



HOUSE OF CONSULTING
NEGOTIATION & COMMUNICATION

Negotiation Skills

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Agenda

What is negotiation?

Importance of preparations

Claiming value

Creating value

Preparation

Active listening

Gender differences

Reputation

Negotiation style, strategy and tactics

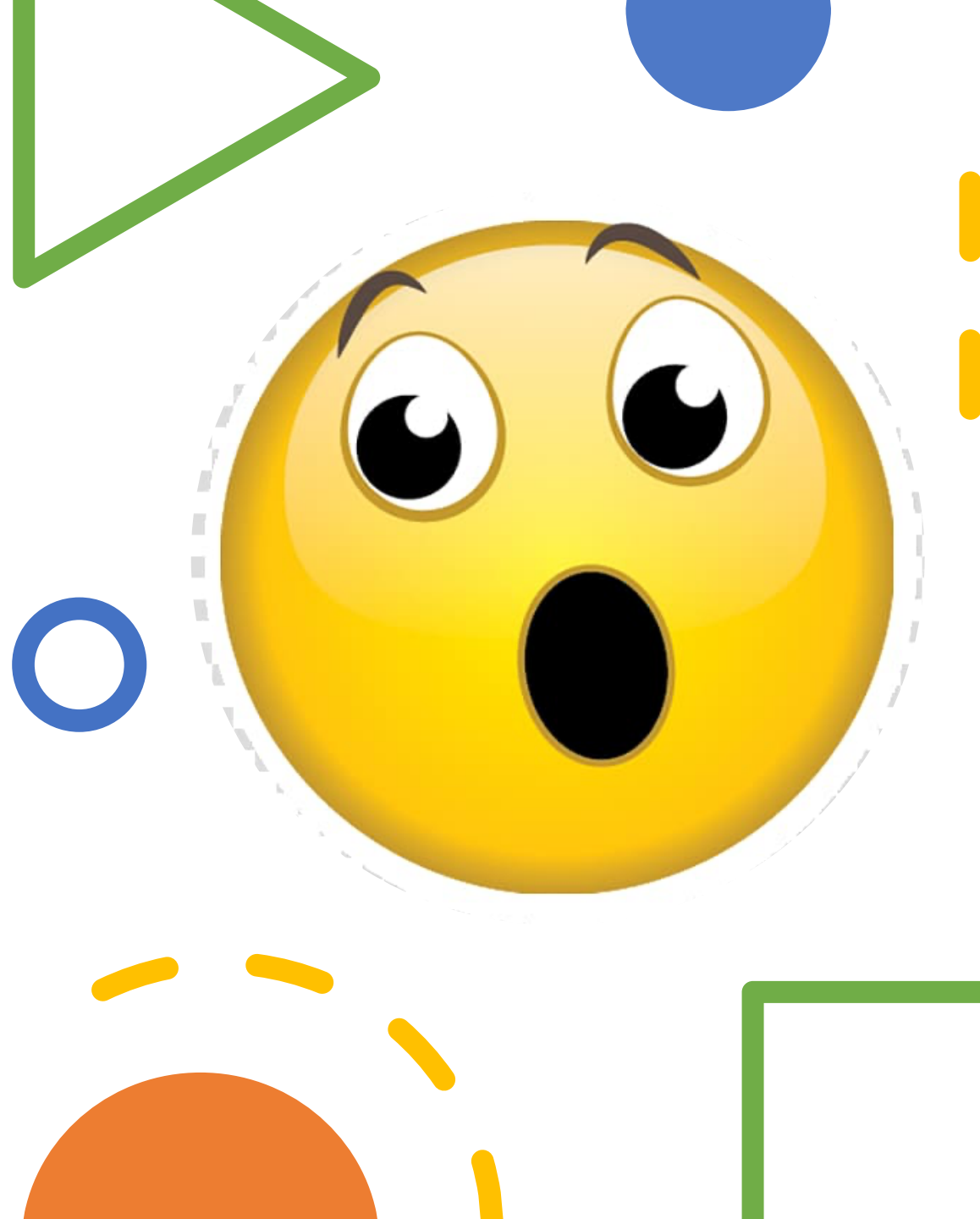
How to deal with difficult people

Emotions in negotiations



My study

- Women offer women 30% less salary than men
- Men offer women 30% less salary than men
- Women expect 30% less salaries than men
- Women agree to 30% less salaries than men



Gender pay gap

- **The pay gap between men and women in the Netherlands is growing**
 - **2017: Women up to the age of 35 earn 4,9% less than men**
 - **2019: Women up to the age of 35 earn 6,4% less than men**
- THIS MEANS THAT: Women systematically earn less than men**

The better educated women are the gap increases!

