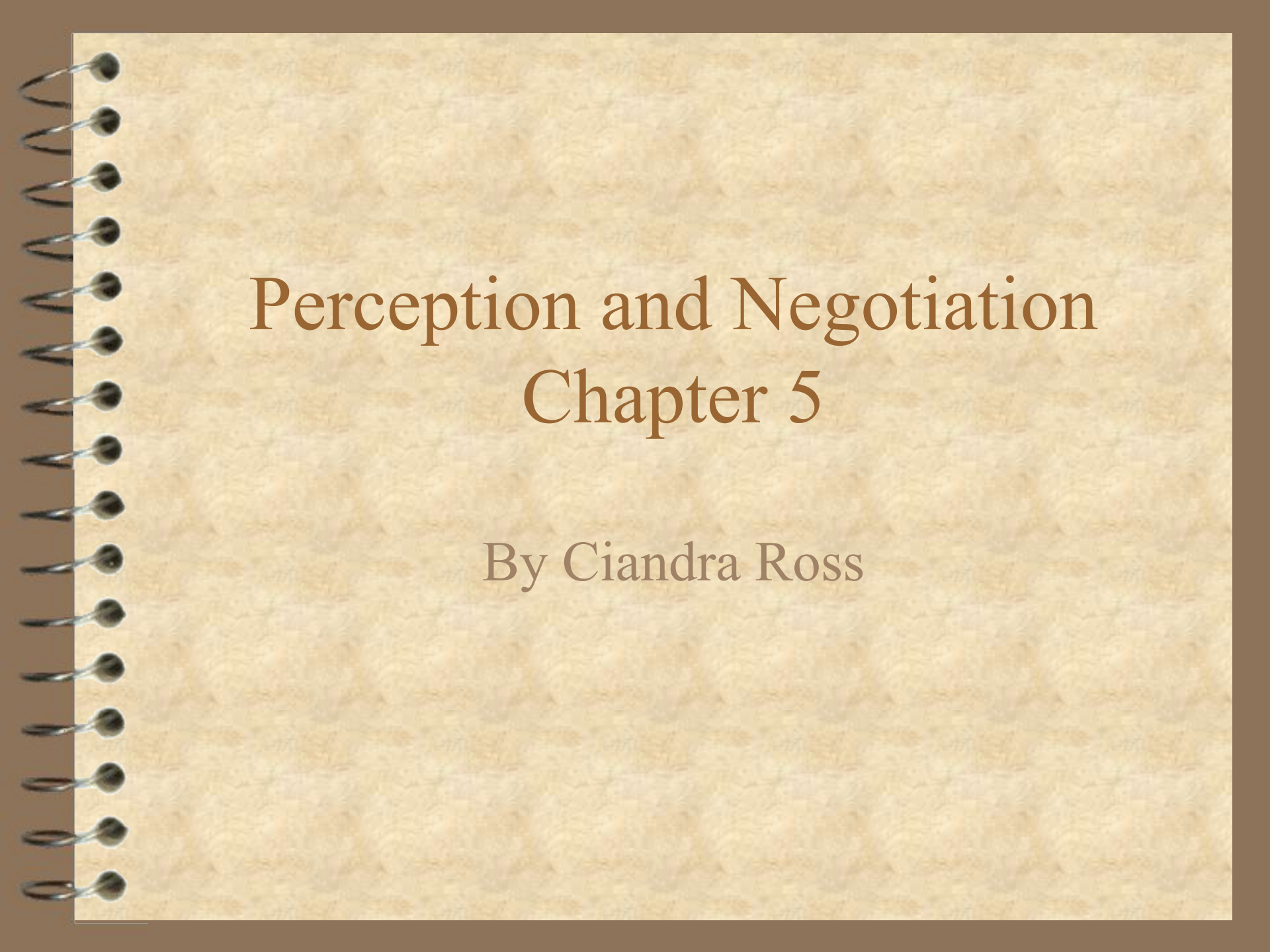
- Seven preconditions for successful integrative negotiations:
 - Common goals
 - Faith in one's ability to solve problems
 - Belief in the validity and importance of the other's positions
 - Motivation and commitment to work together
 - Trust in the opposing negotiator
 - Ability to accurately exchange information in spite of conflict conditions
 - Understanding of how the process works

Summary Continued...

