

Good essay about distributive and interest-based bargaining

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Distributive and Interest Based Bargaining

Distributive bargaining also known as the zero sum bargaining, is a bargaining strategy which is highly competitive. It is mostly used to help people decide how to distribute fixed resources such as money. The parties in this strategy assume that the resources are fixed and in low supply, hence, the more one gets, the less the other party gets. Interest-based bargaining also known as integrative bargaining is a strategy in negotiation in which the parties look for mutually benefiting solution to all parties. In this strategy, the parties involved both end up benefiting, hence, a 'win-win' situation.

When distributive negotiation is being applied, there exists a maximum or a minimum value which when reached the party will walk away. This involves the identifying of the other party's walk away value and tries to satisfy one's own goals while reaching the opponents value. Interest-based negotiating involves the identifying of the each party's walk away value. In this case, the party's agree to sacrifice part of their demand hence each end up benefiting equally. Unlike, Distributive negotiating, the parties do not use selfish means to resolve the dispute but mutually agree.

Negotiations are affected by many factors including power, cost, intra-organizational bargaining, ethical and legal considerations. With these factors in place, it can be noted that the negotiating process may be shifted to one side as opposed to the other. When a negotiator is being used, such factors should be taken into consideration in order to ensure that there is fairness in the process. Other factors such as ethical and legal considerations are used to make sure that the negotiating process is as fair as possible.

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Negotiators consider this as breaking them will result to dispute and increased conflicts.

References

Lipczynski, J. (2011). Business. Chicago: Chicago Review Press.