



Distributive and Integrative Bargaining

Dr. Caneel K. Joyce

27 June 2011



Agenda

Preparing to Negotiate

New Recruit Exercise

Slicing the Pie (Distributive / Win-Lose)

Expanding the Pie (Integrative / Win-Win)

Principled Negotiation

Appendix: Calculating RP & Examples

Your greatest advantage
in any negotiation is
preparation

1. Purpose
2. Interests & Priorities
3. BATNAs
4. Options & Issues
5. Standards
6. Proposals
7. Intentions

Negotiation Planning Document

Negotiation & Role:		
Partner's Name(s) & Roles		
STATED PURPOSE What is this negotiation supposed to be about?		
INTERESTS: (Think broadly, then prioritize. Compare your priorities to find tradeoffs/concessions.)		
Mine:	Theirs:	
BATNAs: (State in words and in terms of points, dollars, or the appropriate metric)		
Mine:	Theirs:	
OPTIONS & ISSUES (Brainstorm ways to expand the pie or find a mutually attractive agreement)		
STANDARDS (equity, need, fairness, market rates, industry benchmarks, historical data, assumptions...)		
PROPOSALS (Think in terms of multi-issue packages)		
Aspire to (=Target Point)	Content with	Live with (=Reservation Point)
INTENTION FOR THIS NEGOTIATION (tactics/strategies you want to try, goals, focus areas)		

Purpose

- What's the purpose of a home sale negotiation?
- Negotiations have a **surface-level purpose** that most everybody can agree on.
 - It feels comfortable to talk about what's happening at the surface.
- Each negotiator has his/her own **deep-level purpose**, which is why they're really at the table to begin with.
 - Finding a mutually attractive resolution often requires fulfilling this level.
 - But revealing this level is hard work (even for ourselves) and requires trust.

Selling a house: Define interests

Interest

Profit

Minimize stress in closing deal

Avoid double mortgage

Put down offer on house in S.
Ken

Selling a house: Prioritize interests

Priority - Interest

3 - Profit

4 - Minimize stress in closing
deal

1 - Avoid double mortgage

2 - Put down offer on house in S.
Ken

BATNA

- Best Alternative to a Negotiated Agreement
 - The lowest acceptable value to an individual for a negotiated agreement
- Develop alternatives so you know at what point to stop negotiating
- Gives you the POWER to walk away
 - If we cannot receive an offer of X-amount for the house, then what will you do?
 - Can you live without an agreement? What's at stake?
 - Always try to increase your BATNA

Options & Issues

- What are the different issues you can talk about?
- Brainstorm various options for meeting each of your issues and their issues
- Be creative and think about what's *not* on the table that could help the other person and help yourself
- What issues can you bring in to expand the pie?
- If you don't ask, you don't get. Nothing is out of bounds for the brainstorming stage.

Standards

- These are criteria you can leverage to provide a more neutral zone for discussing proposals
 - Published benchmarks
 - Historical figures and precedents
 - Industry averages
 - Accepted practices
- Norms of fairness (more on this later)

Proposals: Create packages

- Packages that combine multiple issues
 - This is not a menu. Don't allow cherry-picking!
 - Knowing how much you value each issue allows you to bargain by making trade-offs between equivalent packages

Equivalent Packages?

- 105k salary
 - 10k year-end bonus
- =
- 100k salary
 - 6k budget for home office setup

Proposals: Anchoring positions

- Make the trade-offs before you negotiate by striking positions on each issue at three levels:

Live with ----- Content with ----- Aspire to

Live with: BATNA = RP

- You must figure out your BATNA to know your Reservation Point
- RP: Indifferent between agreement and no agreement
- Think broadly, then quantify each aspect & it's probability*

** See Appendix for advanced RP calculation including multiple possible outcomes with probability estimates*

Aspire to: Target Point

- This is an *aspiration* – *aim high!*
- Consider the whole universe of outcomes
 - Think about all of your interests
- Be feasible, but beware: Many of us tend to aim low
 - Think champagne popping!
- Do not “anchor” your TP to your RP!

