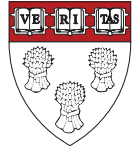


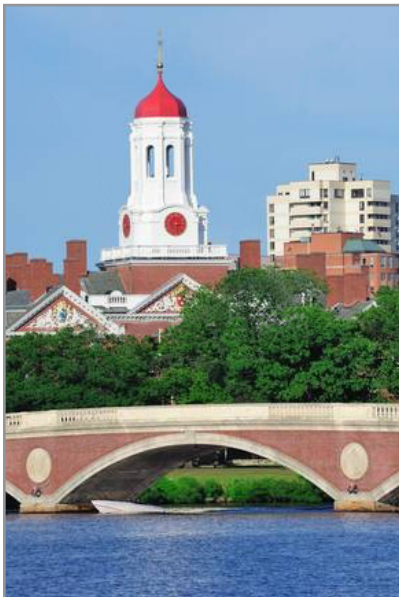
**PROGRAM ON NEGOTIATION**  
HARVARD LAW SCHOOL



**SPECIAL REPORT**

# Meeting Facilitation Skills

## 4 Structured Facilitation Tips



[www.pon.harvard.edu](http://www.pon.harvard.edu)

Negotiation Special Report #3

\$25 (US)



## Negotiation Editorial Board

Board members are leading negotiation faculty, researchers, and consultants affiliated with the Program on Negotiation at Harvard Law School.

Max H. Bazerman  
Harvard Business School

Iris Bohnet  
Kennedy School of Government,  
Harvard University

Robert C. Bordone  
Harvard Law School

John S. Hammond  
John S. Hammond & Associates

Deborah M. Kolb  
Simmons School of Management

David Lax  
Lax Sebenius, LLC

Robert Mnookin  
Harvard Law School

Bruce Patton  
Vantage Partners, LLC

Jeswald Salacuse  
The Fletcher School of Law and Diplomacy,  
Tufts University

James Sebenius  
Harvard Business School

Guhan Subramanian  
Harvard Law School and  
Harvard Business School

Lawrence Susskind  
Massachusetts Institute of Technology

Michael Wheeler  
Harvard Business School

## Negotiation Editorial Staff

### Academic Editor

Guhan Subramanian

*Joseph Flom Professor of Law and  
Business, Harvard Law School*

*Douglas Weaver Professor of  
Business Law, Harvard Business  
School*

### Editor

Katherine Shonk

### Art Director

Heather Derocher

### Published by

Program on Negotiation  
Harvard Law School

### Managing Director

Susan Hackley

### Assistant Director

James Kerwin

Copyright © 2012 by Harvard University.  
This publication may not be reproduced in  
part or whole without the express written per-  
mission of the Program on Negotiation. You  
may not forward this document electronically.

## About *Negotiation*

The articles in this Special Report were previously published in *Negotiation*, a monthly newsletter for leaders and business professionals in every field. *Negotiation* is published by the Program on Negotiation at Harvard Law School, an interdisciplinary consortium that works to connect rigorous research and scholarship on negotiation and dispute resolution with a deep understanding of practice. For more information about the Program on Negotiation, our Executive Training programs, and the *Negotiation* newsletter, please visit [www.pon.harvard.edu](http://www.pon.harvard.edu).

To order additional copies of this Special Report for group distribution, or to order group subscriptions to the *Negotiation* newsletter, please call +1 800-391-8629 or +1 301-528-2676, or write to [negotiation@law.harvard.edu](mailto:negotiation@law.harvard.edu).

For individual subscriptions to the *Negotiation* newsletter, please visit [www.pon.harvard.edu/negotiation-monthly](http://www.pon.harvard.edu/negotiation-monthly).

To order the full text of these articles, call +1 800-391-8629 or +1 301-528-2676, or write to [negotiation@law.harvard.edu](mailto:negotiation@law.harvard.edu). Visit [www.pon.harvard.edu](http://www.pon.harvard.edu) to download other free *Negotiation* Special Reports.