- If both parties are not able to successfully meet all of the preconditions, they will need to resolve their problems in these areas as the integrative negotiations itself evolves.



Week-09
slides: 72-77

A spiral-bound notebook with a light beige, textured cover. The spiral binding is on the left side. The text is centered on the cover.

Perception and Negotiation

Chapter 5

By Ciandra Ross

The Role of Perception

- 4 Negotiators approach each negotiation guided by their perceptions...
- 4 Determine exactly what is being said and what is meant.
- 4 Defined as “the process of screening, selecting, and interpreting stimuli so that they have meaning to the individual.”

Perceptual Errors in Negotiation

4 Generalization

- Stereotyping
- Halo effect

Stereotyping

4 One individual assigns attributes to another solely on the basis of the other's membership in a particular social or demographic group.

– For example

- Age
- Gender
- Race
- Religion

Halo Effects

4 People generalize about a variety of attributes based on the knowledge of one attribute of an individual.

– For example

- Positive halo effect
 - Smiling person is honest.
- Negative halo effect
 - Frowning person is dishonest.



Week-10

slides: 78-83

Halo Effects continued...

4 Halo Effects Occur in Perception when...

- Very little experience with the party
 - Generalization occurs based on knowledge of the party in other contexts
- Party is well known
- Qualities have strong moral implications

Perceptual Errors in Negotiation

4 Anticipation

- Selective Perception
- Projection

Selective Perception

4 Occurs when the perceiver singles out certain information that supports or reinforces a prior belief, and filters out information that does not confirm that belief.

- For example
 - Smiling
 - Frowning

Projection

- 4 Occurs when people ascribe to others the characteristics or feelings that they possess themselves.
- For example
 - Frustration
 - Delays

Questions





Week-11

slides: 85-91

Ethics In Negotiation

Jennifer Hopkins

Typologies of Deceptive Tactics

- Misrepresentation of One's Position to Another Party
- Bluffing
- Falsification
- Deception
- Selective Disclosure or Misrepresentation to Constituencies



Misrepresentation of One's Position to Another Party

- Very Common
- Lying
- Premature Settlement

Bluffing



- Agreement
- Common
 - False Threats or Promises
- A Childish Way to Bluff

Falsification

- Exaggeration
- Erroneous
 - Financial information
 - Documents
 - “Known” Information About the Other Party

Deception

- True/False arguments
 - Can be Considered Legal Fraud
- Leads to Wrongful Conclusions



Selective Disclosure or Misrepresentation to Constituencies

- No Accuracy in Statements or Promises
- Leaving Information out
 - True Wishes, Desires, or Positions of personal party

week=-12

slides: 92-98

Appropriateness of Tactics

- Appropriate
- Neutral
- Inappropriate

Appropriate

- Gain Information
- Make Opening Demands Far Greater Than What You Hope For
- Hide Real Bottom Line
- Convey a False Impression that Time is Not A Matter

Neutral

- Lead The Other Negotiators
- Make An Opening Offer/Demand Too High/Low As To Undermine Opponent

Inappropriate

- Intentionally Misrepresent the Nature of Negotiations
- Talk Directly to the People Whom Your Opponents Reports to
- Gain Information About Opponent By Paying Friends



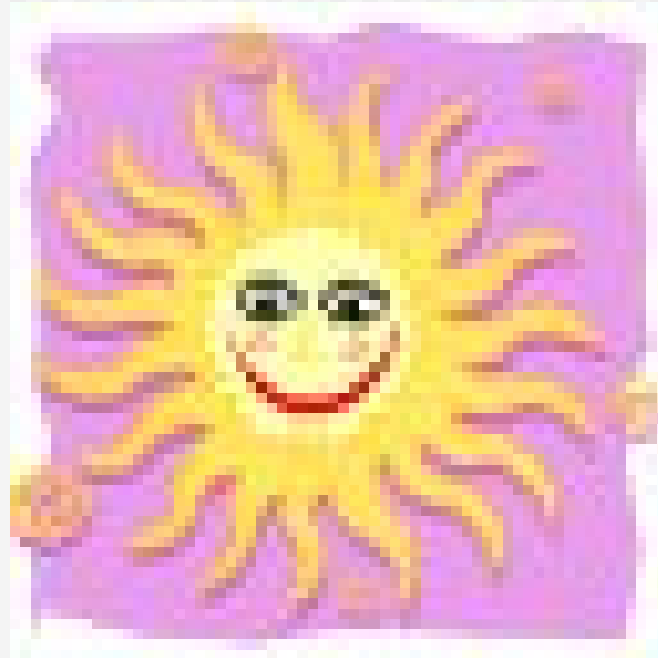
Inappropriate (Cont.)

