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11.255 Negotiation and Dispute Resolution in the Public Sector

Spring 2021

Class #6

General Instructions

1. Move to Airmeet. Read confidential instructions, strategize, and complete pre-nego survey in idgames: (Do not share your confidential instructions/write on chat when you start negotiating) by 4:05 pm

2. Negotiate: 30-35 min (let Lidia know on chat that you are done negotiating), by 4.40 pm

3. Complete agreement outcome and post-nego survey in idgames: 5-10 min (once survey is completed go back to zoom) by 4.50

4. Debriefing

Strategy and BATNA

- What things might you do if you do not reach an agreement at the bargaining table?
- What strategies did participants use in each role?
- What is your BATNA?
- What is the price at which you walk away from the negotiation?
- Did you think your BATNA was stronger or weaker than the other side's?
- What can each side do to improve its BATNA?

Standards (or criteria), what is fair?

- Where did each number come from?
- Which standards seemed more persuasive? Why?

Getting into the “Trading Zone”

- “Research shows that the failure to reach integrative agreements is often linked to the failure to exchange enough information to allow the parties to identify integrative options” (Lewicki et al, 2009: 73)

Interests and creative options

- What non-monetary interests does each side have?
- What monetary interests do they have that go beyond this particular negotiation?
- How did you talk about each side's interests?
- What options, other than a flat fee contract, did you explore?

Proposing packages:

- Propose packages that are good for them and great for you
- Use contingent (“what if”) offers
- Keep multiple packages in play

The more value you create, the bigger the pie to be divided

- Prepare to create value
- Explore interests, needs and objectives
- Add issues
- Play the “what-if game”
- Bring new parties to the table
- Focus on creating value before you start trying to distribute it

Agency issues

- What was the nature of the commitment you gave your client?
- Final and binding?
- Subject to client approval?
- Was it discussed explicitly, or just “assumed?”

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