### THREE-DAY SEMINARS

THE CHARLES HOTEL  
CAMBRIDGE, MA

# NEGOTIATION AND LEADERSHIP

DEALING WITH DIFFICULT PEOPLE  
AND PROBLEMS



### BECOMING A BETTER NEGOTIATOR STARTS HERE

Thirty years of groundbreaking research, compressed into three thought-provoking days.

**Day 1:** Discover a framework for thinking about negotiation success.

**Day 2:** Examine and develop effective techniques for addressing a variety of negotiation challenges.

**Day 3:** Put it all together and emerge well equipped to negotiate more skillfully, confidently, and effectively.

PROGRAM ON NEGOTIATION  
HARVARD LAW SCHOOL  
EXECUTIVE EDUCATION



To register online or to download the free Program Guide go to  
[www.executive.pon.harvard.edu](http://www.executive.pon.harvard.edu)

## Hire the right facilitator

---

As a manager, you're often faced with the task of chairing complex meetings and team negotiations. What do you do when tempers flare, talks stall, and anarchy threatens? It may be time to enlist the help of an expert: a professional facilitator.

Consider the dilemma faced by Joe, the vice president of semiconductor technology at one of the largest computer companies in the world. One of Joe's many responsibilities includes chairing an alliance made up of representatives from six other large companies. Although the firms are heavily invested in competing with one another most of the time, the group works together to develop and acquire certain production technologies.

Unfortunately, Joe is head of the alliance in name only; the other members second-guess every move he makes. What's more, months of difficult internal and external negotiations have caused the group to split into two warring factions. One wants to move quickly to purchase a recently patented software package from a small firm in Europe. The other is reluctant to make the buy, arguing that the software soon will be outdated. Joe's own corporate interests have forced him to side with the first group, thereby undermining his ability to run the alliance evenhandedly.

After listening to Joe complain about the situation for many weeks, his assistant advises him to enlist the help of an outside professional facilitator. A newly recognized management capability, facilitation is the process of managing multiparty, multi-issue negotiations both inside and outside an organization, often with the goal of heading off conflict or solving specific problems.

**Do you need a mediator or a facilitator?** Businesspeople often use the terms *facilitation* and *mediation* interchangeably, yet important distinctions exist between the two processes. It's smart to enlist the help of a mediator when your negotiation has already reached a standoff or when communication is entirely blocked. Professional mediators generally are expected to be strictly neutral and to bring a substantive knowledge of the issues under discussion to the table. Mediators often also focus on getting the right people to the table and implementing the final deal.

By contrast, facilitation tends to be used at the outset of a problem-solving negotiation, before parties have reached an impasse. In addition, the work of facilitators tends to be confined to what happens at the table. Facilitation can be viewed as a bundle of meeting-management skills that anyone can employ, such as coordinating the flow of conversation, ensuring that participants observe time limits, cooling tempers when talks get overheated, and periodically summarizing the essence of working agreements.

When dealing with various conflicts that arise in negotiation, too many managers and organizations overlook the benefits of incorporating facilitation into their standard routines. As a result, they waste time and money—and risk escalating a conflict that could be resolved in its early stages.

**Bringing a professional facilitator on board.** On the brink of losing both the debate over the European software acquisition and, in all likelihood, his chairmanship of the alliance, Joe decides to take his assistant's advice. He contacts a small facilitation firm recommended by the management school where he received his MBA. After meeting with the head of the firm, Joe hires Claire Reardon, the firm's senior staff member and an experienced facilitator. He then places informal calls to each member of the alliance. To his surprise, no one objects to Claire's attending the group's next meeting.

As the meeting begins, Claire spends a few minutes outlining her responsibilities. She explains that her role is simply to help move the conversation along; she will not dictate the substance of group decisions. Tired of Joe's overbearing approach, the members grant Claire speedy approval of the key elements of a contract clarifying her duties. Her previous work history

in the software industry gives members a certain degree of confidence that she won't slow down their conversation.

