

Negotiating your way around UW Medicine
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KEY POINTS SUMMARY

- Understand what negotiation is and what it is not. Negotiation is not synonymous with making concessions. Rather, it's an avenue of communication that makes it possible to explore the possibility of mutual gains solutions.
- Use negotiation to improve interprofessional relationships as well as to resolve conflict. While negotiation is not advisable for all conflict situations in management, it can help to improve interprofessional relationships and increase compliance in decision making.
- Use the strategies that will work in your favor most often. You can increase your chances of a successful outcome by a healthy attitude toward conflict, careful preparation and the effective use of timing strategies.
- Don't be intimidated by "hard-ball" negotiators. You have more power in a negotiation than you think. No one will negotiate with you in the first place unless you have something to offer that the other party needs.
- Make a conscious decision to be a "principled negotiator." Unprincipled tactics and winner-take-all approaches will catch up with you. The other party may not want to negotiate with you again or, worse, they may want to get even.
- Set a positive atmosphere for your negotiation. In dealing with difficult situations, you can neutralize emotionalism by: allowing the other party to vent, accepting their feelings as legitimate, using supportive language and restating their concerns, actively listening, and offering at least two face-saving alternatives.
- Break down the issue into the smallest, most manageable components. This will ensure that the most salient issues will be addressed while reducing the possibility of sub-issues slipping through the cracks.
- Use a six-step negotiation process. This involves: (1) identifying the issue/problem, (2) identifying real interests and needs, (3) restating the issue/problem, (4) discussing alternatives, (5) making a decision, and (6) reaching consensus.
- Place your emphasis in the right places. The two areas that require the most attention during the process are the needs step and the alternatives step. All steps should be carried out in order. No steps should be left out.
- Start out with the areas of agreement. To erase the "imaginary line" between you and the other party, start out by identifying pre-agreements and unresolved issues that you predict are most likely to be agreed upon.
- Don't make early concessions. Let the other party know up front that you're willing to "play ball" but do not make actual concessions until you reach the decision making step.
- Identify the differences in your needs and their needs. Because no two parties ever want exactly the same results, your ability to distinguish between your needs and the other party's

needs are critical to the negotiation.

- Do not counter the other party's first objection unless they repeat it. Since their first objection is likely to be a smoke screen for their real underlying concerns, countering their first objection could lead you into a false conflict.
- Use objective criteria to frame the issue in terms of the "big picture". By focusing on interests rather than positions, you'll not only get a wiser solution, you'll also be imparting valuable problem-solving skills that your colleagues can emulate in future disputes.
- Ask the other party to contribute ideas for solutions. When discussing alternatives, brainstorming is preferable to the critical thinking method.
- Always look for creative solutions before settling on a compromise. Compromises are acceptable in some instances, but your best bet is a solution in which neither party gives up on points that are important to them. The inability to identify creative solutions usually occurs when people simply don't look hard enough.
- At the conclusion of the negotiation, evaluate the solutions. Ask yourself: Do I feel good about the negotiation? Was the solution wise? Was it fair? Were there mutual gains? Did it improve the relationship? Do the advantages of the solution outweigh the disadvantages? Did I leave the door open to future negotiations? Did I learn something?

Negotiating your way around UW Medicine

Getting agreement without giving in:
Negotiating space, salary, support
and other necessary things...

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Introduction to our world

- AMC's in addition to being labor intensive are also ego intensive
 - Everyone's emotions are pounded and wrenched most of the time
 - Emotion and conflict gets carried into decision-making at multiple levels, yours and theirs
 - Being clear about your own institutional purpose and trajectory (where you are and where you want to go) is key to any successful negotiation regarding space, salary or support

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Put another way.....

