

PLANNING YOUR NEGOTIATION STRATEGY

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All of Life is a Negotiation-

In every human interaction, you are either talking them into doing what you want, or they are talking you into doing what they want.



LEARNING OBJECTIVES

- Define negotiation
- Contrast distributive and integrative negotiation
- Describe terms such as BATNA & ZOPA
- Identify strategies for a successful negotiation
- List things to consider for an integrative work-related negotiation
- Explain the consequences of not negotiating



HOW WE THINK ABOUT NEGOTIATIONS



WHAT IS NEGOTIATION?

Negotiation takes place when two or more people, with differing views, come together to attempt to reach agreement on an issue.

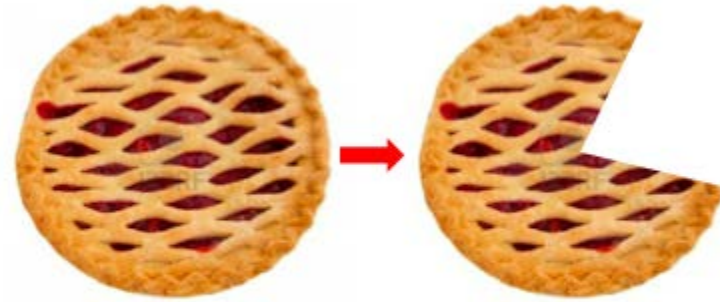
It is “persuasive communication” or “bargaining”.

“Negotiation is about getting the best possible deal in the best possible way.”



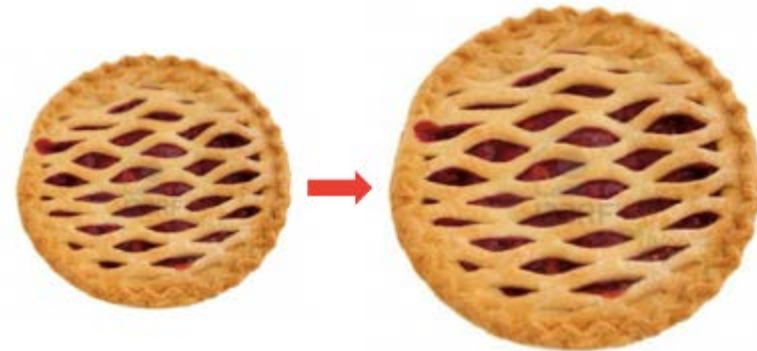
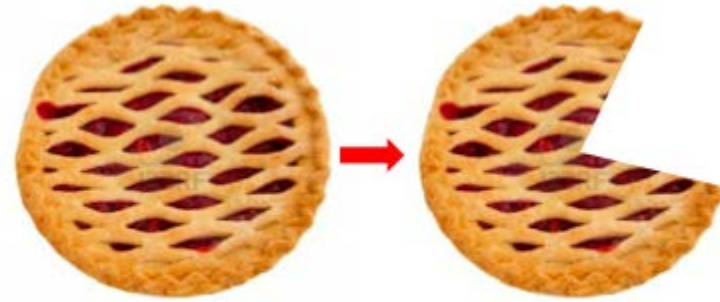
TYPES OF NEGOTIATION

- Distributive (win-lose)
 - Parties compete over a fixed pool of value. Your goal is to take the largest piece of the pie possible. This results in a win-lose situation for one of the parties.



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- Distributive (win-lose)
 - Parties compete over a fixed pool of value. Your goal is to take the largest piece of the pie possible. This results in a win-lose situation for one of the parties.
- Integrative (win-win)
 - Both parties' interests can be integrated & result in a larger pie. Focus is on underlying interests shared between parties.
 - This will result in a win-win situation where all opportunities are exploited and nothing is 'left on the table'.



NEGOTIATION TERMS

- **Reservation value (RV):** Your bottom line of cutoff point—the maximum amount you'd be willing to pay or the minimum amount you'd be willing to accept.
- **Target value (aspiration value):** Your goal. What you'd really like to achieve.
Should be:
 - Better than your BATNA
 - Ambitious (pushing the limits of what is possible)
 - Realistic –something the other side might agree to
- **ZOPA:** Zone Of Possible Agreement. The difference between each negotiator's reservation value.