Here's a closer look at the tasks that Claire takes on—and why the alliance members, including Joe, ended up feeling so positively about their experience with facilitation.

**1. Working with the group to structure an agenda.** Once her contract was in place, Claire met individually with each alliance member to find out as much as possible about his or her interests, priorities, and concerns. She promised to keep their disclosures confidential; that is, she indicated that she would not attribute any specific comments or suggestions to any particular member. Having had these conversations, Claire was primed to shape an agenda with which everyone felt comfortable.

**2. Setting and enforcing consensus-building ground rules.** At her first working meeting with the group, Claire prepared a short list of ground rules that the group quickly endorsed. Most reflected practices already in place (such as “Wait to be recognized before you start talking”), but some were new. For example, Claire promised to ensure that everyone would have a chance to discuss each agenda item at each meeting. She also promised to prepare draft summaries of all discussions and decisions, and to distribute them within 24 hours after each meeting. Each member was guaranteed a chance to make corrections to the summaries before they became final. Codifying these ground rules enabled Claire to move forward with the group's full support.

**3. Capturing in writing a fair and accurate summary of negotiated outcomes.** Whenever the group reached major decisions, Claire took responsibility for producing a *single text*—a written proposal incorporating everyone's suggestions for a package that would satisfy them all. When it came time to make a decision about the software purchase from the European company, Claire helped the group understand why the split in its ranks had occurred. Specifically, she noted that the two factions were so blinded by their need to win that they misunderstood the source of their disagreement. With Claire's help, they negotiated a hard deadline for either producing their own shared version of the software or buying the European company's version.

**4. Overcoming resistance.** Joe's worst fears never materialized. Claire didn't attempt to take over the meetings and didn't try to impose her views on the group. Retaining his title as chair, Joe was free to speak his mind and present his company's views in a straightforward fashion. He also continued to handle all interactions with top brass at each member company, as Claire's role was limited to interactions with the alliance representatives at the meetings.

All alliance members contributed equally to Claire's fee, which was disbursed by Joe's company. From time to time, the group amended Claire's contract to reflect additional responsibilities they wanted her to assume. At one point, for instance, they asked her to coach them on how to improve their own facilitation skills so that they could more effectively manage impromptu negotiations within their companies.

Over time, the alliance became much more productive, allowing the group to reduce scheduled meetings from monthly to every other month and to rely on Claire to touch base with all members between talks. Indeed, the other alliance members made a point of congratulating Joe on having had the insight to hire Claire—and they became enthusiastic advocates of professional facilitation within their own companies.

Adapted from "Bring Talks Back on Track with Facilitation," by Lawrence Susskind (professor, Massachusetts Institute of Technology), first published in the *Negotiation* newsletter (September 2006).

## Facilitate workplace disputes

If you manage people, disputes will show up at your door. The marketing VP protests that the budget cap you and your new finance VP proposed is hindering a research initiative you supported. Two young sales representatives are embroiled in a turf war. Your administrative assistant is upset because the HR director won't approve the extra week of paid maternity leave you promised her.

In recent years, managers have begun to adopt the proven skills of professional mediators and arbitrators to resolve workplace conflict. In his book *Leading Leaders: How to Manage Smart, Talented, Rich, and Powerful People* (Amacom, 2006), Tufts University professor Jeswald Salacuse shows how alternative dispute-



resolution techniques can defuse tensions and get everyone back to work.

Rather than imposing a decision, a trained mediator tries to help disputants reach their own voluntary solution to the conflict. As a leader, your role can be more complicated. Unlike an actual mediator, you'll have to live with the outcome of the dispute, and you may have strong opinions about the best result for you, the disputants, and your organization.

For these reasons, leaders need to adapt mediation skills to their purposes. As long as the disputants respect your authority, you should feel empowered to try to change the behavior of one or both sides to serve the organization's best interests, writes Salacuse. He has identified six bases of social power that will give you the leverage you need.

