



Module 2: Negotiation Methods





Negotiation Methods

Traditional Bargaining



Stages of Traditional Bargaining

- **Preliminary Stage**
 - Establish negotiator identity
 - Establish tone for negotiations
- **Information Stage (Initial proposal/offer)**
 - Questioning
 - Listening
 - Offers
 - Control Response



Stages of Traditional Bargaining

- **Competitive/Distributive Stage (Claiming value of position/proposal)**
 - Value claiming
 - Concessions
 - Deal with adversity
 - Power bargaining
- **Closing Stage (Finalizing options of what can work)**
 - Less concessions
 - Increased need for reciprocation
 - Patience and calculated silence



Stages of Traditional Bargaining

- **Cooperative/Integrative Stage (Maximizing the value of agreement)**
 - Advancing interests of all Parties
 - Direct discussions
 - Preserve credibility
 - Explore all alternatives prior to Final Agreement
 - Leave opponent thinking they got a good deal
 - Get it in Writing



Effective Negotiation Techniques

- Preparation, preparation, preparation
- Establish rapport
- Attitudinal bargaining: reward cooperation, confront adversarial approach
- Control your response
- Find and use leverage





Negotiations Methods

Interest-based Bargaining





What is Interest-Based Bargaining?

Interest Based Bargaining (IBB) is an approach to collective bargaining that is designed to help parties express, understand and build agreements around shared interests, concerns or desires.



What is Interest-Based Bargaining?

Interest based bargaining is a bargaining method aimed at “expanding the pie,” meaning each party can get a bigger slice without having one side gain at the expense of the other.

Joint problem solving is intended to provide bigger slices for everybody.



What is Interest-Based Bargaining?

IBB is also referred to as:

- *Win-Win Bargaining*
- *Mutual Gains Bargaining*
- *Principled or Interest-Based Negotiation*
- *Interest-Based Problem Solving*
- *Best Practice or Integrative Bargaining*



What is Interest-Based Bargaining?

The Difference Between Adversarial Bargaining and IBB

- In traditional “adversarial” bargaining, parties dig into their positions and exchange demands.
- In IBB, the parties focus on understanding the problem and identifying the interests that underlie each side’s issues, needs, and wants.



What is Interest-Based Bargaining?

- IBB is a process that enables traditional negotiators to become “joint problem-solvers.”
- IBB assumes that mutual gain is possible and that solutions which satisfy mutual interests are more durable.
- The parties should help each other achieve a positive result.



What is Interest-Based Bargaining?

IBB has 3 distinct goals:

- 1) To reach a mutually desired and durable result
- 2) To reach agreement efficiently and fairly
- 3) To keep the relationship intact



Six Principles of Interest-Based Bargaining

1) Sharing relevant information is critical for effective solutions.

2) Focus on issues, not personalities.

3) Focus on the present and future, not the past.

4) Focus on the interests underlying the issues.

5) Focus on mutual interests, and helping to satisfy the other party's interests as well as your own.

6) Options developed to satisfy those interests should be evaluated by objective criteria, rather than power or leverage.

What is required to be successful?

- Evidence of labor-management cooperation during the past contract term.
- Sufficient time remaining prior to contract expiration to complete the sequence of decision-making about IBB, training and application of the process.
- Willingness of the parties to fully share relevant bargaining information.
- Willingness to forgo power as the sole method of "winning."
- Understanding and acceptance of the process by all participants and their constituents.

IBB: Getting Started

- Training with IBB experienced facilitator
- Joint meeting of the participants and mediators to reach agreement on ground rules and protocols
- Bargaining begins with discussion of issues and interests



IBB: Training

IBB begins with formal training by a facilitator. The participants must accept the principles and assumptions that underlie the process, and follow the steps and use the techniques during negotiations to be successful.



IBB: Joint Start-up Meeting

With a decision to proceed, mediators facilitate a joint meeting of the participants to reach agreement on ground rules and protocols under which the bargaining will be conducted, an exchange of the issues to be negotiated, and steps for a transition to traditional bargaining if the IBB process breaks down.



IBB: The Process

- Problem solving is about resolving underlying interests.
- Interests are your needs, concerns, or desires behind a particular problem.
- The “why” behind the problem.
- Interests drive any negotiated outcome if a problem is to be really resolved.



IBB: Interests vs. Positions

- **Position:** one party's proposed solution to an issue; the how.
- A position statement:
 - focuses on a particular solution,
 - makes a demand, and
 - sets up confrontation before the problem has been clearly defined.





IBB: Interests vs. Positions

Converting positions to interests:

If a demand, solution, proposal, or position appears on your interest list, convert it to an interest by asking what *problem* it is trying to solve or what *concern* it is intended to address.





IBB Process

Identify Issue (Issue Statement)

- Parties identify topic or problems

Identify Interests

- Identify each side's needs/wants and determine which are mutual
- Identify separate and/or conflicting interests

Develop Options for solutions that involves interests

- Utilize joint brainstorming
- Refine list: eliminate duplicates, consolidate similar options

Evaluate Options

- Feasible – legal, affordable, workable, understandable?
- Beneficial – satisfy important interests, better than what you have today?
- Acceptable – fair and equitable, pass Agency head review?

Agree on Solutions

- Consensus – all members agree or “A decision everyone can live with”
- Write up the agreement



Techniques, Tactics & Strategies Interest-based Bargaining



IBB: Effective Negotiation Techniques

- Focus on issues – not personalities or the past
- Describe the problem, don't accuse or assign motivation
- Focus on interests – not positions
- Understand interests – don't judge them
- Defer evaluation during the option-generating stage
- Evaluate options with standards





IBB: Effective Negotiation Techniques

- Share Information
- Respect the role and responsibility of others – listen
- Be open to reasoned argument
- If you dissent – explain why and propose alternate solutions or suggest how to modify existing solutions
- Be willing to change your mind
- Sustain the relationship and process

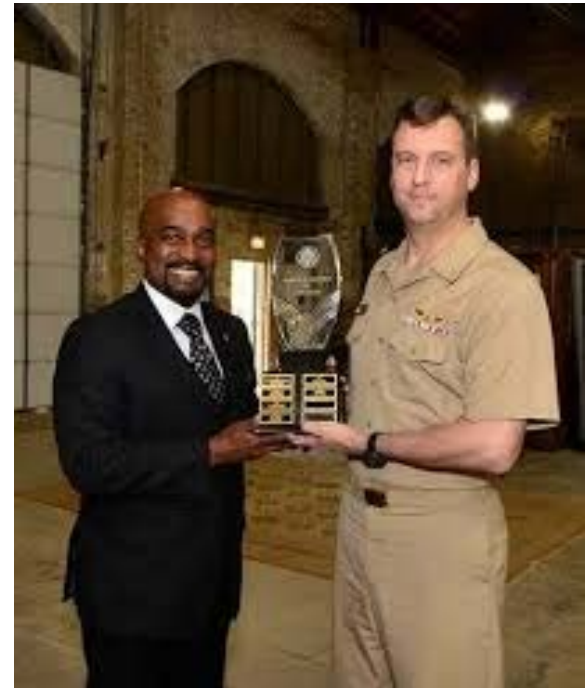
IBB: Building Consensus

- Listen actively
- Encourage others to participate
- Share information
- Don't change your mind to get along
- Yield to reason not pressure
- Listen to all ideas



IBB: Building Consensus

- Don't bargain
- Work collaboratively
- Combine ideas creatively
- Don't argue for an idea just because it's yours
- Look for mutual gains approaches



INTEREST-BASED BARGAINING

What are the challenges to applying IBB in your bargaining process?

Can those challenges be overcome?