

MANAGEMENT SKILLS U2 NEGOTIATION

Reading: Types of Negotiation

Negotiation is the process where two or more parties aim to reach a mutually agreeable outcome. It involves communication, persuasion, and compromise. Depending on the nature of the interaction and the objectives of the parties, negotiation can take different forms. Here are the main types:

1. Distributive Negotiation (Win-Lose)

- Also known as zero-sum negotiation.
- In this type, one party's gain is another party's loss.
- It is common when resources are limited, and parties aim to maximize their share.

2. Integrative Negotiation (Win-Win)

- Focuses on creating mutually beneficial solutions.
- Encourages collaboration and sharing of information to expand the value for both parties.
- Often involves brainstorming and exploring creative options.

3. Competitive Negotiation

- Involves assertiveness and a focus on maximizing individual outcomes.
- Each party tries to dominate the negotiation to achieve their goals, sometimes at the expense of relationships.

4. Collaborative Negotiation

- Emphasizes building long-term relationships.
- Both sides work together transparently to meet shared objectives.
- Requires trust and open communication.

5. Compromising Negotiation

- Seeks a middle ground where both parties make concessions.
- Often used when time is limited, and achieving a fair balance is essential.

6. Avoidance Negotiation

- Characterized by postponing or evading the negotiation process.
- Used when the issues are minor or when engaging might lead to more harm than good.

7. Accommodating Negotiation

- One party prioritizes the relationship over their own interests.
- Common when maintaining harmony or goodwill is critical.

Multiple-Choice Questions. Read carefully and choose the correct option

1. Which type of negotiation is also known as a zero-sum negotiation?
 - a) Integrative
 - b) Distributive
 - c) Collaborative
 - d) Compromising
2. What is the focus of integrative negotiation?
 - a) Maximizing individual gain
 - b) Avoiding conflict
 - c) Creating mutually beneficial solutions
 - d) Achieving a middle ground
3. Which type of negotiation often involves brainstorming and creative problem-solving?
 - a) Distributive
 - b) Integrative
 - c) Competitive

- d) Avoidance
4. **Which negotiation style is most likely to prioritize relationships over outcomes?**
- a) Competitive
 - b) Accommodating
 - c) Avoidance
 - d) Distributive
5. **What is the main characteristic of competitive negotiation?**
- a) Focusing on long-term relationships
 - b) Collaboration and trust
 - c) Assertiveness and maximizing individual outcomes
 - d) Avoiding the negotiation altogether
6. **Which negotiation style seeks a middle ground through mutual concessions?**
- a) Integrative
 - b) Distributive
 - c) Compromising
 - d) Collaborative
7. **When is avoidance negotiation typically used?**
- a) When the issue is critical and time-sensitive
 - b) When the issue is minor or engagement could cause harm
 - c) To maximize personal gains
 - d) To create mutually beneficial solutions
8. **Which negotiation type involves working transparently to achieve shared goals?**
- a) Competitive
 - b) Distributive
 - c) Collaborative
 - d) Accommodating
9. **What is a key trait of accommodating negotiation?**
- a) Assertiveness
 - b) Postponing conflict
 - c) Prioritizing the relationship over one's own interests
 - d) Finding creative solutions
10. **Which type of negotiation assumes a fixed amount of resources?**
- a) Distributive
 - b) Integrative
 - c) Collaborative
 - d) Accommodating