



Conflict Management Associates, LLC

Mediation, Arbitration, Negotiation, Training, and Coaching

Negotiating Conflicts Effectively

Agenda

- Introductions
 - 1) Negotiation Characteristics
 - 2) Approaches to Conflict
 - 3) Issues, Positions, and Interests
 - 4) Preparation for Negotiation
 - 5) Managing Difficult People w/ whom you negotiate
 - 6) Negotiating w/ people of different cultures

What Exactly is Negotiation

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Negotiation is – a form of communication in which someone is trying to resolve a conflict by persuading someone else to do something or to refrain from doing something.

Characteristics of Negotiations

- A conflict to be resolved
- Identifiable parties willing to negotiate
- Authority to negotiate
- An Acceptable range of settlement options
- Parties prepared to move off positions

Facets of Conflict

- Communication Static
- Fuel of Conflict → Emotion
- Bedrock Beliefs
- History

Dimensions of Conflict

- Cognitive → *Perceptions*
- Emotional → *Feelings*
- Behavioral → *Actions*

Cognitive Dimension

A set of perceptions that our needs or interests are incompatible with somebody else's

Emotional Dimension

Feelings we experience in reacting to a situation

- Fear
- Anger
- Jealousy
- Pain
- Resentment
- Hopelessness
- Bitterness

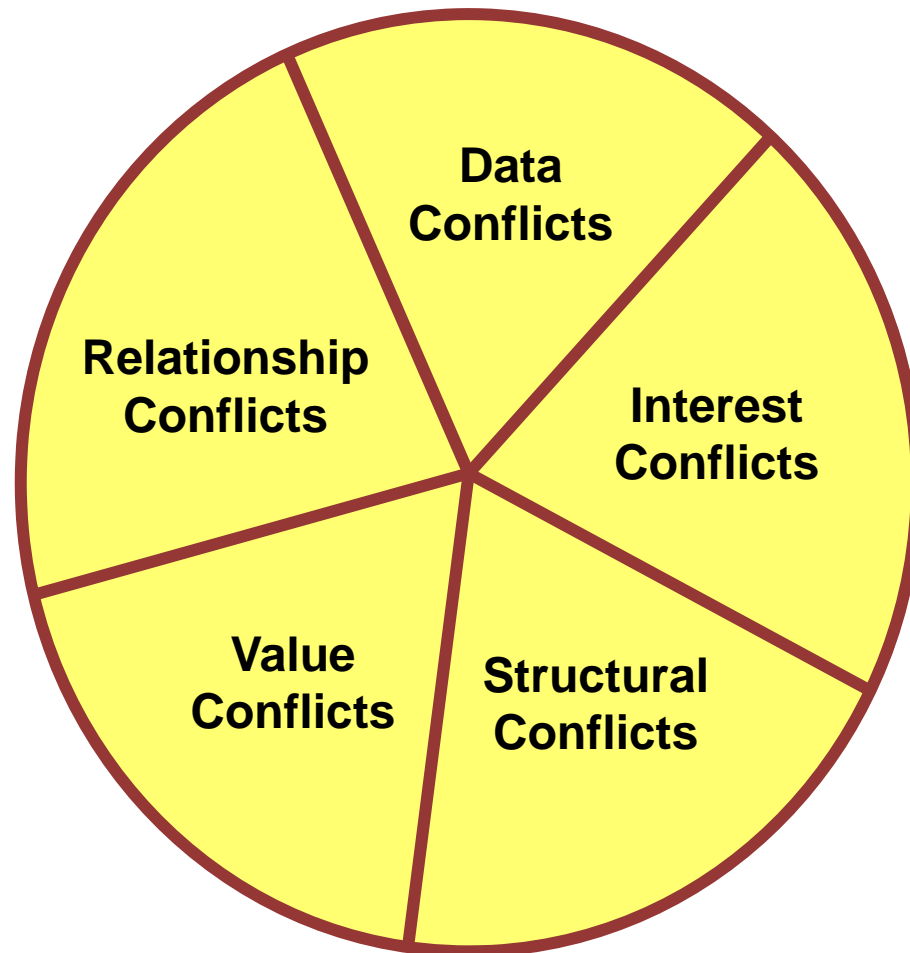
Behavioral Dimension

Actions we take to articulate those perceptions or to express those feelings to get our needs met

