15.665
Power and Negotiation
Professor Michele Williams
Agenda

• Brief Introduction to Disputes
• Negotiation Exercise Debrief
• Emotion
• Negotiation Exercise
• Discussion Part I
• Take Aways
Next week

1. Pre-exercise Cancelled

2. In-class preparation, Negotiation Challenge

3. Bring a laptop or calculator

4. Before Class Read
   “Harnessing the Art of Persuasion” –Cialdini
   “Power and Influence” –Valley and Lingo
Disputes

A dispute begins when one person makes a claim or demand on another who rejects it.

- Ury, Brett, & Goldberg, 1988

Resolving a dispute requires turning a claim and its rejection into a single outcome.

- Ury, Brett, & Goldberg, 1988
Disputes

• Trust/Distrust

• Negative Emotion

• Miscommunication

• Biased Perceptions of fairness
  • Outcome
  • Process
  • Interaction quality
    • Respect and concern
Why Needs Matters

• What you need
  • What they need?

• Need for Control (0-9, FIRO-B) → process

• Need for Inclusion (0-9, FIRO-B) → interaction quality

• Need for Openness (0-9, FIRO-B) → trust
Mismatch of Needs and Behaviors

Dissatisfaction

• Too much control \(\rightarrow\) Frustration, Anger
• Too little inclusion \(\rightarrow\) Disliked, Distrusted
• Too little openness \(\rightarrow\) Distrust of other
What to avoid in a Dispute

• Look out for Negotiation Traps
  • Irrational escalation of commitment,
  • “Fixed-pie” beliefs
  • Biased rationale
  • Ignoring the other’s perspective
  • Expecting other to understand your intentions
Methods for Breaking Down Barriers

Getting Past No

Break through Bargaining

Difficult conversations
Getting Past No

- Ury

1. Don’t React: Go to the Balcony
2. Don’t Argue: Step to their side
3. Don’t Reject: Reframe
4. Don’t Push: Build them a Golden Bridge
5. Don’t Escalate: Use Power to Educate
Breakthrough Bargaining
-Kolb & Williams,

Power Moves

Process Moves

Appreciative Moves
Breakthrough Bargaining

-Kolb & Williams,

**Power Moves** foster the perception that others will be better off if they negotiate than if they don’t.
Breakthrough Bargaining

-Kolb & Williams,

Process Moves influence the negotiation process itself and which ideas get heard.
Breakthrough Bargaining

-Kolb & Williams,

Appreciative Moves build relationships and promote good communication.
The 3 Conversations

Difficult Conversations—Stone, Patton, Heen

1. “What Happened” Conversation
   **Trap**—I know all I need to know!

2. Feelings Conversation
   **Trap**—Feelings are irrelevant or the other’s fault!

3. Identity Conversation
   **Trap**—I must protect my self-image at all cost.
The 3 Conversations

Difficult Conversations - Stone, Patton, Heen

You want to avoid traps

1. understand what has happened from the other person’s point of view,

2. share and understand feelings, and

3. work together to figure out a way to manage the problem going forward.
Overall, Breaking Barriers

1. Understand and manage your own emotions

2. Understand the emotions, perspectives, and identity concerns of others

3. Use your power-incentives and coalitions

4. Reframe, reframe, reframe—the process, issues, the others’ perspectives,
Dispute Negotiation Exercise
Dispute Debrief

How did you resolve this dispute?

• Interests
• Rights
• Power
Dispute Debrief

Who had the most power?

- Power
  - Who is less dependent?
  - Who has more satisfactory alternatives?
Dispute Debrief

What standard or norm did you use?

• Rights

  Standards of fairness
Dispute Debrief

Did you capitalize on different expectations?
Effectiveness of Dispute Resolution

Thompson (2001)

Criteria

1. Transaction Costs

2. Satisfaction with outcomes

3. Effect on the relationship

4. Recurrence
In sum..

There are three major approaches to resolving disputes.

