

# Collaborative Problem Solving: Negotiating in the Legislature

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# BUYER Information

Seller's Asking Price: **\$100**

Total Money in Purse/Wallet: **\$70** (this is the highest price you will pay)

You saw a similar tea kettle for **\$55** earlier, but you prefer the color of this one.

Your Goal: Get the ***BEST POSSIBLE DEAL***

# SELLER Information

Your Asking Price: **\$100**

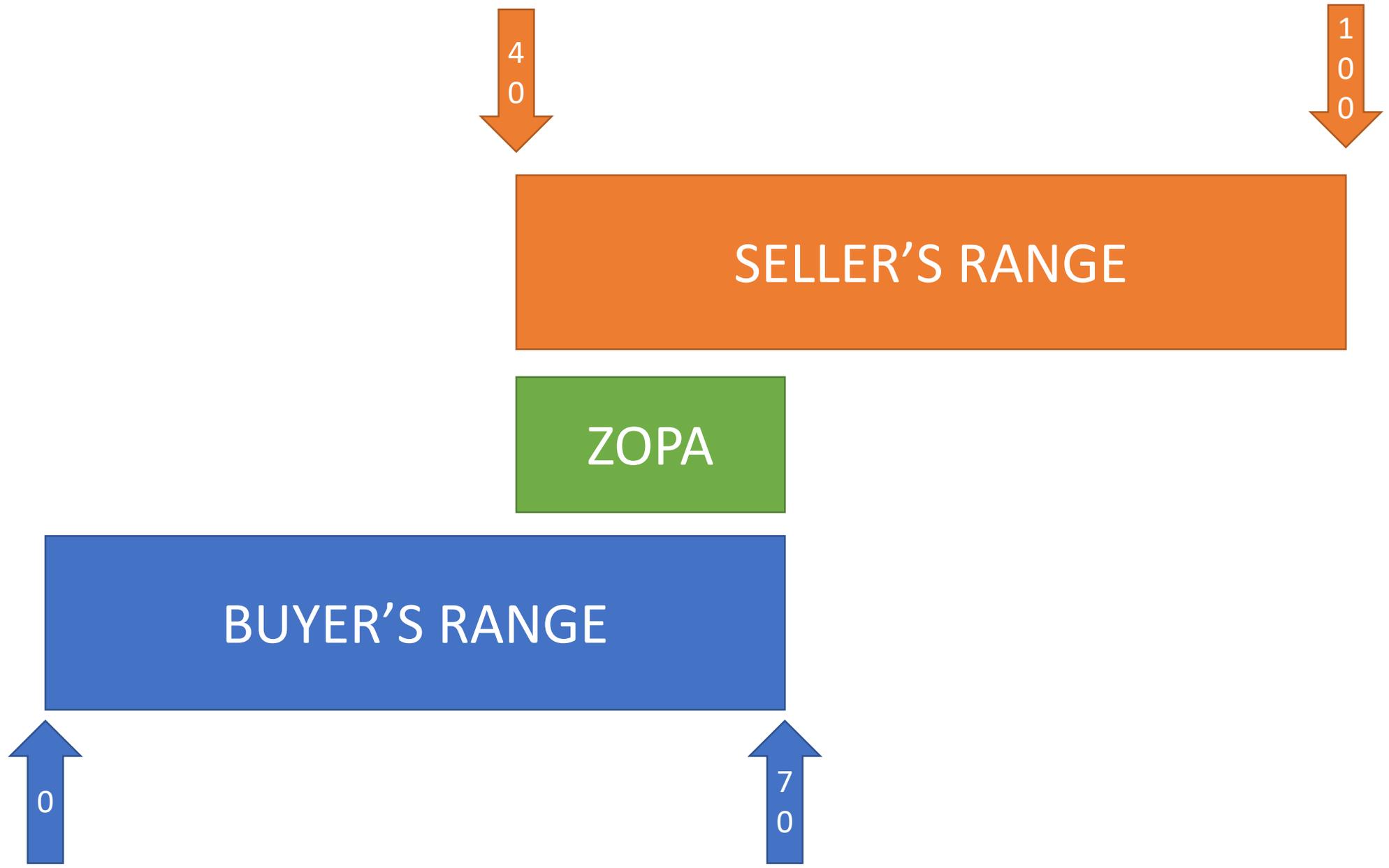
Cost to you from supplier: **\$40** (this is the lowest that you will accept)

