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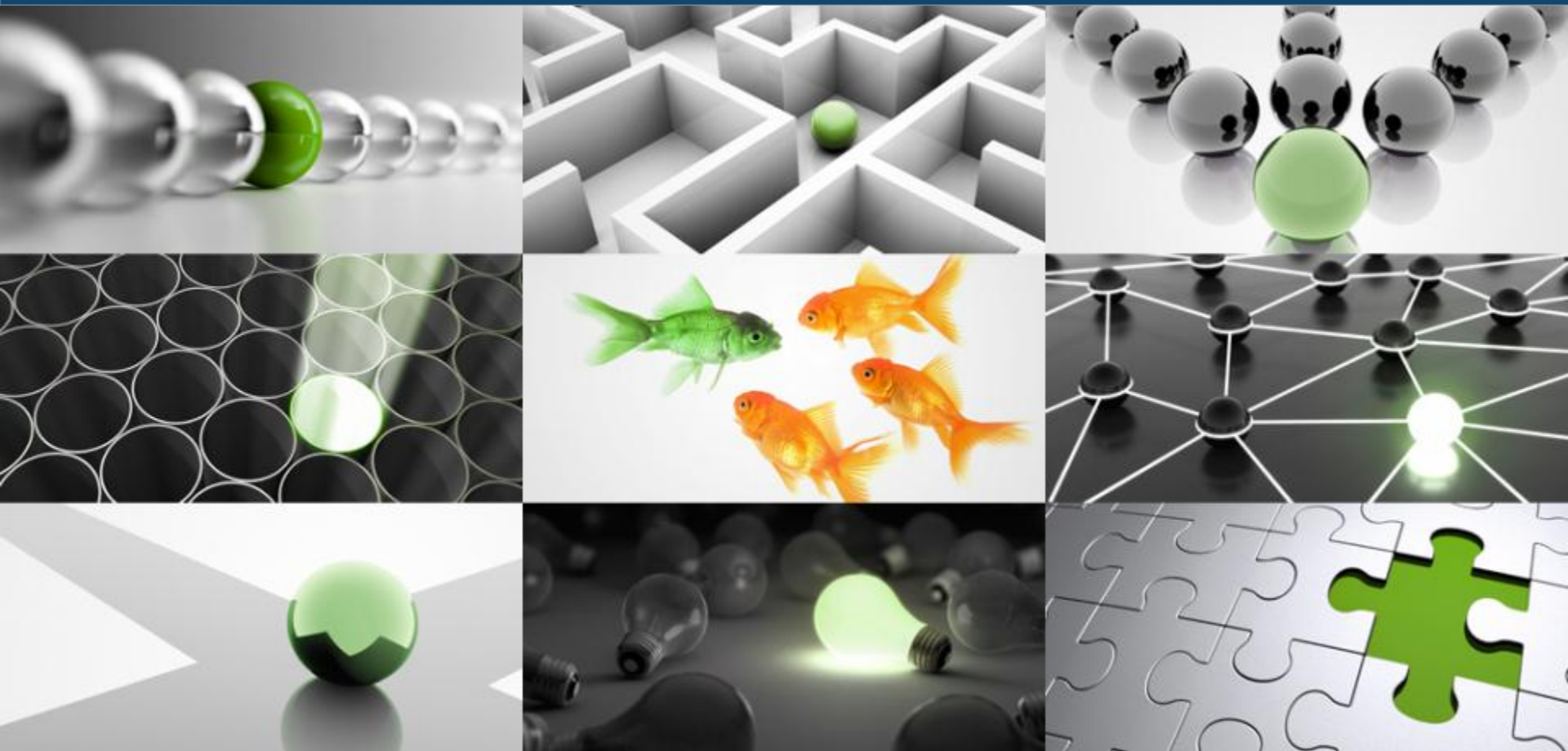
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Advanced Practice – Gaining an Edge

**ADVANCED
LEADERS
AT
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“The Negotiation Edge”

ARE YOU WINNING?

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ML Governance MA[Conflict & Mediation], MSc[Mgmt.OB],

H.Dip, BA[Mgmt],

MMII CEDR



4 Areas of Focus

Overview:

Negotiation – why bother being great?

