

Messenger

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Negotiation Strategies Part 3

As we continue our look at negotiation, we'd be remiss if we assumed that all situations will work out perfectly and peaceably. That's not always the case. You will face conflict in the midst of negotiations.

Most people fall in two personality categories when it comes to negotiation. Soft negotiators are friendly and make concessions quickly to avoid conflict. Hard negotiators take strong positions and try to win, even at the cost of a relationship. We want to try to move each of these personalities to



have a more principled approach. We should emphasize deciding and resolving issues based on merits rather than on positions. This involves understanding the positions, issues, and interests of

both parties and results in joint problem solving. This will often lead to a win-win situation.

The majority of quarrels come as a result of the following:

- Conflict over project priorities
- Conflict over administration procedures
- Conflict over technical opinions and performance trade-offs
- Conflict over human resources
- Conflict over cost and budget
- Conflict over schedules
- Personality conflict

According to David Cleland's book Field Guide to Project Management, when these conflicts arise there are five responses that occur.

Forcing response

The negotiator attempts to get all he or she can at the other's expense. Coercive power or manipulation may be used. Outcomes may result in hostility and resentment.

Accommodating response

This response results in others getting most of their desired results. One side will honor the demands of the other even when it is not to their advantage.

Avoiding response

One's interests are neglected outright to avoid conflict. People who don't have a strong personality will often give in when they start to feel pushed. They would rather avoid conflict at all costs than to push for what they want. While this may seem like an easy fix to the situation, unresolved issues may lead to frustration.

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A compromise is a deal in which two people get what neither of them wanted.

E.C. McKenzie

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Compromising response

This is a middle-of-the-road strategy for dealing with conflict. It involves negotiating back and forth so that each side gives up a little, however, no one gets entirely what they want, but can live with the settlement.

Collaborating response

This is the response for which should all strive. It is in this response that both parties attempt to solve a problem for their mutual benefit. The focus is on the problem rather than their own agendas. In order to do this, the parties should begin by describing the conflict as a mutual problem. Once the specific problem has been established, offer to negotiate differences. Brainstorm alternative solutions together and evaluate each one. Together decide on the best solution and plan how it will be implemented.

The sort of power one possess will also play a role in the negotiation process. Mr. Cleland also gives us six types of power one can have.

Reward power

Reward power refers to the ability to use rewards to gain compliance. It influences behavior through positive incentives by extrinsic (tangible) or intrinsic (intangible) rewards. Extrinsic rewards could be a salary increase, time off, bonuses, or a bigger office. Intrinsic rewards are more internal in nature: such as increased knowledge, esteem, satisfaction, or accomplishment.



Coercive power

When using coercive power, you influence others by using punishment or taking something away. This is very counterproductive and often creates an unfavorable climate for future negotiations.

Legitimate power

Those with legitimate power have a position of authority and are seen as credible to make a decision. This person is respected and trusted to act honestly, reliably, and with integrity.

Informational power

This power comes with the ability to obtain and present relevant information that will change another's position or point of view. The phrase "knowledge is power" is true here.

Expert power

Expert power displays a mastery of a large amount of information. This is also an example of the power of knowledge.

Referent power

Those with referent power have personal qualities that others admire or want to emulate. Others will jump on the bandwagon with this person just to be associated with him or her.

The book Winning Through Negotiation by John Ilich suggests that correspondence between parties will help control the bargaining process. Use correspondence to clarify your position and create a paper trail of promises and accountability. It should be neat, error-free and timely. Send the original correspondence directly to the person with whom you are bargaining and copies to anyone else involved in the negotiation. You may even want to send a copy to your lawyer when you feel you need additional bargaining leverage.

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***To be trusted is a greater compliment than
to be loved.***

***George Macdonald
The Marquis of Lossie***

Important PMP® Exam Information!!!

On August 31, 2011, PMI® will be changing 30% of the test content. In 2012, the PMBOK® - 5th edition will be released. Make plans now to take our PMP® Exam Prep Boot Camp and schedule your test with PMI® before these changes go into effect! Visit our website at www.themathisgroup.com or www.pmexpertlive.com for our 2011 Boot Camp schedule.

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One final thought from Mr. Cleland's book gives us some ideas on deadlines. There are advantages to self-imposed time limits. Deadlines can energize the parties and increase your negotiating power because they reduce your opponent's options while increasing yours. Set the shortest deadlines you can reasonably justify. It is vital to be sure you can live with any deadlines you impose. Don't extend your deadlines unless there's a legitimate reason to do so. If you can meet deadlines imposed on you by your opponent – do it. If not, ask for an extension as soon as possible and always ask for more time than you need.

Conflict is difficult to extinguish. Knowing what the common triggers are will help you be on the look out for potential problem situations. Conflict can also prompt people to become angry or even fearful. Next month we will look at how anger and fear play roles in the negotiation process. We will also finish up this series by examining the importance of ethics.



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Conflict Management

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