Upshot

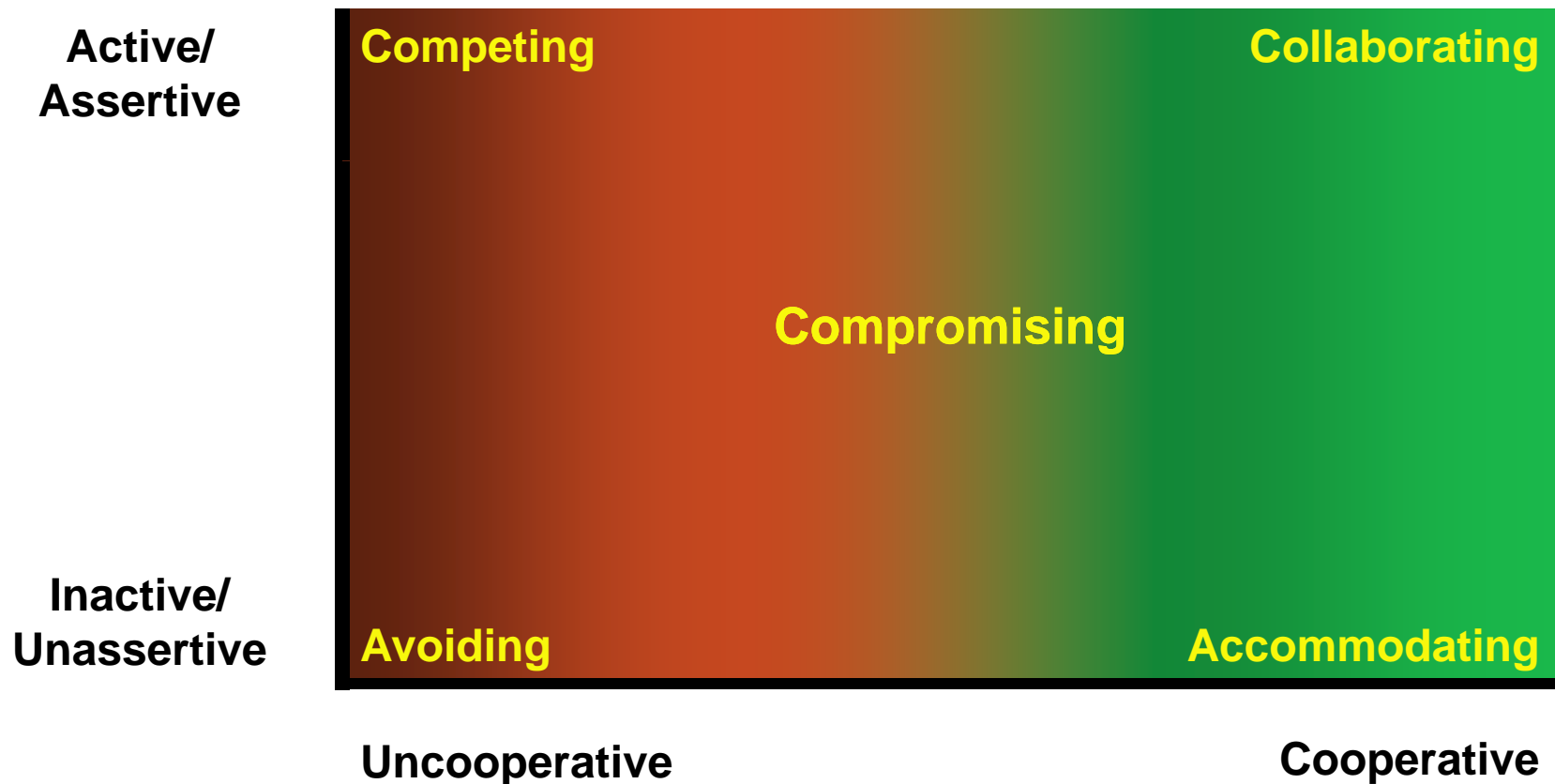
- Lawyers usually aim for the behavioral dimension
- If you address only one dimension, then the conflict most likely will not be resolved

