



Coalitions

15.665

Power and Negotiation

Professor M. Williams



Agenda

- Paper B, Group Pre-exercise
- Brief Introduction
- Negotiating Corporate Change
- Break
- Video Debrief of Case
- Wrap-up



Paper B Due Next Week



Journal A- excellent overall

- ✓ **Described what happened mentioned 1 or 2 negotiation concepts**
- ✓ more concepts-BATNA, Reservation point, creating, and claiming value, empathy and assertiveness, fairness
- ✓ Specific hard bargaining tactics-low ball, bogey, nibble, ultimatum, bluff
- ✓ Psychological bias- Framing
- ✓ Psychological biases-illusory conflict,
- ✓ **Cited and applied concepts from other readings**



Journal B

- ✓ **Real Life Negotiation- completed, ongoing, anticipated**
- ✓ Basics-BATNA, Reservation point, creating, and claiming value, empathy and assertiveness, fairness, psychological biases, framing
- ✓ Beyond the Basics- emotional intelligence, dispute and break through techniques, power, persuasion, multiparty tactics
- ✓ **Cited and applied concepts from other readings**



Team Pre-exercise

Team on Team Negotiation

- 1 pre-exercise per team
- Case and teams are in your folder today
- Will negotiate over the course of two classes



Multi-Party Negotiation

Average Monetary Value Claiming

Role A

Role B

Role C



Multi-Party Negotiation

Average relationship score as rated by other group members.

Role A

Role B

Role C

(e.g., I liked negotiating with this person.)



Multi-Party Negotiation

Average trust score as rated by other group members.

Role A

Role B

Role C

(e.g., I hope I never have to depend on this person. **(reverse scored, 8-score**



Coalitions

--Unite people for a single purpose

Your coalition partners will vary in their agreement
With your objectives and in their trust in you.

First Define your Objectives!



Coalitions

--Unite people for a single purpose

Your coalition partners will vary in their agreement
With your objectives and in their trust in you.

Coalition partners may be

1. **Allies** or **Bedfellows**
2. **Opponents** or **adversaries**
3. **Fence sitters**



Coalition Essentials

1. Define your objective

- unambiguous
- recognizable
- Easy to communicate

2. Identify the political landscape

- Whose support do you need?
- On whom will you focus your energy?
- How can you get key players involved?

Block's Matrix: Identifying the Political Landscape

		Trust	
		High	Low
Agreement	High		
	Low		

Block's Matrix: Power and Politics

Trust

		Trust	
		High	Low
Agreement	High	<u>Allies</u>	<u>Bedfellows</u>
		Fence Sitters	
	Low	<u>Opponents</u>	Adversaries

Strategic Actions

Allies

- affirm agreement, acknowledge vulnerability, ask advice

Opponents

- reaffirm relationship, state vision, engage in problem solving

Bedfellows from you

- reaffirm agreement, acknowledge caution, ask what they want

Fence Sitters

- state your position, ask where they stand, provide information

Adversaries

- state your vision, neutral understanding of their position
- don't spend too much time obsessing, enlist a party trusted by your adversary



Power

See Valley, K. & Lingo, E.L. HBS Case 9-801-425)



Principles of Persuasion

-Cialdini

- **Liking**
- **Reciprocity**
- **Social Proof**
- **Consistency**
- **Authority**
- **Scarcity**



Take Aways

1. Define your objective

- unambiguous
- recognizable
- easy to communicate

2. Identify the political landscape

- Whose support do you need?
- On whom will you focus your energy?
- How can you get key players involved? **(use block's matrix and emotional intelligence framework)**

3. Understand your power

4. Think about how to persuade



Negotiating Corporate Change

- 60 minutes to negotiate
 - discuss process, decision rules
 - Professor Williams is Bauers
- 15 minutes to fill out feedback
- 10 minute break
- Video Debrief



Negotiating Change

1. **Video Clip- initial two meetings**
2. **Discussion**
3. **Video Clip-information gathering**
4. **Discussion**
5. **Video Clip-final agreement**
6. **Discussion**

Interests/BATNA

Stokes		
Morris		
Freeman		
Carlson		

Top Priorities

Stokes	Expand own system (costs), local variation, no open systems
Morris	Staged, 1 year delay for foods, divisional analysis
Freeman	EIS and to be technical head
Carlson	Consultants' system and EIS in 8 months



Internal Negotiations

-Sebenius

Interests- relative to external negotiations, a wider range of interests is almost always present.

BATNA- organization members of equal or less power often do not walk away, but say “yes” and do little or nothing. Members of higher power can fire or punish.



Internal Negotiations

-Sebenius

Ongoing Process- tight network of people and issues over time allow for social sanctions and long-term reciprocity

Organizational, Structure, and Culture and Norms-can influence where and how negotiations take place as well as what members are likely to view as fair. Shared organizational interests may take precedent over brazen self-interest as explicit rationale.



Take Aways

1. Identify stakeholders, their interests ,and alternatives
2. Build a sustainable winning coalition starting with a core coalition and sequencing carefully to expand it.
--sequence to weaken opponents' BATNAs
3. Remember that you need the optimal technical *and* political solution