



M253 Resource Sheet

Negotiation skills

1 Overview

As part of working closely with others, you will need to negotiate: about plans, timetables, who does what, how something is to be done, and so on. Negotiations are vital to groups of people trying to work effectively together: a key point well negotiated can mean the difference between success and failure of any joint enterprise.

Negotiations can be very formal, with formal meetings and notes or minutes, or very informal, with a brief discussion of the points involved made over a cup of coffee. Increasingly, negotiation must be conducted at a distance: by phone, fax, post or email. In such cases it is important to remember that certain clues about a person's meaning or attitude – such as facial expression, body language or vocal tone – are absent. It behoves the participants then to be especially careful in their choice of words and methods of expression. There is a silver lining to this cloud, however, in that the time delay means a participant has some time to think through what has been said and what he or she should say in response. Some delay can be beneficial if the participants use the time to consider what has been said and to think over what is on offer before framing a considered response.

This Resource Sheet describes some of the skills and techniques involved in negotiating.

2 What is negotiation and why is it needed?

Negotiation is the process of satisfying needs by reaching agreement or compromise with others, particularly when one has no direct authority over those others. In daily life, everyone negotiates frequently. Within a household, for example, people negotiate on:

- how shared income is spent and general expenses are handled;
- who does what tasks and when;
- what to watch on TV;
- where to go for holidays.

You probably have considerable experience of negotiating without being aware of it.

In project work in particular, formal or informal negotiation helps team members work more effectively together.

2.1 Anatomy of a negotiation

Negotiations always take place between two (or more) parties. Each party will have an initial position (their idea of the ideal outcome), and usually also a so-called fall-back position (the minimum the party feels it requires in order to move forward towards the desired goal or an acknowledgement of the maximum that those who 'own' a resource can give or concede). This is represented in diagrammatic form in Figure 1. Some negotiations can involve a third party, whose role is to act as an arbitrator: essentially neutral, but aiming to bring negotiations to a successful conclusion.

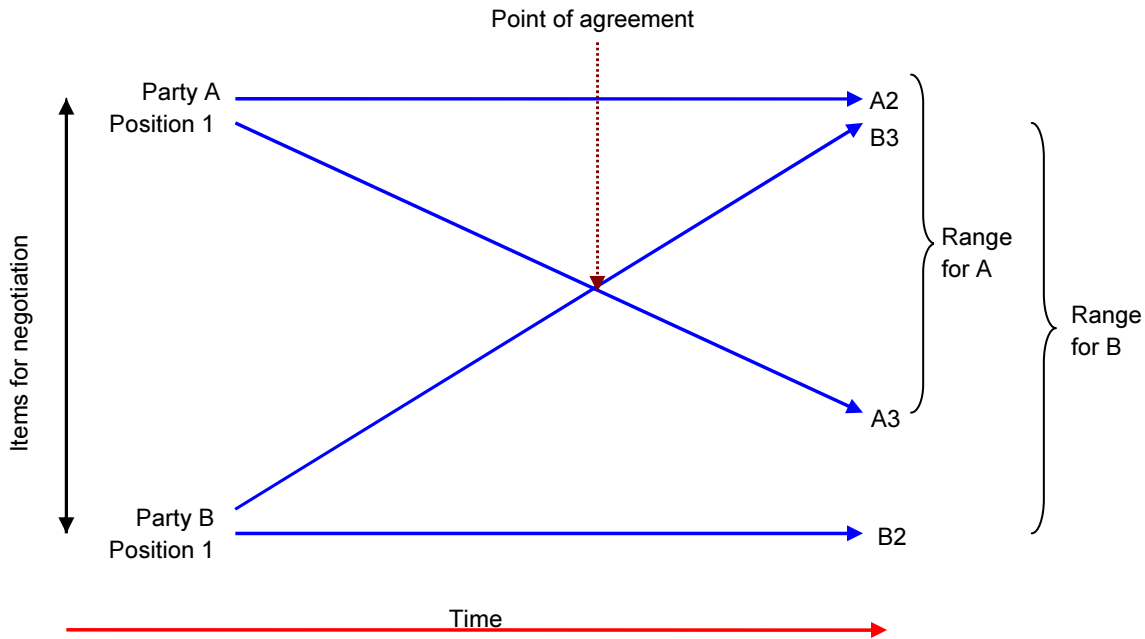


Figure 1 Negotiations. For parties A and B, 1 represents their initial position, 2 their ideal outcome and 3 their fall-back position. Note that as negotiation proceeds, the parties converge towards a point of agreement.

