

# Capturing the Power Of Negotiation



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Harvard International Negotiation Program

*A Special Presentation for  
FHLB Dallas Annual Conference*

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## Purpose of Session

To present **Six Critical Elements of Negotiation** that you can use immediately to:

1. enhance your negotiation success and
2. create value for members, borrowers, & the community.

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## Interested in Learning More? Additional Resources

1. **Getting to yes: Negotiating agreement without giving in** — Fisher, R., Ury, W. L., & Patton, B. (2011). Penguin Books.  
*(Offers a foundational framework for interest-based negotiation.)*
2. **Beyond reason: Using emotions as you negotiate** — Fisher, R., & Shapiro, D. (2005). Penguin.  
*(Introduces the core concerns framework for dealing with emotions in negotiation.)*
3. **Negotiating the nonnegotiable: How to resolve your most emotionally charged conflicts** — Shapiro, D. (2017). Penguin Books.  
*(Addresses how to navigate the complexities of identity in emotionally charged conflict.)*

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Problem:  
Negotiations Don't Go As Well As They Could

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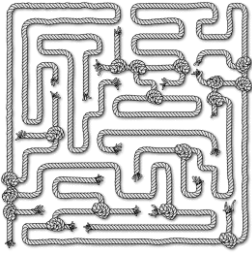
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Why?

We lack a systematic framework for navigating the negotiation process.



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Six Critical Elements of Negotiation

1. Interests
2. Options
3. Alternatives
4. Appreciation
5. Autonomy
6. Affiliation



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## 1. Interests

Positions are *what* people say they want.  
Interests are *why* they want it.

**Advice:**

Look beneath positions for interests.



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## 2. Options:

### Build a Package Agreement for Mutual Gain

How might you structure this deal to satisfy each stakeholder's key interests?



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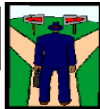
## 3. Alternatives

What can you do *without* consent of the other party?

**Advice:**

- (1) Enhance your BATNA; estimate theirs
- (2) Don't agree to anything worse than your BATNA

Agree?



Go to BATNA?



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#### 4. APPRECIATION

We do not like to feel unappreciated:

- Not understood
- Devalued
- Unheard

Appreciation has a big impact on emotions.

In a relationship-based banking system, customers are more candid and constructive if they feel understood.



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#### THREE ELEMENTS TO APPRECIATE SOMEONE

- *Understand* the other's point of view
- *Find merit* in what they think, feel, or do
- *Communicate* your understanding

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#### 5. AUTONOMY

**Autonomy** = The freedom to make decisions without imposition from others



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## 6. AFFILIATION

Affiliation = the emotional connection between you and another

Affiliation has a powerful impact on emotions



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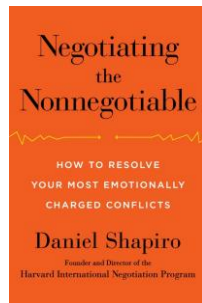
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## Summary

1. **Employ the 6 Critical Elements** to prepare, conduct, and review negotiations.
2. **Create a package agreement** that satisfies interests via well-crafted options.
3. **Respect stakeholders' core concerns** for appreciation, autonomy, and affiliation.



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Thank you. Please keep in touch!



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