Best Offer of the Day: **\$55** (this customer claimed that he would come back)

Your Goal: Get the ***BEST POSSIBLE DEAL***

# ZOPA: *Zone of Possible Agreement*







# TWO PROBLEM SOLVING PARADIGMS

## Positional Bargaining



## Collaborative



# What is Positional Bargaining?

A negotiation strategy that asserts a **POSITION** of what you want and argues for it alone, *regardless of any underlying INTERESTS.*



**“The fellow who says he’ll meet  
you halfway is usually standing  
on the dividing line.”**

Orlando Battista

## COLLABORATIVE PROBLEM SOLVING

A negotiation mindset that looks for creative ways to meet the *INTERESTS* of both parties.

*“The art of letting other people have it your way.”*

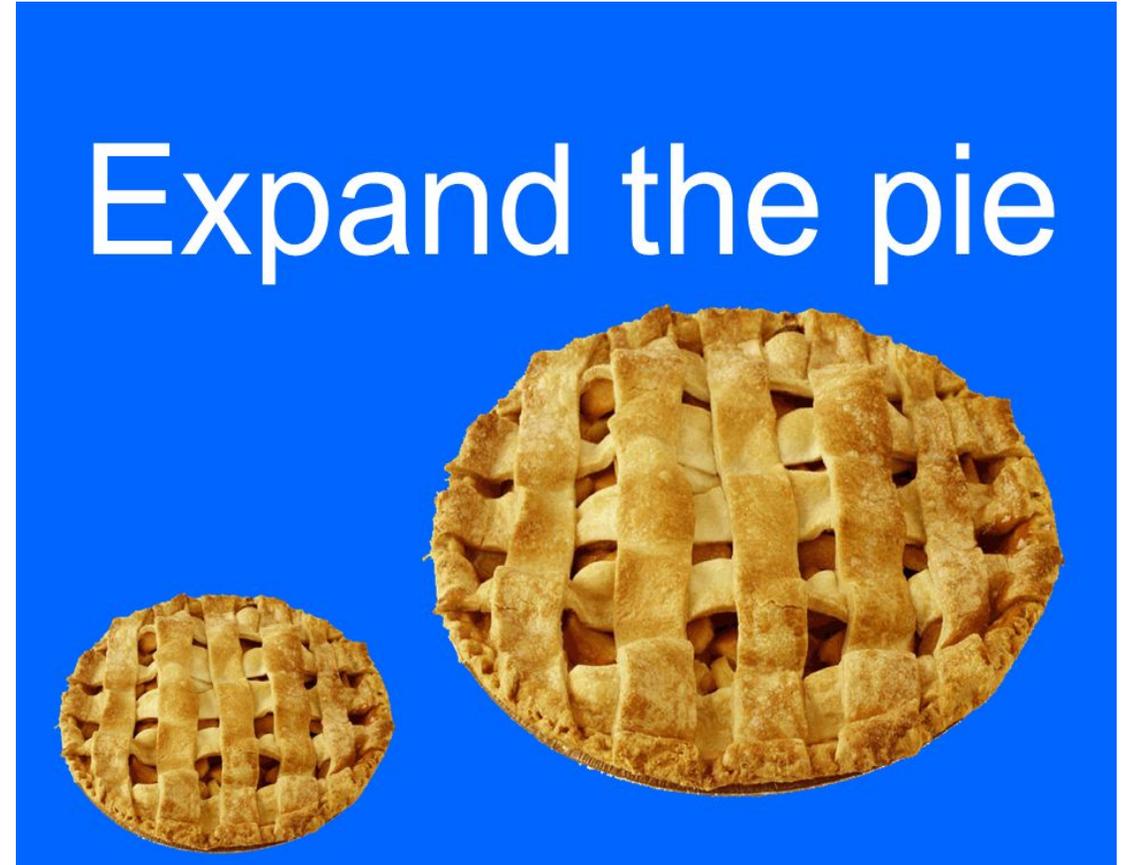
*“Write the other side’s victory speech.”*

# POSITIONAL vs. COLLABORATIVE

**The PIE IS FIXED— get biggest piece**



**EXPAND THE PIE— then divide it up**



*“You must never try to make all the money in a deal. Let the other person make some money too, because if you have a reputation for always making all the money, then you won’t have many deals.”*