Without knowing what you want from your negotiation, it is unlikely you

- Will stumble across it
- Your Chairman will hand it to you

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Negotiation Basics

- Space, salary and research support funds generally are negotiated at the time you are being recruited to the department
- Your Chair and department Administrator/director will be most likely be negotiating with you since they generally hold the purse strings
- It is easier to obtain approval for funding elements of your recruitment PRIOR to accepting the job
- You improve your chances exponentially in a negotiation with your Chair if you come prepared with a proposal of what you expect to contribute to the department and school mission to justify the resources you are requesting

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Leadership Styles in Academic Departments

Can provide valuable information about "how" decisions are made

- **Spectator:** passive, does little, non-active and places energy on trying to maintain a trouble free environment. Typically turns power and decisions over to blue ribbon task forces or committees

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Leadership Styles

- **Technician:** Loyal bureaucrat, expert on rules, policy and regulations. Focus of energy is on operating department within approved and accepted principles
- **Jungle Fighter:** Can be visionary and a great change agent. Progressive, determined, sometimes referred to as a departments "two ton Gorilla"

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Leadership Styles

- **Gamesman:** Leader devoted to administration and concept of improvement. A strategist with a leadership style that is strong but flexible. Gamesman tries to reduce the number of times the department's goals are perceived at odds with the institutional goals

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Leadership behavior

- **Autocratic:** Makes all of the decisions
- **Democratic:** Allows some participation
- **Anarchic:** Provides no direction and employees run the organization
- **Manipulative or pseudo-democratic:** Makes all of the decisions but appoints committees to endorse them in order to give the appearance of participation

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Successful Chairs and administrators are typically a blend of all these styles and types of behavior depending on the situation

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Negotiation Tools for your toolbox

Principles and techniques for success

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Negotiation Basics

- A good negotiation can be judged by 3 criteria:
 - It should produce a wise agreement if agreement is possible, (i.e. meets legitimate interests of both you and your department and is fair)
 - It should improve or at least not damage the relationship between you and your Chair/Administrator
 - It should be efficient and amicable

Source for most slides in this presentation : Roger Fisher and William Ury, Getting to Yes, Negotiating Agreement Without Giving In, New York, Penguin Books, 1991

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Positional negotiation

- Most common form of negotiation
 - Each party puts one of it's demands on the table and argues it's logic
 - The other party attempts to thwart the logic and produces a counter demand
 - diametrically opposed to the first demand
 - Each party gives in piece by piece until both can agree on a settlement
 - Or, no one gives in and both parties arrive exactly where they started

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THE PROBLEM

- Bargaining over positions generates
 - A locked-in situation with less attention to meeting the underlying concerns of both parties
 - Solution may be a mechanical splitting of the difference rather than a crafted solution that could have met both your needs.

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Bargaining over positions...

- Endangers an ongoing relationship
 - A contest of rigid wills can permanently shatter relationships
 - results in anger and resentment when legitimate concerns can be unaddressed
 - Creates an antagonistic work environment

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Bargaining over positions...

- Also tends to make some negotiators “be nice” in order to salvage the relationship and avoid confrontation
 - This happens a lot in families. Agreements are likely to be reached in the family unit, but are not necessarily wise ones
 - Tip: Soft positional bargaining in the face of a hard ball negotiation with your chair, means you will most likely lose, regardless

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There is an alternative

Change the Game

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Principled Negotiation

- Participants are problem solvers rather than friends or adversaries
- Goal is a wise outcome rather than either agreement or victory
 - Win/Win or incremental win/wins rather than win/lose

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So let's start: There are two buckets in every negotiation

What you are negotiating for—the Substance

- The act or method of negotiations—The Process
 - And there are 4 principle elements in this process bucket that are integral to your success

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The 4 process elements

- PEOPLE
 - Separating the people from the problem
- INTERESTS
 - Focusing on interests, not positions. Avoid having a bottom line when starting a negotiation
- OPTIONS
 - Generating a variety of possibilities to choose from before deciding what to do
- CRITERIA
 - Insisting that the result be based on some objective standard independent of will. Results need to be tied to principle, or merit, not pressure/power

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People problems generally fall into 3 categories