Circle of Conflict



Recreated with permission
from CDR and Associates
Greater Minnesota General
Mediation Training

Comparison of Approaches to Conflict



Conflict Style - 1

Cognitive:

- Analytical vs. Intuitive
- Linear vs. Holistic
- Distributive vs. Integrative
- Outcome-focused vs. Process-focused

Conflict Style - 2

Emotional:

- Enthusiastic vs. Reluctant
- Emotional vs. Rational
- Volatile vs. Unprovocable

Conflict Style - 3

Behavioral:

- Direct vs. Indirect
- Dominant vs. Submissive
- Threatening vs. Conciliatory

Communication Skills

- At the heart of both **conflict** and **resolution** is **communication!**
- **GOOD NEWS:** Communication skills can be learned, applied, and enhanced.
- **BAD NEWS:** It's harder than it appears

Hearing vs. Listening

HEARING IS PHYSIOLOGICAL

LISTENING IS PSYCHOLOGICAL

Essential Elements for Negotiating Conflicts

- Issues
- Positions
- Interests
- Assumptions
- Concessions
- Alternative Plans

Issue

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- How well do you listen to uncover the true issue?
- Issues are not always spelled out

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Position

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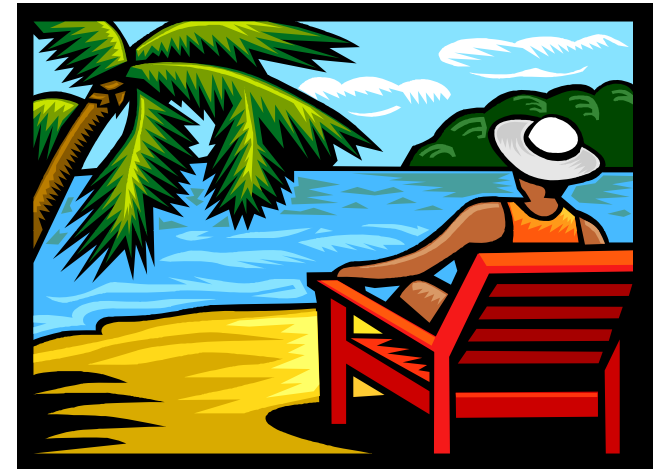
Classes of Negotiations