J. Paul Getty



# PRINCIPLES OF COLLABORATIVE PROBLEM SOLVING

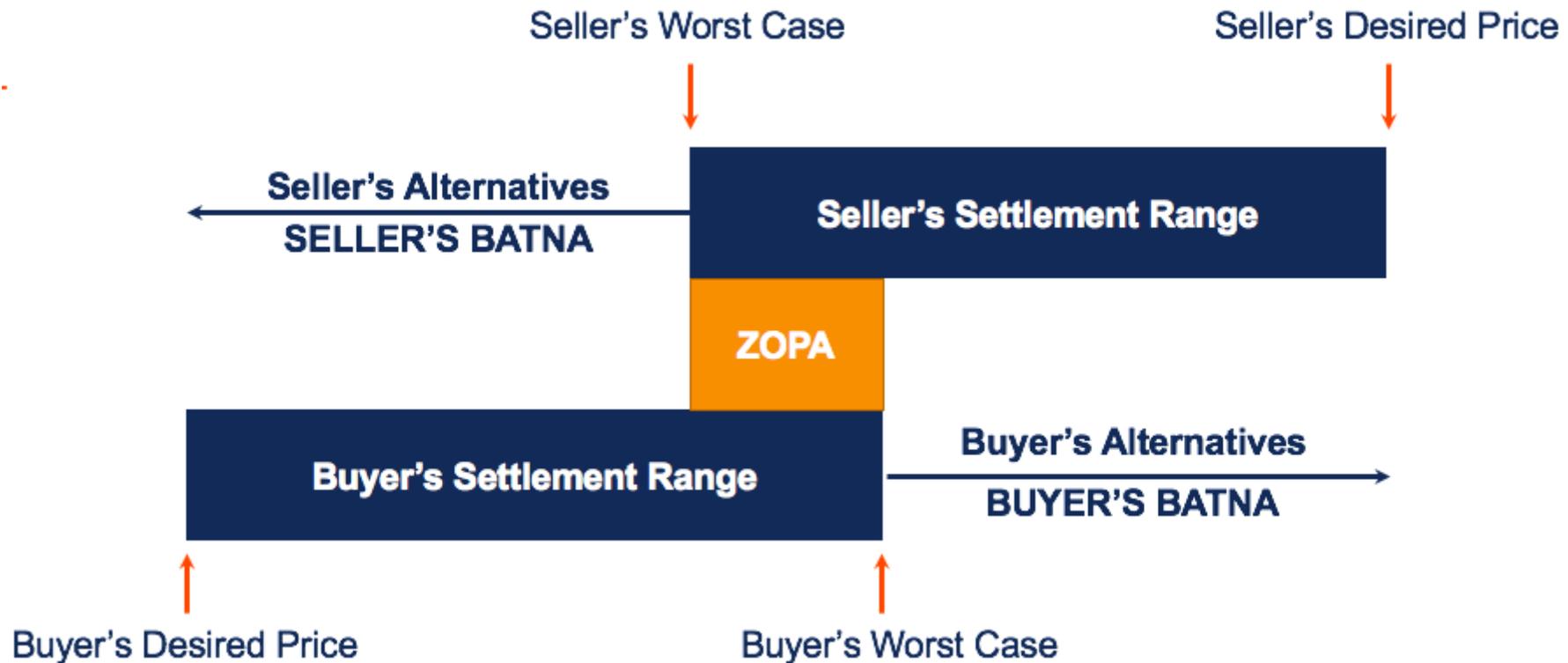
Alternatives  
Interests  
Options  
Legitimacy

