

Introducing the 7 Elements of Negotiation

Introduction

This article introduces you to the 7 Element theory of negotiation by briefly outlining the purpose and a summary of the theory, its applications, and the definitions of each of the 7 Elements. The theory was developed by Professor Roger Fisher and his colleagues at the Harvard Negotiation Project, and has been further developed by CMA.

The need for a theory of negotiation

Each time you negotiate, you have to make choices about what to say and do to achieve your purpose: influencing someone else's behaviour. How do you make those choices? Most people act on the basis of instinct (ie. without really thinking), or on the basis of what seems to have worked for them or for others in the past. In either case, by acting without understanding what's going on in the negotiation you run the risk of jeopardising your success. You need a sound theory for negotiation that can support you in two critical ways:

- by helping you understand what's going on, and what your choices are (ie. a *descriptive* theory)
- by guiding your choices about how to prepare for and conduct the negotiation (ie. a theory with *prescriptive* or advisory applications).

Such a theory needs to be specific enough to be helpful and, at the same time, comprehensive and flexible enough to cover the range of negotiations that you face. It needs to apply to negotiations with family and friends, employers, service providers and many others; and it needs to apply to negotiations you conduct on your own and on behalf of others (eg. friends, clients or employers). The *descriptive* 7 Element theory of negotiation, from which the *prescriptive* approach known as Principled Negotiation is derived, meets these needs.

The 7 Element theory of negotiation

The theory in a nutshell

The 7 Element theory, in a nutshell, is that every negotiation can be broken down into seven distinguishable yet interconnected Elements: relationship, communication, interests, options, standards, alternatives and commitments. All seven Elements are present in every negotiation, regardless of the style or approach adopted by the negotiators. In each negotiation, however, the Elements will be managed in a unique way by the negotiators.

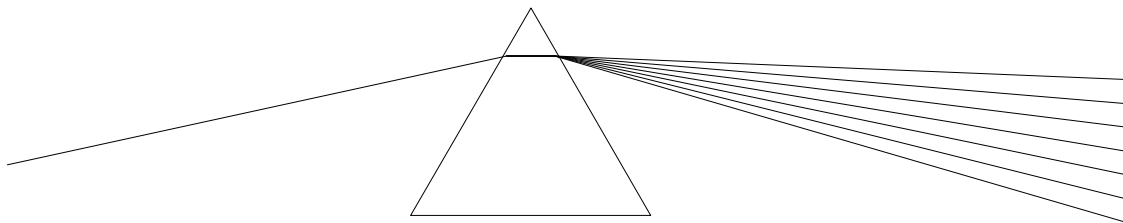
A set of brief working definitions for each Element appears on the next page.

Relationship:	The state of connection between two or more people.
Communication:	The transfer of messages by speech, writing or other means.
Interests:	The needs, concerns, goals, hopes and fears that motivate the parties.
Options:	Ideas about how the parties might meet their interests together.
Standards:	Criteria that the parties use to legitimise their perspectives.
Alternatives:	Steps each party could take to satisfy their own interests outside the current negotiation.
Commitments:	Promises made to build or finalise agreement.

A fuller definition of each Element, with examples, can be found in the following articles.

The theory is like a prism

The 7 Element theory is a conceptual tool that helps you see the components of negotiation more clearly, just as a glass prism breaks up white light into its seven constituent colours. Like the colours of light, the Elements are always there in negotiation, but they are often mixed up together. The 7 Element theory helps you to separate them out and bring each one into focus.



Taking the analogy further, we assign labels (names) and definitions to distinguish the colours of light. Similarly, the 7 Element labels give us a common language that we can use to talk about the Elements of negotiation. But, if you find the labels we use unhelpful, you can use different ones – so long as you understand what each Element represents and the distinctions between them.

What are the 7 Elements?

We've said that having the 7 Element theory is like having a prism that enables you to break up negotiation into its seven components. But what are these components, in essence?¹

¹ Fisher has described the Elements as the building blocks of negotiation; others have called them foundations or pillars. We think of them as being the essence of negotiation, ever-present and yet more flexible than these metaphors suggest.

