State Capital Group Negotiation
June 26

Martijn Steger
(Kegler Brown Hill & Ritter)
Martin Brink
(Van Benthem & Keulen)
Program

- Batna / Watna
- Zopa (reservation value)
- Anchor (priming)
- Integrative vs distributive bargaining
- 5 core concerns
| Ideal | Deal | BATNA | WATNA |
Within the Zopa there is an acceptable price for both parties.

Zopa = Zone of potential agreement:

- Seller RV: 40 mio
- Buyer RV: 50 mio

Zopa = [40 to 50 mio]
| ABC | Anne approached the bank | 12/13/14 |
Alan:
Intelligent – industrious – critical – impulsive – stubborn – envious

Ben:
Envious – stubborn – impulsive – critical – industrious - intelligent
Loss aversion

Get 20 $

Envelope 25% chance to receive 100 $

Pay 20 $

Envelope 25% chance having to pay 100 $
Start with No

Approach

- Win-win = lose-lose
  - win-win invites unnecessary compromise
  - win-win is emotion based, not decision based

- No is a decision. Continuously
  - early yes is bad; maybe is worse

Need

- you don't need something; maybe you want something
- create neediness; then (re)negotiate
- pain is whatever the negotiator sees as the current or future problem
- paint the pain...

Beans

- don't spill your beans; not in the lobby, nor anywhere else
- equality: need not to be friends; it is about respect
- Hi, I am Frank Jones; Hi Mr. Jones
- don't save the adversary; but allow to save face
- talking and neediness go hand in hand: no talking

No closing

- Barry Bonds; Sammy Sosa
  - make not even a phone call without an agenda
  - the greatest presentation you will give is the one your adversary will never see

Mission & Purpose

CEO Heinz (2011): "We try to address affordability by offering different sizes. In Indonesia we sell small packets of soy sauce for three cents a piece".

no assumptions; no expectations; only blank slate

all agreements must be clarified point by point and sealed three times

spend maximum time on the pay side activity and minimum on the non-pay side activity

the only valid goals are the ones you can control: behaviour & activity, not the outcome

Mission & Purpose is to be set in the adversary's World

Don't spill your beans; not in the lobby, nor anywhere else

equality: need not to be friends; it is about respect

Hi, I am Frank Jones; Hi Mr. Jones

don't save the adversary; but allow to save face

talking and neediness go hand in hand: no talking
5 core concerns

1. Appreciation
2. Affiliation
3. Autonomy
4. Respect
5. Role