“I WANT A CANDY BAR” TO “I WANT A NEW CAR”
ART AND SKILL OF NEGOTIATION

Allan Vyhnalek and Austin Duerfeldt, Extension Educators

HOW OFTEN DO WE NEGOTIATE?

• Negotiation - vyhnalek
PART OF OUR EVERY DAY LIFE - BUSINESS

- Tractor Leasing
- Pasture Rental Rate
- Livestock Purchases
- Custom Work

WHAT IS NEGOTIATION?

A back and forth process designed to reach an agreement when you and the other party have both shared and opposed issues.
Before Negotiation – think about the Listening!

Communication is the key to Negotiation

The key to communication is LISTENING

COMMUNICATE

- Listening is the Key!
- (Practice) Make partner repeat what they thought you said – to be sure that they heard you, or that you said what you wanted to
  - Subject is: (you pick)
- Make sure that you understand the other person’s point of view (seek first to understand, then to be understood)
ACTIVE LISTENING IS KEY

Active Listening Demonstration
Use clarifying questions

Listen for common ground – parts of the issue where you agree

Your turn – audience participation
GROUP OF THREE – ACTIVE LISTENING

Roles:
1. **Active Listener**
   a) Pick a non-political topic that you have a strong opinion about.
      i.e. Vaccination for children should be a parents choice
   b) Use active listening skills to clarify and understand the speaker
2. **Speaker**
   a) Take the opposite stance for to the topic the chosen by the listener. i.e. All children should be vaccinated
   b) Be passionate about the stance.
3. **Moderator**
   a) Observe the interaction. Pause and correct the situation when the active listener is not actively listening

SET VISION AND GOALS – PARENTS NEED TO AGREE FIRST

- *Spend plenty of time establishing the ‘goal’ or vision*
  - *Suggest up to 80% of the time with the vision/future – or what this will look like*
  - *Envision the Future! (Mark and Nancy story)*
IT IS NOT ABOUT THE NAIL!

Work in pairs
- One wants to sell a widget
- One wants to buy a widget

On a piece of paper record the deal, amount; or record no deal

Next slide – only for sellers

Buyers – look away – or close your eyes
Sellers

You are trying to sell the widget for about $20

Next slide for buyers – only – look away or close your eyes

Buyers

You want to buy the widget for about $15
NEGOTIATE – YOU HAVE 60 SECONDS!

Record the deal – or record “no deal”

WHY NEGOTIATIONS FAIL

1. We assume to know everything

   • Self-fulfilling prophecy
   • All they care about is money
WHY NEGOTIATIONS FAIL

2. Lack of training in other ways

• How did you learn to negotiate?

3. Lack of Awareness

• How does your body language come across?
WHY NEGOTIATIONS FAIL

4. We get trapped by Ego, Emotion, and Escalation

• How did you learn to negotiate?

WHY NEGOTIATIONS FAIL

5. We limit ourselves by cultural norms

• That is just how it's done
KEYS TO NEGOTIATION SUCCESS

3 keys!

Prepare, Prepare, Prepare

PREPARATION

• Know your BATNA – Best Alternative to No Agreement

• Know your ZOPA – Zone of possible agreement
NEGOTIATION AND THE FAMILY - CONTINUED

Try working on these areas to defuse emotions within Negotiations

• **Appreciation**
  - All people want is to be appreciated (are they being listened to?)

• **Affiliation**
  - Are parties being treated as adversaries – or as colleagues (family)?

• **Autonomy**
  - Are you free to make the decisions, or are you being blocked?

• **Status**
  - Are you being treated as inferior, or given full recognition?

• **Role**
  - Are you fulfilled with the role that you have?

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OBSTACLES TO PROPER **APPRECIATION**

1. Failure to understand the other party's point of view
   - Are we really listening?

2. Be careful not to criticize the merit of what the other party says
   - Don't just listen to criticize what the other party is saying

3. Fail to communicate any merit we see in their position
   - Find merit, and appreciate that
BUILD AFFILIATION — TURN AN ADVERSARY INTO A COLLEAGUE

- Improve your structural connection – what are commonalities?
  - Huskers, same music, same church, same civic group, weather
- Connect at a personal level
  - Talk don’t just e-mail or text
  - Meet in person instead of by phone
  - Ask about the other person’s family, grandkids, etc.
- Guard against being persuaded – or pressured from feeling guilty
  - Be sure to check your ‘logical’ brain to be sure that the deal is OK

RESPECT AUTONOMY

- Sometimes autonomy is blocked – without even knowing it
  - Usually goes back to poor communications
- Expand your autonomy – even if you don’t have the ‘power’ –
  - Make recommendations
  - Invent options
- Recommend joint brainstorming
  - If the other party is willing

Autonomy has to be a two way street – lined with respect and good communications
ACKNOWLEDGE STATUS

How we treat people affects self esteem and influence

Do not compete over status – competing yields negative emotions

Treat all with respect

Be aware of social status

Be courteous to everyone

CHOOSE A FULFILLING ROLE

A fulfilling role has three qualities:
1. A clear purpose
2. It is personally meaningful
3. It is not a pretense
NEGOTIATION PREPARATION – BEST PRACTICES

Prepare!
• Remember that good negotiation is not about ‘winning’
  • Need to create more value that 100%
• How can we create value? Give that thought..
• Put yourself into the other person’s shoes – what are they thinking?
  • What is their BATNA or ZOPA?

GOALS FOR NEGOTIATION
IN FAMILY ISSUES

• Avoid zero-sum negotiation
• **Create more value!**
  • Examples:
    • Ecuador/Peru dispute
    • Selling and buying widgets
NEGOTIATION EXERCISE, FINDING VALUE

Arm Wrestling Demonstration

Rules:
1. Need to win as many times as you can in 10 seconds
2. You don’t care how many times Allan wins

Traditional Bargaining Model

Commitment (extreme position) → Final Offer → Last Offer → Final Last Offer → Split the Difference Compromise → Final Last Offer → Last Offer → Final Offer → Commitment (extreme position)

Threat to walk...
7 Elements for Negotiation Success

• Interests
• Relationship
• Criteria
• Alternatives
• Communication
• Commitment
• Options

The Circle of Value – HNI Negotiation Method
NEGOTIATION – DEALING WITH DIFFICULT PEOPLE

- **Reframe**
  - Move their position to interests
  - Move their position to options
  - Move their position to criteria

- **Name the Game**
  - Inquire for purpose
  - Negotiate the rules

- **Change the Players**
  - Ask for new people or for additional people to be brought in

NEGOTIATION

Not about personal winning!
How do you create value for all parties?
Think out of the box!