One: 4 Step Process

Two: Negotiation Skills: Best Practice

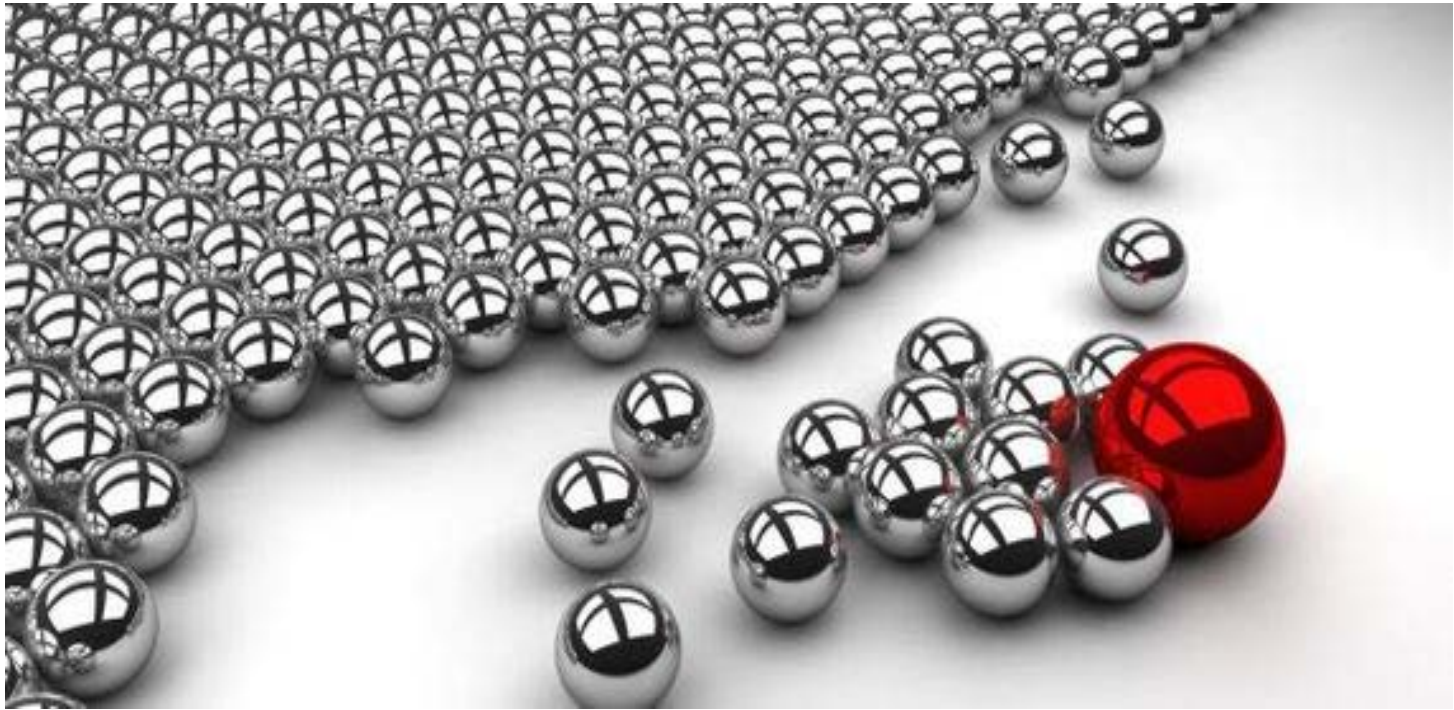
Three:

Power of Preparation

Four:

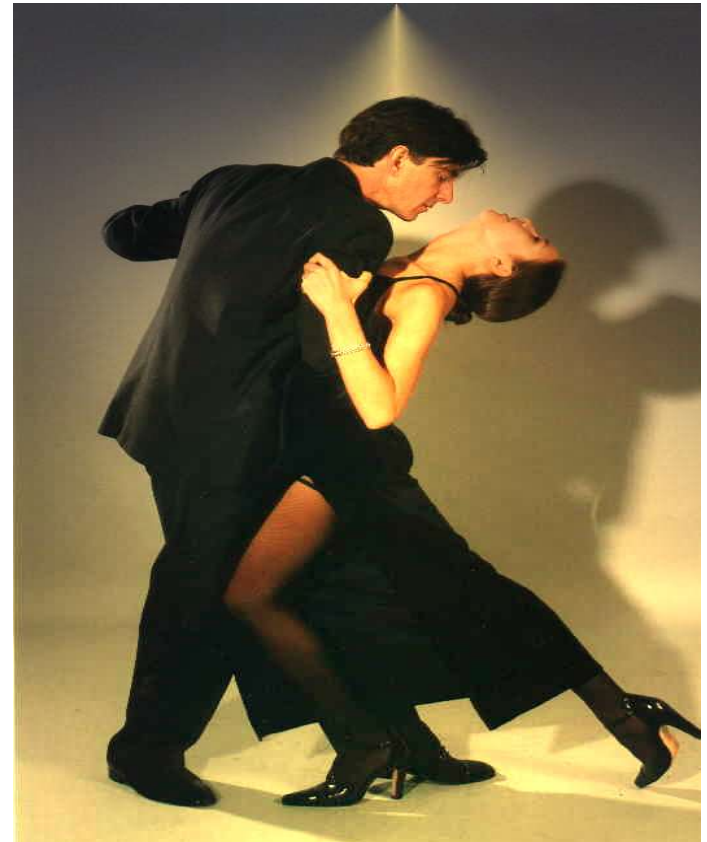
Close Appropriately

Negotiation Edge – Master the Dance



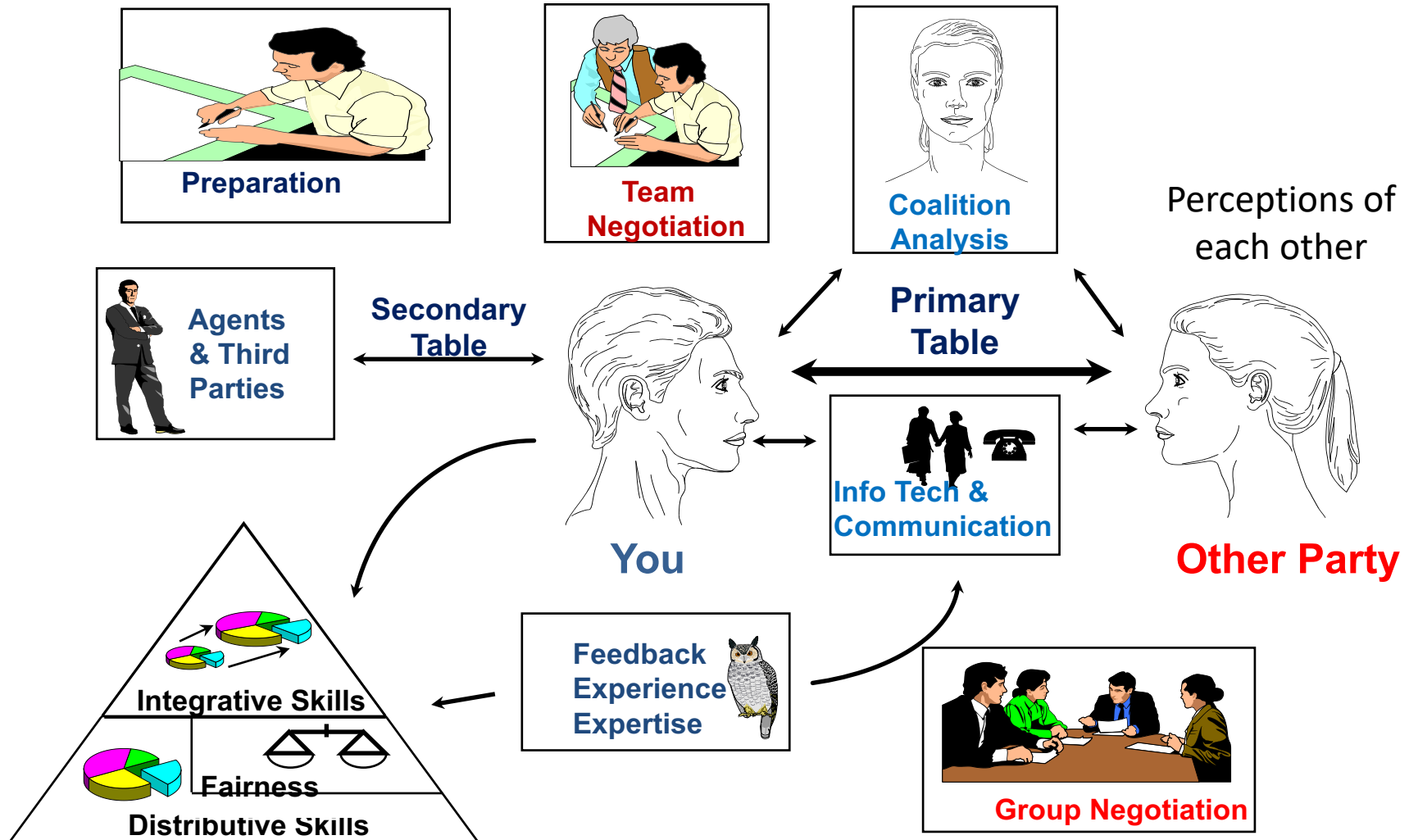
Conflict Not Combat

Negotiation is a Resolution Process



What Have You Gotten Yourself Into?

ALL Negotiations are socially constructed



Negotiation is a Key Commercial Competency in a Global World

YET:

- ❑ **Most people not very good at negotiation** (*e.g., over 80% of corporate executives and CEOs leave money on the table*)
- ❑ **Senior Negotiators can't tell when they are 'IN negotiations'**
- ❑ **70% of Execs had no formal negotiation expertise yet conduct multi million dollar deals on behalf of their stakeholders**
- ❑ **Our challenge is to dramatically improve negotiation ability to:**
 - ❑ *Create value*
 - ❑ *Claim value*
 - ❑ *Build trust & relationships*
- ❑ **Research basis in economics and psychology**

Nine Things both sides Wants

Nine Things both sides Wants

1. To feel good about themselves
2. Not to feel bullied
3. To be listened to
4. To know and understand more
5. To finish the negotiation without too much heartache
6. To be treated respectfully & To be liked
7. Clear communication
8. To be trusted
9. To be treated fairly



4 Stages of Negotiation



The diagram illustrates the four stages of negotiation as a vertical sequence. It consists of four horizontal rows. Each row features a dark blue rounded rectangle on the left containing a stage name, and a white rounded rectangle on the right. A thin blue line connects the right side of each dark rectangle to the left side of the corresponding white rectangle, forming a continuous path down the page.

Prepare

Open

Bargain

Close

7 Skills of more Effective Negotiators



The Seven Skills of More Effective Negotiators

1. Thorough preparation – *including knowing when and how to close*
2. The ability to set limits and goals
3. Keeping your emotional distance
4. Good listening skills
5. Clarity of communication
6. Building rapport
7. Negotiating with different personality types and Cultures



POWER of Preparation The 6 Elements of Negotiation Preparation



Quick Guide to Preparation

How to prepare

1. Set goals

[Primary and sub and for both sides]

2. Have as many variables as possible
3. Do 'Think in Ink'. – Range for each issue
4. Have a BATNA /know WATNA
5. Price Your stock
6. Do the 5 D Test to ensure that what you aimed for you have achieved.