- Interests
- Rights
- Power

But, what about EMOTION?
Emotion Film Clip
Emotion

Mediating with Heart in Mind – Jones & Bodtker

• Conflict is emotionally defined
• Conflict involves emotional intensity
• Emotion morally frames conflict
• Emotion reflects identity issues
• Emotion impacts future conflict (anger)
Understanding Emotion

**Appraisals** - Williams, 2007

1. Does this situation impact my personal goals, concerns, or interest?
   - Is it related to my identity in some important way?

2. Does it make it harder or easier to achieve my goals or maintain a sense of well-being?
   - Harder = **negative emotion**
   - Easier = **positive emotion**
Understanding Emotion II

-Lazarus

Appraisals II

1. What or who is to blame for the event/situation? (affects which emotion)

2. Do I have the resources to handle this situation? (affects intensity of emotion)
Sadness-

- loss of someone or something close to one’s identity,
- no one is to blame,
- nothing can be done to repair loss
Appraisals

Hurt feelings-

• You or your relationship to another is not valued,
• The other is to blame,
• Only the other can repair the loss
Appraisals

**Anger**

- Blocked goal (often unfair, identity related)
- The other is to blame (person or group)
- Offense was committed intentionally or through negligence
Appraisals

Shame-

• Failed to act as we should
• Serious loss of face
• We are to blame
• We are responsible for repairing our identity

(contrast with Humiliation)
Managing Emotion
-Williams, 2007

Cognitive-Emotional Reframing

Influencing other appraisals of how a situation will impact them, who is to blame, and their resources to deal with the situation will influence their emotional response.

• An example from Ghandi
Dispute Resolution II
Negotiation Exercise
Imagine…

• The atmosphere is charged with anger and frustration.
• Mistrust and hostility are directed at you.
• Channels of communication are closed.
• The original issue has become blurred and ill-defined.
• Negotiators perceive great differences in their positions.
• Both you and your counterparts are locked into your conflicting positions.
• You and your negotiating team have an “us” versus “them” mentality (and so does the other side)
Dispute Debrief
What can a third-party do to assist?

Thompson, 2001

• Reduce of tension
• Control the number of issues
• Enhance communication
• Establish common ground
• Highlight the desirability of certain decision criteria
Mediation and Arbitration

Thompson, 2001

The goal of third-part intervention is to resolve a dispute.

Mediators seek to have the parties themselves develop and endorse the agreement.

Arbitrators are most interested in outcomes and have the power to render a binding decision.
Satisfaction?

<table>
<thead>
<tr>
<th></th>
<th>Mediator</th>
<th>Arbitrator</th>
</tr>
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<tbody>
<tr>
<td>Process</td>
<td>64.60/80</td>
<td>46.75/80</td>
</tr>
<tr>
<td>Outcome</td>
<td>9.4/10</td>
<td>7/10</td>
</tr>
</tbody>
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Dispute Debrief

How did you resolve this dispute?

• Interests

• Rights

• Power
An Effective Dispute System

-Ury, Brett, & Goldberg, 1988

- Power
- Rights
- Interests
The trouble with

• **Power**- Dissatisfaction, resentment, revenge

• **Interests**- Individual must be willing to come to the table

• **Rights**- Fairness of standard can be difficult to establish
5 Cures for Negotiation Breakdowns

Thompson, 2001

1. Reduce Tension
2. Improve communication
3. Controlling Issues
4. Establish Commonalities
5. Make preferred option more desirable
Mediation works when…

• Conflict is moderate rather than intense
• Parties are committed to mediation
• The issues do not concern the distribution of severely limited resources
• The issues do not involve broad, general principles
• The parties are essentially of equal power
• Arbitration is threatened as a next step
Disputes Take Aways

1. Disputes involve a claim and its rejection

2. Disputes can be resolved through the use of interests, rights or power.

3. Interest-based solutions are most effective in terms of transaction costs, satisfaction with outcomes, relationship effects and recurrence
Next week

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