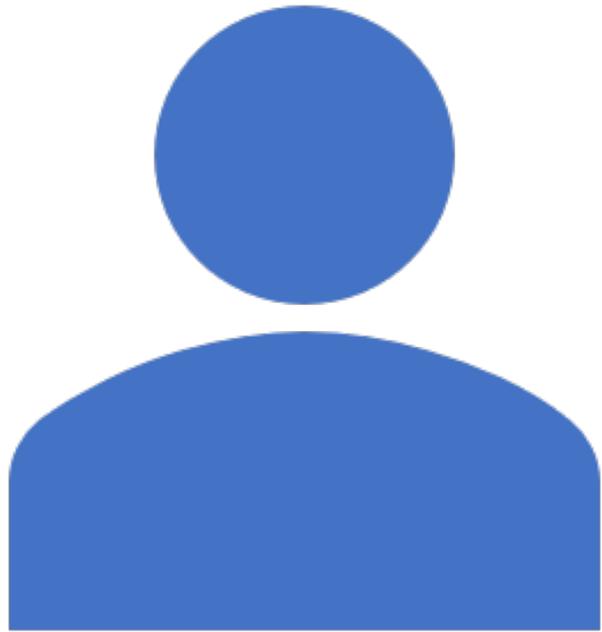
# ALTERNATIVES

*“What am I going to do if I don’t make a deal?”*

What are my *ALTERNATIVES*?