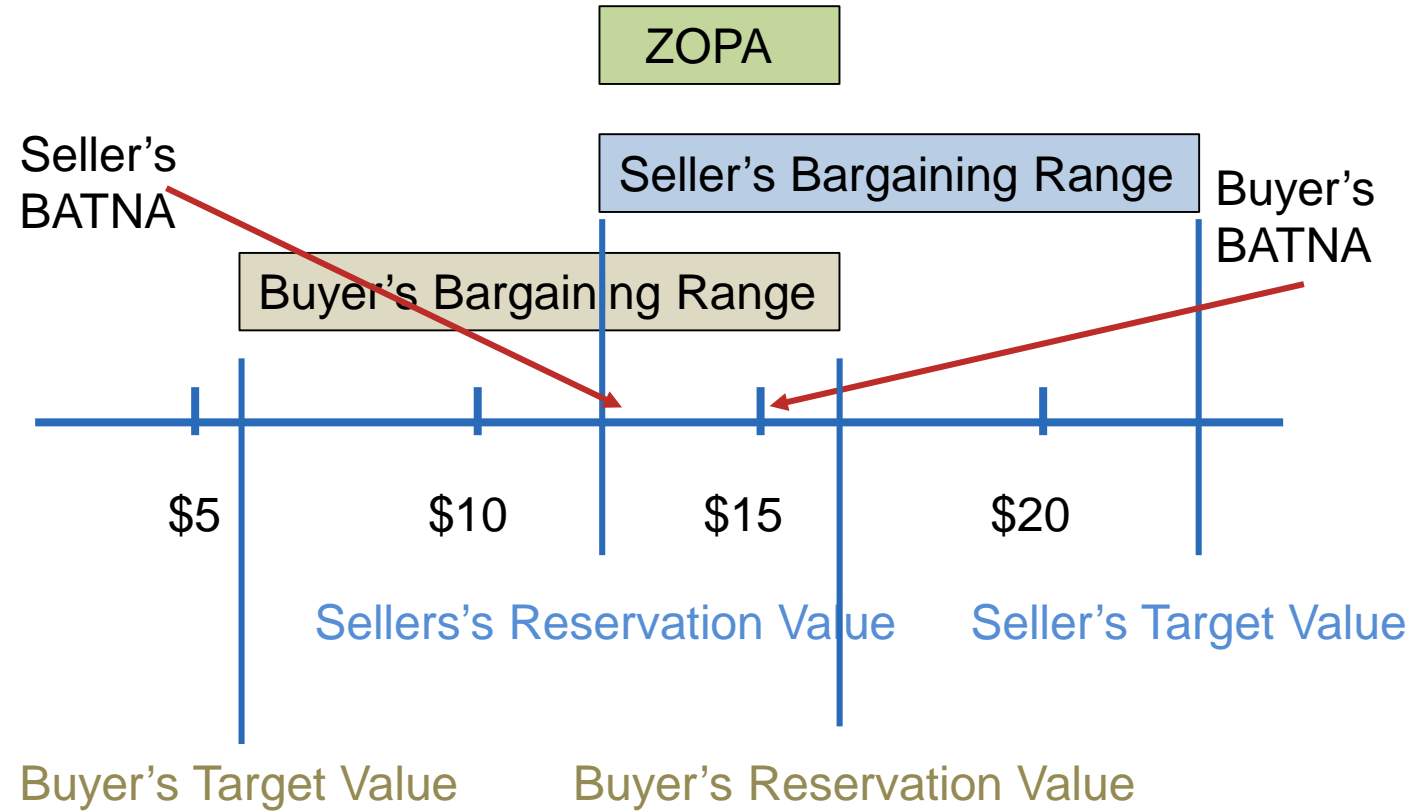


BATNA

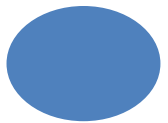
- **Best Alternative to a Negotiated Agreement**
- If you don't get what you want, what will you do? This is your fallback position. The better your options if you don't get what you want, the more power you have.
- It's a general misconception that whether you get good terms for a deal is based on whether you are a good negotiator. That is almost never true. Good negotiators know that the person who gets better terms is the person who has a better BATNA.