- Intentionally Misrepresent Factual Information
- Intentionally Misrepresent the Progress of Negotiations
- Promise Good Things Will Happen if Opponents Give In.



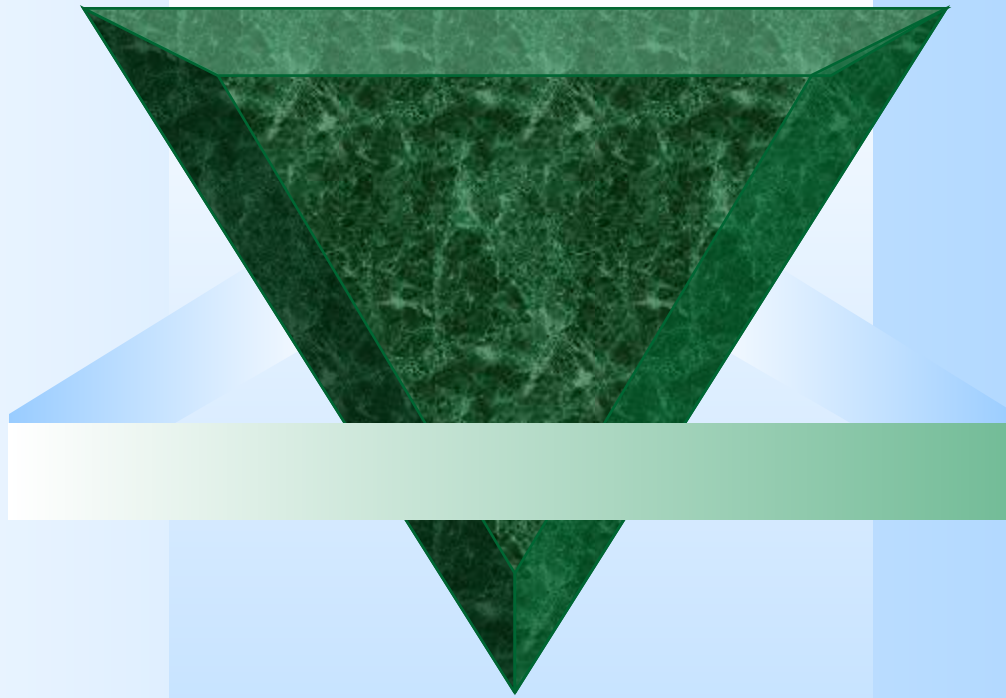
Summary

- Any Questions?



Week-13

slides: 100-105



Global Negotiation

Kimberly Walls



OBJECTIVES/AGENDA

- Ú **What Makes Cross Border Negotiations Different**
- Ú **Explain How External and Immediate Context Factors Can Influence Negotiation**
- Ú **Culturally Responsive Negotiation Strategies**
- Ú **Demonstrate The Three Different Types of Response Strategies Based on Familiarity**
 - Low
 - Medium
 - High



What Makes Cross-Border Negotiation Different?

Ú Environmental Context

- Forces in the Environment that are beyond the control of either party

Ú Immediate Context

- Factors over which the negotiator has influence and some measure of control



Explain How Environmental and Immediate Context Factors Can Influence Negotiation

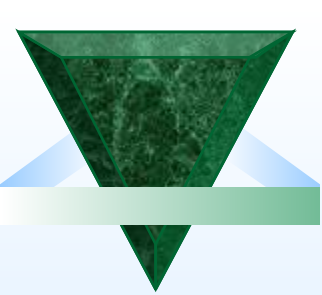
Ú Environmental Context

– Political and Legal Pluralism

- **Business Deals that interact with another country by crossing the National Border**
- **Different Tax Implications effect how much an organization pays**
- **The Implications and Effects on Labor Codes or Standards**
- **Different Contract Laws**
- **Different Standards of Enforcement**
- **Impact of Political Systems**

