

# Distributive Fights and Integrative Efforts Key Terms

## Anchoring

Establishing position based on subjective information. Examples include the Manufactures Suggested Retail Price on a vehicle.

## Aspiration Point

The best each party hopes to get out of a negotiated agreement.

## Bargaining Range

The range between one party's aspiration point and their reservation point. An alternative way to define bargaining range is the range from one's anchor (initial offer) to one's reservation point. Depending on the situation, the aspiration point and anchor may be the same. Each party to a negotiation should know its own bargaining range, but the other party's (or parties') bargaining range may not be known without information sharing. For example, each party's reservation point will not be shared in a typical bargaining situation. Therefore, each party will know its own bargaining range and can adjust it for each concession made be either party.



## Barriers

Actions or words that may prohibit successful negotiations.

## BATNA

Best Alternative To a Negotiated Agreement. An alternative to negotiation that you can execute independent of your opposite.

## Bias

In negotiations, a personal or group tendency or inclination that prevents rational or reasonable decision making. Can be called a prejudice. A barrier to critical thinking or interest development during negotiations.

## Concession

Something given up while bargaining or negotiating with another party. It can be substantive, such as a price adjustment in the typical used-car negotiation, or it can be an intangible such as a

promise to do something. Concessions can be unilateral without any reciprocal concession by the opposite, or it can be conditional. An example of a conditional concession: I'll give up this, if you give up that. Concessions reduce the known bargaining have identified that people are motivated to and highly desire consistency. They want to feel that they are following a logical and similar path to others. One example of this behavior is the use of the secret ballot. If you were to use a show of hands in a public vote, some may vote in a certain way to be consistent with the largest voting group.

<b>Consistency/Commitment</b>	From Robert Cialdini's Influence: The Psychology of Persuasion: Psychologists have identified that people are motivated to and highly desire consistency. They want to feel that they are following a logical and similar path to others. One example of this behavior is the use of the secret ballot. If you were to use a show of hands in a public vote, some may vote in a certain way to be consistent with the largest voting group
<b>Demand</b>	Your take it or leave it offer. A statement of terms with no room for adjustment. Often used in positional bargaining.
<b>Direct Negotiations</b>	The process of negotiation directly between two principles. Normally the least complicated negotiation process.
<b>Distributive Bargaining</b>	Competitive or win-lose based on limited resources where the parties work to divide the resources to claim maximum value for their side
<b>IBN</b>	Interest Based Negotiations.
<b>Indirect Negotiation</b>	The process of negotiation that employs agents to represent the principles. A typical example would be the use of real estate agents to represent the principles in the sale of a house. Often used in initial diplomatic negotiations. Agents may be needed for their expertise, detachment of the principle, or tactical flexibility for the principle.
<b>Interest</b>	Underlying reason you are aspiring to a position.
<b>Offer</b>	A statement of terms which anticipates a counter-offer. It is more flexible than a demand.
<b>Opposite</b>	The person or group with whom you are engaged in negotiations. Sometimes called the negotiation partner, or even adversary, the opposite recognizes the idea that you lack agreement and must negotiation to solve a problem or reach an agreement.
<b>Position</b>	What you want. Your vision of your best possible outcome. A negotiating position is not haphazard. It should be based on carefully developed interests and desired outcomes.

**Process Interests**

Interest in establishing or reflecting a specific and logical sequence for a desired outcome. The problem solving effort will establish a specific process or procedure.

**Psychological Interests**

Interest in an outcome that provides a nonmaterial reward such as an apology or recognition of position.

**Reservation Point**

The least favorable option or offer either site might accept. Your bottom-line in the negotiation.

**Substantive Interests**

Interest in material success in a problem solving process. Reflects a desire for fiscal or material reward.

**WATNA**

Worst Alternative To a Negotiated Agreement. A WATNA is essentially your worst estimate of your BATNA. In estimating the WATNA, you are giving maximum weight to the negative variables in your BATNA. For example: if you are buying a car, a BATNA might be to leave your current negotiation and engage with another dealer. A WATNA would be to realize that when you get to the other dealer, they may have no car that you are interested in.

**ZOPA**

Zone Of Possible Agreement. The area of overlap between each party's Bargaining Range. See also Bargaining Range. When there is no overlap of each party's Bargaining Range, there is no ZOPA, and therefore, there is no reason to continue negotiations without introducing a reason to adjust the Bargaining Range of at least one party to create overlap (ZOPA).

