



Leadership Essentials

Negotiating

A collaborative leader aims for win:win outcomes



What is Negotiation?

In its simplest terms, negotiation is a discussion intended to produce an agreement. It is the process of bargaining between individuals or groups with two or more interests.

Negotiation is a skill that is developed from a young age and when negotiation is undertaken in the workplace, it is often a complex and demanding process. It can be easy to get stuck in a particular way of thinking about how to negotiate, which can limit your efficiency and capability, so it is important to develop your negotiation skills through training and practice.

When you undertake negotiation your goal should be to achieve a mutually acceptable agreement, which accomplishes the objectives and does not leave either party feeling devalued. To do this effectively, you need to:

- Prepare for the negotiation
- Have sufficient understanding of the areas being discussed
- Be willing to compromise (depending on the situation)
- Demonstrate some degree of flexibility

Win:Win Negotiation

Negotiation is aimed at resolving conflict in situations where two parties want different things. Win:Lose negotiation is about 'winning' at all costs, even where the outcome of winning will have a considerable detrimental impact on the other party. Lose:Lose is a scenario where neither party benefits from the negotiation.

Win:win negotiation aims to resolve the conflict in a way that leaves both parties feeling they have in some respect 'won' when the negotiations are complete and is therefore what you should aim for.

Examples of situations requiring negotiation	Negotiation skills required
Bringing in new working practices	<ul style="list-style-type: none">• Have clear expectations and processes• Use language which makes employees feel heard, such as: "I understand your feelings..."
Implementing a change of process	<ul style="list-style-type: none">• Listen
Agreeing objectives with a team member	<ul style="list-style-type: none">• Acknowledge differing points of view• Ensure that everyone has the opportunity to feel heard
Working out the details of collaborative projects with colleagues	<ul style="list-style-type: none">• Allow time for agreements to be reached• Aim to develop and support positive working relationships

Negotiation and Communication Skills

Communication skills are critical to achieving a Win:Win, and this means listening is just as important as talking:

"Negotiation is a two way street, a give and take scenario. The most successful negotiations are conversations, not arguments. Keep that in mind to make sure that you're both speaking and listening. Taking the time to listen helps you maintain your composure and prevent emotions from taking over."

Prossack, A. (2018)

Stages of Negotiation

Most negotiations can be broken down into six main stages:

1 PREPARATION	Achieving objectives in the negotiation will be much easier if you are fully prepared. A successful negotiator will ensure that they are fully briefed, clear about their objectives and understand how best to present their case.
2 INITIAL EXCHANGES	At the beginning of the negotiation, both parties will be trying to find out and understand the others' position and requirements. At this stage you should encourage the other side to say as much as possible, listen a lot and not reveal too much too soon.
3 BIDDING	In this phase both parties start to put forward their own offers of what they want to get out of the negotiation. Try to identify common ground that could form the basis of an agreement, consider possible areas of compromise and sticking points that will need to be resolved.
4 BARGAINING	At this stage both parties start to trade and exchange in the search for an agreement. Be clear about the issues you can concede on and what you need to hold out for (which offer the scope to lead to a Win:Win outcome). Difficult issues need to be resolved and there is a risk negotiations could break down if this cannot be achieved.
5 SECURING AGREEMENT	The final proposal should be put forward, leading to a comprehensive agreement which is easily understood by both parties. Your negotiation could still break down at this stage if one party feels they are being asked to compromise to a greater extent, or if new conditions are added to the agreement. If either of these situations occurs, you may find that offering a small, unrelated concession, as a gesture of goodwill helps to secure a final agreement.
6 IMPLEMENTATION	The implementation plan will need to incorporate the following: <ul style="list-style-type: none">• Who should be informed of this outcome.• A comprehensive list of necessary actions• Timescales or deadlines for each of the actions• A clear understanding of who will be responsible for carrying out each action• The resources and information that will be necessary to carry out the actions• Who else needs to be involved or informed• Arrangements for coordination and monitoring• How to review the implementation and evaluate the effectiveness of the negotiated solution

Assertiveness

Bird, J. and Gornall, S. (2019) write that the assertiveness approach is based on the 'Transactional Analysis (TA) idea of keeping exchanges in the Adult to Adult domain in order to maintain factual balance and avoid undue and unhelpful emotional entanglement in conversations and activities.'

Assertiveness theory explores the idea that '... we have boundaries of behaviour, power and personal rights which should not be infringed.'

That is:

- **A way to acknowledge and respect the rights of others and ourselves**
- **A system for engaging equally with people**
- **A method of keeping balance and cooperation**
- **An antidote to power plays**

Bird, J. and Gornall, S. (2019)

In negotiations, it is important not to display either passive or aggressive behaviour. Instead, to negotiate effectively, you need to demonstrate assertiveness. This involves being prepared to respect and listen to the views of others, whilst defending your own position through balanced, clear and honest communication.

Practical tips when preparing to negotiate

Assess the situation:	what are the known facts? What issues / barriers are there?
Ideal outcome:	what would you like to achieve from the negotiation?
Acceptable outcome:	what options/compromises are there?
Bottom line:	what is your last resort position? Or what is your BATNA (Best alternative to negotiated agreement)?
About the other party:	who is involved? What is the existing relationship?
Strategy for negotiation:	what is their style, what are they likely to ask for?
Final Agreement:	what are the possible solutions?

References

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