How Interests Become Positions

Interest	Target Point
Profit	20% over purchase price
Minimize stress in closing deal	No additional repairs or improvements
Avoid double mortgage	Sell house for move in next month
Put down offer on house in S. Ken	Deal signed next week so you can move forward with offer

...and what **issues** are on the table?

Interest	Target Point
Profit	20% over purchase price
Minimize stress in closing deal	No additional repairs or improvements
Avoid double mortgage	Sell house for move in next month
Put down offer on house in S. Ken	Deal signed next week so you can move forward with offer

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Preparing to Negotiate

New Recruit *Exercise & Debrief*

Slicing the Pie (Distributive / Win-Lose)

Expanding the Pie (Integrative / Win-Win)

Principled Negotiation

Appendix: Calculating RP & Examples

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New Recruit Groups and Roles

First Name	Last Name	Group ID	Role
Aart	Vollenhoven	1	Candidate
Ademola	Oladimeji	1	Recruiter
Alain	Siebert	2	Candidate
Aly	Popat	2	Recruiter
Ankit	Khurana	3	Candidate
Dennis	Woudsma	3	Recruiter
Felipe	Kudiess	4	Candidate
Guido	Hagemann	4	Recruiter
Jan	Hann	5	Candidate
Hana	Yoshimoto	5	Recruiter
Isabel	Manrique	6	Candidate
Moritz	Guettinger	6	Recruiter
Kirsten	Pansegrow	7	Candidate
Jane	Pade	7	Recruiter
Marie	Osnes	8	Candidate
Marianne	Rasmussen	8	Recruiter
Michael	Pearson	9	Candidate
Miguel	Linares	9	Recruiter
Mohammed	Mebjar	10	Candidate
Mondlane	Morte	10	Recruiter
Nicholas	Gould	11	Candidate
Omar	Awad	11	Recruiter
Parag	Sharma	12	Candidate
Raluca	Boroianu-Omura	12	Recruiter
Rodrigo	Scholtbach	13	Candidate
Tania	Rodriguez	13	Recruiter
Warda	Tazi	14	Candidate
Jamiu	Eniola	14	Recruiter
Arpine	Korekyan	14	Recruiter



New Recruit

- 20 minutes to prepare
- 30 minutes to negotiate
 - Pretend the current date is April
- Fill out “Final Contract” (attached to Recruiter’s information)
- Tell Alex when your contract is complete
 - He will give you a scoring sheet to complete
 - Outcomes will be posted anonymously

New Recruit

30 mins

Break

Please return at **4:00pm**

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New Recruit Exercise & *Debrief*

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To reach the optimal solution, you must identify three different types of issues

- **Distributive**
 - Interests are opposed
- **Integrative**
 - Combination of two issues where one is more important to Party A and the other is more important to Party B
 - By trading off, you “expand the pie”
- **Compatible**
 - Interests are identical

ISSUE	OPTIONS	RECRUITER (points)	CANDIDATE (points)
Bonus	10%	0	4000
	8%	400	3000
	6%	800	2000
	4%	1200	1000
	2%	1600	0
Job Assignment	Division A	0	0
	Division B	-600	-600
	Division C	-1200	-1200
	Division D	-1800	-1800
	Division E	-2400	-2400
Vacation Time	25 days	0	1600
	20 days	1000	1200
	15 days	2000	800
	10 days	3000	400
	5 days	4000	0
Starting Date	June 1	0	2400
	June 15	600	1800
	July 1	1200	1200
	July 15	1800	600
	August 1	2400	0
Moving Expenses Coverage	100%	0	3200
	90%	200	2400
	80%	400	1600
	70%	600	800
	60%	800	0
Insurance Coverage	Plan A	0	800
	Plan B	800	600
	Plan C	1600	400
	Plan D	2400	200
	Plan E	3200	0
Salary	\$90,000	-6000	0
	\$88,000	-4500	-1500
	\$86,000	-3000	-3000
	\$84,000	-1500	-4500
	\$82,000	0	-6000
Location	San Francisco	1200	1200
	Atlanta	900	900
	Chicago	600	600
	Boston	300	300
	New York	0	0

How was your thought process?