Preparation is everything.....80% ROI

Prepare – *think in ink*



Ideal

PREPARE

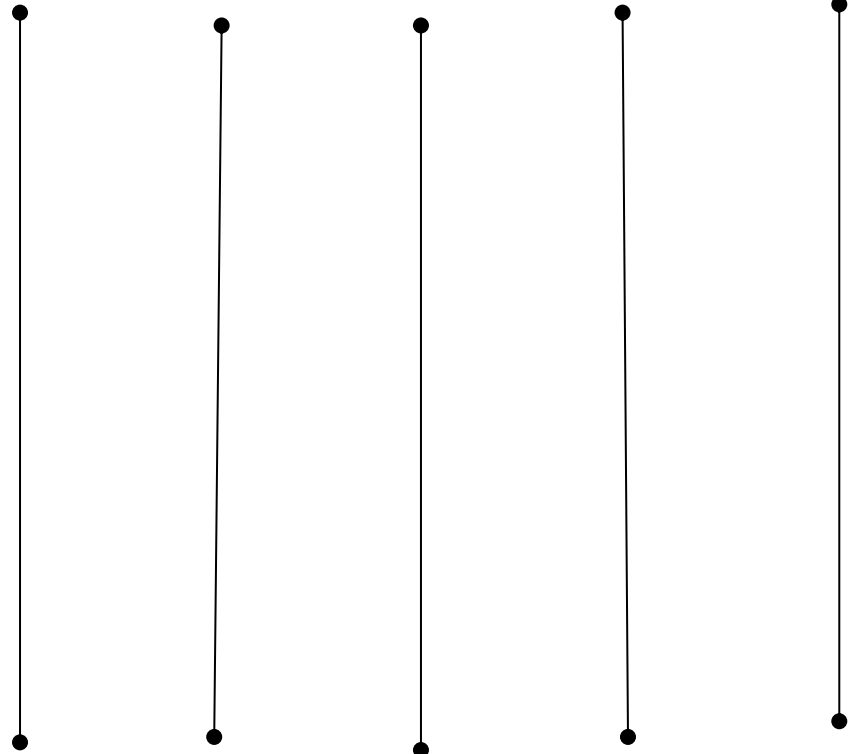
Realistic

PREPARE

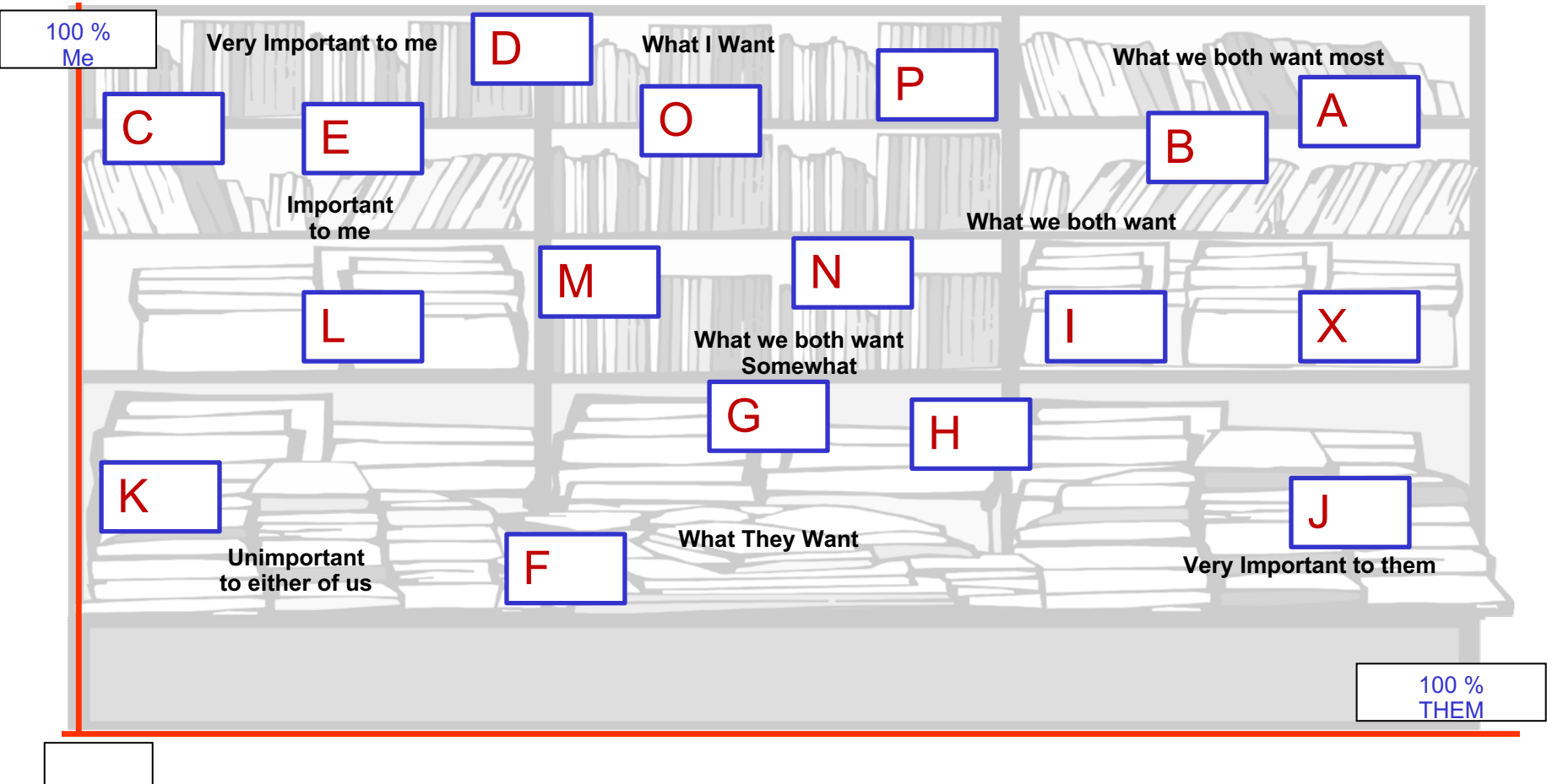
Acceptable

PREPARE

Walk Away



Price your Stock – Determines trading strategy



Negotiation Preparation Sheet

Negotiation Preparation Sheet © Margaret Consideine

Goal:

--

Sub Goals

--

--

--

--

List Opening Position Yours: What are your Interests and list Needs

P:

I:

N:

List Expected Opening Position Theirs: What are their Interests, List expected Needs

