



“It’s a negotiation I’m handling for the Pashendale Group,” Forrester explains.

Although his performance has improved significantly over the past few weeks he remains a proud and mostly private man so you are a little surprised by his request to talk about an issue he’s struggling with.

“I had lunch with Virna last week,” you tell him. “She told me how impressed she is with your ability to negotiate great deals and build positive relationships with her stakeholders. I’m starting to worry she might try to poach you from ABS.”

Forrester laughs, trying to conceal his embarrassment. He continues.

“A month ago that massive storm we had took out one of Pashendale’s lifting tower cranes. Their insurer denied their claim so Virna engaged me to negotiate a more favourable outcome on her behalf. I remembered what you told me and put aside my old arsenal of positional bargaining tricks and tried your principled negotiation techniques: not taking a position, remaining flexible and open minded, and using foresight to foster future relations.”



“And how did the negotiation go?” you ask.

“It went brilliantly,” he beams. “I successfully convinced the insurer that approving Pashendale’s claim was in their long term interests, despite the immediate payout cost.”

“That’s a great result!” you exclaim, “well done.”

He scratches his head, “One matter remains outstanding though.”

“What’s that?” you ask.

“We’re unable to agree on the quantum of the payout figure. And I’m afraid I’ve slipped back into my old habits again and turned the negotiation into a dispute over positions. The whole deal could come crashing down if we can’t resolve this one issue.”

“Are you asking the Armani suit with the Kaplan degree for guidance?”

Forrester smiles. “That’s your Burberry suit, and yes, I guess I am.”

**Prepare some guidance for Forrester to help him effectively resolve his dispute.**

## Playtime Group Instructions

### GROUP 1:

*In your group, provide guidance to Forrester on how to resolve disputes effectively.*

*Focus the following:*

- Explain **how disputes arise** in negotiations
- Discuss the better alternative to resolving disputes than by a contest of wills
- Advise Forrester what he could do to help resolve his dispute with the insurer

### GROUP 2:

*In your group, provide guidance to Forrester on how to resolve disputes effectively.*

*Focus the following:*

- Explain what kind of outcomes are more likely to be produced by **negotiations based on objective standards**
- Discuss the benefits of using objective criteria to resolve disputes
- Provide two examples of **fair, objective standards** that Forrester could use to estimate the value of the construction crane

### GROUP 3:

*In your group, provide guidance to Forrester on how to resolve disputes effectively.*

*Focus the following:*

- Explain that more than one objective standard can be legitimate
- Discuss how parties should determine which objective standard to apply
- Advise Forrester what he should do to determine which objective standard to apply

### GROUP 4:

*In your group, provide guidance to Forrester on how to resolve disputes effectively.*

*Focus the following:*

- Explain the concept of **mediation**
- Discuss the benefits of mediation
- Advise Forrester who might be called upon to act as mediator in the dispute with the insurer