MULTIPARTY NEGOTIATIONS

Coalitions

- Definition - two or more parties who agree to cooperate in order to achieve some mutually desirable goal

- A way for individually weaker parties to gain power

- May be unstable: in the "Coalition Game" for any dyad, the excluded party can offer a better deal to one member in an alternative grouping.

Coalitions

- Complex mixture of cooperation and competition:
  - cooperation with fellow coalition members
  - competition with other coalitions
    - but also seeking cooperation with individual members from other coalitions to poach
  - competition with fellow coalition members over allocating rewards

3

Characteristics of Coalitions

- Often form one member at a time

- Tend to be formed independently of formal organizational structure

- Often are dependent on persuasion and *trust*

(fears of defection, fear of leaked information)

Do coalitions help OR hurt the reaching of integrative solutions?

The Complexities of Multiparty

- Informational complexity
  - Much more information to keep track of (various interests, positions, perceptions, BATNAs, strategies)
  - Your alternative to an agreement often is not "no deal" but other parties making a deal that excludes you
  - Challenge =
    - (i) figure out parameters into which solution must fit
    - (ii) avoiding "tunnel vision" of groups and generating creative solutions given various interests
    - Avoid triggering negative emotions (hard to do without a good process)

The Complexities of Multiparty Negotiations

- Procedural complexity: How do you make sure everyone has an opportunity to speak and hold a constructive discussion?
  - Free form?
  - Go around the table?
  - Opening statement followed by open discussion?

  Decision rules:
  - Majority rule? Unanimity? Consensus?

The Complexities of Multiparty Negotiations

- Social complexity
  - Dynamics in groups are different from dyads (not just additive, people behave *differently* in groups).
  - Beware: pressures of "group think" & conformity to "emerging consensus"
    - Studies show group effects on perception & behavior
    - Status differences can intensify this dynamic
    - Stay conscious of this dynamic and remain in touch with colleagues who are not in the group.

15.665 Power and Negotiation
Spring 2014