# BATNA: “Best Alternative to a Negotiated Agreement”



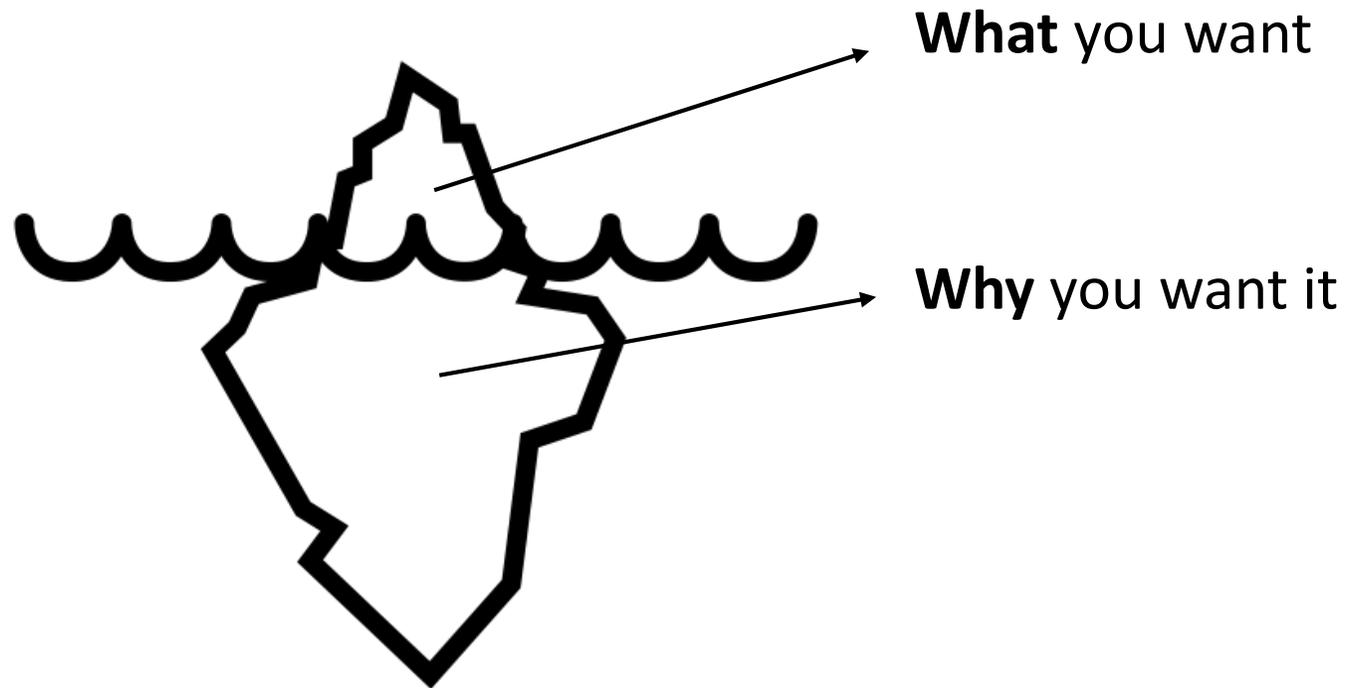


# INTERESTS

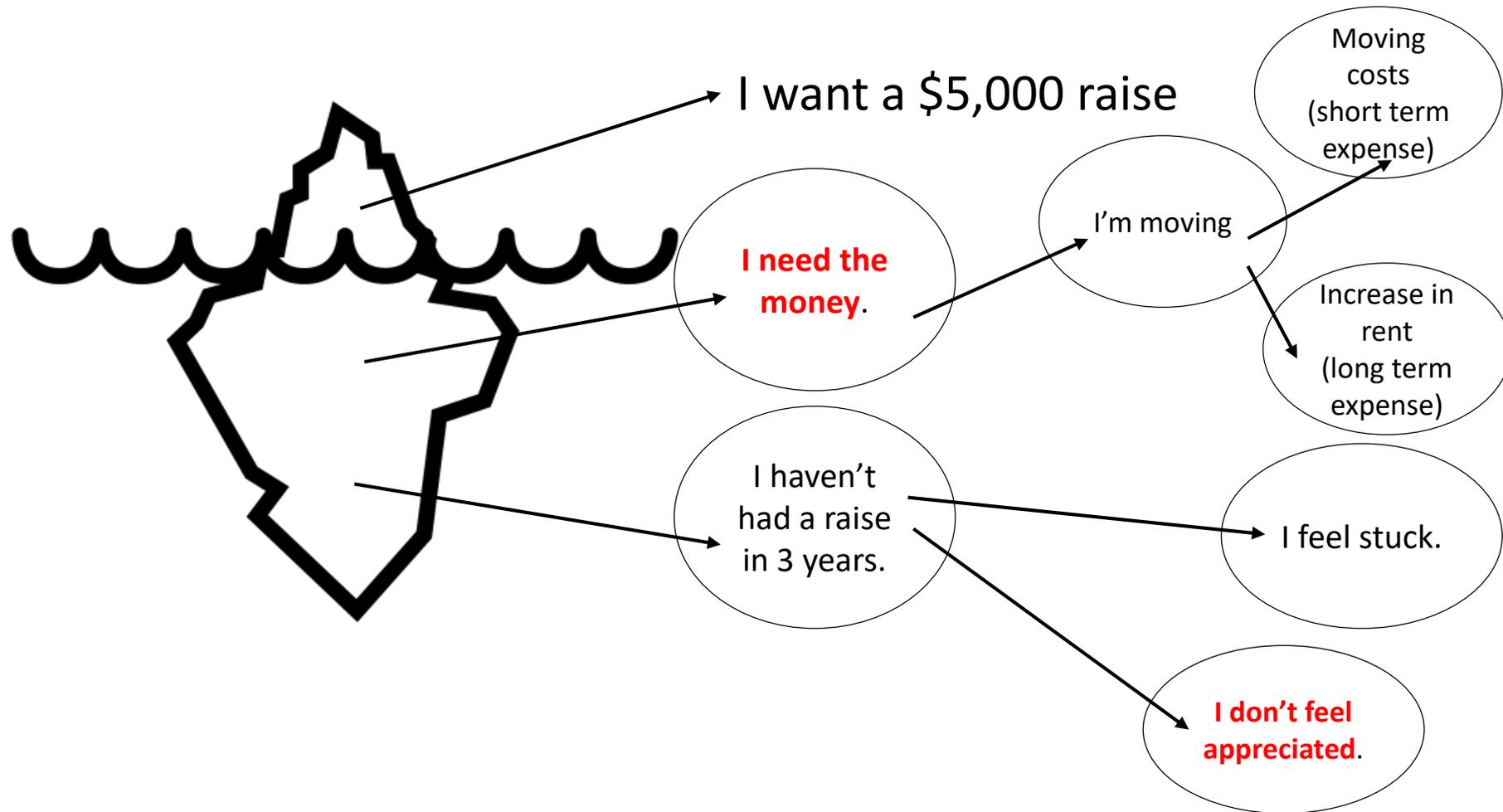
What somebody  
*REALLY* wants

Interests are the  
*WHY* behind the  
Position