- Did you recognize the compatible items?
- Did false conflict perceptions come into play? Did you try to use the compatible interests strategically? Did that backfire?
- Were you truly integrative? For interests not important to you, did you give up on them and gain on interests more important to you?

How was your outcome?

- Optimal outcome:
 - Everyone gets compatible items
 - Trade-off on integrative items
 - Split the difference on distributive items

=13,200 Joint Points

If split the pie solely = 4,400 Joint Points and
leaving value on the table!!!!

How the class did

	Recruiter Score	Candidate Score	Joint Score
average	3,875	3,875	3,875
min	100	100	100
max	9,300	9,300	9,300

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Group ID	Recruiter Score	Candidate Score	Joint Score	Result Recruiter	Result Candidate
1	9,300	300	9,600	Win	Lose
2	No Agreement	No Agreement	No Agreement	No Agreement	No Agreement
3	2,600	7,600	10,200	Win	Lose
4	4,800	4,800	9,600	Compromise	Compromise
5	100	8,900	9,900	Lose	Win
6	5,000	5,800	10,800	Lose	Win
7	200	11,200	11,400	Lose	Win
8	5,400	3,300	8,700	Win	Lose
9	5,500	7,100	12,600	Lose	Win
11	3,600	3,400	7,000	Compromise	Compromise
12	3,000	8,400	11,400	Lose	Win
13	2,200	4,200	6,400	Lose	Win
14	4,800	4,800	9,600	Compromise	Compromise

		Total Candidate	Total Recruiter	Joint
Compromise	Compromise	2,400	2,400	4,800
Pareto Efficient	Pareto Efficient	6,600	6,600	13,200
Win	Lose	13,200	-4,800	8,400
Lose	Win	-4,800	13,200	8,400

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Group ID	Recruiter Score	Candidate Score	Joint Score	Result Recruiter	Result Candidate
2	No Agreement	No Agreement	No Agreement	No Agreement	No Agreement
9	5,500	7,100	12,600	Lose	Win
7	200	11,200	11,400	Lose	Win
12	3,000	8,400	11,400	Lose	Win
6	5,000	5,800	10,800	Lose	Win
3	2,600	7,600	10,200	Win	Lose
5	100	8,900	9,900	Lose	Win
1	9,300	300	9,600	Win	Lose
4	4,800	4,800	9,600	Compromise	Compromise
14	4,800	4,800	9,600	Compromise	Compromise
8	5,400	3,300	8,700	Win	Lose
11	3,600	3,400	7,000	Compromise	Compromise
13	2,200	4,200	6,400	Lose	Win

How was your preparation process?

- During negotiation prep, did you determine your bargaining zone?
 - Did you set your target and bottom lines so that you could objectively evaluate offers made by your counterpart?
 - Without planning = counterpart defines what's reasonable = negotiation failure
- What was your BATNA?

Negotiation Journals

Negotiation Journal

Negotiation & Role:	
Feedback Partner(s):	

1. SELF EVALUATION

a) **My intentions before the negotiation** (First list the tactics/strategies you wanted to try, goals, and focus areas. Then star the intentions you feel you achieved.)

b) **My behaviour during the negotiation** (Observe yourself from the outside. Regardless of your intentions, what behaviours did you exhibit? What image, style, emotions do you think you conveyed? What tactics and strategies did you use, whether you planned to or not?)

c) **How do you feel about your performance and behaviour after negotiating?** (Be honest with yourself about subjective intuitions and emotions. You don't need to share this section with anybody else.)

