

Negotiation summary analysis form essay sample

[Business](#), [Strategy](#)



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Negotiation Summary/Analysis Form Essay Sample

1. The Problem: What is the problem that must be solved in this negotiation?

Beta's , Inc., a robotic manufacturing company had a preliminary discussion with Alpha Inc. about a possible licensing arrangement. In this discussion, the companies agreed to be in a relationship for 5 years, Alpha, Inc. will receive fully assembled Robots from Beta's In. and will sell under Alpha, Inc.'s name, companies will have a technology exchange, and the agreement will be nonexclusive. In this negotiation the four issues that need to be decided are 1)the number of different models to provide to Alpha, Inc., 2) the number of Beta, Inc. units to be imported by Alpha each year, 3) the matter of technology sharing, and 4) the royalty rate.

2. Negotiation goals and decision makers:

a. What was your specific, high expectation in this negotiation?

Our high expectation for this negotiation is to persuade the Alpha team to agree with our needs to attain greater scale economies in production. Specifically, Beta Inc. wants to develop a presence in the rapidly growing Alphan markets and ultimately be the first to market low cost, universal robots with vision. In order to attain this goal, our high expectation of this negotiation is to convince Alpha Inc. to give us access to Alpha's Inc. artificial vision technology after the first year of our agreement. We will provide four models in production, 300 units of each model, at a 5% royalty rate.

b. What was your BATNA?

The Beta's best alternative for this negotiation is to offer a compromise solution for this licensing agreement. Beta, Inc. will agree to create up to 6 models as we currently have 8 models in production. We feel that would be a comfortable amount in production while controlling capital expenditures. The Beta team will agreed to increase the number of units imported each year only if royalty rate is increased to 7%-10%. This will be determined based on increased number of units. Lastly, we will agree to the transfer of manufacturing technology only if our team get access to Alpha's artificial vision technology. Beta, Inc. feels this compromise solution will be the best alternative to meet both our needs.

3. Underlying needs and interests

a. What were your underlying needs?

The Beta's team underlying needs are to develop and expand into a rapidly growing market. In order to attain this goal, Beta's strategic plan is limit the number of models in production to control expenditure until they can expand their production capability, limit the number of units imported to Alpha's team until they can successfully prove this agreement is marketable and profitable. Most importantly, they want to obtain the artificial vision technology to explore new markets for universal robots. The Beta team feels they can meet these strategic objectives if they build a good working relationship with the Alpha team.

b. What were their underlying needs?

The Alpha team's underling needs are to produce a high number of different

models (> 10) and a high volume of robots each year to profit and expand their market from this licensing agreement. In addition, another key underlying need is to obtain the Beta team's manufacturing technology as they are an expert in that field and the Alpha team needs help to develop its own robotics manufacturing process to ultimately produce and sell universal robots.

4. Leverage

- a. What would I lose if we don't reach a deal?
- b. What would they lose if we don't?
- c. What could I do that would make the status quo worse?
- d. What could they do to make the status quo worse?
- e. What steps could I take to reduce the losses from (d)?

5. Standards and norms

- a. What standards and norms could be applied to the problem?
- b. What standards and norms were applied to specific positions?

6. The negotiation situation:

- a. What type of negotiation was this as I saw it?

Transactional

Relationship

Balanced concerns

Tacit coordination

b. What type of negotiation was this as they saw it?

Transactional

Relationship

Balanced concerns

Tacit coordination

7. Negotiation strategies

a. What strategy or strategies did I end up using?

Competitive

Problem solving

Compromise

Avoidance

Accommodation

Provide a concrete example from the negotiation illustrating how you used one of these strategies:

b. What strategy or strategies did they end up using?

Competitive

Problem solving

Compromise

Avoidance

Accommodation