– International Economics

- **International Currencies Fluctuate Constantly**
- **What Currency is Selected in Business Deals?**
- **Possible Great Risk using Other Country's Currency**



Explain How Environmental and Immediate Context Factors Can Influence Negotiation

– Foreign Governments and Bureaucracies

- Government Regulations in Other Countries
- Some Government Laws Maintain a Monopoly in Dealing with Foreign Affairs
- Strict Policies and Procedures Are Followed when Importing Goods and Products Into Certain Countries
- Some Countries and States Have Strict Environmental Regulations
- Political Consideration about Economic Impact of Business Negotiations



Explain How Environmental and Immediate Context Factors Can Influence Negotiation

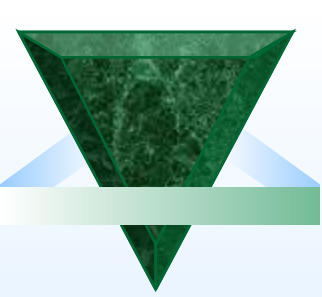
Ú Instability

- Does the country have Available Resources?
 - Americans commonly expect to have available paper, electricity, computers
- Sudden Changes Occur in Government Policies and Currencies

Ú Ideology

- Differences in Values and Expected Outcomes
- Ideology of Individualism and Capitalism
- Obtain a Profit
- Private Investment

- Other Countries May Follow Group Rights and Working in Teams to Reach Goals
- Public Investment More Important than Private Investment
- Differences can cause communication problems which create a barrier between the parties



Week-14

slides: 106-112



Explain How Environmental and Immediate Context Factors Can Influence Negotiation

Ú Culture

- People From Different Cultures Negotiate Differently
 - People interpret the purpose of Negotiation and the process Differently
- Relationship Between The Parties Are More Important than Substantive Issues
- Other Cultures More Inductive-Settle on a Series of Specific Issues for General Agreement

Ú External

Stakeholders

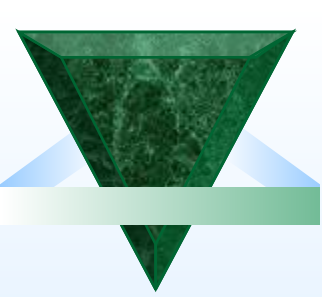
- Phatak and Habib believe “the various people and organizations that have an interest or stake in the outcome of the negotiations.
- Include Businesses, Associations, Labor Unions, Embassies, and Industry associations



Explain How Environmental and Immediate Context Factors Can Influence Negotiation

Ú Immediate Context

- **Relative Bargaining Power**
 - **Relative Bargaining may be based on The Amount Of Resources That Each Party Is Willing To Invest in The New Venture**
 - **Relative Bargaining Also Influences Management Control**
 - **Special Access to Markets**
 - **Distribution Systems**
 - **Managing Government Relations**
- **Levels Of Conflict**
 - **Interdependence between Parties**
 - **One Party Dependent on The Other – High Conflicts**



Explain How External and Immediate Context Factors Can Influence Negotiation

Ú Relationship between Negotiators

- The Relationship that is developed between the Principal Parties Before the Actual Negotiation Process
- How Parties Frame Negotiations

Ú Immediate Stakeholders

- Negotiators themselves who represent managers, employers, or boards of directors
- Influence with their Skills, Abilities, and international experience of the negotiators themselves clearly can have a large impact on the process and out come of Negotiation

Ú Desired Outcomes

- Tangible and Intangible factors will play a large role in determining the outcome
- Ethnic Conflicts can cause a disruption to a successful resolution if the important Parties are not Recognized



Culturally Responsive Negotiation Strategies

- Ú **It may be Difficult to Modify your Negotiation Strategy**
- Ú **To Understand another Country's Culture Does not Mean that the Negotiator has the Experience and Skill to Adapt to their Negotiation Strategy**
- Ú **Changing Your Negotiation Strategy To Effectively Communicate With Another Country's Culture May Not Bring The Desired Outcome (Each Party Changing Their Strategy Based on Their Understanding of the Other Country's Interests, Wants, or Positions)**

