

NEGOTIATION – CORE SKILLS FOR THE ADR PRACTITIONER

**Presented by
Michael Klug AM,
Consultant,
Negotiation and Dispute Resolution**

CLAYTON UTZ

**Resolution Institute 2017 Conflict Resolution Conference
1 November 2017**

© Clayton Utz

DEFINITION OF NEGOTIATION

- ▶ Negotiation is a process where two or more people resolve their differences where there is an ambiguity as to the correct outcome

DEFINITION OF NEGOTIATION

- ▶ Negotiation is every event in person, in writing or electronic where you are trying to influence someone's behaviour or they are trying to influence yours

TIMELINE OF NEGOTIATION CASCADE – PROBLEM IS THE ISSUE

- ▶ 1666 – Samuel Pepys (English naval admin and member of parliament). Time of the great plague of London – Great fire of London.
 - » 15-20 negotiations per day
- ▶ 1874 – Telegraph Messages
 - » Western union ("the nervous system of commerce")
- ▶ March 7 1876 (patent number 174465)
 - » Telephone invented by Alexander Graham Bell
- ▶ 1878 Bell Telephone Company
 - » 38-43 negotiations per day

TIMELINE OF NEGOTIATION CASCADE – PROBLEM IS THE ISSUE

- ▶ 1950's – Internet (basic)
- ▶ Mid 1990's – Drastic impact on culture and commerce as internet usage explodes
- ▶ 2016 – Email, Instant Messaging / VOIP / Skype / Facetime / Podcast / Webinar / Google / Twitter / Facebook / Windows / Tumblr / Yahoo
 - » 150-250 workplace negotiation activities per day / 4m+ per 38 year career / 20-40m+++ per lifetime

EVERY MINUTE, EVERY DAY...



More than **200 million** email messages are sent



About **350,000** tweets are sent



More than **216,000** Instagram photos are shared



More than **2 million** Google search queries are generated



More than **2,460,000** pieces of content are shared on Facebook



About **347,222** WhatsApp photos are shared



About **50 hours** of new YouTube videos are posted



Tinder users swipe more than **416,667** times

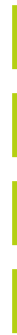


48,000 Apple apps are downloaded

TWO WAYS OF NEGOTIATING

Distributive

(more for me means less for you)



Integrative

(collaborative integrating interest based bargaining)

TWO PRIMARY VARIABLES IN EVERY NEGOTIATION WE EVER DO TO BE CONSIDERED

Outcomes



Relationships

(Are there ever any negotiations that are relationship free?)

RELATIONSHIPS FIVE CORE CONCERNS

Core concerns	The concern is ignored when...	The concern is met when...
Appreciation	Your thoughts, feelings, or actions are devalued.	Your thoughts, feelings, and actions are acknowledged as having merit.
Affiliation	You are treated as an adversary and kept at a distance.	You are treated as a colleague.
Autonomy	Your freedom to make decisions is impinged upon.	Others respect your freedom to decide important matters.
Status	Your relative standing is treated as inferior to that of others.	Your standing where deserved is given full recognition.
Role	Your current role and its activities are not personally fulfilling.	You so define your role and its activities that you find them fulfilling.

THE PRINCIPAL TENSIONS THAT WE MANAGE IN NEGOTIATION

1. Tension between principal and agent
2. Tension between empathy and assertiveness
3. Tension of managing time
4. Tension of trying to achieve a win win outcome
(definition of win win: a negotiator who creates value not just distributes value)
5. The tension of trying to achieve synchronicity of behaviour
6. The tension of asymmetry of information

DEGREE OF COMPLEXITY

1. Number of people
2. Number of issues
3. Degree of complexity
4. Time urgency
5. Political environment

THE SIX MOST COMMON MISTAKES OF NEGOTIATORS

1. Neglecting the other side's problem
2. Letting price bulldoze other interests
3. Letting positions drive out interests
4. Searching too hard for common ground
5. Neglecting BATNA'S / NDO'S
6. Failing to correct the skewed vision

PROBLEMS

1. Sheer volume to be processed
2. Availability cascade of information (and need to respond virtually by return)
3. Default system is Distributive (system 1) versus Integrative (system 2)

THE WAY AHEAD

1. Learn how to negotiate as a stand alone skill (not just a supplement to our core workplace skills)
2. Differentiate between system 1 versus system 2
3. Question your judgement, bias (it is more deficient than we think)
4. Process of analysis and validation / critical
5. Go slow to go fast
6. Take a structured approach ("thinking trumps instinct" mostly)