NEGOTIATION 101



BATNA=Best alternative to negotiated agreement
ZOPA= Zone of possible agreement



BREAKOUT SESSION

- Think of a negotiation success that you've had.
 - What did you negotiate?
 - What factors contributed to your success?
 - What do you wish you'd done differently?
- Focus on a time when a negotiation did not go as well as you would have liked.
 - What factors contributed to the way the negotiation played out?
 - What do you wish you'd done differently?



NEGOTIATION AT WORK





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THE SALARY IS
NEGOTIABLE ... TAKE IT OR
LEAVE IT



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HOW MUCH ARE YOU WORTH?

- **Information is power**
- Information will help you identify your BATNA
- Use the internet
 - www.salary.com
 - www.bls.gov
 - www.healthjobsusa.com
 - www.physiciansearch.com
 - www.aamc.org/data/
- Talk to colleagues



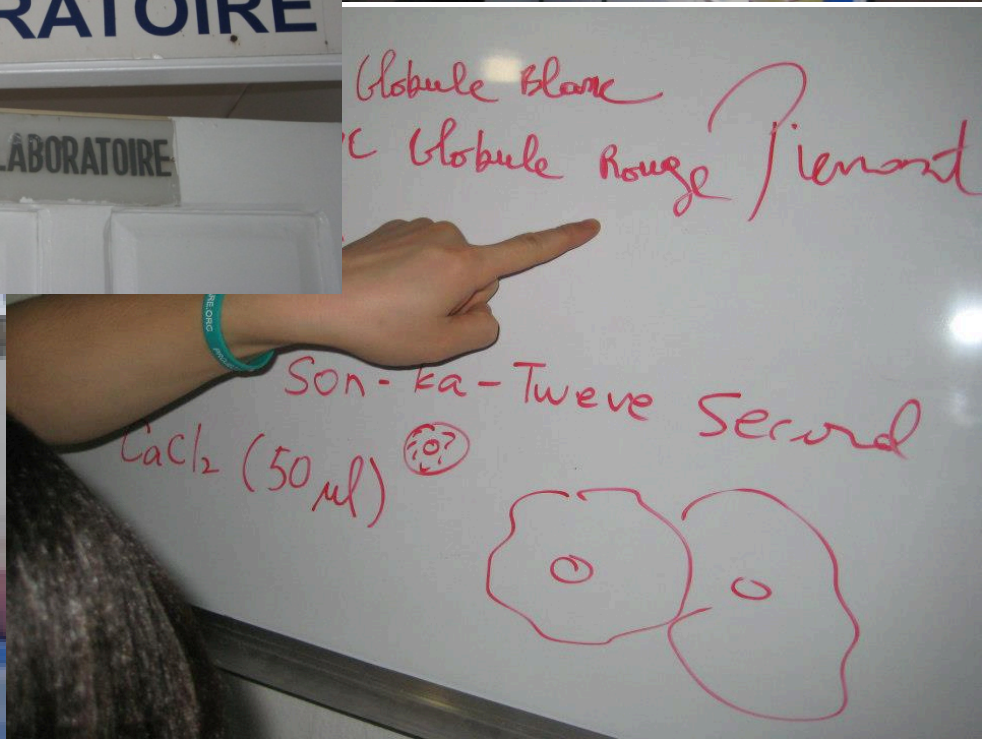
OTHER THINGS TO CONSIDER

- Vacation time
- Service responsibilities
- Teaching responsibilities
- Protected research time
- Equipment or technician
- Professional development: Travel/Books/C.E.
- Long term goals
 - Classes (Certificate program, MBA, MPH etc)
 - Leadership Development
- Time for professional involvement
- Time for community service





HEART TO HEART IN HAITI



PLANNING TO NEGOTIATE

- Establish your objectives-what do you want?
- Establish other party's objectives-what do they want?
- Do your homework!
- Practice
- Frame negotiation as a joint search for a solution
- Identify areas of agreement
- Can you give something up?
- Can you take on something new?