- Those who wing it
- Positional Bargainers
- Interest Based Negotiators

Approaches to Negotiation

A. Winging it

Preparation required: None



B. Those who come prepared:

1. Positional Bargaining (“PB”)
2. Interest-Based Negotiation (“IBN”)

Approaches to Negotiation

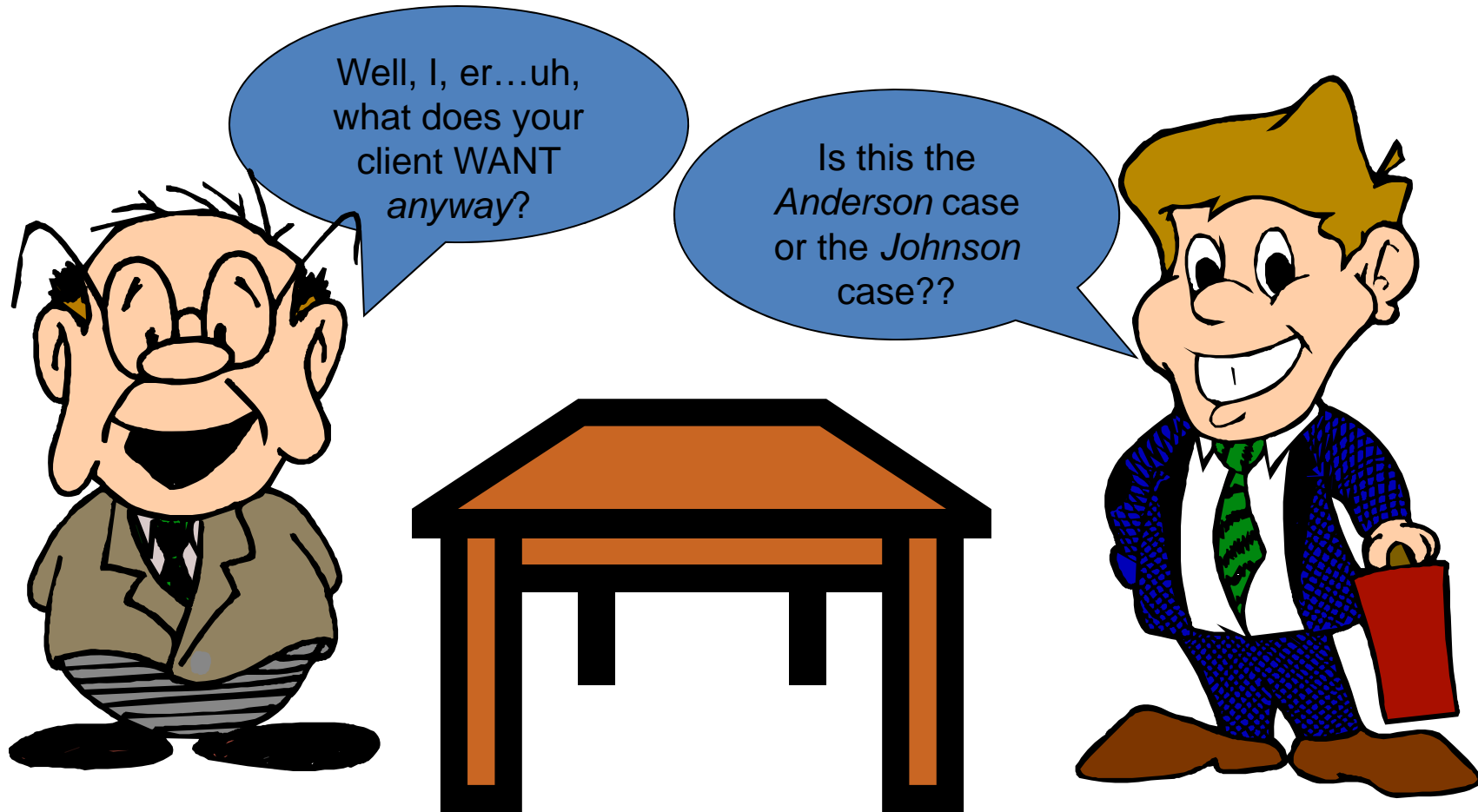
Positional Bargaining (“PB”)

1. Negotiation is inherently competitive
2. Resources are limited:
win/ you lose
3. All that counts is TODAY
4. GOAL: Win as much as you can
5. Style: Bluff, threaten, and disclose as little as possible

Interest-Based Negotiation (“IBN”)

1. Negotiators are problem- solvers
2. Resources may be expandable; be creative
3. Negotiators’ interests can be independent
4. GOAL: a fair, mutually agreeable solution
5. Style: Share information, seek to satisfy other party’s interests

