HARVARD NEGOTIATION PRINCIPLES

1. Don't Bargain Over Positions

- Arguing over positions produces unwise agreements
- Arguing over positions is inefficient
- Arguing over positions endangers an ongoing relationship
- When there are many parties, positional bargaining is even worse
- Being nice is no answer
- There is an alternative

2. Separate The People from the Problem

- Negotiators are people first
- Every negotiator has two kinds of interests: in the substance and in the relationship
  - The relationship tends to become entangled with the problem
  - Positional bargaining puts relationship and substance in conflict
- Separate the relationship from the substance; deal directly with the people problem
- Perception
  - Put yourself in their shoes
  - Don't deduce their intentions from your fears
  - Don't blame them for your problem
- Discuss each other's perception

- Look for opportunities to act inconsistently with their perceptions

- Give them a stake in the outcome by making sure they participate in the process

- Face-saving: Make your proposals consistent with their values

• Emotion

  - First recognize and understand emotions

  - Make emotions explicit and acknowledge them as legitimate

  - Allow the other side to vent off steam

  - Don't react to emotional outbursts

  - Use symbolic gestures

• Communication

  - Listen actively and acknowledge what is being said

  - Speak to be understood

  - Speak about yourself, not about them

  - Speak for a purpose

• Prevention Works Best

  - Build a working relationship

  - Face the problem, not the people
3. Focus on Interests, not Positions

• For a wise solution reconcile interests, not positions
  - Interests define the problem
  - Behind opposed positions lie shared and compatible interests, as well as conflicting ones

• How do identify interests?
  - Ask "Why?"
  - Ask "Why not?" Think about their choice
  - Realize that each side has multiple interests
  - The most powerful interests are basic human needs
  - Make a list of the interests of each party

• Talking about interests
  - Make your interests come alive
  - Acknowledge their interests as part to the problem to be solved
  - Put the problem before your answer
  - Look forward, not back
  - Be concrete but flexible
  - Be hard on the problem, soft on the people

4. Invent Options for Mutual Gain

• Diagnosis
- Premature judgment
- Searching for the single answer
- The assumption of a fixed pie
- Thinking that "solving their problem is their problem"

- Prescription
  - Separate inventing from deciding
    - Before brainstorming
    - During brainstorming
    - After brainstorming
    - Consider brainstorming with the other side
  - Broaden your options
    - Multiply options by shuffling between the specific and the general
    - Look through the eyes of different experts
    - Invent agreement of different strengths
    - Change the scope of a proposed agreement
  - Look for mutual gain
    - Identify shared interests
    - Dovetail differing interests
'Any difference in interests

'Different beliefs

'Different values placed on time?

'Different forecasts?

'Differences in aversion to risk?

. Ask for their preferences on the options

• Make their decision easy

. Whose shoes?

. What decision?

. Making threats is not enough.

5. Insist on Using Objective Criteria

• Deciding on the basis of will is costly

• The case of using objective criteria

  - Principled negotiation produces wise agreements friendly and efficiently

• Developing objective criteria

  - Fair standards

  - Fair procedures

• Negotiating with objective criteria

  - Frame each issue as a joint search for objectives criteria
'Ask "What's your theory?"

'Agree first on principles
- Reason and be open to reason
- Never yield to pressure
- Deal with company policy by asking more detail questions on how

6. What If They Are More Powerful?
(Develop your BATNA - Best Alternative to a Negotiated Agreement)

• Protecting yourself
  - The costs of using a bottom line
  - Know your BATNA
  - The insecurity of an unknown BATNA
  - Formulate a trip wire

• Making the most of your assets
  - The better your BATNA, the greater your power
  - Develop your BATNA
  - Consider the other side's BATNA

• When the other side is powerful

7. What If They won't Play?
(Use Negotiation Jujitsu)
• Negotiation jujitsu
  - Don't attach their positions, look behind it
  - Don't defend your ideas, invite criticism and advice
  - Recast an attack on you as an attack on the problem
  - Ask questions and pause

• Consider the one text procedure

• Getting them to play

8. What If They Use Dirty Tricks?
  (Taming the Hard Bargainer)

• How do you negotiate about the rules of the game
  - Separate the people from the problem
  - Focus on interests, not positions
  - Invent options for mutual gain
  - Insist on objective criteria

• Some common tricky tactics
  - Deliberate deception
    'Phony facts
    'Ambiguous authority
    'Dubious intentions
    'Less than full disclosure is not the same as deception
• Psychological warfare
  - Stress situations
  - Personal attacks
  - The good-guy/bad-guy routine
  - Threats

• Positional pressure tactics
  - Refusal to negotiate
  - Extreme demands
  - Escalating demands
  - Lock-in tactics
  - Hardhearted partner
  - A calculated delay
  - Take it or leave it

• Don't be a victim