- Perception
- Emotion
- Communication

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PEOPLE: Perception

- Make your proposals consistent with your departmental and Chairman's values
- Face saving allows an agreement to be reconciled with each negotiator's self image
 - Remember: Ego's are large in an AMC and money and space are scarce

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PEOPLE: Perception

- Perception IS reality and reality depends on where you sit

Technique:

- Put yourself in their shoes
- Don't deduce their intentions from your fears
- Don't blame them for your problem
- Discuss each other's perceptions
- Look for opportunities to act inconsistently with their perceptions
- Give them a stake in the outcome by insuring they participate in the process

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PEOPLE: Emotion

- Technique when the negotiation “heats up”
 - Recognize and understand emotions, theirs and yours
 - Make emotions explicit and acknowledge them as legitimate
 - Allow the other side to let off steam
 - Don’t react to emotional outbursts
 - Or let only one person be angry at a time with everyone getting a turn
 - Use symbolic gestures, shaking hands, eating together for example
 - Apologies can defuse even when you are not accepting personal responsibility

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PEOPLE: Communication

- Listen actively and acknowledge what is said
- Speak to be understood
- Speak about yourself, not about them
 - How you feel let down, rather than “you broke your word”
- Speak for a purpose
 - Sometimes communication is too much rather than too little

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Prevention works best

- Building a working relationship with both your chair and your administrator early on can cushion against the hard knocks of negotiation
 - A positive working relationship to those with the power to help you is key to future negotiation success in your department
- Face the problem, not the people to figure out how to satisfy your collective self-interests

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II. Focus on Interests, not Position

A wise solution reconciles
interests not positions

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Egypt and Israel and the Sinai Peninsula, 1978 Camp David

- Israel's *interest* was being able to defend itself
- Egypt's *interest* was in obtaining land that they believed belonged to them
- Focusing on positions, i.e. the boundary line produced a deadlock
- Focusing on interests led to a compromise , i.e. (Egypt got the land, but no weapons are allowed on the Peninsula)

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Discovering interests

- Familiar technique routinely used by physicians in dealing with patients
 - After Chief complaint, your history taking effort is aimed at finding out why the patient is here
 - Why did the patient come in today when onset of abdominal pain was 3 weeks ago?
- Finding out why the patient has actually come in to see you is equivalent to determining the interest behind the position.

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INTERESTS: How to identify

- Put yourself in their shoes and ask why?
- Ask “Why not” think about their choice
- Realize that each side has multiple interests
 - Look particularly at basic needs yours and theirs
 - Security
 - Economic well-being
 - Sense of belonging
 - Recognition
 - Control over one’s department/life
 - Equity

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INTERESTS: Talk about them

- Make a list to sort out interests on each side when negotiating
- Make **your** interests come alive by being specific and descriptive about them
- Acknowledge their interests as part of the problem solution as well
 - The other side won’t appreciate your interests unless you can appreciate theirs
- Emphasize your interests/reasoning first and develop your conclusions/proposals later

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INTERESTS: Talk about them

- Look forward, not back
 - You can choose to talk about where you want to go rather than where you have come from
 - Especially important when moving from resident to faculty
- Be concrete but flexible
 - Ask yourself, If tomorrow s/he agreed to go along with me, what do I now think I would like them to go along with?
 - Think of more than one option at this point

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Negotiating from Interests, not positions means...

- Again: Being hard on the problem, soft on the people
 - i.e. question the tactic of the negotiator, not her integrity
- Giving positive support to the humans on the other side equal to the vigor with which you emphasize the problem

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III. INVENT OPTIONS FOR MUTUAL GAIN

Splitting the Pie.....or
enlarging it?