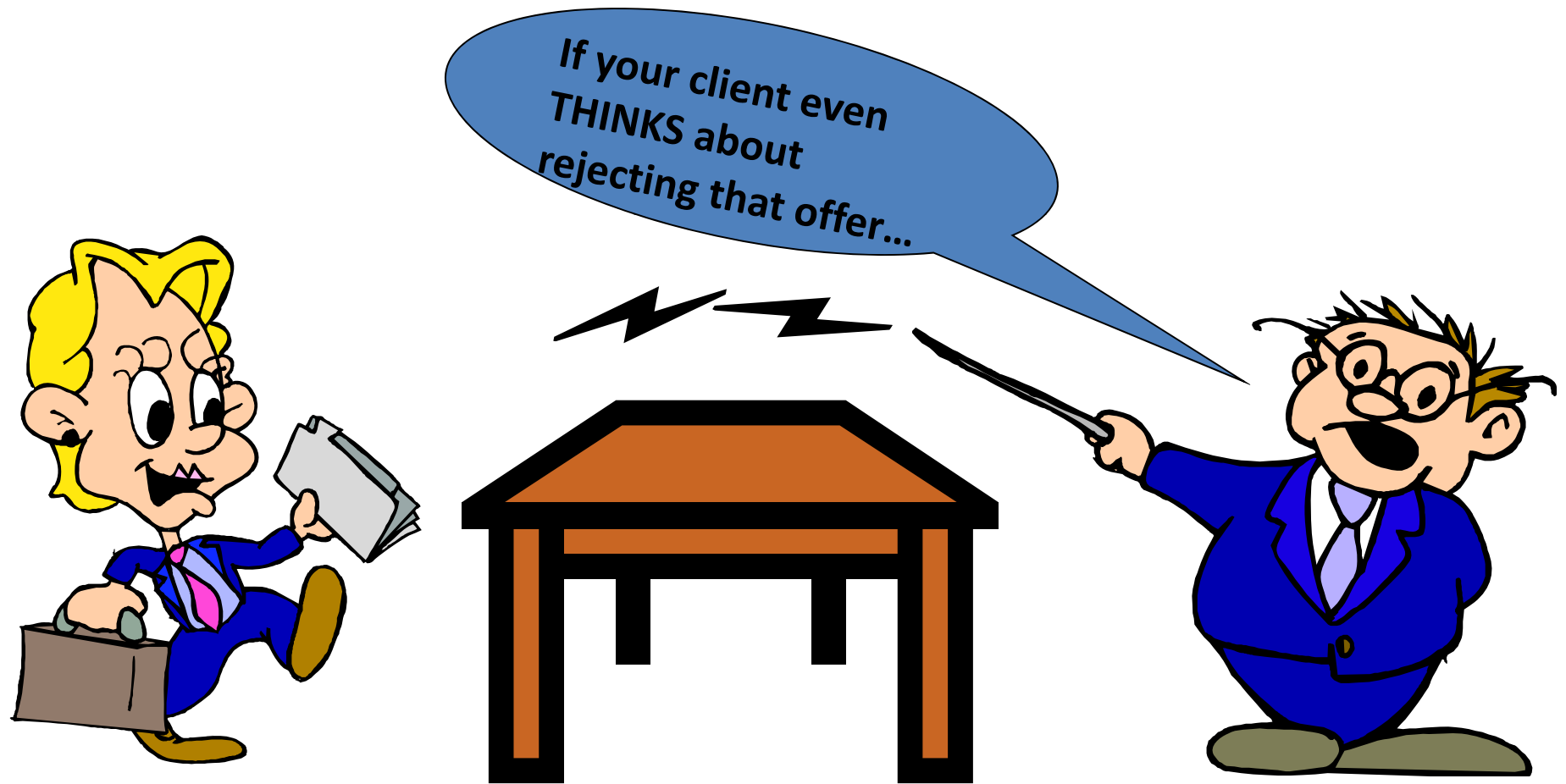
Winging It



World View of Positional Bargainers

- Negotiations are inherently competitive
- *I win, you lose*
- Concessions indicate weakness
- Goal is to get as much as possible

Bargaining Ploys



Positional Bargaining



Yah, so like I asked my mom if I could get a *pet...* and I told her that what I really wanted was a *Boa Constrictor!!*

You should have seen her face...she was so *freaked* that a *cat* seemed like a great idea when I suggested it after *that!!*

Perspective of Interest-Based Negotiators

- Negotiators are problem-solvers
- Parties' interests can be inter-dependent
- Be tough on the problem, easy on people
- Goal is to find a solution that satisfies all parties' priority needs

Interest

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Why is ...X... a problem?

