

## SOME DEFINITIONS FOR NEGOTIATION TERMS

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**INTERESTS:** The needs, wishes, concerns, threats, and fears that are experienced by the parties in a negotiation. Consideration of an individual's interests often leads to the development of a negotiating position. It is often helpful to avoid this development to permit negotiators to respond to different interests with maximum creativity, perhaps yielding a "win-win" agreement.

**POSITIONS:** The decisions concerning an agreement or solution to a problem that parties in a negotiation adopt prior to or during their negotiation discussions. Discussion of positions often leads to impasse. Instead, a discussion of interests may lead to a decision or solution that fulfills the parties' interests and obviates the need for opposing positions.

**DISTRIBUTIVE NEGOTIATION:** When more for one means less for the other; "win-lose."

**INTEGRATIVE NEGOTIATION:** When exploring differences among parties yields possible agreements that integrate benefits to all parties' interests without any party losing; "win-win."

**RESERVATION PRICE:** The worst deal that is still acceptable to you; your "walk away" point. Setting the reservation price is influenced heavily by the quality of your BATNA.

**BEST ALTERNATIVE TO A NEGOTIATED AGREEMENT (BATNA):** The circumstance you perceive yourself to have if you should not reach an agreement. The better quality your BATNA, the stronger your negotiating position. A strong BATNA helps to prevent you from feeling forced into a bad deal, instead you walk away. You have control over your BATNA by both the realities of your situation and your creative imagination, or the way you elect to look at your situation.

**BARGAINING ZONE:** The area of overlap between the negotiation parties' reservation prices. A wide bargaining zone will usually make it relatively easy to come to an agreement. A bargaining zone that has no overlap will require the parties to carefully discover and understand each other's interests and be creative in claiming or creating value that will respond to those interests.

**TARGET:** The aimed-for outcome from the negotiation that serves as your reference point to help estimate how well or poorly the negotiation process is going from your perspective.

**CREATING VALUE and CLAIMING VALUE:** *Creating value* has to do with finding or creating circumstances in which all parties to the negotiation experience a benefit from the negotiated agreement. *Claiming value* involves attempting to persuade the opposite party in the negotiation that they want what you have to offer more than you want what they have to offer. The processes of creating and claiming value are both present in negotiations to some degree.