

intelliVen

Intelligent Strategies. Successful Ventures.



INTRODUCTION TO NEGOTIATING SKILLS

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Approach

- Context
- Content and Case Examples
 - TKI Five Modes of Managing Conflict
 - JOHARI Window
 - Heads of Agreement
- Applications

ne·go·ti·a·tion

/nəˌɡoʊʃiˈeɪʃ(ə)n/

noun

discussion aimed at reaching an agreement.

"a worldwide ban is currently **under negotiation**"

synonyms: discussion(s), talks, deliberations; conference, debate, dialogue, consultation; mediation, arbitration, conciliation

"the negotiations resume next week"

- arrangement, brokering; settlement, conclusion, completion, transaction
- "the negotiation of the deal"

- A dialogue between two or more people or parties intended to reach a beneficial outcome.
- A method by which people settle differences.
- It is a process by which compromise or agreement is reached while avoiding argument and dispute.

Classes of Negotiation

- **Proactive** – where you initiate; e.g., to:
 -
 -
 -
- **Reactive** – where you respond; e.g.:
 -
 -
 -

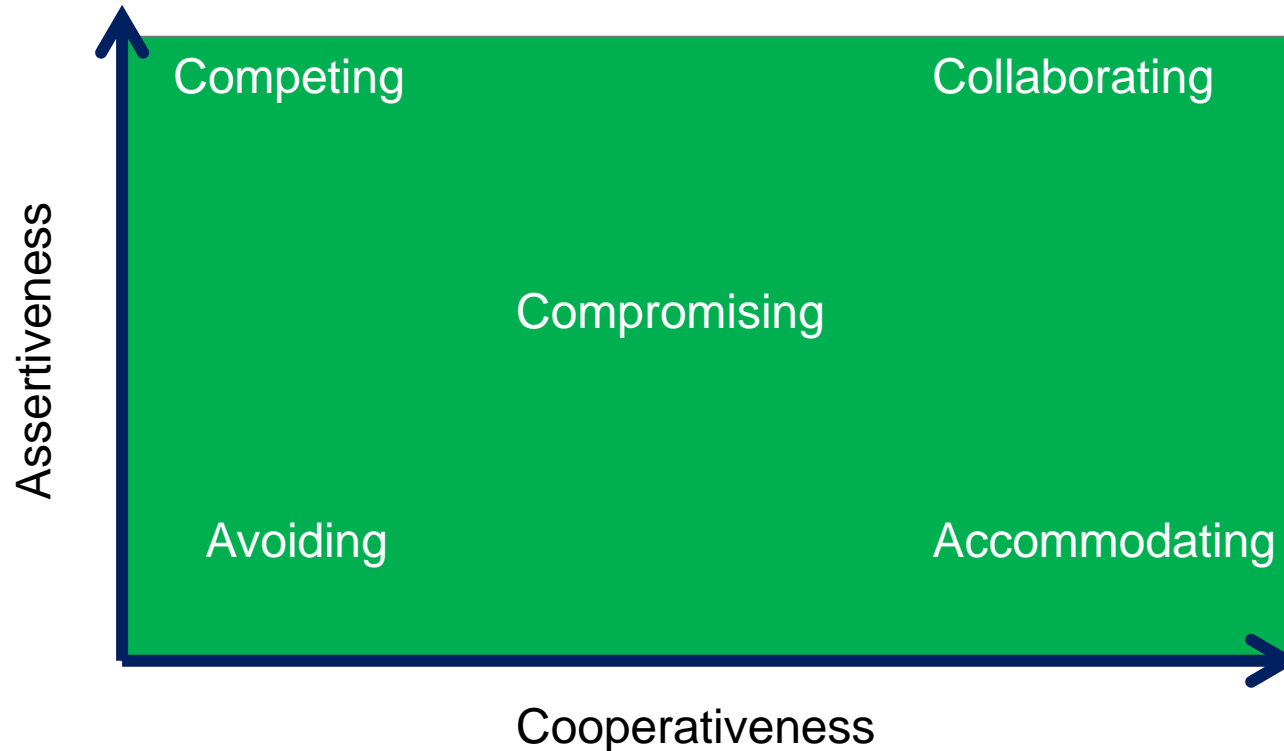
Classes of Negotiation

- **Proactive** – where you initiate; e.g., to:
 - Land a new job or ask for a raise in pay or a promotion
 - Make a sale
 - Get someone to do something
 - Make a purchase
 - ...
- **Reactive** – where you respond; e.g.:
 - Someone trying to sell you something
 - Someone trying to take something
 - Someone trying to get you to do something
 - ...