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How to Identify Interests

- Asking questions
- Variations on “why?”
- Reframing with verification
- “I” statements
- Active listening

Techniques for Identifying Interests

Asking Questions (*Variations on “WHY?”*)

1. What is it you want me to understand?
2. How would you like the current situation to be different?
3. What would you be willing to do to make it different?
4. What about my proposal doesn't work for you?
5. What do you need from the other party(ies)?

Techniques for Identifying Interests

Reframing:

1. Decode positions; listen for underlying interest
2. Re-frame interest in mutually acceptable language
3. Avoid value statements
4. Move toward future solutions

Assumption

Assumptions:

- Are not facts until proven
- Should not be the bases for final decisions
- Can be very risky and costly when not proven

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Concessions

Concessions are anything that are considered negotiable: assets, services, locations, price, payment terms, delivery time

- The more valuable a concession is, the less negotiable it becomes
- Concessions should be ranked High, Medium, and Low according to your value as well as the other sides

Alternative Plans

- **BATNA:** Best Alternative to No Agreement
- **WATNA:** The Worst Alternative to a Negotiated Agreement

Impediments to Negotiated Settlement

1. Strategic barriers
 - Information asymmetry
 - Distributional bargaining
2. Principal— Agent problem
 - Lawyer-client; manager-agency
3. Cognitive barriers
 - Risk aversion
 - Reference point
4. Reactive Devaluation
(psychological phenomenon of diminished acceptance of a proposal from the other side)

5 Ways to Enhance Your Negotiation

- Do your homework and prepare
- Always show respect and interest to the other side
- Ask questions to uncover the other sides issues and interests
- Never base decisions on ASSUMPTIONS
- Be open to other people's point of view
- Be flexible and most of all, be PATIENT

Managing Difficult People

- **Narcissists**
- **Controllers**
- **Criticizers**

Are You Dealing with a Narcissist?

- Is the person self-absorbed as if life revolves around him/her?
- Does the person requires praise and recognition in order to get his/her attention or approval?
- Does the person believes s/he is superior to you and others?
- Does the person downplay your feelings or interests?
- If you disagree, does s/he become cold or withholding?

Emotional Freedom by Judith Orloff, MD

How to Deal with a Narcissist

- Become aware of who you're dealing with and try not to react emotionally
- Keep your expectations realistic
 - They are emotionally limited
 - They are not capable of the give-and-take relationship
- Show how something will be to their benefit

How to Deal with a Narcissist

- Acknowledge that you heard s/he.
Example: “That is a good or valid point I haven’t considered.”
- Take deep breaths to calm your emotions
- Learn how they operate so you can choose how to interact with them.
Narcissists are predictable.

Are You Dealing with a Controller?

- Does this person keep claiming to know what's best for you?
- Do you typically have to do things his way?
- Is he so domineering you feel suffocated?
- Do you feel like you're held prisoner to this person's rigid sense of order?
- Is this relationship no fun because it lacks spontaneity?

Emotional Freedom by Judith Orloff, MD (pg 132)

How to Deal with a Controller

- Never try to control a controller
 - Speak up, but don't tell them what to do
- Stay away from power struggles
- Remember no one can control you unless you allow them
 - Ask yourself if you agree with what they're telling you to do. If you do agree, then it was your decision not the controller's.
- Try a direct and caring approach
 - "I appreciate your comment, but I'd like to express my opinions too."
- Size up the situation

Emotional Freedom by Judith Orloff, MD (pg 133)

How to Deal with a Controller?