P
I:
N:

List Your Variables

[illegible]

List Their Variables

[illegible]

Negotiation Preparation Sheet

What is my BATNA [Best Alternative to a Negotiated Agreement]

WATNA [Worst]

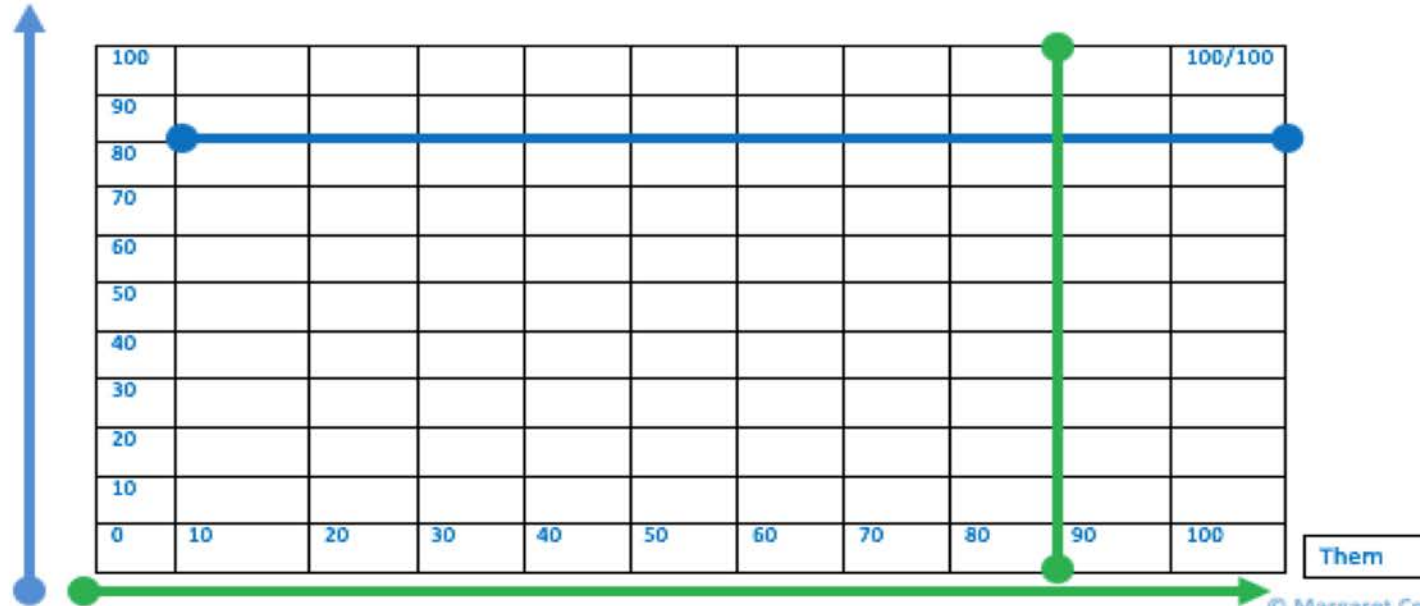
Think In Ink

Insert Variables Here*

	*	*	*	*	*	*	*	*	*	*	*	*	*
Ideal													
Realistic													
Acceptable													
Walk Away													

Price Your Stock – what is it all worth

Me:



The 5 D's

DECIDE

What do we *want*?

DISCUSS

What do they *want*?