General reactions:

Strengths:

Weaknesses:

Surprises:

2. **COMPARATIVE EVALUATION: After learning how others in the class performed in this negotiation, how did you compare?** (Use objective criteria when possible)

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3. PEER EVALUATION (Don't bias your partner by sharing how you think you behaved just yet!)

Listen without explaining Without sharing your own views or explaining, let your partner describe your behaviour and style during the negotiation, and any intentions they believe you were trying to achieve.

Intentions vs. Behaviour Share your intentions (1a), not whether you think you met them or not. Ask your partner(s) which intentions you achieved and how you achieved them.

Self-Awareness Did your partner's perception of your behaviour match your own (in 1b)? Don't explain or defend, just listen and report. Where were you on the same page? Where were the mismatches?

4. REFLECTION: How did your performance and behaviour in this negotiation compare to previous negotiations?

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4. DEVELOPMENT PLAN

Behaviours to repeat & build upon: Behaviours to consider limiting: Behaviours to try in the future:

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Does practice make perfect?

1. Self evaluation

- My intentions before going into the negotiation
- My behavior during the negotiation
- How do you feel about your performance and behavior after negotiating?

2. Comparative evaluation

3. Peer evaluation

- Listen without explaining
- Intentions vs. Behaviour
- Self-awareness

4. Reflection

5. Development plan

- Behaviours to repeat & build upon
- Behaviours to consider limiting
- Behaviours to try in the future

Whenever possible, use objective criteria to evaluate a negotiation

OUTCOME

- Final agreement that is **wise**
 - based on precedent or community practice
 - neither side feels cheated

PROCESS

- Process that is **efficient**
 - both working toward same goal
 - no time-consuming arguments or positioning

IMPACT ON RELATIONSHIP

- Relationship that is **unharmd**
 - easier to discuss objective standards than to force each other to back down
 - no need to “lose face”

Fisher & Ury, Getting to Yes

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Negotiation Journals

5 mins individual
10 mins peer feedback
5 mins individual

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Slicing the Pie

- How do you get the biggest piece?
- Preparation
 - Offers
 - Alternatives
 - Concessions



Prepare, Prepare, Prepare!

- Most important: figure out your counterpart's BATNA
- Second most: your counterpart's RP
- Are they negotiating "in good faith"?
 - Or happy to walk away without agreement?
- What else is on the line (but off the table)?
 - Reputation, relationship, opportunity cost of time, etc.

Best practices (overview)

1. Aims: Best Deal vs Agreement
2. First offers
3. Standards & fairness
4. Concessions
5. Revealing, withholding, and lying

1. Defining your aims

- Aim for the Best Deal you can if:
 - You're not worried about the relationship
 - You're setting a precedent for the future
 - Your reputation is at stake
- Aim for Agreement if:
 - The relationship is a priority
 - You're not setting a precedent
 - Your reputation is not at stake based on this one single negotiation

Material from this slide based on 2010 lecture by Marta Coelho

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2. Who Should Make the First Offer?

- Folklore says let the other party make the first offer
 - Is that a good idea?
- Anchoring
 - People tend to focus heavily on the first offer
 - **First offer correlates .85 with the final price**
- Remember the winner's curse? Don't offer too low. Focus on your target point!
 - Think about how you'd feel if your offer were *accepted*.

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First Offers (cont.)

- What if the other party makes the first offer?
 - Immediate counteroffer
 - Take away the psychic hold of the 1st offer
- Only encourage them to make the first offer if you have *very little* information
 - You can avoid losing face & retain credibility by offering out of range
 - But be ready to react quickly (see above)

Accepting first offers

- How do you feel when the other party accepts your first offer?
 - I should have asked for more
 - Maybe I just got into a bad deal
 - Less satisfaction
- Do not accept first offers
 - They are just that – an opener
 - Expectation to negotiate
 - Use your pa-pa-pa-poker face.