- Become aware of who you're dealing with and try not to react emotionally
- Set boundaries by stating your position
 - "I value your advice, but I really want to work through this myself."
- Try to keep a neutral tone and take deep breaths when needed
- Be patient. Controllers will not give up easily
- Learn how they operate so you can choose how to interact with them. **Controllers are predictable.**

Emotional Freedom by Judith Orloff, MD (pg 133)

Are You Dealing with a Criticizer?

- Do you always end up feeling inadequate in this person's eyes?
- Are you a frequent target of her judgmental zingers?
- Does she spot a flaw in you from across the room, then tell you about it?
- Is she always putting others down?
- Is she harshly self-critical?

Emotional Freedom by Judith Orloff, MD (pg 135)

How to Deal with a Criticizer

- Always consider the source
- Graciously let the spiky comment pass
- Address a misplaced criticism directly
- “When you’re critical, it’s hard for me to hear you. It doesn’t feel good when you……. I’d appreciate it if you’d back off.” Strike a compromise – don’t get defensive
- Set off a love bomb
- Express appreciation for what’s useful
- Communicate clearly, firmly, and with a neutral tone when setting limits

Emotional Freedom by Judith Orloff, MD (pg 136-137)

Negotiating with Different Cultures

General Mannerisms

- Proper greetings
- Taboos
- Values
- Rituals
- Dining decorum

Business Mannerisms

- Proper greetings
- Meeting etiquette
- Proper correspondences
- Negotiating decorum, strategies, and tactics
- Motivating Factors

*Recipe for Negotiating Business
Deals Successfully by Dana Cradeur*

The Differences Between Our Culture and the Mexicans and Russians

- **Negotiation Styles**
- **Motivational Factors**
- **Trust**

Negotiation Styles

Americans - more deal oriented

- Put more emphasis on facts and figures
- Wish not to waste time because time is money
- Prefers both parties to be direct in their offering

Russians – more people oriented

- Put more emphasis on people they like and trust
- Displays patience
- Prefer to take time to cultivate a friendship than to dive into a business deal
- Shows respect for elders and traditions
- Compromising can be reviewed as a weakness

When Cultures Collide by Richard Lewis

Negotiation Styles

Americans - more deal oriented

- Put more emphasis on facts and figures
- Wish not to waste time because time is money
- Prefers both parties to be direct in their offering

Mexicans - more people oriented

- Save face at all cost
- Obedient to authority
- Always be respectful
- Showing credibility is the most powerful factor in persuading them
- Try not to use the wheeling and dealing approach
- Discuss issues at length
- Respect older people

When Cultures Collide by Richard Lewis

Motivational Factors

Americans - motivated by action rather than words

Mexicans & Russians - motivated by words more than deeds. They thrive when people and circumstances boost their self-confidence and praise their performance, art, country, and food.

When Cultures Collide by Richard Lewis

Trust

Americans

- Trust is fairly impersonal
- We trust people who consistently do what they say they are going to do
- We base trust on facts and figures

Russians - trust is gained through...

- Compassion
- Protecting their vulnerabilities
- Disobeying regulations in keeping that trust if it is necessary

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Mexicans - trust is gained through...

- Respectful behavior
- Compassion
- The need for saving face at all times
- Being sensitive to the Mexican “national honor” at all times
- Not insisting on deadlines and overly meticulous details in a contract

You Can Earn their Trust by Mirroring their Behaviors

Country Regimes

- Political Stability
- Security Cost (Strikes, Kidnapping, Riots, Acts of Wars, and etc.)
- Government and Local Taxes
- Natural Resources Taxes
- Percentage of Royalty Paid to the other Company and Government
- Import and Export Taxes
- Government Laws and Regulations
- Environmental Laws
- Financial Liabilities due to Legal or Contractual Issues
- Delay of Payment
- Exchange Control, Convertibility of Currency

*Recipe for Negotiating Business Deals
Successfully by Dana Cradeur*

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Questions