Connexions module: m18759

ALPHA BETA NEGOTIATION*

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Abstract

Negotiation and compromise is evaluating and selecting beneficial solutions for all parties involved in a relationship or agreement. Students will learn these skills by simulating potential relationships, and making decisions about how to interact with the people they work with when making a deal or solving a problem.

1 Challenge: Alpha Beta Negotiation

Unit: Negotiation and Compromise

Subject: Leadership

Description: Negotiation and compromise is evaluating and selecting beneficial solutions for all parties involved in a relationship or agreement. Students will learn these skills by simulating potential relationships, and making decisions about how to interact with the people they work with when making a deal or solving a problem.

The time required for this competency ranges from 2 days to 6 days, depending on what depth the instructor desires to explore negotiation. Like many communication skills, this competency must be practiced and improved in order to be integrated in the student's life and real interactions. Therefore, acquiring this skill will consist of three phases of learning: Simulated classroom practice, development of a personal technique or strategy, and actual practice. The actual practice must be done as part of other projects and group work in classes, or outside of class in business or interpersonal settings.

Phase I: Simulated Classroom Practice

Students will work as individuals and in groups to simulate potential encounters that require negotiation with other individuals and groups. This will happen in class and will involve life-like examples of scenarios applicable to the students. The goal in this phase will be to observe a lot through practice.

Simulation for Phase I:

** Print out the case studies so hard copies can be handed to the students in their respective groups. Divide the students into groups of 2 or 3, and separate the groups into two larger groups, the "Alpha Chickens" group and the "Beta Feed" group.

The Alpha Chicken group members get the following case study information:

You are a chicken farmer by the name of Alpha Chickens" and you want to negotiate with your chicken feed supplier, Beta Feed, for a better deal. You will meet with Beta today. Here are the things you want:

- Delivery of the feed to be shortened 2 days so your orders come quicker in respond to demand
- Higher volume of protein in the feed, since some of your chickens have suffered from protein deficiencies in the past few weeks

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• Slightly lower (5% less) price for the feed, since your costs have been higher and your chickens have not been selling well. You feel this is fair, at least until the feed quality is improved.

The Beta Chicken group members get this information:

You are Beta Feed, a chicken feed processing company. You grow some of your raw materials and order some through a supplier, and then process, pack and deliver your chicken feed to customers. You will be meeting with one of your main customers, Alpha Chickens, today. Here are the things you want:

- Fewer, bulk orders from Alpha in order to decrease your delivery trouble and cost.
- Higher price (3% more) for the feed, since your suppliers have raised the price of some of your raw feed
 ingredients.

Let each group talk about how they want to approach the negotiation (without knowing what the other side will want), and then put the teams together, Alpha with Beta. After the first meeting, have them record what their final decisions were. As a large group, discuss why and how they came to settle on those decisions. Ask follow-up questions, including these: What did you find difficult in coming to an agreement? Was your premeeting planning successful? Why or why not? What types of approaches worked? Would you do anything different next time? What kind of communication was most effective? Was anyone creative in finding ways to compromise the different needs of the two groups?

Phase II: Development of a Persinal Technique and Strategy

This phase will also be done in class. Once students have experienced a number of potential negotiations, they will evaluate what works for them, and decide how they can improve on areas of their style or approach. The goal in this phase is for the students to be able to describe orally or write about their current approach to negotiation, as well as their desired or goal approach. They will also identify ways they can use negotiation and compromise in their current class activities and future businesses.

Activity for Phase II:

- First, instruct the students to list actions of the negotiation exercise that they found were helpful in the two sides reaching a decision. These might include the following:
- Coming to the negotiation with clear goals in mind
- Willingness to compromise: like concede on parts of those goals, or in other aspects of their business
- Communicating respectfully back and forth
- Let each side have enough time to explain what they want to accomplish and why
- Intent to make required changes
- Trying to see things from the other side's point of view
- Looking for other aspects of business to negotiate to offset concessions of either side
- Being realistic about what is possible and what is not
- Considering many different alternatives
- Desiring fairness rather than competitiveness
- Next, have each student write an Action Plan, detailing the best strategy, step by step, that they want to follow each time they are in a position to compromise. This plan should be general enough that it can be used in a variety of situations, but specific to behavioral and communication techniques.

Phase III: Actual Practice

During this phase, the goal is for students to practice their negotiation and compromise skills as much as possible outside of this class. Also, students will evaluate the effects of their approach or strategy outside the class, and identify improvements that they can make to be more effective in working with others.

Challenge for Phase III:

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• Have the students write down five opportunities they will have in the next few weeks to implement and practice their Action Plan. Instruct them to detail how they will adapt and modify their Plan according to the opportunity ahead.

At the close of each week for the next few weeks, have the students evaluate how their negotiation or compromise went, and consider ways to improve their Plan for future use.

Competencies

Core Competencies

- Practice and prepare for effective negotiations
- Show patience in finding solutions
- Listen carefully to another side
- Recognize signs of good vs. bad business relationships
- Develop a negotiating strategy that can be applied in many different situations

Cross-Curricular Competencies

- Effective communication
- Cost-benefit analysis

Content

When working with groups, employees, customers, or partners, it is important to know your goals, as well as the perspectives of those you work with, in order to negotiate solutions with others. There is a process to follow when negotiating with others. First you must know your goals or objectives. Also, you need to evaluate your relationship with the person or group you will negotiate with. When it comes time to meet, you must communicate openly and honestly with them and listen to their side patiently. They will be more willing to listen to your side. Explore many different solutions and be creative in finding alternate ways to come to an agreement. After reaching an agreement on all issues involved, the final step is to make sure that each side performs according to the negotiation. Here are the elements of a negotiation or compromise mentioned above, in a step-by-step format. If these are successfully completed, the deal will be solid and/or the problem solved.

- Prepare: Know what you want.
- Open: Put your case forward and listen to the other side.
- Discuss: Support your case.
- Explore: Seek understanding and possible solutions.
- Finish: Reach a final agreement.
- Implement: Make sure that what is agreed upon actually happens.

Open Educational Resources

Conversations Intentions: Negotiating to have the conversations you wanthttp://cnx.org/content/m14485/latest/Managin Conflict in Teams: Switching to Successful Negotiationhttp://cnx.org/content/m15934/latest/Free Resource: Beyond Intractabilityhttp://www.beyondintractability.org/essay/negotiation_strategies/Wikipedia:http://en.wikipedia.org/911 Negotiating Tips:http://www.work911.com/articles/negotiate.htmNegotiation Planning Videohttp://www.expertvillage.wage-planning-times.htm