2.2 What teams negotiate about

Project team members may need to negotiate over a whole range of issues: who does what, when it is done, what the priorities are, what sort of standards or quality is to be achieved, how it is done, and interpersonal issues. Table 1 shows some of the main issues likely to arise amongst team members.

Table 1 Possible areas for negotiation

General areas	Possible issues	Parties to a negotiation
Resources	time, cost, equipment	individuals needing or commanding those resources
Schedules	order of activities, time, stages, deadlines	team members
Priorities	between the project and other work, over the trade-off between time and quality, team member work activities	team members, client
Procedures	methods, roles and responsibilities, reporting, relationships	team members
People issues	getting the team to gel or perform, getting and using skills needed, allocation of work, effort needed and given (or not)	team members

Exercise 1

Take a few moments to recall some of your personal experiences of negotiation. Note these down briefly, and decide which of the general areas above might best fit them. With whom did you negotiate?

Discussion

Your answer will reflect your own unique experience. As an example from my experience, I have recently negotiated the following:

Table 2 One answer to Exercise 1

<i>Issue</i>	<i>Categories</i>	<i>With whom I negotiated</i>
when to go on holiday	(could fit both resources and schedules)	family members
a 'free' evening for myself every week	priorities, schedules	my partner
a change in my work schedule	schedules, priorities	my immediate superior

The point of this exercise is to demonstrate how common negotiation is, and that you, and everyone else, has some experience of it.

3 Preparing to negotiate

Whilst most of us negotiate very informally (few people start a negotiation over, say, what to eat for dinner by announcing that the statements that follow their announcement form a negotiation!), in work situations – and particularly where team-work is involved – a somewhat more formal approach tends to yield better results.

3.1 Beginning a negotiation

Depending on the relative importance of the issues, each negotiation requires a different degree of definition, planning, scheduling and control. If an issue is minor (such as what to eat for dinner), the informal exchange of a few words can constitute the negotiation. But whether the negotiation is very informal or is about important matters and more formal, it is important to consider the following questions before beginning.

- Who is to be involved in the negotiation? Are they the right people?
- What are the concerns (anxieties, motives, hidden agendas, emotions) of each individual involved?
- What is the goal of the negotiation? (This is not the same as one party's desired outcome, but as clear a statement as possible of what will cause things to move forward in a positive manner.)
- Is there a common understanding of the goal by all the parties?
- What are the issues?
- What must be agreed to?
- How much flexibility does each party have? (You can only answer this question for yourself, of course, but you can think about how the other parties in a negotiation might answer this question for themselves.)
- Is there a conflict?
- How much time is available for the negotiation? (Is there a deadline by which an outcome must be achieved?) What is the impact of a delay?

- What does everyone need to know in advance of negotiating?
- Is preliminary discussion needed?

It might be useful before beginning a more formal negotiation to try to discover whether there are areas of agreement between the parties that can be built upon.

Exercise 2

Imagine you have won a contest that gives you a three-week round-the-world tour as the prize. It must be taken this calendar year, but you have already used up all your holiday entitlement except for one week. Use Table 3 to make notes for planning to negotiate with your immediate superior at your place of employment an additional period of leave (amounting to a fortnight) this year. (Assume your superior is a reasonable person!)

Table 3 Plans for negotiating my holiday entitlement

Who is involved?	
What are the concerns of each party?	
What is the goal of the negotiation?	
Is there a common understanding?	
What are the issues?	
What must be agreed to?	
What flexibility is there?	
What does everyone need to know in advance?	
Is preliminary discussion needed?	
Are there any areas of agreement already?	

