

Introduction to Multiparty Negotiations

MIT

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The Negotiator

The background is a solid blue color with a subtle gradient. A thin, light blue curved line starts from the top left and arcs towards the right. A larger, light blue wedge-shaped area is positioned on the right side, pointing towards the center of the slide.

Negotiation Exercise

- You will receive instructions with a letter and a number.
- The letter is your role in the exercise. It may be A, B or C. This is a three party negotiation.
- The number is your triad number. (i.e., the team with whom you will negotiate)
- After reading the instructions complete the pre-negotiation questionnaire. **IN SILENCE**
- Once you have completed the questionnaire, tear the page apart and we will come by and collect them.

Negotiation Exercise

- Once everyone has completed the questionnaire, we will ask you to look for your team members (your team will be a triad with roles A, B and C, all of which share your same triad number).
- Once you have found your team members, you will have 20 minutes to negotiate.
- After the negotiation, please answer the post-negotiation questionnaire **IN PRIVATE**. (it has been attached to the instructions)
- One triad out of this class room will be randomly selected and will receive \$121, which will be distributed according to your performance in the negotiation, so that : 1 point = 1 dollar.

Instructions to the Coalition Game

- Parties have 20 minutes to negotiate how to distribute certain amount of points.
- You are allowed to caucus in pairs.

Coalition	Total Outcome
A+B+C	121
A+B	118
A+C	84
C+B	56

- On their own, A, B and C get 0 points

Find your Triad

Outcomes

Triad	A	B	C
1	41	40	40
2	63	29	29
3	60	40	21
4	50	40	31
5			
6	41	40	40
7			
8	55	55	11
9			
10			

What is Power?

- The (perceived) ability to bring about desired outcomes.
- French & Raven (1959)
 - Expert Power
 - Reward Power
 - Coercive Power
 - Legitimate Power
 - Referent Power
 - Subsequently:
 - Informational
 - Connectional

Source of Negotiation Power

(Fisher, 1983)

- The power of Skill & Knowledge
- The power of a Good Relationship
- The power of a Good Alternative
- The power of an Elegant Solution
- The power of Legitimacy
- The power of Commitment
(positive or negative)

Coalitions

- Identifying potential partners
- How to form them
- How to break them if necessary

Fairness in Negotiations

- Individuals care about being treated fairly.
- We are generally willing to punish unfair behavior
- But... we tend to have self-serving notions of what is fair.
- A is more likely to favor proportional split; C will believe equal split is what is fair.
- Remember: use fairness criteria as shields and swords.

- Lottery