Responsive Strategies



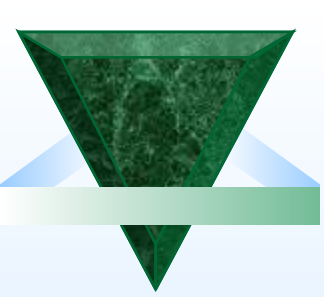
Low Familiarity

- **Employ Agents or Advisers (Unilateral Strategy)**
 - Hire an Agent or Adviser Who Is Familiar with the Cultures of Both Parties
- **Bring in a Mediator (Joint Strategy)**
 - Mediators May Encourage One Side to Adopt One's Culture

- **Induce the Other Party to Use Your Approach (Joint Strategy)**
 - Use Your Approach

Moderate Familiarity

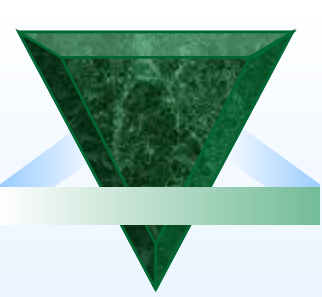
- **Adapt to the Other Party's Approach**
- **Keep Their Own Approach but Make Modifications**
- **Coordinate Adjustment**
 - **Both parties Make Mutual Adjustments**



Responsive Strategies

High Familiarity

- **Embrace the other Party's Approach**
 - Completely Adopt the Other parties Approach
- **Improvise an Approach**
 - Tailored to the Negotiation Situation
- **Effect Symphony**
 - Exclusive Use of Either Home Culture



Week-15

slides: 114-120



Chapter 9

**Managing
Difficult
Negotiations**



3 Particular Issues That Produce Special Difficulties

1. Entrenchment
2. Efforts to “create value” (e.g., expanding the pie) become bogged down in stalemate.
3. The negotiating styles and tactics, as well as the personalities of the parties involved are incompatible.




5 General Strategies for Conflict Resolution

1. **Reduce tension and manage the de-escalation of hostility**
2. **Enhance Communication**
3. **Control the number and size of issues in the discussion**
4. **Establish a common ground on which the parties can find the basis for agreement**
5. **Enhance the desirability of the options and alternatives that each party presents to each other**

Reducing Tension

1. Tension Release
2. Active Listening
3. Separate the Parties
4. Synchronized De-escalation






Improve the Accuracy of Communication

- **Role-Reversal:**

Looking at the issue from the other side's perspective may provide useful insight.

- **Imaging:**

It is an exercise that can clarify and correct misconceptions and misinterpretations.



Controlling the Issues

- *Reduce the number of parties on each side*
- *Control the number of substantive issues involved*
- *State issues in concrete terms rather than general principles*
- *Restrict the precedents involved, both substantive and procedural*
- *Fractionalize big issues*
- *Depersonalize Issues*




Establish Commonalities

- Superordinate Goals- goals that both parties share
- Common Enemies- negative form of superordinate goals
- Agreement on the Rules and Procedure

Week-16

slides: 121-127





Make Preferred Options More Desirable to the Other Party

- **Give the party a “yesable” proposal**
- **Make offers instead of threats or demands**
 - Emphasize how the offer will meet their needs.
- **Use legitimacy or objective criteria to evaluate solutions**
 - Support your demands with sound facts, calculations and information.



Addressing Collaborative Shortfalls

Dirty Tricks


- Distributive tactics
- Puts pressure on the other party to act on something that is probably not in their best interests





Responding to the Other Side's Dirty Tricks

1. Ignore them
2. Call them on it
3. Respond in kind
4. Offer to change to more productive methods



Responding When the Other Side Has More Power

The party with less power should:

1. Protect themselves
2. Cultivate their BATNA
3. Formulate a “trip wire system”
4. Correct the power imbalance



Coping With Difficult Negotiators

1. Assess the situation realistically
2. Stop wishing difficult people were different.
3. Get some distance between you and the difficulty
4. Formulate a relevant coping plan
 - Implement
 - Monitor for effectiveness