Women earn on average 12000 euros less than men pr year AND they work 2 hours more pr. week

- **2019: 52% of women got a pay rise**
- **2019: 61% of men got a pay rise**
- **2019: 8.3% of women got a pay cut**
- **2019: 5.5% of men got a pay cut**



Keep in mind

In business as in life we don't get what we deserve.. We get what we negotiate!



What is negotiation?



Just like any
other sport!



A background image showing two men in dark suits and ties sitting at a table. The man on the left is gesturing with his hands while speaking, and the man on the right is listening. There are papers and a pen on the table. A large, semi-transparent white circle is overlaid on the left side of the image, containing the text.

Claiming value

- The more I get the less you get!

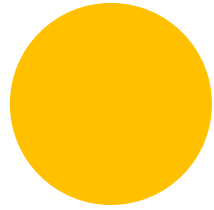
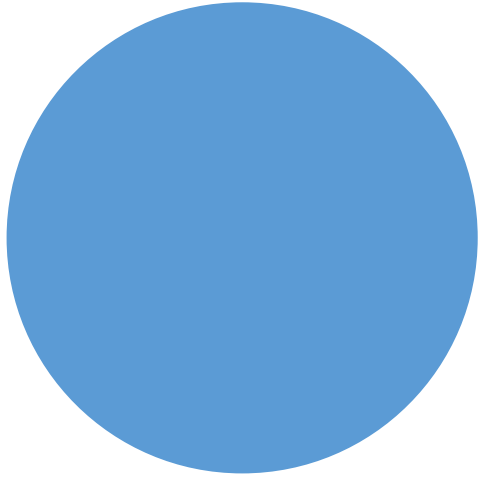
Creating value



What is the
most
important?



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Preparation

80/20



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Power of
questions is
mind-blowing

ASK QUESTIONS – GET AS MUCH
INFORMATION AS YOU POSSIBLY CAN!!



Three key stages

1. Self assessment
2. Assessment of the other party
3. Assessment of the situation



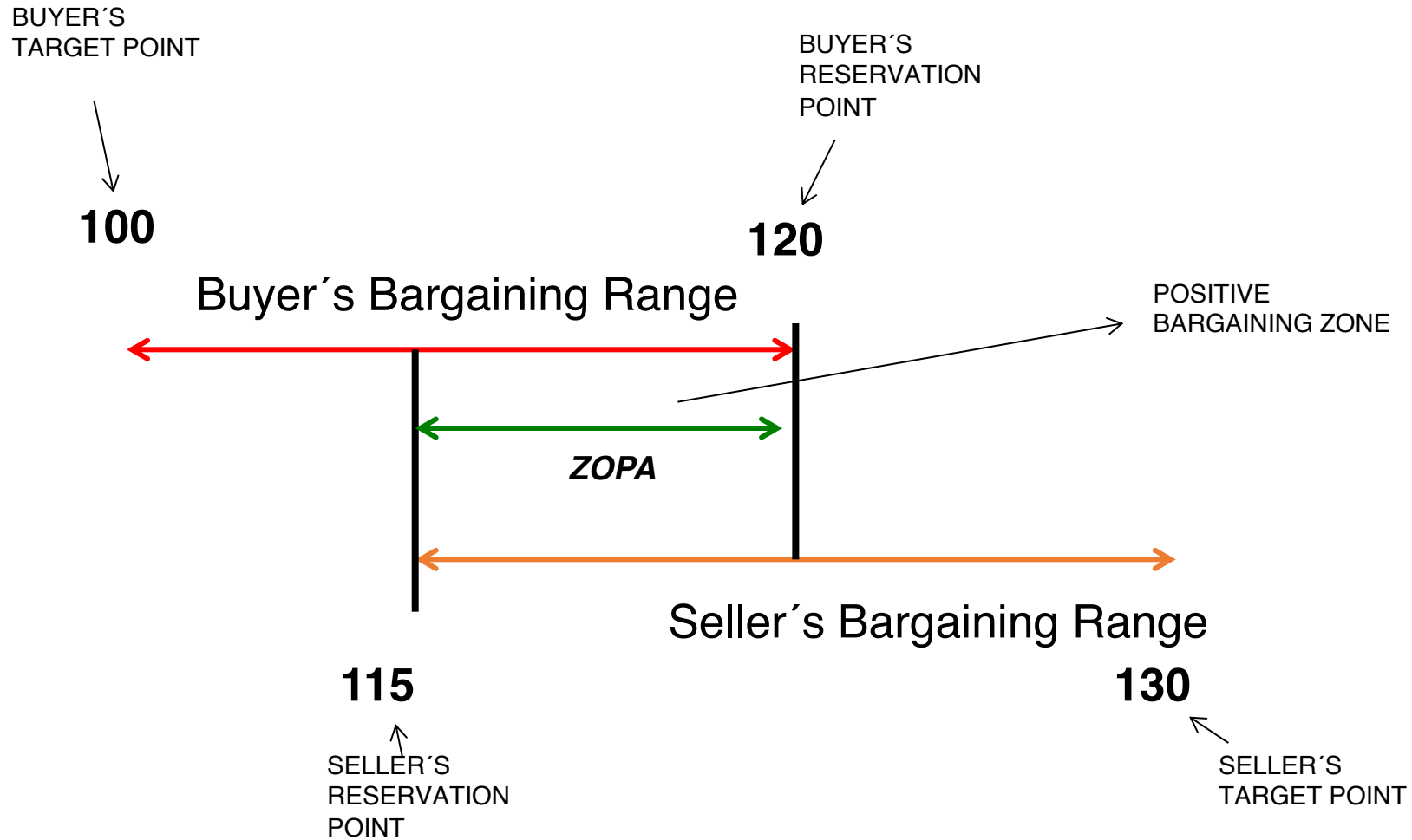
What are my alternatives to an agreement?