Discussion

Table 4 gives my answer; yours will differ. But check you have thought of similar things and that you have ‘covered all the bases’ adequately.

Note: by laying out my answers to these questions carefully, I hope to be able to identify before beginning any negotiation what I can offer in return for the extra fortnight. For example, I can agree to cut next year’s holiday entitlement by a fortnight, or perhaps my superior would consider letting me have part or all of the time as unpaid leave (if I can afford to forego the income). Thus I will have two possible ways of gaining what I want: extra paid leave this year but foregoing the same amount of paid leave next year, or taking part or all of the time as unpaid leave.

This list also helps me decide what I can offer to help out my superior: perhaps if deadlines are not tight I can agree to work overtime closer to due dates, or can agree with members of my team how my absence can be covered. After all, what my superior wants is for the project to be finished on time and to quality standards: he or she may be less concerned about how that is achieved, provided other people are not disproportionately discommoded.

Table 4 One answer to the plans for negotiating

Who is involved?	myself, my superior, his/her superiors (other members of department may be stakeholders in that my extra leave may create more work for them)
What are the concerns of each party?	deadlines for work being met, budgetary considerations, workload
What is the goal of the negotiation?	clear statement of (1) whether I can have the fortnight and (2) how I will 'repay' this fortnight some time later
Is there a common understanding?	don't know
What are the issues?	for me, loss of the prize if I can't take time; for my superior, whether the workload in the department will permit me to be absent for a fortnight; more generally, whether the company's systems can accommodate whatever we agree as a way forward
What must be agreed to?	(1) whether I can go; (2) if I can go, when can I go; (3) what I must do to compensate for the time taken.
What flexibility is there?	may be possible to renegotiate deadlines for project; may find that another member of staff is willing to stand in for me; there is a bit of flexibility as to when I must take my prize as we still have a few months left in this calendar year
What does everyone need to know in advance?	that I've won a valuable prize, but that constraints exist
Is preliminary discussion needed?	probably not
Are there any areas of agreement already?	that project deadlines are important, but we are not currently in a crisis management situation.

3.2 Skills negotiators need

A good negotiator needs a number of what are often referred to as *interpersonal skills*. The following are very important skills.

Listening skills. Being able to concentrate on what others say and ensure that you are interpreting it correctly (often by feeding back to them what you think they have said). Body language (showing attention to the person you are listening to) forms an important part of listening skills. Even when conducting negotiations in written form, the negotiator will find some 'listening' skills such as those listed below valuable.

Focus on content, not delivery: what is being said, not the way it is said.

Avoid emotional involvement: 'hear' what is being said, not what you want to hear.

Avoid getting distracted.

Ask yourself mental questions, such as 'what is the main point?' and 'how does this relate to what I already know?'

Reading skills. These are required when conducting negotiation by such means as exchange of faxes, by post or email. It is still important to focus on content rather than choice of words, for example. The reader must try to avoid emotion as well, and to 'read' what is being said. If necessary, check with your correspondent about what they are trying to say before coming to any conclusion about their meaning. Remember that different people may attach different meanings to the same term: a famous incident involved American and British military planners arguing for days over whether to 'table a paper': in fact the meanings of the phrase are opposite, and both parties actually wanted the same thing but did not realize that they agreed with each other.

Objectivity. Separate considerations of the problem from considerations of the people involved. Discuss your and their perceptions. Recognise that there are multiple interests and needs involved; acknowledge others' interests. Use objective criteria: fair and appropriate standards and procedures. Look forward, not back. (Placing blame may be satisfying, but it rarely accomplishes much.)

Communication strategies. Be concrete. Concentrate on the problem. Allow the other party to 'let off steam' and acknowledge their concerns.

Assertiveness. Assertiveness is not the same as aggressiveness! It means tactfully and effectively expressing one's preferences, needs, opinions and feelings. (Thus, it is also different from taking a passive approach: sidestepping the problem by ignoring it or by giving way to another without any discussion.) In being assertive, one also must acknowledge and be considerate of others' feelings and needs.

Example 1 Assertive or aggressive?