WHEN TO NEGOTIATE?

- Time of promotion
- Annual meeting
- When your bargaining power is high
 - High profile award or paper
- Contract renewal
- Retention packages (know your BATNA)
- Know when NOT to negotiate!!



THE NEGOTIATION

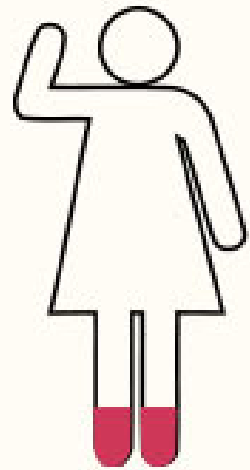
- Aim high – easier to lose ground than gain
- Listen carefully & observe body language
- Consider Multiple solutions
- Language:
 - Make proposals with open questions such as:
 - *“what would happen if we...?”*
 - *“suppose we were to...”*
 - *“what would be the result of?”*
 - Dealing with stone-walls: *“what would need to happen for you to be willing to negotiate over this?”*
- Be professional & control your emotions
- Always get agreement in writing
- **Preserve the relationship**



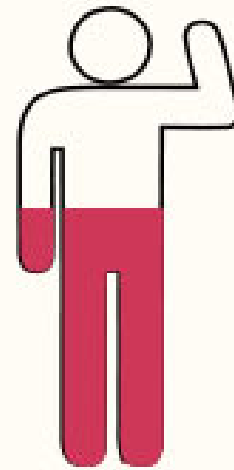
\$\$ LEFT ON THE TABLE



“When you got your offer,
did you attempt to negotiate?”



7%
of women



57%
of men

Source: Linda Babcock, *Women Don't Ask*



\$\$ LEFT ON THE TABLE

Un-Negotiated Salary	Negotiated Salary	Negotiated Amount	\$ Left on table
\$200K	\$205K	\$5K	\$388K
\$200K	\$210K	\$10K	\$776K
\$200K	\$215K	\$15K	\$1,165K
\$200K	\$250K	\$50K	\$3,883K

Assumes 3% annual raise

Over 40 year career

Likely an underestimate if you ever receive more than a 3% raise



THE INTERNATIONAL BESTSELLER

GETTING

↓↓↓ TO ↓↓↓

YES

UPDATED
and
REVISED

**NEGOTIATING AGREEMENT
WITHOUT GIVING IN**

ROGER FISHER AND WILLIAM URY
AND FOR THE REVISED EDITIONS BRUCE PATTON
OF THE HARVARD NEGOTIATION PROJECT

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"Nice girls don't ask, but smart women do. *Ask for It* provides the tangible tools and tips you need to get your fair share of the raises, promotions, and perks you've earned—and deserve."—Lois P. Frankel, Ph.D., author of *Nice Girls Don't Get the Corner Office*

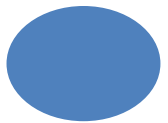
**ask
FOR IT**

How women can use the
power of negotiation to
get what they really want

**LINDA BABCOCK
AND SARA LASCHEVER**

Authors of Women Don't Ask

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SUMMARY

- Negotiation is “persuasive communication” or “bargaining”
- Distributive negotiation (win-lose) competes over a fixed pool of value
- Integrative negotiation (win-win) focuses on underlying interests shared between parties
- BATNA = Best Alternative to a Negotiated Agreement
- ZOPA = Focus is on underlying interests shared between parties
- Successful negotiations require data & preparation
- For a successful integrative job negotiation, you must define your perfect job
- Neglecting to negotiate can result in significant money left on the table





Negotiation

“The art of letting
the other side
have it
your way”

