

People often view a negotiation as one party throwing out a number, the other party responding with a number, then a back and forth until a compromise number somewhere between the two is settled on. While this may be an entertaining thought, it isn't really the most efficient way to achieve a good outcome. The numbers that are being thrown out in this scenario will be more useful if they are based on some sort of objective criteria. Why do you think the car you are haggling over is worth a particular amount? Do you have some sort of data to back up this claim? Why does your potential employer think the salary they are offering is fair? Can they show you research that would support this? There are many potential sources for objective criteria: online data, legal precedents, market value, scientific research. It is not helpful to include subjective or emotional evaluations (I may love my car, but I don't expect the dealer to pay more for it when I trade it in because of that).

Once a party begins to use objective criteria, the negotiation often shifts to debating the merits of these external standards. Is the source of data believable? Does whatever is being negotiated over differ from the suggested criteria in some substantial way? The negotiation hasn't ended, but you are now negotiating about something more substantial than numbers picked out of thin air. Rather than a battle of wills, the negotiation becomes a mutual search for fair evaluative criteria. It is preferable that any offer or counteroffer made in a negotiation should include some sort of objective criteria to indicate why the offer is fair.

The use of these criteria will require research going into the negotiation, and may require follow up work before the dispute can be resolved, but there exists a greater chance of finishing with a result that is fair to all parties.