

Reflection paper – "moms.com"



**ASSIGN
BUSTER**

The Moms. com negotiation has two roles: Kim Taylor as the buyer for WCHI (Independent television station in Chicago) and Terry Schiller as a syndicated sales representative for Hollyville, Inc.

an international multimedia corporation that specializes in producing television shows and motion pictures. On this negotiation I played the role of Kim Taylor. The company had request for the best deal possible, but is important to preserve the relationship with Hollyville as new shows for future programming years become available. For the negotiation I created a worksheet, with the multiple combinations to calculate the net value of the options. During the negotiation my counter party used a spreadsheet too, what really facilitated the exchange the offers and the quick recalculation of both parties' new net values.

An open discussion based on different types of questions, created a great opportunity to find the best scenario for both parts. After discussing our needs & wants, we were able to work out an agreeable deal that turned out to be one of the best in the class: Price/Episode: \$60, 000 Run/Episode: 8 Financing % of payment in each year: 1> 40%; 2> 25%; 3> 20%% and 4> 15% Junior (per episode): \$16, 000 Net Value: \$ 2, 060, 000 Buyer; \$ 2, 430, 00 Seller with a total of \$4, 490, 00 This paper covers the importance of exchanging information for integrative agreements, and provides ideas on the types of questions negotiators should ask to maximize efficiency. Fisher and Ury (1991) say that " without communication there is no negotiation. " Communicating by willingly providing information and asking questions develops the relationship and trust between all parties. By sharing information, a negotiator encourages perspective taking and improves the

quality of the agreement. By gathering information, a negotiator is better able to identify where the value is, and may see potential trades & deals that can maximize the deal.

Sharing information does not mean that a negotiator must share his/her BATNA or specific costs and benefits. However, one may elect to share other information such as his/her interests and/or priorities. Providing information assists in developing a "win-win" negotiation. In the "Moms.

com" negotiation, I began the trust building processes by sharing the limits placed upon me by the corporation on the number of runs per episode. By freely providing this information, after rejecting the buyer's initial offer, I avoided discouraging or offending the buyer as a result of the rejection. By initially sharing information, I created the expectation of reciprocity, which allowed me to gather information with the expectation of receiving a truthful answer. While proposing packages and calculating the financial results, I prompted the buyer for information on what was more important to him with respect to financing terms or the number of runs per episode.

Again, without providing the specific financial costs of either, the buyer told me that he prioritized the number of runs per episode over the length of financing. This information was a great help. We discovered that an integrative solution was feasible by increasing his potential profit through raising the number of runs per episode, and decreasing my potential loss by paying more money up front and shortening the finance period. The discussion, up to this point, supports the fact that exchanging information is a necessity in developing a good negotiated agreement. Effective

questioning is a crucial part to the information exchange process, and allows a negotiator to efficiently gather the data he/she needs to maximize the deal. There are many types of questions that allow a negotiator to gather information effectively, like open and close questions, questions to find the issues that are more or none flexible to the other part.

Question to look the motivations on buying or selling can create good insights on the reasons behind the other party. Is always essential to determine interests, which can come down to putting one's self in the other party's shoes. Questions seeking solution are a way to build trust and establish commitment to the negotiated agreement. This type of question allow you to show interest in what the other side(s) want, as well as provides them the opportunity to point out the problems they may have with your proposal. The exchange of information is vital to succeeding in any negotiation. The quote, " knowledge is power", applies directly to attaining a win-win negotiated agreement.

It helps to avoid thinking about a negotiation as a game or war between sides. This type of thinking will naturally discourage you from wanting to truthfully share information. Willingly exchanging information with an " opponent" or " enemy" is seen as a bad idea in war and most games. A good negotiator should approach a negotiation as if they are dealing with their " fraternal twin". A negotiator should expect to share information that he/she would expect the other side to share. By sharing information, a negotiator can build trust between all parties, and create an atmosphere where the other parties feel comfortable truthfully responding to questions he/she may have.

Another tool that was not explored during our negotiation, but used for other groups and after discussed in class was the used of a Contingency contract to deal with the different expectations on future ratings. The use of a contingency contract could eliminate an impasse, between the two parties on the expectation on the future ratings. But some of the issues on the use of contingency contract is the familiarity on the legal department on using this type of contract to create a clear and transparent way to follow the future results of ratings to enforce the contract without creating conflicts in the future between the two companies and affecting future negotiations. This fact and company policies need to be know by the negotiation team, before explore this solution during the negotiation process