

California Bankers Association

Introduction to Interest-Based Negotiation

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Introduction

- Query: In a world of limited resources, how can we balance the needs and interests of our constituencies against the competing needs and interests of others?
- And, how can we do this without being exploited by others?

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Topics of Discussion

- Competition vs. Cooperation
- Interest-based Negotiation
- Role Play
- Summary and Questions

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Competition vs. Cooperation

- Attributes of competition
- Attributes of cooperation
- If cooperation is so great, why doesn't everyone use it?
- The Dollar Auction

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Lessons from the Dollar Auction Game

- Three phases
- Perception controls behavior
- Escalation is pre-conscious
- Unwillingness to lose as commitment to a position grows

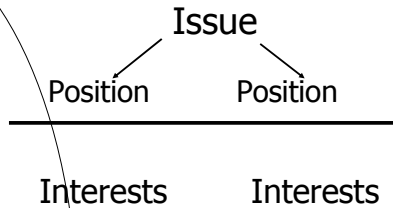
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Interest-Based Negotiation

- Based on Fisher & Ury's "Getting to Yes"
- Preserves long term relationships
- Focuses on problem-solving, not winning
- Collaborative rather than competitive
- Effective against exploitation
- Creates efficient, lasting agreements

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Interests and Positions



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Interests v. Positions

- A Position is a solution to an issue
- An Interest is something that would be satisfied if a position is won or obtained.

Interests can be reconciled; positions cannot

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Interest-Based Process

- Step 1: Establish ground rules for discussion
- Step 2: Share perspectives and summarize
- Step 3: Identify interests one at a time
- Step 4: Generate options
- Step 5: Craft an agreement from the options

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Ground Rules

- One person speaks at a time
- Listener summarizes
- Remain respectful of each other's differences
- Keep the other person's interests at the same level as own interests

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Generating Options

- Three options per person
- Each option must satisfy all interests
- High premium on creativity and humor

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Crafting an Agreement

- No single option will usually suffice
- Take best idea from all options
- Framework approach
- Issue approach

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Role Play

- Read the scenario
- O'Hara will lead and seek agreement on ground rules
- Follow process

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Summary

- Interest-based negotiation tends to preserve relationships
- Interest-based negotiation fosters cooperative problem-solving over competitive power struggles
- Interest-based negotiation takes less time and creates better agreements.

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The End

For further resources:

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