- A key concept in successful negotiations: **BATNA**
- **B**est
- **A**lternative
- **T**o a
- **N**egotiated
- **A**greement

You must reach your BATNA in order to gain from the negotiations!



ZOPA



Make the first
offer !!

Strategy



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Practical advice!

Reservation Point is not Target Point

- *Don't accept the first offer, but realise that all offers above Reservation Point are acceptable*

There are more issues in the negotiation than meet the eye

- *Find as many issues as possible!*

There are different solutions to each issue

- *Find as many alternatives to each issue as possible*

Create and measure alternative Packages

- *Have them pick!*



The two great pitfalls

- The two most common mistakes:
 1. Unnecessary conflict

Negotiations are not about fighting over the largest slice of the pie – they are about creating value!

2. Unnecessary concessions

We cannot create value except if we guard our fundamental interests – if we give away tradeables without getting something in return, then we miss the chance to create value!



Negotiation strategy



Negotiation strategy is what ties together negotiation style and negotiation tactics.

recipe and the ingredients



Tactics involve verbal or non-verbal communication with tension between integrative and distributive tactics



Black or
white?



Average and great

Behaviour	Example	Average	Great
Refer to fairness	I am fair, generous, reasonable etc.	Seldom	Medium
Counter-proposal	Blocking on the spot and disagree	Medium	Seldom
Blame / attack	This is not my fault! You did...!!!	Often	Seldom
State feelings	I'm worried... I feel some doubts...	Medium	Often
Argument dilution	Use too many arguments!	Medium	Seldom
Polite / Formality	'Can I ask...? If I may make a suggestion.. Formality	Seldom	Often
Behaviour labelling	'You are wrong... and this is why!	Medium	NEVER!
Ask open questions	Do I understand... and do they?	Medium	Often
Summarising	Ask and make sure you understand their interests, issues and position	Medium	Very often!



Does it make
a sound?



The golden key

- Understanding
- Connection
- Willing to listen to us



Active listening

We are most of the time like this



Where do I agree?
Where do I disagree?
What am I going to say in
response?