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Diagnosis: In most negotiations
there are 4 major obstacles that
inhibit creative options

- Premature Judgment
- Searching for a single answer
- Assumption of a fixed pie
- Thinking that solving their problem is “their problem”

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PRESCRIPTION

- Brainstorming with a small group can lead to larger number creative ideas and alternatives
- Before brainstorming:
 - Define your purpose
 - Chose a few participants
 - Change the environment
 - Design an informal atmosphere
 - Choose a facilitator if it's is a large group

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PRESCRIPTION

- During Brainstorming
 - Seat participants side by side facing the problem
 - Clarify the ground rules—outlaw criticism of any kind. Wild ideas encouraged at this point
 - Let your imagination go, try to come up with a long list of ideas
 - Record the ideas in full view

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PRESCRIPTION

- After Brainstorming
 - Star the most promising ideas
 - Invent improvements for promising ideas
 - Set up a time to evaluate ideas and decide

- Separate the act of developing options from the act of deciding on them—this is the “what if” and “how would this work” time.

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Prescription: Inventing new options...

- Look through the eyes of different experts
 - If you are negotiating salary, invent options that may occur to your banker, your tax expert, your spouse or significant other
- Invent agreements of different strengths
 - Temporary space or resources have a way of becoming permanent over time
- Change the scope
 - Reduced call may be possible when more staff support is not
- Dovetail differing interests
- Make their decision easy

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IV. Insist on using objective criteria

Deciding on the basis of will is costly...

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How to agree on objective criteria?

- Work with the other party for objective standards
 - Ex: You want a high salary, department wants to pay you a lower one. Both of you could agree to use the AAMC or MGMA salary surveys to begin establishing a fair range

- Reason and be open to reason as to which standards are appropriate and how they should be applied
 - Should you be paid more than the division chief of your unit?
 - May depend on his/her productivity compared to yours

- Never yield to pressure, only to principle
 - Its easier for you to resist making an arbitrary concession than it will be for the other side to resist your advancing some objective standard

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It's Company Policy.....

■ Auto insurance case

- Tom's car is destroyed by a dump truck
- The Insurance adjustor informs him that the policy applies and he is due \$6000

The adjustor uses positional negotiation and Tom uses principled negotiation in the following example

Source: Roger Fisher and William Ury, *Getting to Yes, Negotiating Agreement Without Giving In*, New York, Penguin Books, 1991

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The exchange.....

Adjustor

You're entitled to a settlement of \$6000

That's what we determined your car was worth

How much are you asking for?

\$8000! That's too much!

Tom

■ How did you reach that figure?

■ I understand but what standards did you use to determine that amount? Do you know where I can buy a used car for \$6000?

■ Whatever I'm entitled to. I just found a secondhand car like mine and it totals approximately \$8000 with excise tax and license

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Adjustor

Tom

OK, I'll offer \$7000. that's the highest we can go, company policy

Look, \$7000 is all you'll get. Take it or leave it

■ I'm not asking for any specific amount but for fair compensation—do you agree that it's fair that I should be able to replace the car?

■ How does the company figure that?

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Adjustor

Tom

OK Mr. Griffith, I've got an ad here in today's paper offering an 89 Taurus for \$6,800

■ \$7000 may be fair. I don't know. I can understand your position if you're bound by company policy but unless you can tell me 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 11 a good time?

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Adjustor

(adjustor produces ad)

49,000. Why?

Let me see....\$450

No

\$125

Tom

- I see, what does it say about mileage?
- Because mine had only 25,000. How many dollars does that increase the worth in your book?
- Assuming the base is \$6,800 that brings the figure to \$7,200. Does the ad say anything about a radio?
- How much extra for that in your book?

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Adjustor

Tom

- How much for air conditioning?

And so it goes.....

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

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Morale

- You CAN use principled negotiation strategy when the other party has no interest whatsoever in doing so
 - Shifting a discussion in a negotiation from the question of what the other side is willing to do to the question of how the matter ought to be decided does not guarantee success but gives you a strategy you can vigorously pursue without high cost

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Yes, BUT....