DETERMINE

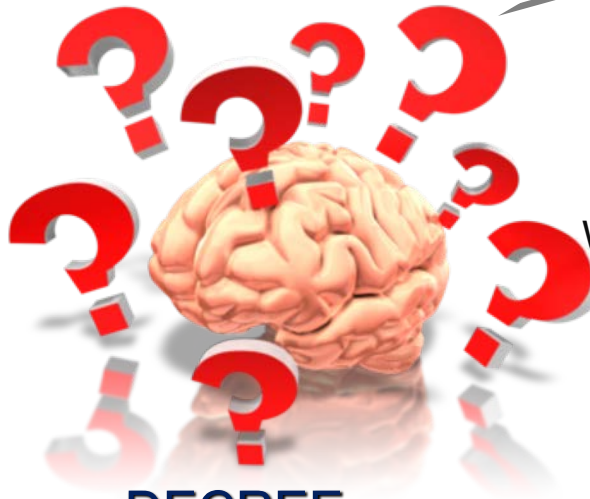
What *wants* can we trade?

DEBATE

What *wants* will we trade?

DECREE

What have we agreed?



10 Keys For Planning A Strategic Negotiation

1. Assess needs and objectives of the other party.
2. Assess your own needs and establish your objectives.
3. Identify major areas for negotiation.
4. Assess costs and values of concessions on both sides in each major area.
5. Assess the scope for broadening the negotiations (co-operative mode).
6. Assess the power and skills on both sides.
7. Assess the actual and possible stated stances of the other party.
8. Decide your own actual and opening stances.
9. Plan tactics
 - ☐ How to build your own power.
 - ☐ How to minimise the other parties' power.
 - ☐ How to handle concessions.
 - ☐ Your own concession pattern.
10. Prepare Plan.