***Thomas-Kilmann Conflict Mode Instrument* — AKA: the TKI** **(Mountain View, CA: CPP, Inc., 1974–2009)**

- No two people have the same expectations and desires so conflict is natural.
- Consider a person's behavior when the concerns of two people appear to be incompatible along two basic dimensions:
 - **Assertiveness**, the extent to which the person attempts to satisfy his own concerns.
 - **Cooperativeness**, the extent to which the person attempts to satisfy the other person's concerns.

Five modes of responding to conflict situations



TKI considers five modes of responding to conflict situations.

- **Competing** is assertive and uncooperative—individual pursues own concerns at the other expense. Use whatever power seems appropriate to win your position—ability to argue, rank, economic sanctions. Competing means "standing up for rights," defending a position", or simply trying to win.
- **Accommodating** is unassertive and cooperative—opposite of competing. Neglects own concerns to satisfy the concerns of the other; self-sacrifice; selfless generosity or charity, obeying another person's order when you would prefer not to, or yielding to another's point of view.
- **Avoiding** is unassertive and uncooperative—neither pursue own concerns nor those of the other. Does not deal with conflict. Diplomatically sidesteps or postpones issue until a better time, or simply withdraws from threatening situations.
- **Collaborating** is both assertive and cooperative—opposite of avoiding. Attempts to find solution that fully satisfies all concerns. Digs in to pinpoint underlying needs and wants of both. Explores disagreement to learn from each other's insights or tries to find a creative solution.
- **Compromising** is moderate in both assertiveness and cooperativeness. Find expedient, mutually acceptable solution that partially satisfies both. Gives up more than competing but less than accommodating. Addresses issues more directly than avoiding, but does not explore in as much depth as collaborating. In some situations, compromising might mean splitting the difference between the two positions, exchanging concessions, or seeking a quick middle-ground.

Exercise-1: It is late at night on a dark street...

- Organize into two groups: a group of Muggers and a group of Dog Walkers.
- A person from the group of muggers picks a line from the script on the next slide and reads it out loud.
- A person from the group of dog walkers picks a line from the script on the next slide and reads it out loud.
- Identify which mode is exemplified by each line.
- Repeat the process.
- What do you notice?

Exercise-1: Mugger – Dog Seeker Script

Mugger Script

- Give me all your money and your car keys, and make it quick.
- I'd like to help you find your dog, if I may. What does he look like?
- Nice weather we're having, huh? What brings you out on such a dark night?
- I hate to bother you, but I need to rob you of your money. I heard you calling for your dog. Why don't you give me your valuables and I will help you look for him.
- Give me your money and I will let you live.

Dog Seeker Script

- Get out of my way! I need to find my dog, and you are blocking my light.
- If you need money, you can have all of mine. I have a pretty good job, and you probably need it more than I do. Hey, have a nice day.
- Are you talking to me? Forgive me, but I really need to be alone right now.
- I know you want to rob me. I'm out here trying to find my dog. We could look for him together, and maybe while we're out here we'll find someone else to rob.
- I can't find my dog anywhere, and it's cold out here. If you find him for me, I'll pay you \$100.

Key: Competing; Accommodating; Avoiding; Collaborating; Compromising

Summary

- We all use all five conflict-handling modes. None of us has a single style of dealing with conflict. Certain people use some modes better than others and tend to rely on those modes more heavily—whether because of temperament or practice.
- One's conflict behavior in the workplace is a result of both personal predispositions and the requirements of the situation.
- **Know your go-to mode and decide which to use in a given situation.**

Exercise-2 Part-A

- After driving for two hours through horrible traffic all morning, you are late for a job interview at the Fairmont on Nob Hill.
- You spy a parking spot right across the street from the front door. Just as you pull into the space another car comes out of nowhere and backs into your spot before you can do anything about it.
- You are furious and raging mad.
- You hop out of the car and so does the driver of the car that has taken your space.
- You walk towards each other with untoward passion to confront.
- What do you do and say?

