



Negotiation Essentials for Engineers

An Online Continuing Education Course for Engineers

Course Number: PD-3009

Credit: 3 Hours / 3 PDH / 3 CPD

Negotiation Essentials for Engineers

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Overview

To be an effective negotiator requires self-awareness of one's own innate behavior in a negotiation and the ability to knowledgeably and strategically select from a range of negotiation strategies the one that best fits the situation. Negotiation is a common element of many engineering jobs, with obvious applications to tasks like awarding and managing construction contracts and less obvious applications to tasks like overseeing work crews promoting design concepts within your team. However, many engineers never seek out negotiation training and are unaware of how much negotiation training can help their careers. This is unfortunate because there are many characteristic behaviors of being a good engineer that run counter to being an effective negotiator. Drawing upon 25 years of experience working for engineering consulting companies, this course focuses on the special needs of engineers by identifying the types of engineering behaviors that are important to recognize in a negotiation and then presenting the spectrum of available negotiation strategies and tactics. A focus is maintained on explaining where engineers can get tripped up if they are not self-aware and explicitly strategic in implementation.

This course is provided in a concise format that provides the essential concepts needed to begin approaching negotiations in a more mindful and strategic manner. References are provided for further study.

Who Should Attend

This course is beneficial to anyone seeking to improve their communications with others in ways that enhance their ability to gain durable agreement. It provides a quick introduction to the commonly accepted core knowledge concepts in the field of negotiation with an experienced-based inclusion of the special negotiation needs of engineers.

Specific Knowledge and Skills Obtained

Upon course completion, students will become more strategic negotiators through increased understanding of:

- The kinds of negotiation strategies that work best in different situations.
- Structured methodology for implementing different negotiation strategies.
- The benefits and drawbacks of various kinds of stereotypical behaviors in being an engineer and a successful negotiator.
- Sources of additional information and study.

1 What is Negotiation?

Negotiation is a comprehensible social process of influencing and seeking agreement with others – of making a deal. While objectivity and factual evidence, so critically important to the realm of engineering, is important to informing the social process of negotiation, it is only a part.

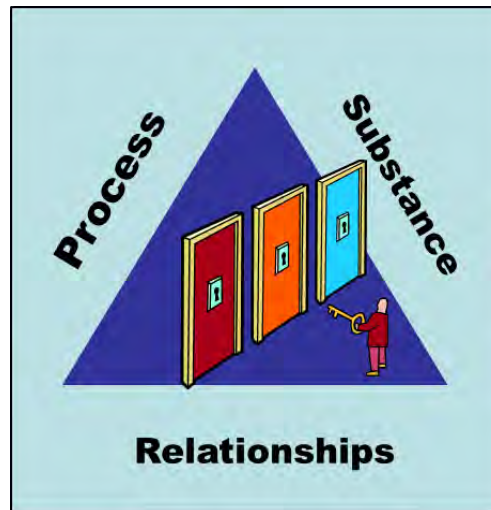
Negotiation is constructive process for interacting with others to communicate substantive information in a way that is meaningful and useful for gaining understanding and agreement.

Negotiation is part of everyday life, at work, at play and at home. While it's easy to recognize that you are negotiating when you're discussing the terms of a contract, perhaps you never thought about every task, like deciding how to spend the weekend with your spouse or cajoling improved school performance from your child as negotiation. Poor negotiation performance can stem in part when we unconsciously apply our everyday negotiation experiences to all negotiation situations. Fortunately, negotiation can be understood in a structured way that enables more discerning application of negotiation strategies.

Negotiation strategy is commonly recognized to involve three primary considerations or aspects:

- **Process** - the strategic and tactical methods used.
- **Substance** – the relevant facts.
- **Relationships** – the quality of interpersonal interaction as it affects your ability to communicate, and the recognized value associated with maintaining or improving relationships during and after the negotiation.

The Three Aspects of Negotiation



So, to put it in a single sentence, negotiation is constructive process for interacting with others to communicate substantive information in a way that is meaningful and useful for gaining understanding and agreement.

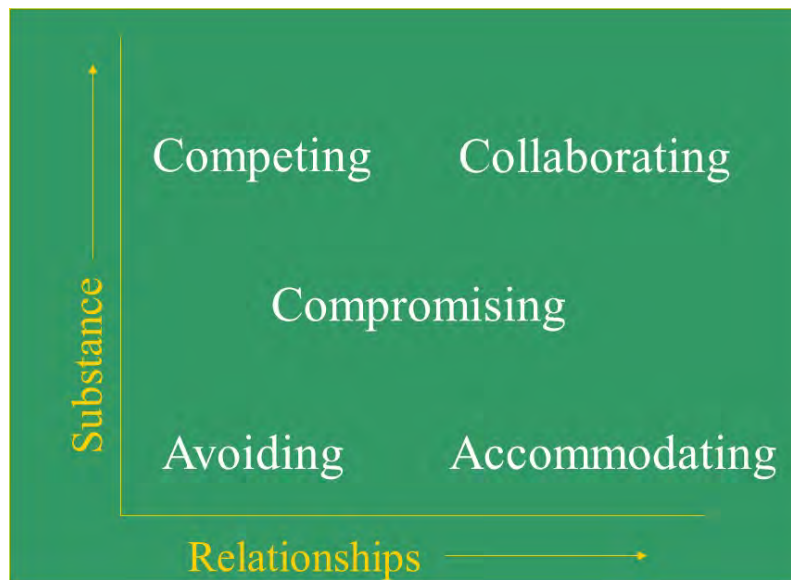
Personal Testimony on the Value of Negotiation Training