NEGOTIATION SKILLS TRAINING PROGRAM

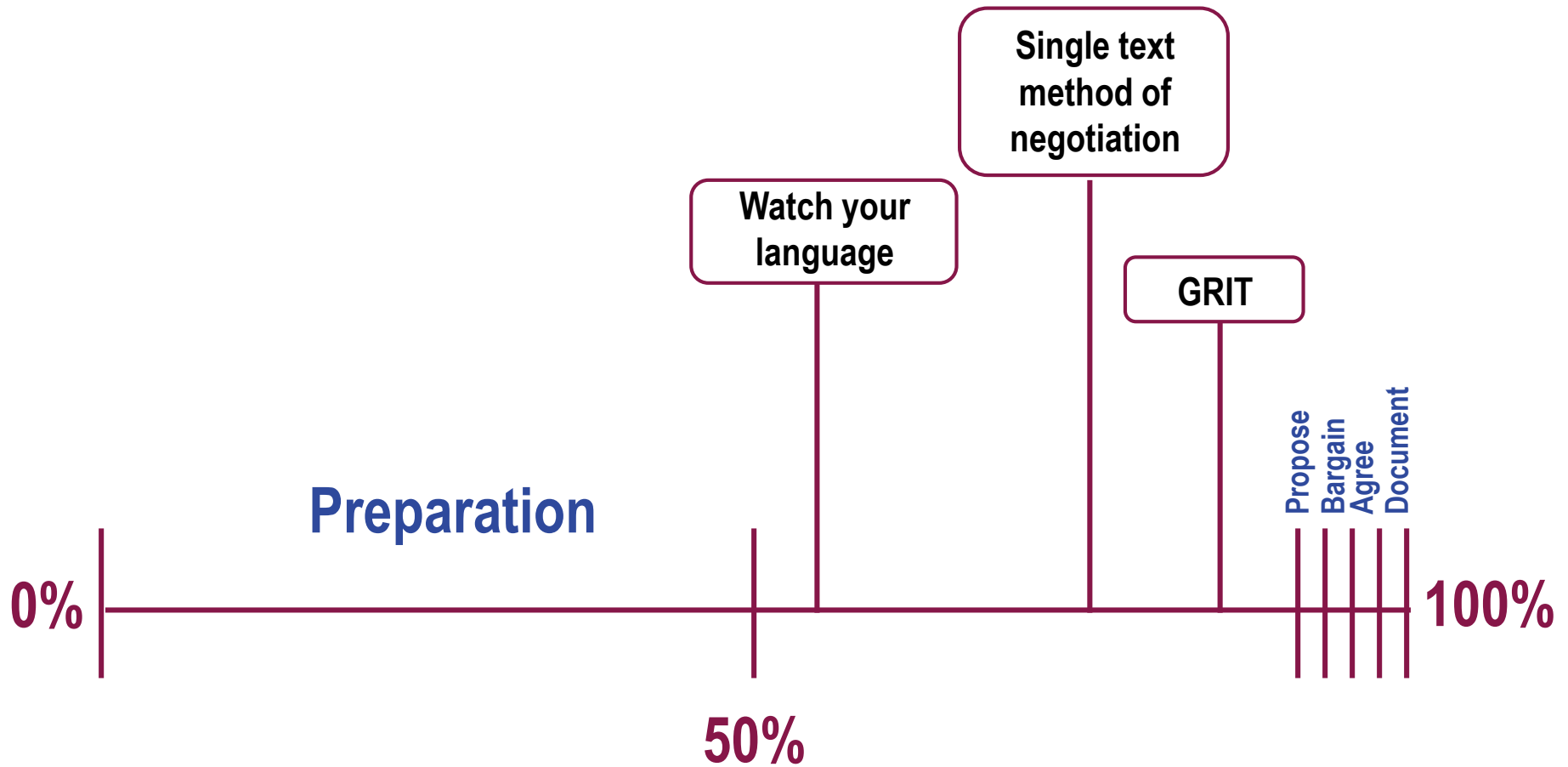
- ▶ For details of Michael Klug's two-day Intensive Negotiation Skills workshop, please contact us:
 - » Tel: 1800 882 110
 - » Email: client.training@claytonutz.com
 - » Website: www.claytonutz.com/cu-training