# Positions vs. Interests



# Positions vs. Interests



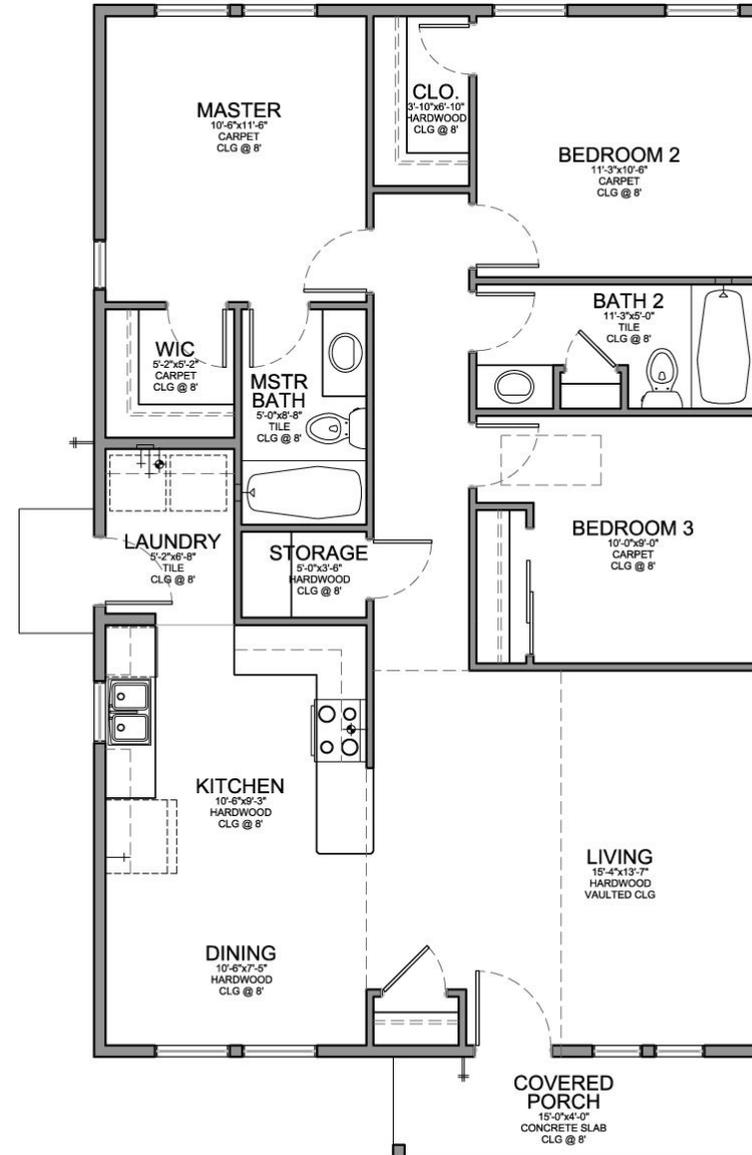
“The best move you can make in a negotiation is to think of an *interest* the other person hasn’t thought of– *and then meet it!*”

Eli Broad

POSITION:

“I need a 3<sup>rd</sup>  
Bedroom!!”