The simplest answer takes us back to the definition of negotiation: the process of interacting with others to influence decision-making (theirs and your own). The 7 Elements are the factors at play in that process, that is, the factors that account for *how and why* people make decisions through engaging with others.²

So, in a negotiation, I'll only *commit* to an *option* (ie. my behaviour will only be influenced) if I believe it meets my *interests* better than my *alternatives* would, and that it meets at least minimal *standards* of fairness. Our *communication* about these factors will be shaped by (and will shape) our *relationship*. Your effort to influence me – and my response – will inevitably involve both of us in managing each of these factors.

Negotiators constantly make choices about how to use each of the Elements: which ones to emphasise, how to raise them, and so on.³ As a result, one element (perhaps interests, or standards) may appear to be a more significant factor in one negotiation, a combination of Elements in another. Nevertheless, when analysing negotiations you can identify all of the Elements, and trace the impact they have as factors influencing the negotiators.

What the 7 Elements are not

In order to understand what the 7 Elements are, it's also important to distinguish what they are *not*. They're not habits or skills that one can acquire, but rather aspects of every negotiation that you've been managing since childhood. And they're not "steps to success" that need to be taken in a particular order. In some negotiations the elements might be discussed in stages. In others, they may be woven together intricately, with several Elements "appearing" in close succession, or even in a single sentence. Some Elements (alternatives, for example) might not be discussed in a negotiation at all, although they will still influence the process and outcome of the negotiation (in this case, by affecting the parties' levels of confidence in seeking particular commitments). So, just as the content of every Element is different in each negotiation, there's no universal order in which they are (or should be) discussed.

Managing the 7 Elements

The key to improving your negotiation is learning how to identify and consciously work with the 7 Elements in any given negotiation so as to achieve your goals. A skilled negotiator manages the process of negotiation by making informed choices about how to use the 7 Elements, adapting their strategy flexibly as each negotiation unfolds.

Practical applications of the theory

Earlier, we noted that the real value of any good descriptive theory lies in its capacity to provide a solid foundation for practical applications and, ultimately, advice. Here's a summary of the descriptive and prescriptive applications of the 7 Element theory, each of which is explained in detail in another article.

² Not surprisingly, there's a close connection between the 7 Elements of negotiation and the factors that influence how individuals make decisions on their own.

³ These choices are often made intuitively, rather than consciously. Awareness of the 7 Elements is the first step towards making well-informed and effective choices about how to use them.

Descriptive applications: observation & analysis

The ability to systematically observe and analyse negotiations – first others’, and then your own – is a critical first step towards improving your negotiation outcomes. The 7 Elements theory helps you to understand what’s going on in any negotiation, by providing a conceptual framework within which you can analyse the thoughts, speech and actions of each negotiator. In turn, this makes decision-making, performance evaluation and coaching easier, more comprehensive, and more systematic.

Prescriptive applications: Principled Negotiation

Using the 7 Elements theory to analyse thousands of negotiations, the Harvard Negotiation Project and CMA have identified “best practice” advice for goal-setting, preparation, “at the table” strategy and measuring success in negotiation. This best practice approach is known as *Principled Negotiation*.⁴

Setting goals for negotiation

If you want to manage the 7 Elements most effectively, you need to identify goals in relation to each of them so that you know what you’re aiming for. The other practical applications and advice all follow from these goals.

Preparing to negotiate

Success in negotiation, like most endeavours, depends on comprehensive and systematic preparation. The 7 Elements cover the field of negotiation and therefore serve as a primary checklist for effective preparation.

Strategic advice for achieving your negotiation goals

The 7 Elements also provide a framework for advice on how to negotiate “at the table.” This advice is based on years of research into what approaches are most successful at achieving the 7 Element goals, irrespective of the approach taken by your counterpart.

Measuring your success

Finally, the 7 Element goals can serve as a checklist for evaluating your success at the end of your negotiation. Having such a comprehensive framework for reviewing your experience is invaluable for explaining results to clients, constituents or supervisors, and for enhancing your own ability to learn from the experience.

⁴ You may come across the terms “interest-based”, “mutual gains”, “problem-solving”, “collaborative” and “win-win” negotiation being used to describe similar approaches. While these terms and the approaches they describe overlap to some extent, they are not synonymous.