It is sometimes difficult to tell whether a statement is assertive or aggressive. A key to understanding this is whether a statement *places blame* or *ascribes feelings*. The former is aggressive, the latter assertive. For example, saying, 'You make me so angry when you ...' places the *blame* for *your* anger on someone else. That is not to say that it is improper in the circumstances to feel angry. But saying: 'I feel angry when you ...' ascribes your feelings to yourself, and treats the behaviour (rather than the person you are talking to) as the cause of those feelings. This can make it easier for the other person to respond with the reason for the behaviour without feeling themselves attacked ('I do that because ...') or to apologise when that is appropriate ('I'm sorry, because I had no idea doing ... upset you.') Aggressive statements can often be little more than name-calling. ('Your stupid rotten little company caused me to waste two weeks of my valuable time' is aggressive; 'I lost two weeks of my time due to problems that I encountered with your company' is assertive.) Name-calling invites the escalation of bad feelings and counter-aggression rather than stating a problem and prompting a solution.

Exercise 3

Consider the situation where a team member repeatedly agrees with you to take on tasks in the project plan, but then fails to carry these out and does not tell anyone early enough for corrective action to be taken.

Write a few brief notes on how you would respond to this situation.

Discussion

If you decided, in the interests of peace within the team, to let it go, this places an unfair burden on all other team members, does nothing to correct the problem, and will continue to make you feel annoyed. It is a passive strategy.

You could tell the team member: 'You are extremely inconsiderate. No wonder no one gets along with you.' This may relieve your feelings, but it does not leave you, or the team member, any way forward. It may alienate that person further.

You could respond by telling the team member: 'When we make plans and you fail to carry out your part of the plan without saying anything – this has happened two out of the last three times – I feel frustrated because it is too late to change, and furthermore it causes more work for the rest of us. In the future, I would like you to tell us in advance if you cannot do the work, and not agree to take on what you will not be able to do. Would you do that?'

This last response is assertive. Note that, whilst clearly setting out the problem, it does so in a way that does not demean the other person (though they may not like what you have said), and it gives a clear solution: telling the rest of the team in advance and not agreeing to something that the person cannot or will not do.

In most negotiations, one party will win, or lose, slightly more than the other. Good negotiators manage the outcome of a negotiation such that *the differences in what each side obtains are kept to a minimum and conflict is avoided*. The ideal situation occurs when both parties to the negotiation gain something significant: the so-called **win-win outcome**. If a win-win outcome cannot be achieved, finding something close to a situation where neither party loses much – a **no-lose outcome** – should normally be feasible.

Exercise 4

Harking back to Exercise 2, suppose you have now negotiated the following with your superior: you will be able to take one week of the fortnight you need as paid leave 'borrowed' from next year's allocation of leave, and one week as unpaid leave. Another team member has agreed to stand in for you at two key meetings during the period you'll be gone.

Decide whether the outcome is a win-win, win-lose or no-lose outcome, and say why you think that is the case.

Discussion

Perhaps the best way to characterise this situation is as a win-no lose situation: you have 'won' your extra fortnight of time in which to take your prize holiday, and your immediate superior has not lost anything (deadlines will still be met, meetings will be attended, the work will get done). Your colleague has perhaps 'lost' a little something: the time when he or she will now need to devote to the two key meetings. Presumably you have ensured that that person feels reasonably happy, perhaps by agreeing to do something for them that is of comparable importance. (You could thank a helpful colleague by taking them for a coffee and pastry, or simply remind them that you owe them a favour.)

3.3 Tactics

Stories abound about unfair tactics used in negotiations: for example, keeping people negotiating until one party is too tired to continue and thus gives in, making the room in which negotiations take place unpleasant and uncomfortable, and so on. These turn a negotiation into something else: a battle.

Adequate preparation, as described above, is one of the most important tactics a negotiator can use. It means having a thorough understanding of what the problem is, what the stakes are, what the parties want, and what they are likely to agree to.