The Four Phases of Negotiation

1. Preparation

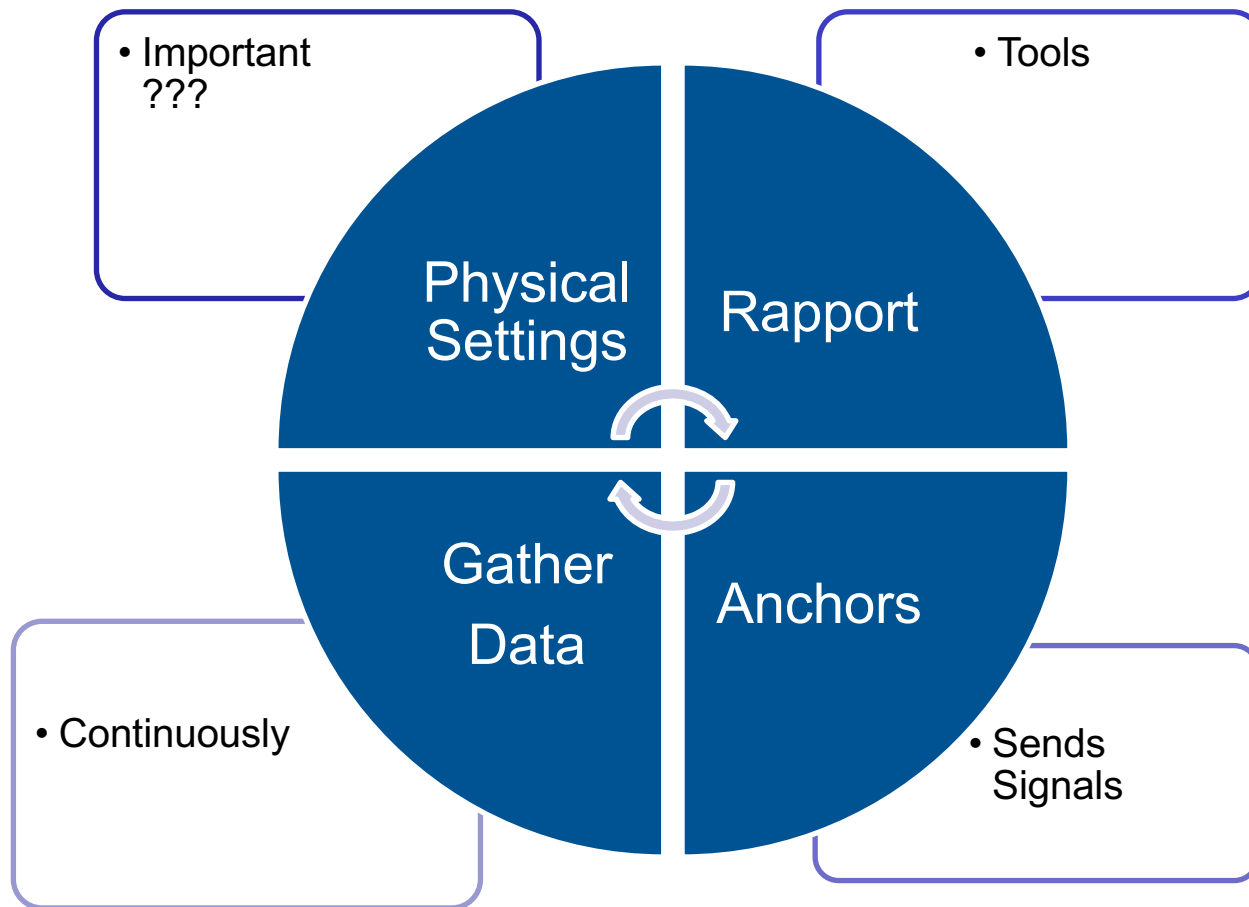
2. Opening & Proposing

3. Bargaining

4. Closing



Opening



The Four Phases of Negotiation

1. Preparation

2. Opening & Proposing

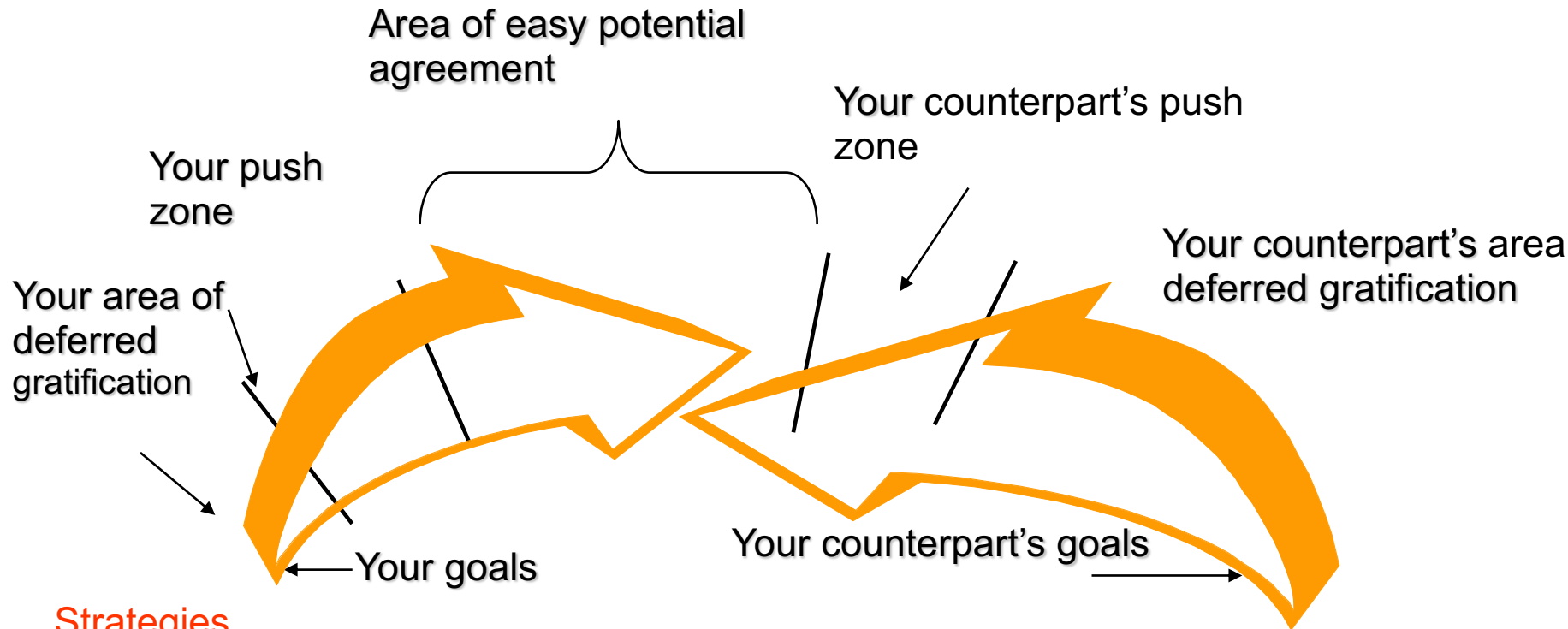
3. Bargaining

4. Closing



Principled Negotiation-what's the point?





Strategies

- ☐ Continuously Gather Data
- ☐ Keep an open mind
- ☐ Ask enquiring questions
- ☐ Link answers to objectives
- ☐ Find Healthy Mutuality of methods & Demonstrate Collaboration
- ☐ Build for early Success