SYDNEY | BRISBANE | CANBERRA | MELBOURNE | DARWIN | PERTH | AUCKLAND

FURTHER MATERIAL

CLAYTON UTZ

PREPARATION



DEGREE OF COMPLEXITY

1. Number of people
2. Number of issues
3. Degree of complexity
4. Time urgency
5. Political environment

CONCLUSION – TURNING ADVERSARIES INTO PARTNERS

A hostage negotiation

The five steps of breakthrough negotiations

Go to the balcony



Step to their side



Don't reject .. reframe



Build them a golden bridge

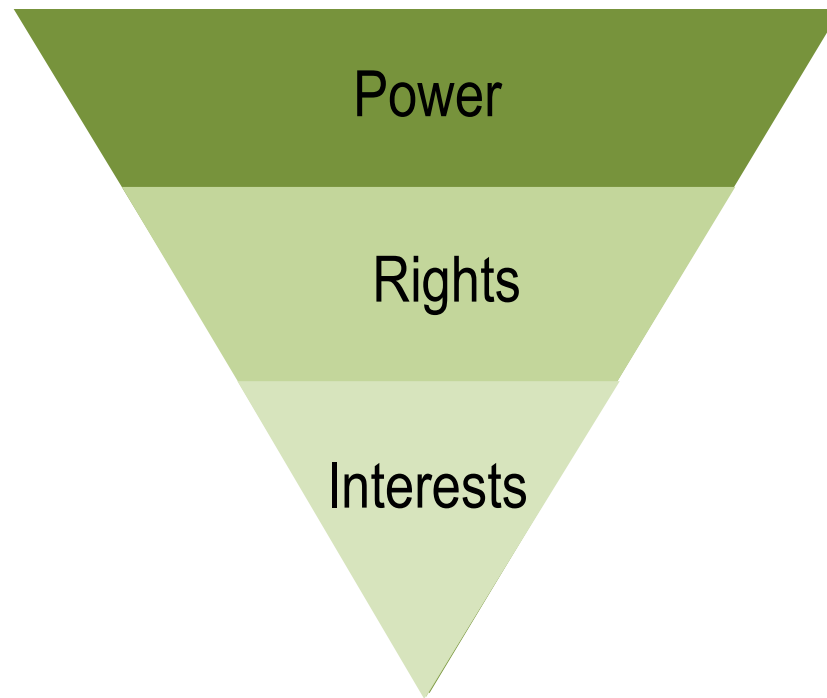


Bring them to their senses, not their knees

From adversaries to partners

THREE APPROACHES TO RESOLVING DISPUTES

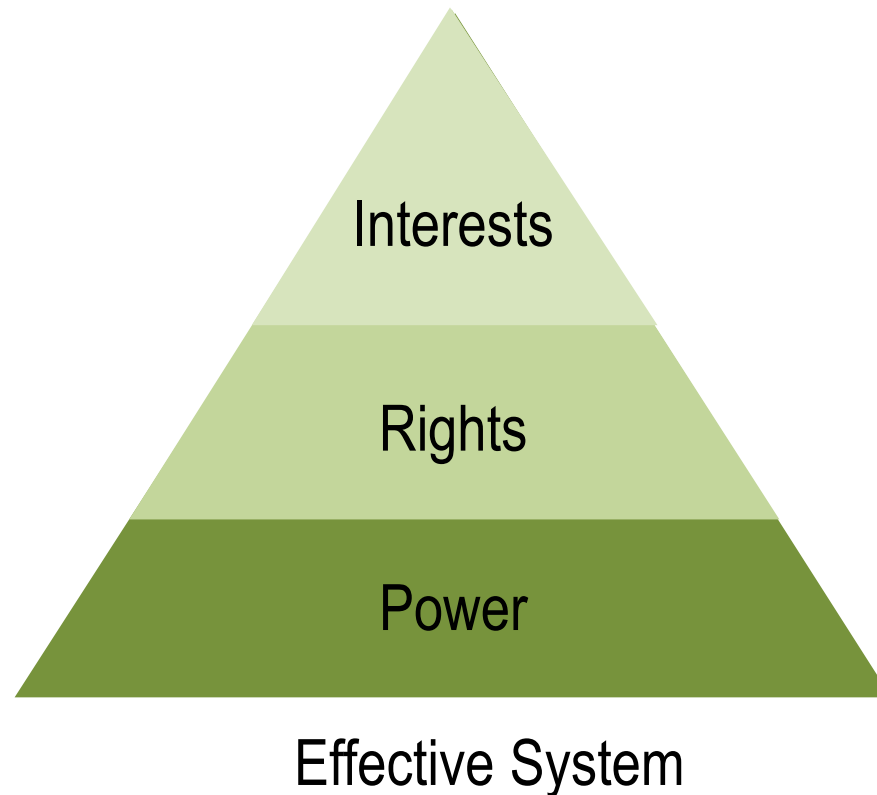
Moving from a distressed to an effective resolution system



Distressed System

THREE APPROACHES TO RESOLVING DISPUTES

Moving from a distressed to an effective resolution system



www.claytonutz.com