Tomorrow morning

- Texoil negotiation will begin straight away
- Prepare tonight
 - Review your feedback and aim to improve upon your performance today
 - Prepare your planning document
 - Set an intention for a new behaviour/strategy to try out

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Texoil Groups and Roles

First Name	Last Name	Group ID	Role
Warda	Tazi	1	TEXOIL
Raluca	Boroianu-Omura	1	Station Owner
Jane	Pade	2	TEXOIL
Alain	Siebert	2	Station Owner
Omar	Awad	3	TEXOIL
Jamiu	Eniola	3	Station Owner
Miguel	Linares	4	TEXOIL
Parag	Sharma	4	Station Owner
Felipe	Kudiess	5	TEXOIL
Jan	Hann	5	Station Owner
Isabel	Manrique	6	TEXOIL
Aly	Popat	6	Station Owner
Tania	Rodriguez	7	TEXOIL
Rodrigo	Scholtbach	7	Station Owner
Marianne	Rasmussen	8	TEXOIL
Guido	Hagemann	8	Station Owner
Mohammed	Mebjar	9	TEXOIL
Aart	Vollenhoven	9	Station Owner
Nicholas	Gould	10	TEXOIL
Michael	Pearson	10	Station Owner
Mondlane	Morte	11	TEXOIL
Marie	Osnes	11	Station Owner
Dennis	Woudsma	12	TEXOIL
Hana	Yoshimoto	12	Station Owner
Ankit	Khurana	13	TEXOIL
Arpine	Korekyan	13	Station Owner
Moritz	Guettinger	14	TEXOIL
Kirsten	Pansegrow	14	TEXOIL
Ademola	Oladimeji	14	Station Owner



Appendix

Calculating Your RP& Examples

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Developing a Reservation Point

Step 1: Brainstorm Your Alternatives.

Imagine that you want to sell your house.

Your target point—£275,000.

What will you do in the event that you do not get an offer of £275,000? Consider as many alternatives as possible.

Developing a Reservation Point

Step 2: Evaluate Each Alternative.

Can you do without an agreement and what are the costs? Can you make the product yourself? Can you find a substitute? Can you dispose of excess?

Order the various alternatives by their relative attractiveness, or value.

If an alternative has an uncertain outcome, such as reducing the list price, you should determine the **probability** that a buyer will make an offer at that price.

Suppose that you reduce the list price to £265,000. Based on research, you assess the probability of an offer to be 60%. The best alternative should be selected to represent your BATNA.

Developing a Reservation Point

Step 3: Attempt to Improve Your BATNA.

In this case, you might contact a rental company and develop your rental options, or you may make some improvements that have high return on investment (e.g., new paint).

Of course, your most attractive BATNA is to have an offer in hand on your house.

Developing a Reservation Point

Step 4: Determine Your Reservation Price.

The least amount of money you would accept for your home at the present time.

You assess the probability of an offer of £250,000 or higher to be 95%.

You think there is a 5% chance that you will not get such offer and will rent it.

The probabilities always sum to exactly 100%. We have considered all possible events occurring. No alternative is left to chance.

Developing a Reservation Point

Assess the expected **probabilities** of selling:

Reduce the price of your home to £265,000

$$P_{\text{sale}} = 60\%$$

Reduce the price of your home to £250,000

$$P_{\text{sale}} = 35\%$$

Rent the house

$$P_{\text{rent}} = 5\%$$

Developing a Reservation Point

Value of each of these “risky” alternatives = value x probability:

Value of reducing price to £265,000 = £265,000 x 0.6 =
£159,000

Value of reducing price to £250,000 = £265,000 x 0.35 =
£87,500

Value of renting the house = £100,000 x 0.05 =
+ £5,000

£251,500 = OVERALL VALUE = RP

EXAMPLE: Using objective criteria

Situation: Tom’s parked car was destroyed by a truck. The car was covered by insurance, but the exact amount was to be worked out with the insurance adjuster.