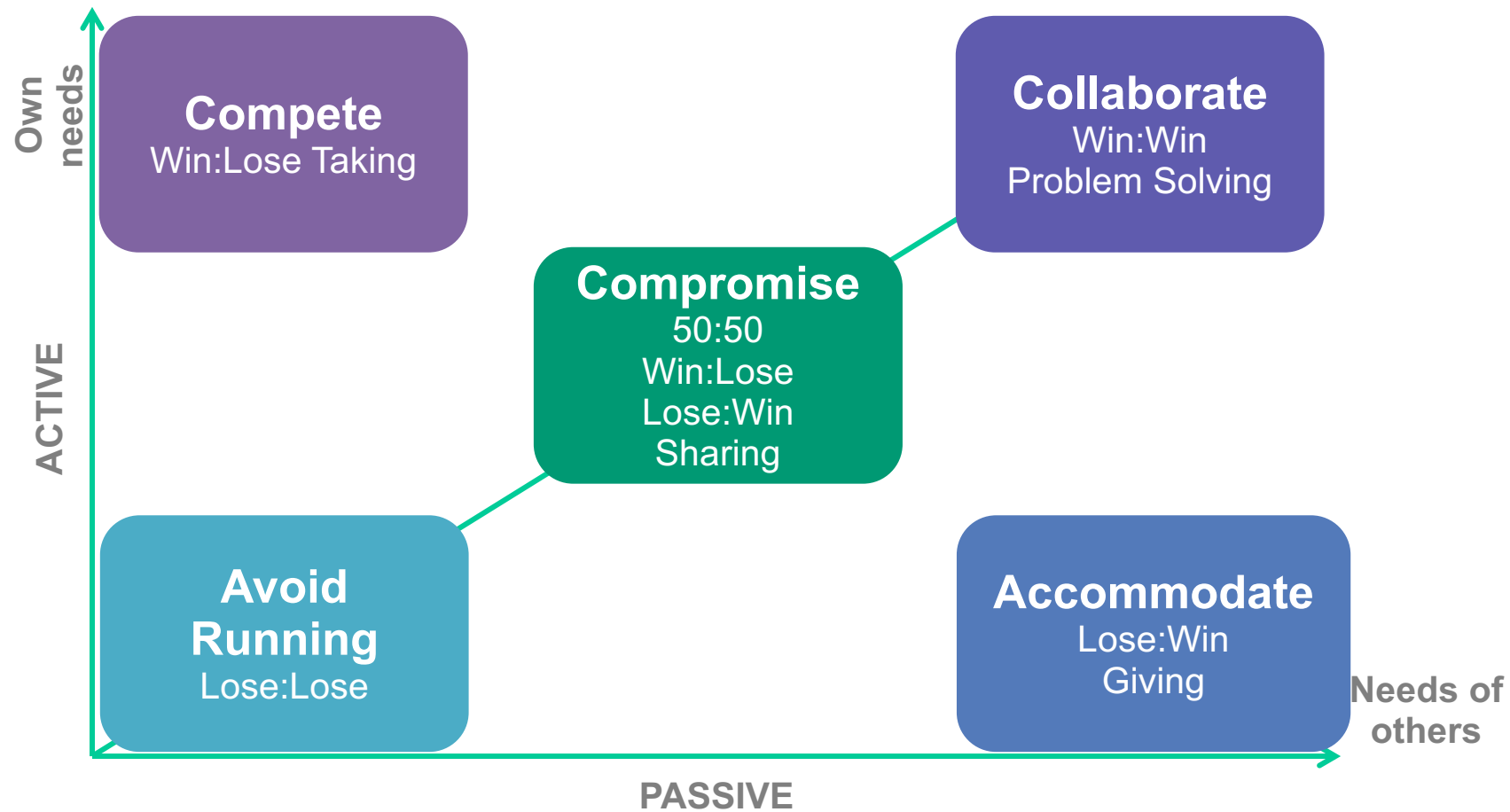
Bargaining Tools

1: Concession Pattern: Tracking tradability: How, when, how much, time between offers, meta message, giving the because for each move and never giving anything for nothing. Minimise their concessions and maximise yours.

7: On your feet tools

- 1: Use Silence & Summarise Regularly – keep track of your goal**
- 2: Control reactions – anger, annoyance, frustration, joy**
- 3: Note Taking is essential:**
- 4: Impactful, Presence, communication and body language**
- 5: Slow down – play like a chess player (but with much more time)**
- 6: Maximise the weight of your Variables -**
- 7: Constraints and deadlines : Play to them**

Handling Conflict



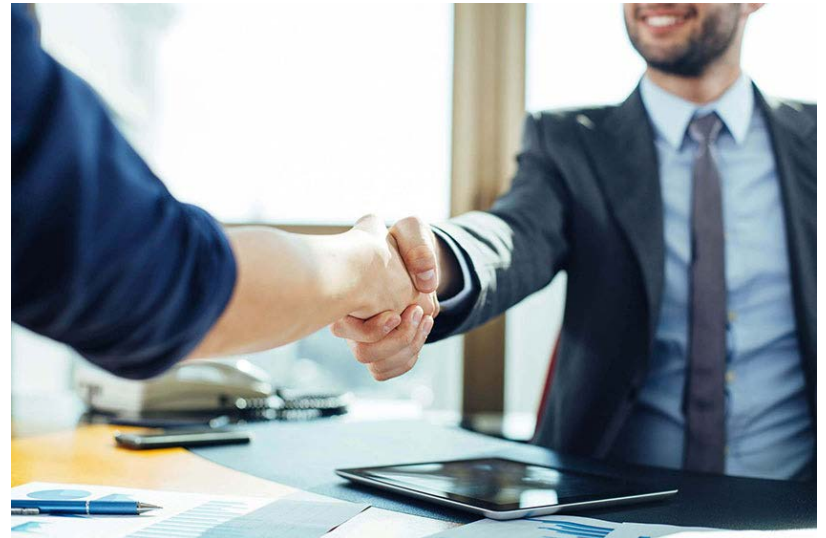
The Four Phases of Negotiation

1. Preparation

2. Opening & Proposing

3. Bargaining

4. Closing



CLOSING – what to remember

1

- **Clear the table**

2

- **Write up the agreement**
- **Allow for Contingent Contracts**
- **Watch out for Nibbles**

3

- **Attend to the relationship**



Feedback Please

The Negotiation Edge

<http://www.surveymzmo.com/s3/3384357/Additional-information>