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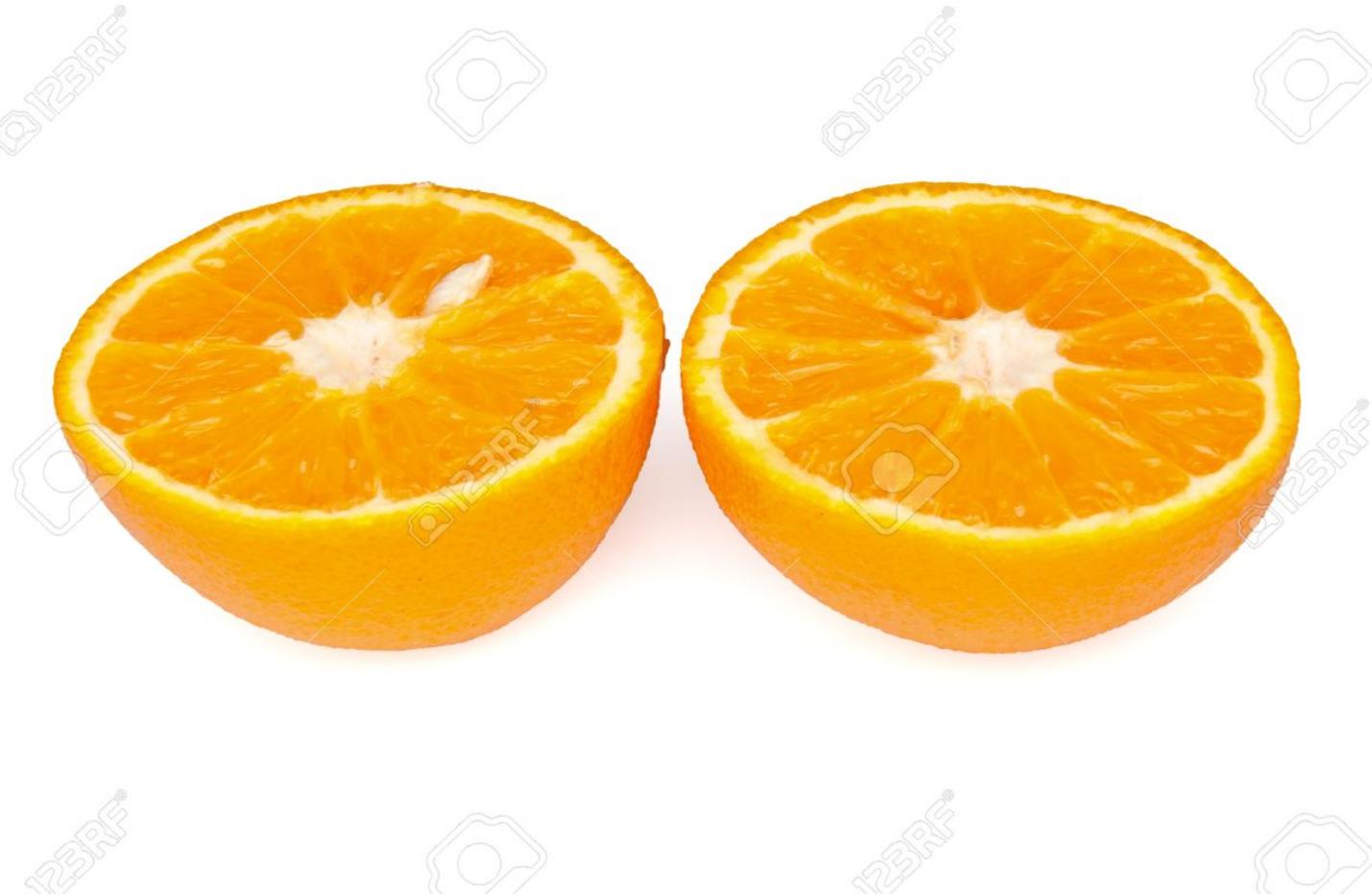
# OPTIONS

Finding creative ways to fulfill the maximum amount of total *INTERESTS*.

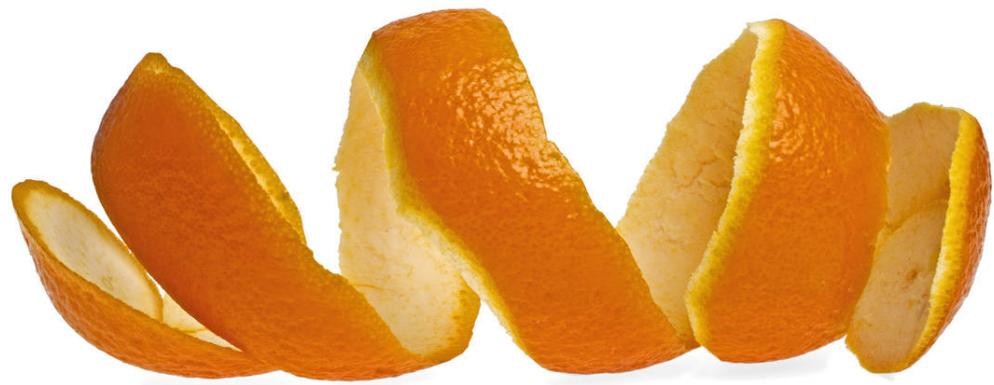
*“What if we...?”*

*“What would be wrong with...?”*

# The ORANGE: Option One



# The ORANGE: Option Two





*POSITION:  
“Third  
Bedroom!”*

**INTEREST:  
Workout space**

# LEGITIMACY



# LEGITIMACY

Standards of fairness  
Criteria or Benchmarks that “legitimize” our  
Interests

*“Why that number?”*

# REAL ESTATE COMPS

**My house is worth \$1M!!**



**The average sale price is \$500K**



# Review of Interest Based Negotiation

## Alternatives

What is my best alternative (my BATNA)? How strong is it?

What is my counterpart's BATNA? How strong is it?

## Interests

What do I *really* want? What is important to me?

*Why* do they want what they are asking for (their interests)?

## Options

What options might exist to satisfy both of our interests? What options might be *great for me and good enough* for them?

## Legitimacy

What standards or objective criteria exist to legitimize these options?