Insurance adjuster	Tom
<ul style="list-style-type: none"> • We have studied your case and we have decided the policy applies. That means you’re entitled to a settlement of \$6,600. • That’s how much we decided the car was worth. 	<ul style="list-style-type: none"> • I see. How did you reach that figure?
<ul style="list-style-type: none"> • How much are you asking for? 	<ul style="list-style-type: none"> • I understand, but what standard did you use to determine that amount? Do you know where I can buy a comparable car for that much?
<ul style="list-style-type: none"> • \$8,000! That’s too much! 	<ul style="list-style-type: none"> • Whatever I’m entitled to under the policy. I found a secondhand car just about like it for \$7,700. Adding the sales and excise tax, it would come to about \$8,000.
<ul style="list-style-type: none"> • OK, I’ll offer you \$7,000. That’s the highest I can go. Company policy. 	<ul style="list-style-type: none"> • I’m not asking for \$8,000 or \$6,000 or \$10,000, but for fair compensation. Do you agree that it’s only fair I get enough to replace the car?
<ul style="list-style-type: none"> • Look, \$7,000 is all you’ll get. Take it or leave it. 	<ul style="list-style-type: none"> • How does the company figure that? • \$7,000 may be fair. I don’t know. I certainly understand your position if you’re bound by company policy. But unless you can state objectively why that amount is what I’m entitled to, I think I’ll do better in court. Why don’t we study the matter and talk again? Is Wednesday at eleven a good time to talk?

EXAMPLE: Using objective criteria (cont.)

Insurance adjuster	Tom
<ul style="list-style-type: none"> • OK, Mr. Griffith, I've got an ad here in today's paper offering an '89 Taurus for \$6,800. • 49,000. Why? • Let me see ... \$450. • No. • \$125. 	<ul style="list-style-type: none"> • I see. What does it say about the mileage? • Because mine only had 25,000 miles. How many dollars does that increase the worth in your book? • Assuming the \$6,800 as one possible base, that brings the figure to \$7,250. Does the ad say anything about a radio? • How much extra for that in your book? • How much for air conditioning?(etc.)

A half hour later, Tom walked out with a check for \$8,024

Fisher & Ury, Getting to Yes

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EXAMPLE: Negotiation Jujitsu

Jones Realty vs. Frank Turnbull

- Frank Turnbull rented an apartment in March from Jones Realty for \$600 a month. When he and his roommate, Paul, wanted to move out, Turnbull learned that the apartment was under rent control. The maximum legal rent was \$466 a month - \$134 less than he had been paying.
- Disturbed that he had been overcharged, Turnbull called on Mrs. Jones of Jones Realty to discuss the problem. At first, Mrs. Jones was unreceptive and hostile. She claimed to be right and accused Turnbull of ingratitude and blackmail. After several long negotiating sessions, however, Mrs. Jones agreed to reimburse Turnbull and his roommate. Her tone in the end became friendlier and apologetic.

The Tactics

- **Be open to persuasion by objective facts**
 - Turnbull: *Mrs. Jones, I've just learned – please correct me if I'm wrong – that our apartment's under rent control. We've been told that the legal maximum rent is \$466 a month. Have we been misinformed?*
- **Give sincere praise or support to other person - separate relationship from the issue**
 - Turnbull: *Paul and I understand you were doing a personal favor by renting us this apartment. You were very kind to put in the time and effort, and we appreciate it.*
- **Take a stand based on principle and objective criteria - separate emotion from the issue**
 - Turnbull: *We want to know that we didn't pay any more than we should have. When we're persuaded that rent paid measures up fairly to the time spent in the apartment, we'll call it even and move out.*

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EXAMPLE: Negotiation Jujitsu (cont.)