**1. Rewards.** As a leader, you have access to resources you can use to reward disputants for changing their behavior. Suppose you have been so impressed by your marketing VP's achievements that you're committed to funding the research initiative despite the budget cap that your finance VP wants to enforce. As CEO, you may be able to tap special funds for the project without requiring an exception to the rule. Anticipate, however, that some in your organization may view such special arrangements and rewards as a sign of weakness or as a bad precedent.

**2. Coercion.** Leaders can punish as well as reward, notes Salacuse. If you are tired of your sales reps' constant bickering over who poached whose client, you could threaten to take away key accounts from both if they can't work out a solution. But be careful not to be too heavy-handed with coercion tactics, lest you drive the conflict deeper and closer to home.

**3. Expertise.** Often, subordinates bring their disputes to their bosses because they expect them to apply specialized expertise to a problem. Your managerial smarts should convince your finance VP to accept your support of the marketing VP's new initiative. Lawyers, doctors, and other professionals bring unique knowledge and skills to the conflicts in their offices. Salacuse warns, however, that disputants may be dismissive of your recommendations if they perceive your expertise to be no greater than theirs.

**4. Legitimacy.** A leader's legitimacy varies by organization and by the nature of the dispute. In a top-down organization, employees will be more

likely to accept the guidance of an authority figure than employees of a less-hierarchical firm will be. If your HR director is used to having a great deal of autonomy, he may fight back if you lobby for your assistant to receive an extra week's maternity leave.

**5. Relationships.** The degree to which you can influence a disputant also depends on the nature and strength of your relationship with that person. Suppose you decide that you erred in offering your assistant a longer maternity leave than other employees. You should have a better chance of persuading her to accept this view if she has worked closely with you for 10 years than if she only joined the organization a year ago. The desire to preserve the relationship can be sufficient motivation for a disputant to follow your advice.

**6. Coalitions and networks.** Sometimes outside help is required to effectively resolve a dispute. By building coalitions and capitalizing on existing social networks, you can gain support for your proposal, Salacuse writes. For instance, if you are relatively new to your organization, you might ask a senior partner who has worked closely with at least one of the two warring sales reps to help you resolve the conflict.

Adapted from "Resolve Employee Conflicts with Mediation Techniques," first published in the *Negotiation* newsletter (December 2007).

## Anticipate—and avoid—group faultlines

Group negotiations are a fact of managerial life, yet the outcomes of teamwork are highly unpredictable. Sometimes groups cohere, reaching novel solutions to nagging problems, and sometimes infighting causes them to collapse. How can you predict when conflict will emerge in groups, and what can you do to stop it?

Dora Lau of the Chinese University of Hong Kong and Keith Murnighan of the Kellogg Graduate School of Management at Northwestern University have examined group conflict in terms of *faultlines*—the cracks that result when groups split into homogeneous subgroups according to demographic characteristics. For instance, in a four-person group made up of two white males in their forties and two African-American females in their twenties, a very strong



faultline would exist, one clearly defined by age, gender, and race. In a group consisting of one white male, one Asian male, one Hispanic female, and one African-American female, all in their thirties, faultlines would be less evident.

Katerina Bezrukova of Rutgers University and her colleagues compared the effects of faultlines based on social categories (e.g., age, race, or gender) with those based on information (e.g., education or work experience). They found that groups with strong information-based faultlines perform better than groups with strong demographic-based faultlines. While the latter create dysfunctional conflict within the group, information-based faultlines provide the diversity of information needed for effective performance—in other words, they provide functional conflict.

These studies provide useful hints on how diversity can be effectively managed. Specifically, when forming teams, avoid obvious demographic faultlines that would allow group members to split into categories. When broader diversity exists, faultlines can simply disappear.

Adapted from “Faultlines in Group Negotiation,”  
first published in the *Negotiation* newsletter (November 2005).

## Choose the right decision rule

When more than two parties negotiate, they must agree on a decision rule—a formal method of determining the final outcome. Majority rule and unanimity are the most common methods of social choice in Western society.

