Negotiations

Week 3 Lecture Notes

During this week we are going to discuss:

Power | Chapter 5

Saving Face | Chapter 6

Basic Challenges in Negotiations

Power

Hannah Arendt states, "Power is never the property of an individual it belongs to a group and remains in existence only so long as the group keeps it together."

Power often depends on others.

Negotiations depend on agreements – if you can't create an agreement with others or if others never agree with you...you lose your power.

A multimillionaire CEO of a corporation can be overthrown, if the Board doesn't agree with her.

A Wall Street billionaire can lose his power and be imprisoned, if a jury doesn't agree with his illegal actions.



A high profile athlete can lose endorsements and negotiated corporate agreements, if the public doesn't agree with his behavior.



Power at every level is negotiated and depends on the agreement of others.

In the case study (5.3), Tom didn't create buy in with his decision. He didn't pitch a solution that the parties would agree with. By not creating an agreement at any level and abusing his power – he lessened his own authority, created distrust internally, thus lessening his own ability to negotiate in the future.

Saving Face

Face is a person's desire to be viewed as a favorable person. It involves the approval of others. Face can involve two factors: the need to be included and respected.

"Face loss" results in two things: first, the party affected is momentarily incapacitated or confused (shock that your identity is being attacked or threatened takes a moment to adjust). Second, the party may feel embarrassed or shamed.

Face saving behavior represents attempts by the party to save or restore face and can be a major source of inflexibility during negotiations.

Face Giving – is the move of a powerful negotiator

Face giving occurs when a party works with the other side to restore face or prevent loss of face. Helping another party save face - - rather than embarrassing them gets you to an agreement faster.

Face giving "alignment actions" include:

- ✓ Conversational repair : corrects or restores conversational errors
- ✓ An apology
- ✓ Express lack of negative intentions
- ✓ Remedy: offers a reparation to the offended party

Recognizing power can be dependent on others and saving face maybe an obstacle to an agreement, identifying multiple options to benefit all parties is key.



Questions for reflection include

What are our shared interests?

How can I make the other parties decision easier?

How can I broaden the options rather than looking for a single answer?