- **Keep returning to principle and objective criteria**
 - Mrs. Jones: *It's funny you should mention fairness, because what you're really saying is that you and Paul just want money, and that you're going to take advantage of your still being in the apartment to try and get it from us. That really makes me angry. If I had my way, you and Paul would be out of the apartment today.*
 - Turnbull: *I must not be making myself clear. Of course, we could try and stay here in the apartment until you got us evicted. But that's not the point, Mrs. Jones. More important to us than making a few dollars here or there is the feeling of being fairly treated. No one likes to feel cheated. And if we made this a matter of who's got the power and refused to move, we'd have to go to court, waste a lot of time and money, and end up with a big headache. You would too. Who wants that? No, Mrs. Jones, we want to handle this problem fairly on the basis of some independent standard, rather than who can do what to whom.*
 - Mrs. Jones: *You don't trust me? After all I've done for you?*
 - Turnbull: *Mrs. Jones, we appreciate all you've done for use. But trust isn't the issue here. The issue is the principle: Did we pay more than we should have? What considerations do you think we should take into account in deciding this?*

EXAMPLE: Negotiation Jujitsu (cont.)

- **Ask questions whenever possible - creates participation and is less threatening**
 - Turnbull: *Could I ask you a few questions to see whether the facts I've been given are right? Is the apartment really under rent control? Is the legal maximum rent really \$466? Paul asked me whether this makes us parties to a violation of the law. Did someone inform Paul at the time he signed the lease that the apartment was under rent control, and that the legal maximum was \$134 lower than the rent he agreed to?*
 - Turnbull: *I'm not clear why you charged us \$600 a month. What were your reasons for charging that much?*
- **Check for understanding before responding - makes other person more willing to listen**
 - Turnbull: *Let me see if I understand what you're saying, Mrs. Jones. If I've understood you correctly, you think the rent we paid is fair because you made a lot of repairs and improvements to the apartment since the last rent control evaluation. It wasn't worth your while to ask the Rent Control Board for an increase for the few months you rented the place to us. In fact, you rented it only as a favor to Paul. And now you're concerned that we may take unfair advantage of you and try to get money from you as the price for moving out. Is there something I've missed or misunderstood?*
- **Do not make important decisions on the spot - always have a credible reason for leaving**
 - Turnbull: *Now that I think I understand your point of view, let me talk with my roommate and explain it to him. Can I get back to you tomorrow sometime?*

EXAMPLE: Negotiation Jujitsu (cont.)

- **Present your reasons before offering a proposal - allow listener to follow along, not get defensive**
 - Turnbull: *Let me show you where I have trouble following some of your reasons for the extra \$134 a month. One reason was the repairs and improvements on the apartment. The Rent Control Examiner said it would take about \$15,000 in improvements to justify an increase of \$134 a month. How much money was spent on improvements?*
I must admit it didn't seem like \$15,000 worth to Paul and me. The hole in the linoleum you promised to repair was never fixed; neither was the hole in the living room floor. The toilet broke down repeatedly. These are just some of the defects and malfunctions we found. .
- **Present your proposal as an option for joint consideration**
 - Turnbull: *Given all the considerations we're discussed, one fair solution seems to be for Paul and me to be reimbursed for the amount of rent we paid in excess of the legal maximum. Does that sound fair to you?*
- **Make it easy for them to say yes – “we want to work this out”, accommodate them when possible**
 - Turnbull: *If you and I could reach agreement now, Paul and I would move out immediately. If we can't reach an agreement, the hearing examiner at the Rent Control Board suggested that we stay in the apartment and withhold rent and/or sue you for reimbursement, treble damages, and legal fees. Paul and I are extremely reluctant to take either of these courses. We feel confident we can settle this matter fairly with you to your satisfaction and ours.*
 - Mrs. Jones: *When do you plan to move out?*
 - Turnbull: *As long as we've agreed on the appropriate rent for our time in the apartment, we'd be happy to see if we can leave when it's most convenient for you. When would you prefer?*

Fisher & Ury, Getting to Yes

Dr. Caneel Joyce
Executive Summer School

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 Department of
Management