I took my first negotiation class after 20 years as an environmental consultant and being confronted with many tough negotiations. What a mistake to not have studied it earlier! The ability to control and lead an effective negotiation is one of the important skills that distinguish an otherwise talented technical specialist from a leader/spokesperson/manager. Not only that, but I attribute shaving \$50,000 off my last home purchase because I applied the skills of distributive negotiation covered in Chapter 5 of this course. I stuck to my pre-determined plan even when my wife was becoming emotionally distraught!!! Even a few simple ideas that provide structure and discipline to your negotiation approach can make all the difference.

2 Negotiation Processes and Objectives

We can build upon *the Three Aspects of Negotiation* to define the range of possible negotiation strategies, each of which has its own set of objectives. Five distinct negotiation strategies are commonly recognized to exist based on the relative importance you assigned to Substance and Relationships.

The Five Negotiation Strategies



Each negotiation strategy is understood to involve different objectives:

- **Avoiding:** A passive, withdrawn process that reflects a lack of concern for the outcome or a relationship to the other party. Perhaps such persons have little to gain and really should not be negotiating, or they lack the training needed to understand how to negotiate and assert their needs and interests?
- **Competing:** A dominating process that is focused on personal gain and substantive outcome with little regard for other party, their needs, or what tactics are needed to achieve the gains. Where power is unequally distributed between parties, a competing party may use the power of their position, financial advantage, intellectual capital advantage, or physical force to achieve their desired outcomes. At its extreme, unethical or illegal tactics such as threats or violence may be used. While potentially effective in the short-term, this

approach can have long-lasting adverse consequences that derive from the degraded relationship. Accordingly, this process is generally most applicable in situations where there is no vested interest in the relationship beyond the negotiation.

- Accommodating: A process that tends to yield to others' substantive needs and interests. People can adopt an accommodating position when the relationship is more important than the outcome. For example, you may routinely carry out your home duties with little debate because of the high value you place on maintaining family relationships. While it may have application in some situations, repeated or extreme use of this process may also reflect a lack of training on how to assert one's needs and interests. Repeated accommodation can over time lead to problems when your needs and interests are suppressed to the breaking point. Again, an accommodating strategy may reflect a lack of negotiation expertise.
- Compromising: Given the shortcomings mentioned above for each of the three prior styles, many people think of effective negotiation as synonymous with compromising. Compromising occurs when your needs and interests are balanced against the other's needs and interests, often meaning that nobody gets everything they want. It is often an unsatisfying outcome, and it can make negotiating something people do not want to do. Compromising is an outcome that can be necessary when there are few issues to negotiate over. When negotiating to buy a car for example, you may be mostly focused on determining price with few other factors to build into the agreement.
- Collaborating: Collaborating has become a popular word to use, but few people are able to offer up a succinct definition of what it really is. Few people recognize the difference between compromising and collaborating, and this distinction can make a world of difference in your ability to find solutions that meets everyone's needs and interests. It makes negotiating a positive experience that build relationships. Collaborating requires high concern for and knowledge of both the substantive and relationship needs and interests of all parties. To collaborate generally requires that the scope of the problem be expanded such that everyone's needs and interests can be met. Often, more creativity and thoughtfulness is needed to collaborate. More elaborate methods for managing engagement may also be needed. A skilled process manager (i.e.

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facilitator/mediator), may be helpful in achieving a collaborative negotiation. This is particularly true if the parties involved have difficulty communicating openly or clearly. Collaboration is more applicable to more complex problems where many factors can be drawn into the discussion in search of win-win solutions that allow all parties to satisfy their needs and interests.

Reflecting upon these five negotiation strategies, we can recognize that Competing, Collaborating and Accommodating all involve making trade-offs, where one aspect of the negotiation is valued over others. What is known as Distributive Negotiation methodology is often applied in these situations. **In a distributive negotiation, there are relatively few factors under consideration and the object of the negotiation is how to divide the benefits.** For example, when negotiating over a used car, the factors in play are price and perhaps a few other considerations such as a warranty and/or certain repairs and maintenance. The Distributive Negotiation methodology is explained in Chapter 5.

Avoiding is a negotiation action of limited engagement. While it may be chosen for lack of negotiation skill or lack of interest in the problem, it may also be chosen for good cause. A structured approach for deciding to negotiate is provided as an early step in the Distributive negotiation methodology in Chapter 4.

Collaboration holds a unique position among the five possible strategies in that it is strong on both substance and relationships. **Collaborative negotiation usually requires creative expansion of the problem such that all parties to meet their needs and interests are given to understanding the underlying needs of all parties to develop possible solutions and before the goal is to develop a new solution that neither party would have thought of.** The negotiation methodology is therefore quite distributive in nature and is explained in Chapter 5.

3 Engineers Strengths

Having thus far laid out an appropriate negotiation methodology for implementing these strategies that can influence negotiation tactics, the stereotypical qualities of an engineer and their negotiation tactics presented in the chapters that follow.

Weaknesses

relationships” in determining methods for the qualities of engineers. As herein, the stereotypical negotiation tactics presented in the chapters