- What if they are more powerful?
 - You need a BATNA: **Best alternative to a negotiated agreement**
- You develop your BATNA by
 - Inventing a list of actions you may conceivably take if no agreement is reached
 - Improving some of the more promising ideas and converting them to practical alternatives
 - Selecting, tentatively the alternative that seems best
 - This is your “walk-away” alternative if negotiation is not successful
- The better your BATNA, the greater your power

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Yes, BUT....

What if they use dirty tricks ?
(they're pretty predictable)

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Dealing with Deliberate Deception

■ Phony facts

- Separate the people from the problem; don't call the other party a liar; proceed independent of trust; verify the other party's assertions

■ Ambiguous authority

- Don't assume they have full authority just because they say they do; identify their level of authority beforehand; insist on reciprocity

- **Especially important when negotiating with large administration units**

Source: Roger Fisher and William Ury, *Getting to Yes, Negotiating Agreement Without Giving In*, New York, Penguin Books, 1981

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Dealing with Deliberate Deception

- Dubious intentions regarding their willingness to comply with agreements
 - Build compliance features into the agreement itself

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Dealing with Psychological Warfare

- Stressful, prejudicial surroundings:
 - Change meeting locations; change seating arrangements; take a break; hold the meeting at another time; negotiate for better physical circumstances
- Personal attacks:
 - Recognize the tactic and bring it up explicitly to prevent a recurrence; recast an attack on you as an attack on the problem

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Dealing with Psychological Warfare

- Good guy/bad guy routine:
 - Recognize the tactic; at the time of each pitch, ask each individual for the rationale of his/her statement, i.e. the reason the offer should be considered as fair
- Threats:
 - Ignore threats; record comments to make it risky to communicate threats; be principled; prepare a sequence of countermoves for each threat; only negotiate on the merits and do not respond to threats

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Dealing with Positional Pressure Tactics

- Refusal to negotiate:
 - Recognize this tactic as a bargaining ploy to strike a possible concession; talk about their refusal to negotiate and find out their interests; suggest options; discuss the principles that they think should apply to the negotiation
- Extreme demands:
 - Bring the tactic to their attention; ask for justification of their position until it looks ridiculous even to them (Also be armed with your own facts and figures)

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Dealing with Positional Pressure Tactics

- Escalating demands:
 - Take a break and consider whether and under what conditions you want to continue negotiations
- Insistence on their position:
 - Don't reject their position (which locks them in) or defend your position (which locks you in); instead treat their position as one possible option; invite criticism and advice

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Dealing with Positional Pressure Tactics

- Lock in tactics:
 - Crack a joke and don't take the lock-in seriously; resist lock-ins on principle, avoid making the commitment a central question; de-emphasize it
- Hard-hearted partner: Could be chair OR director playing this role
 - Recognize that tactic; get agreement on the principle involved; if necessary, speak directly to the hard-hearted partner

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Positional Pressure Tactics

- Calculated delay:
 - Make delay tactics explicit and negotiate about them; consider creating a fading opportunity for the other side; look for objective conditions that can be used to establish deadlines
- Take it or leave it:
 - Ignore the ultimatum; offer other solutions; let the other party know what they have to lose if no agreement is reached and look for a face-saving way for them to remove themselves from the ultimatum

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There is power in making a
carefully crafted commitment

Remember you can commit to
what you WILL do as well as
to what you WON'T do.....

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Make the most of your potential power

- Underscore the legitimacy of your last offer or request in a way that
 - respects the relationship
 - Leaves open the possibility of two-way communication
 - Shows how your offer meets the other side's interests
- Believe in what you are saying and doing
 - Use an approach that is comfortable and makes sense for you
 - You are likely to maximize your negotiation power if you believe what you say and you say what you believe

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Good luck!

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Additional resources

- Getting to Yes, Roger Fisher, William Ury and Bruce Patton of the Harvard Negotiation Project, 1991
- Getting Together: Building Relationships as We Negotiate, Roger Fisher and Scott Brown
- Getting Past No: Negotiating with Difficult People, William Ury
- Difficult Conversations, Douglas Stone, Bruce Patton and Sheila Heen

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