Exercise-2 Part-B

- Same as case A except that you realize as soon as you take the first step that the person you are about to confront is the brother of your best friend who you met just this past weekend at a party on campus.
- What do you do and say?
- Which mindset is likely to lead to the best result for both parties?
- When you are in negotiation notice what your go-to mindset is and *decide* whether to use it or another one.

Thesis: Rational actors with the same data will make the same decision.

- Discuss the Thesis; when might it be true?
- Review Orange example from Getting to Yes.
- In light of the thesis and example what might be a good strategy in any negotiation?

Exercise-3 Two Sisters and an Orange

- Two young-adult sisters are fighting over who gets to have the one orange left in the fruit bowl.
- Their mother enters the room and decides to resolve the dispute.
- What would you do if you were their mother?

Exercise-3 Two Sisters and an Orange

- Mother cut the orange in half and gave one half to each.
- Neither was happy.
- Why might this be?

Self-Knowledge

Known to Self

Unknown to Self

Others' Knowledge

Known to Others

Unknown to Others

Self-Knowledge

Known to Self

Unknown to Self

Others' Knowledge

Known to Others

Unknown to Others

Known

Blind

Hidden

Unknown

Self-Knowledge

Known to Self

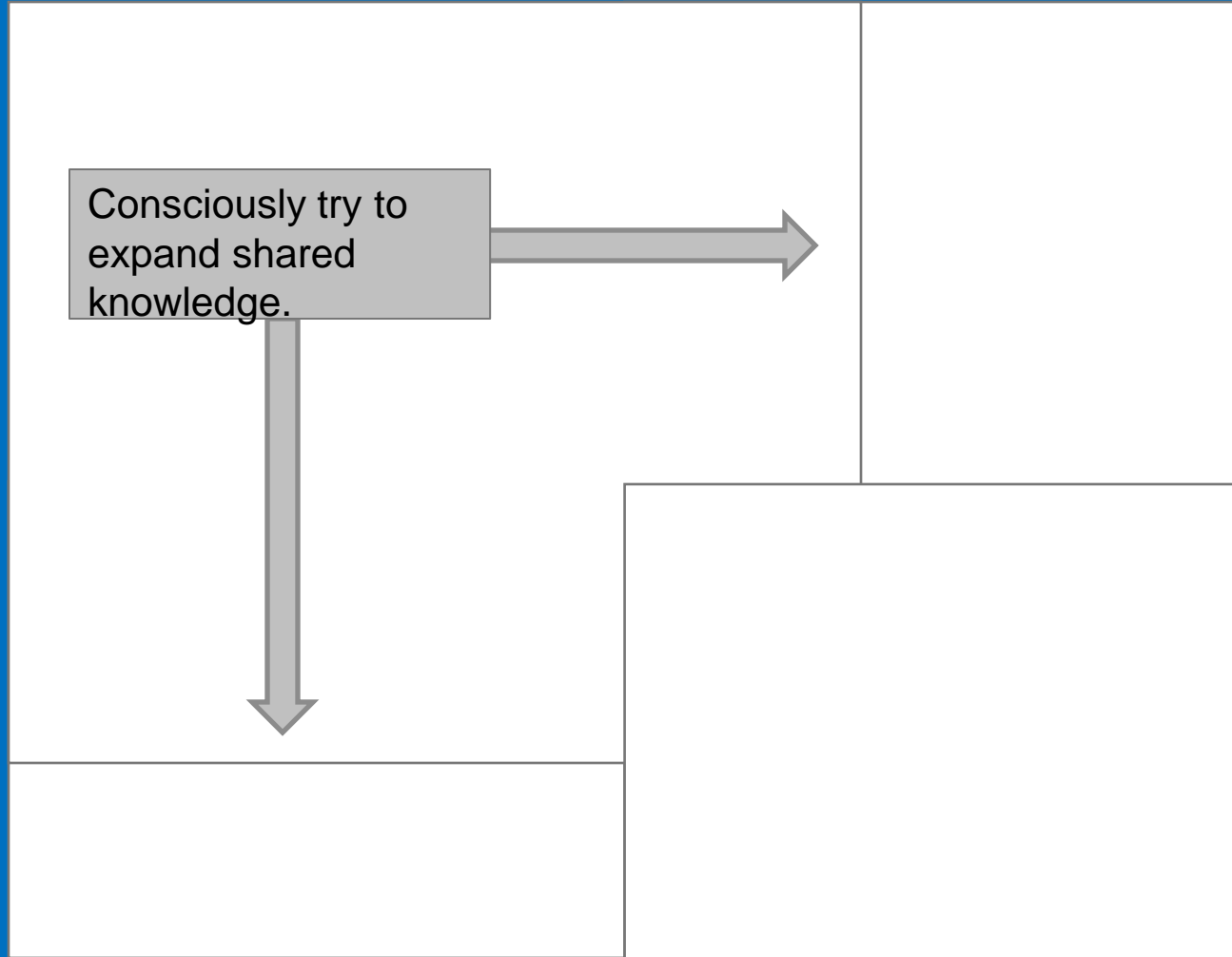
Unknown to Self

Others' Knowledge

Known to Others

Unknown to Others

Consciously try to expand shared knowledge.



Exercise-3 Two Sisters and an Orange

- The first sister wanted to zest the orange rind for a cake recipe.
- The other sister wanted the juice for a drink.
- The needs of both could have been accommodated but neither was.

Heads of Agreement approach turns *negotiating* into *problem solving*.

- Articulate each's circumstances from their own and the other's perspective.
- State objectives from their own and the other's perspective.
- State what each will do, and what each is counting on the other to do, from their own and the other's perspective.

Use Heads of Agreement Format *PRIOR* to Contracting

	Party-1	Party-2
Situation		
Objective		
What I will do		
What we will do		

Example Heads of Agreement



PROPOSED
Heads of Agreement
Between **DaTran Media Corporation** and Intwine, Inc.

June 1, 2004

Parties:

- **DaTran Media** is a database marketing and list management company that makes heavy use of technology.
- **Intwine** is a Microsoft .net business applications consulting and systems development company that has built and supports much of the software DaTran uses to operate its business.

DaTran Media seeks:

- A reliable and ample supply of trained, committed, and responsive personnel to efficiently:
 - Understand, implement, and roll-out upgrades to its current and prospective business support systems.
 - Upgrade its existing system to be made increasingly immune to failure and easier to operate.
- To synchronize its short and long term objectives with those of its most critical partners, including Intwine.

Intwine seeks:

- To build a stable, growing, profitable company that is "built to last".
- Longer, larger engagements that provide a stable platform for growth.
- To develop domain expertise in specific areas including direct marketing.

Click the text
at left to see
example

Remember:

- Each party has a default mode that is not necessarily the most likely to lead to the best result.
- *Be who you need to be.* I.e., DECIDE which mode to adopt based on circumstances and preferences.
- Reveal what is unknown to the other party that may be helpful.
- Seek to find out what you do not yet know that will be helpful.
- Document your understanding, assumptions, and terms in easy to use form before going to contract.

Discussion:

What do you take away from today's workshop?

What does top team assessment and development have to do with strategy?

Readings

- Sample Heads of Agreement
- IntelliVen Post: How Rational Actors Can Reach Agreement
- Thomas Kilmann: *Conflict Mode Instrument* — AKA: the TKI (Mountain View, CA: CPP, Inc., 1974–2009)
- Roger Fisher:
 - Getting to Yes: Negotiating Agreement Without Giving In
 - Getting Together: Building Relationships As We Negotiate

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- See: IntelliVen [tools](#), [insights](#), [and videos](#)
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Free to you

- PDF of today's slides

Fee-based

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 - Negotiations
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- Executive Training Sessions



For more information contact intelliven@intelliven.com

Thank you.