Without meaning to, many people weaken their case during negotiations. They add more (but weaker, or irrelevant) points to their case. A clever opponent will easily spot a weak or irrelevant argument and attack it, putting the other party on the defensive. (It is easy to become distracted from the main points by trying to shore up weak ones.) Choose a few strong points and stick to these. Do not be drawn into adding more and more points. If you tend to weaken your own arguments, try writing down a few key points you want to make in advance of the negotiation and stick to them.

If continuing to make statements that the opposition is unwilling to accept is plainly not likely to change their position, use questions to persuade them. This allows them to think about the issue in a particular way rather than to continue their opposition to a statement. You can also use questions to control the conversation by making your opponents respond to your question rather than lead the discussion with points they want to make. Since using questions well is a key negotiating skill, it is important to plan the questions you will ask and to write them down. If negotiations should become heated, having prepared questions can allow you to reduce the pressure on yourself by giving you time while your opponents think of a reply. When using questions (or suggesting solutions), clearly signal that this is what you are doing. For example, you could say: 'Let me propose a possible solution to this' or 'May I ask for some clarification here?'

Try to invent agreements of different strengths, though make it clear that you are inventing and not deciding at this stage. Inventing can be done by:

- identifying shared interests;
- broadening the options available;
- changing the scope of the negotiation;
- brainstorming.

3.4 Keeping a negotiation on track and coming to a conclusion

If a negotiation, whether formal or informal, takes more than a few exchanges, it is important to ensure periodically that both sides clearly understand what is being proposed and at what stage the negotiations are. This keeps everyone on the topic. It is worth summarising from time to time what stage you believe the negotiation has reached, including articulating the opposing sides' current positions, what solutions are presently being discussed and what points have already been dealt with satisfactorily.

Example 2 Negotiation in progress

[The negotiation concerns holiday coverage in a busy hospital ward. Parties involved are the hospital management, a consultant, and junior doctors and the nursing staff with responsibility for a particular ward.]

'Let's just pause and summarise where we are. Doctors A, B and C want to take this holiday. Doctors D, E and F are willing to provide cover in return for having a comparable amount of time later in the year. The problem is that we need at least four of the junior doctors available at any one time, and our consultant, Mr. X, believes that having any fewer on duty risks jeopardising the well-being of patients. The management agrees to see whether there is funding to bring in two agency nurses during this period to allow more flexibility for the nursing staff, Is that everyone's understanding? Is there anything I've missed?'

When agreement is reached, it is very important to document what that agreement is, and to circulate the document to everyone involved. This can help to highlight problem areas that have been overlooked early enough that there is time for further negotiation, and also ensures that the parties are very clear about the understanding they have reached. A good written summary of the agreement also has value as a kind of checklist for actions. As individuals or parts of the team meet an obligation they have negotiated, it can be ticked off the list.

4 Summary

Planning a negotiation is one of the most important tactics a negotiator can use. Write out your preparatory notes and go through them.

Identify your starting position, your ideal outcome, and your fallback position. Try to do the same for the other party before beginning negotiations.

Concentrate on the issues, not on the personalities involved. Be assertive, not aggressive and not passive.

Look for a win-win or no-lose outcome.

In longer negotiations, periodically check everyone's understanding of the current position.

Document the outcome and circulate it to everyone involved. Be prepared to find more to negotiate at this stage.

5 Further resources

Negotiating skills from the Conflict Resolution Network:

<http://www.crnhq.org/windskill10.html>

Donaldson, M. C., Donaldson, M. and Frohnmayer, D. (1996) *Negotiating for Dummies*. New York, Wiley.

This book gets mixed reviews (very poor and very good, with few 'middle of the road' reviews) and whether you'd find it useful or readable probably depends upon whether you are a fan of the ... *for Dummies* type of book. The UK edition is very markedly more expensive than the (same) US edition as well, so borrowing from the library or buying second-hand may be better than a new purchase.

Sattler, T. P. and Doniek, C. A. (2004) 'Negotiating for a win-win outcome' and similar articles, are available online at:

<http://www.mapnp.org/library/intrpsnl/negotate.htm>

For a self-administered quiz to determine whether you have good negotiating skills try:

<http://www.humanlinks.com/nego.htm>