Yet Max H. Bazerman, Leigh Thompson, and Elizabeth A. Mannix have found majority rule to be a problematic decision rule in multiparty, multi-issue negotiations. First, majority rule fails to recognize the strengths of individual preferences; the vote of someone who cares very much about an issue carries the same weight as the vote of someone whose opinion on that issue is much weaker.

In addition, majority rule can mask opportunities for group members to discover one another’s priorities, thereby preventing tradeoffs across issues.

Finally, majority rule may exclude entirely the desires of some participants from the final decision. These individuals are likely to be less committed to the final agreement.

In Bazerman, Thompson, and Mannix's research, groups instructed to reach a unanimous agreement achieved more integrative outcomes of higher overall gain than did groups using majority rule. Groups using unanimous rule also distributed resources more equally than did groups operating under majority rule, which may have prompted greater satisfaction with and commitment to the agreement, as well as stronger future relationships.

Of course, groups are not always able to reach unanimous agreements. Without a fallback decision rule, they can risk becoming deadlocked. Rather than opting for simple majority rule, groups may be better off striving for consensus, such as a two-thirds majority with no strong dissenters.

Adapted from "Three Keys to Navigating Multiparty Negotiations,"  
by Elizabeth A. Mannix (professor, Cornell University),  
first published in the *Negotiation* newsletter (February 2006).



## ATTEND an upcoming Executive Education program

---

### Negotiation and Leadership: Dealing with Difficult People and Problems

Designed to accelerate your negotiation capabilities, this three-day offering examines core decision-making challenges, analyzes complex negotiation scenarios, and provides a range of competitive and cooperative negotiation strategies. You will emerge well prepared to achieve better outcomes at the bargaining table, every time.

### In-Depth, One-Day Author Sessions

Groundbreaking ideas, global insights, and innovative strategies — all taught by the experts who literally wrote the book on them.

### Harvard Negotiation Institute's Summer Programs

Ranging in duration from two to five days, each program focuses on a critical aspect of negotiation.

- ▶ Mediating Disputes
- ▶ Negotiation: Strategies, Tools, and Skills for Success
- ▶ Improving Negotiation Effectiveness
- ▶ Dealing with Difficult Conversations
- ▶ Advanced Negotiation: Deal Set-Up, Design, and Implementation
- ▶ Intensive Negotiations for Lawyers and Executives

For an updated listing of programs, including dates and locations, or to download a complete program guide, visit [www.pon.harvard.edu](http://www.pon.harvard.edu).

## SUBSCRIBE to *Negotiation*, the monthly newsletter

---

Drawing on ideas from leading authorities and scholars in the field of negotiation, this timely publication provides proven strategies and techniques aimed at improving your ability to get deals done, solve problems, preserve relationships, and manage conflict.

To learn more or subscribe, call +1 800-391-8629 (outside the U.S., dial +1 301-528-2676), email [negotiation@law.harvard.edu](mailto:negotiation@law.harvard.edu), or visit [www.pon.harvard.edu/negotiation-monthly](http://www.pon.harvard.edu/negotiation-monthly).

## EDUCATE yourself and others on key negotiation topics

---

Access teaching materials and publications in the Program on Negotiation's Clearinghouse, including role-play simulations, videos, books, periodicals, and case studies. Most Clearinghouse materials are designed for use by college faculty, corporate trainers, mediators, and facilitators, as well as individuals who seek to enhance their negotiation skills and knowledge.

To view all Clearinghouse teaching materials and publications, visit [www.pon.harvard.edu/shop/home/](http://www.pon.harvard.edu/shop/home/).

## READ the *Negotiation Journal*

---

This quarterly publication is committed to the development of better strategies for resolving differences through the give-and-take process of negotiation. *Negotiation Journal's* eclectic, multidisciplinary approach reinforces its reputation as an invaluable international resource for anyone interested in the practice and analysis of negotiation, mediation, and conflict resolution.

To learn more or subscribe, visit [www.pon.harvard.edu/publications/](http://www.pon.harvard.edu/publications/).