We should be more like this



What's not said
Feelings
Needs

Remember

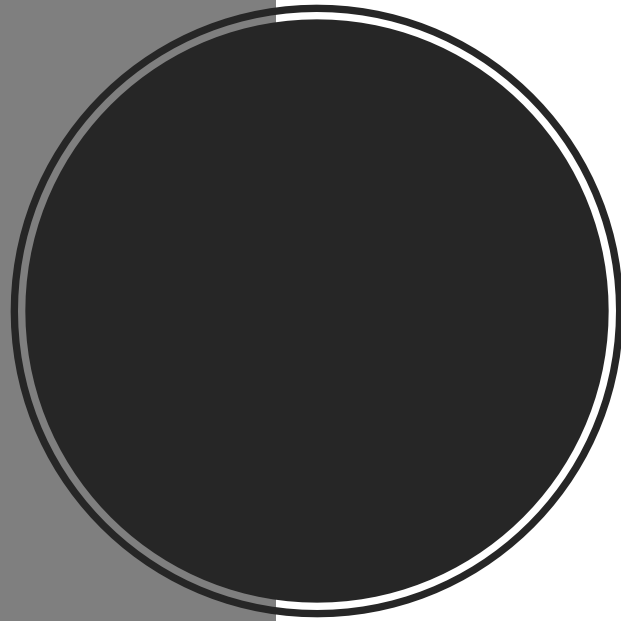
Hard on
the issue

Soft on
the people





Emotions in negotiation



Base **and / or** rationalise your arguments with **reference to objective** criteria **and / or fairness**

Take **time to listen** to the other party, take time to make your point, take time to listen to their response, align your message and your strategy based on their arguments

Repeat your point – **be clear** – make sure that you are understood and that you understand the other party

Don't worry about being clear! It is much better to be clear and concise than to be unclear and uncertain !

Sumarize!!!



What do we have
to bare in mind?

**Be HONIST &
HAVE FUN!!**

Build trust

Share
information
about interest

Active listening

Read their body
language

Package deals –
unbundling the
issues

Make multiple
offers (package
deals)

Contingency
contracts

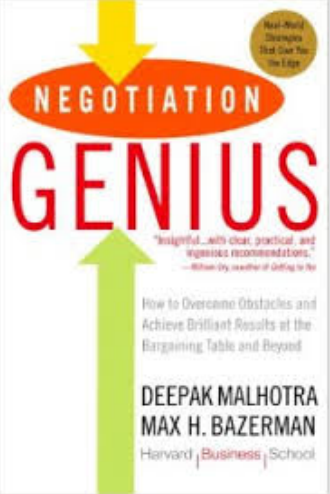
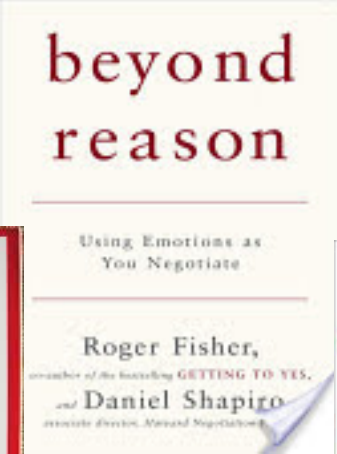
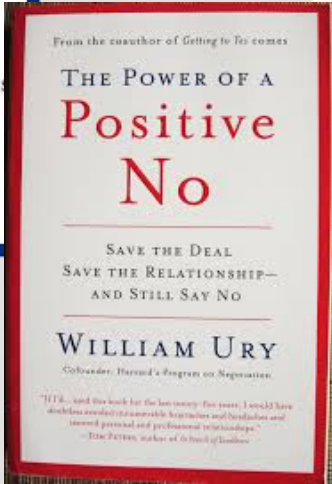
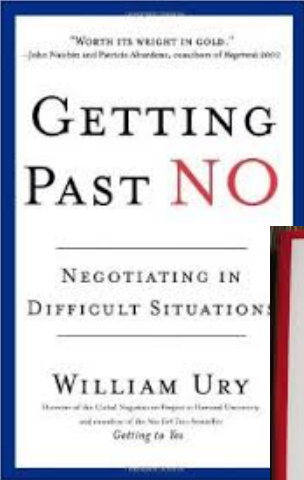
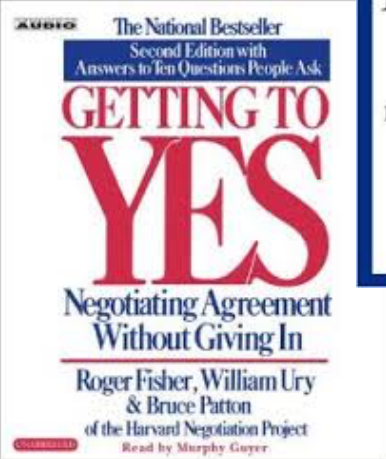
Presettlement
settlements &
Postsettlement
settlements



Case



Recommended readings



For those who are interested in signing up for a 3 day workshop on Negotiation skills
Please send email to a.sigurdardottir@utwente.nl

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