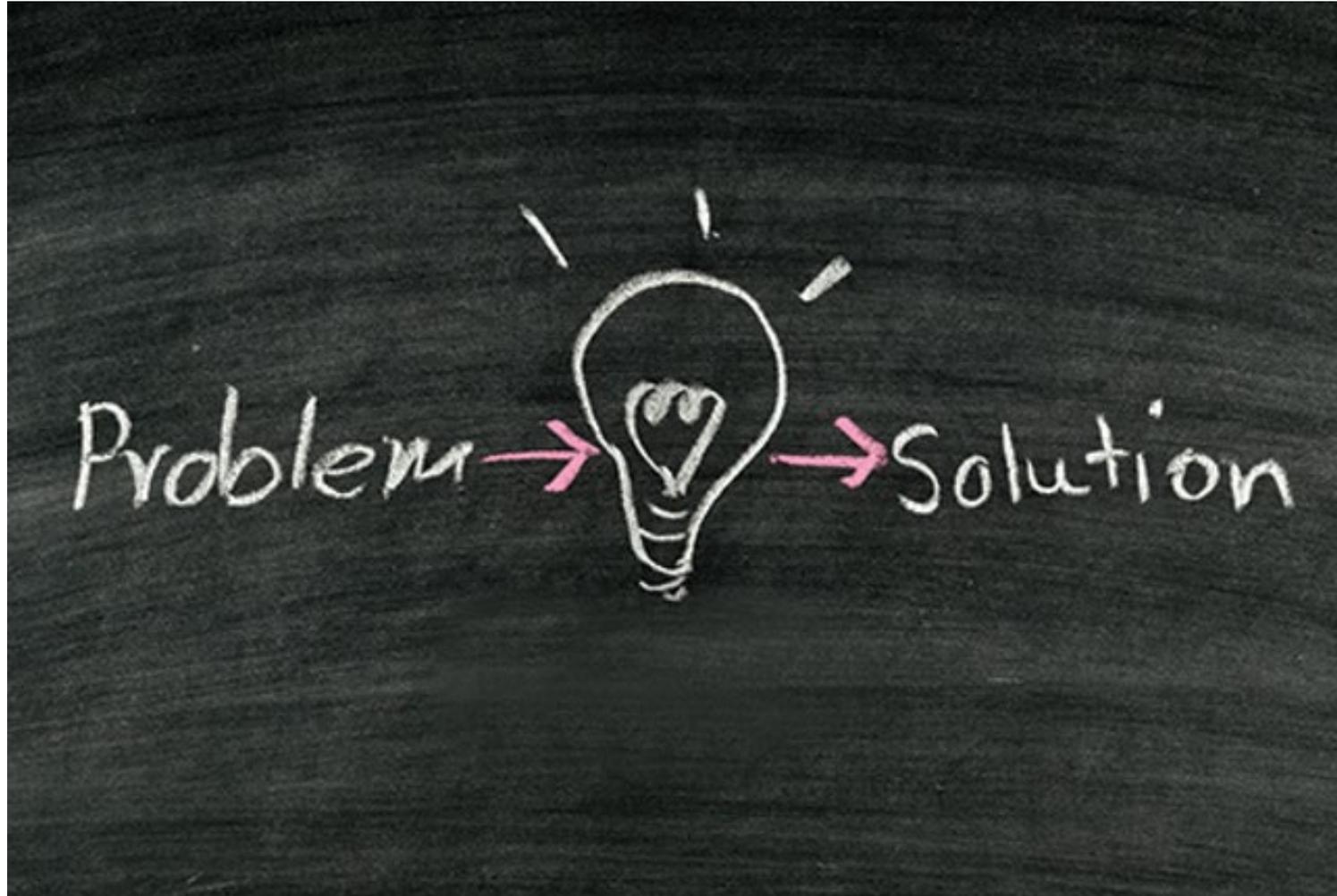
## 5 Tips for Negotiating Successfully in the Legislature

# How Do I Expand the Pie?





Consider their  
*POLITICAL*  
Interests Too



Always  
Put The  
*PROBLEM*  
First



What if  
they're being  
a JERK?



You **MUST**  
have a  
**RELATIONSHIP**

## WRAP UP



Positional Bargaining vs.  
Collaborative Problem Solving

Fixed Pie vs Expand the Pie

Focus on Interests and Options



FINAL EXAM |