Learning Objectives

Upon completion of this unit, students should be able to:

1. Explain the importance of setting goals for an upcoming negotiation.
2. Differentiate the major elements of a negotiation strategy and a process for selecting a strategy.
3. Describe how most negotiations evolve through understandable stages and phases.
4. Identify a comprehensive set of tools for effectively planning for an upcoming negotiation.
5. Explain the important role played by perceptions, cognitions, and emotions in negotiation.
6. Compute how perceptions can become distorted and lead to biases in negotiation and judgment.
7. Demonstrate the ways that cognitions (information processing) in negotiation can also be affected by biases and framing processes and how emotions and mood can shape a negotiation.
8. Offer advice on how to manage perception, cognition, and emotions in negotiation situations.

Written Lecture

Planning is a critically important activity in negotiation. As we noted at the outset, however, negotiators frequently fail to plan for a variety of reasons. Effective planning allows negotiators to design a road map that will guide them to agreement. While this map may frequently need to be modified and updated as discussions with the other side proceed and the environment of the negotiation changes, working from the map is far more effective than attempting to work without it.

When negotiators are able to consider and evaluate each of ten factors of protocol, they will know what they want and will have a clear sense of direction on how they should proceed. This sense of direction, and the confidence derived from it, is a very important factor in affecting negotiating outcomes.

In this unit we will take a multifaceted look at the role of perception, cognition, and emotion in negotiations. The first portion of the unit presents a brief overview of the perceptual process and discusses four types of perceptual distortions: stereotyping, halo effects, selective perception, and projection. A discussion then follows of how framing influences perceptions in negotiation and how reframing and issue development both change negotiator perceptions during negotiations.

The effects of twelve (12) different cognitive biases are discussed: irrational escalation of commitment, mythical fixed-pie beliefs, anchoring and adjustment, framing, availability of information, the winner’s curse, overconfidence, the law of small numbers, self-serving biases, endowment effects, ignoring others’
cognitions, and reactive devaluation. This will be followed by a consideration of ways to manage misperception and cognitive biases in negotiation, an area that has received relatively little research attention. The role of mood and emotions in negotiation is also presented.

Several elements of the art and science of communication that are relevant to understanding negotiations are presented in this unit. This discussion begins with models that show communication as prone to error and distortion. Such distortions are more likely to occur when communicating parties have conflicting goals and objectives or strong feelings of dislike for one another. Distortion may occur as information is encoded, transmitted, and decoded. The closure of the communication loop occurs through feedback, by which the success of the intended communication can be checked. During transmission and feedback, the problem of “noise” or interference might affect the clarity with which the message and response are sent and received.

Rather than simply being an exchange of preferences about solutions, negotiations cover a wide-ranging number of topics in an environment in which each party is trying to influence the other. An exploration of three issues related to how people communicate in negotiation—the use of language, nonverbal communication, and the selection of a communication channel—is also presented.

In the final sections of this unit we consider: (1) how to improve communication in negotiation, in which listening skills and the use of questions is discussed and (2) special communication considerations at the close of negotiation, avoiding last-minute mistakes, and achieving closure.

**Supplemental Reading**

Click here to access a PDF of the Chapter 4 Presentation.

Click here to access a PDF of the Chapter 5 Presentation.

Click here to access a PDF of the Chapter 6 Presentation.

Please use the CSU Online Library to locate and read the following article:


**Learning Activity (Non-Graded)**

**Reflection Paper**

For this activity, you are asked to reflect on the concepts covered in the reading assignment and the written lecture, and write about them. What did you understand completely? What did not quite make sense? The purpose of this activity is to provide you with the opportunity to reflect on the material you finished reading and to expand upon those thoughts. If you are unclear about a concept, this will give you a chance to ask questions and receive feedback from your professor. Can you apply the concepts you learned in this unit toward your career? How?
This is not a summary but is instead a chance for you to express your thoughts about the material learned in this unit by writing about it.

The paper should meet the following requirements:

- At least one page
- Contain your thoughts about the material and its value to you personally
- Contain any questions you may have concerning the material

This activity is designed to help you comprehend and retain the material in the chapters more easily.