Urban Governance and Development Management (UGDM)
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Lecture - 54
Effective Negotiations

Welcome to Lecture 54. In this lecture, we are going to discuss another very important competency part city manager, i.e., negotiation skills. In the last lecture, we discussed problem solving and decision making. We have discussed that to understand problem, it is very important to analyze the problem, where there the problem is, to be owned by you and to be controllable at your end or not.

And then to analyze the problem, you have to see the root cause of the problem and to resolve the problem, we take decision, we make several alternative solution for the problems. And we see the problems and opportunity to do something and out of those decisions to take the opportunity to solve the problem, we select one. And we convert that selected options to final decision and decisions are converted into actions. So that is what we discussed in last lecture.

Now, in this process of decision making, you might have found that it is not as easy as I am explaining to you. Those who are working at the urban government might have seen that sometimes decision making becomes a very difficult job because a decision is involved with multiple organization, sometimes multiple sections of an organization, sometimes people community group and political influences are also there.

That is why you might have seen that all the decision making process involves significant amount of conflicts, differences of opinion and sometimes non fulfillment of the objective and decisions are not made or wrong decisions are made and the implications are disastrous. So, in those situations to avoid the conflict and to avoid the undecided situations, how we can avoid those kind of situations using the negotiation skills, that is what we are going to discuss.

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Within this discussions, we are going to discuss the interpersonal relation and trustworthiness at the individual level and the group level, how the trustworthiness leading to collaborations within and outside the organization. And what at the beliefs and actions in collaborations in organization, that also we discussed and negotiation and urban governance. What are the negotiation possibilities, which can really work better in urban government that is what we are going to discuss.

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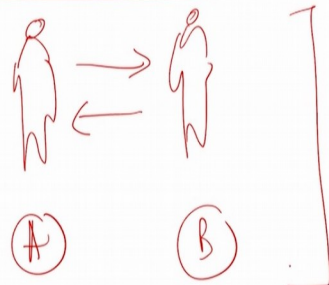
Now in the interpersonal relation, I show why interpersonal relations are important in the official situation. Now, in an organization the job responsibility is written for each and every people in most of the cases. But, even then, why the interpersonal relations work, it is because we are

human being and we work in official situations and sometimes out. Since we are a social animal and human being the interpersonal relations also work fantastic.

Sometimes, we work better under some better leader, sometimes we do not intend to work, do not intend to do better under some not so good leadership. So, it depends on the how the interpersonal relations between the people, between the office supervisor and the subordinate, all this matters. So, this interpersonal relation depends on various factors or people. Like, if I consider that here the person A and person B, both are working together in an official situation and how this interpersonal relation influence and what the influence on this interpersonal relation are.

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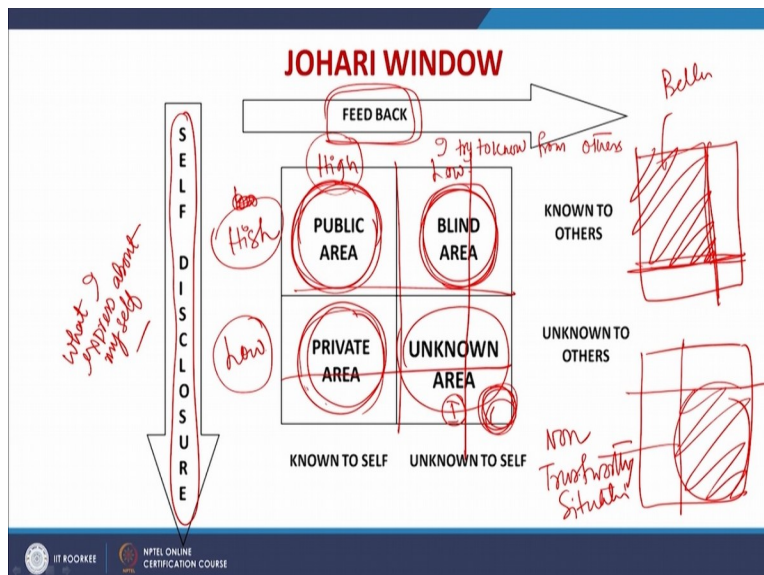
In this context, I would like to see a model which is called JOHARI window. JOHARI window is not a new model for interpersonal relations. It is already accepted model in management studies. But, I will try to discuss on the basis of our urban management governance module. Now, in this JOHARI window, you might have seen that two quadrants are there, one quadrant is the feedback and feedback is what I try to know from others.

And the second quadrant is self-disclosure, i.e., what I express about myself. Therefore, here it is low and here it is, so this is the high and low, so high to low again, high to low. So the first thing, which we are calling as feedback is basically what I try to know from others. Now, if there is a

stranger, I do not know anything about the person and I do not express anything about myself to that person.

So, the amount of the knowledge, amount of information about that person to me and about myself to that person is very much negligible. So that is basically, the unknown to self, somewhere here, which is unknown to self and unknown to others. So, this is a situation like a stranger and when we try to start or initiate discussions and the interactions, we try to know, we know each other in a better way.

And we exchange information's, ideas, we exchange the experiences, exchange sometimes even personal facts and then, we increase the feedback, we increase the self-disclosure. So, here in the chart, four quadrants, the quadrant one, which I have discussed now is basically called as unknown area, which is unknown to others and unknown to myself and sometimes, when I know something, which I disclose, i.e., high disclosure, but low feedback, i.e., the blind area.

Blind area because I disclose anything about me, but I am not sure about the others, I do not have relevant information about the team members or the others. That is called the blind area. On the other end, there is a term called private area, where my disclosure is very low. But my feedback is very high. So in that case, I am not sure about the, it is called private area because the feedback is very high.

I know about the people, but about myself if they are not aware, so that is called private area about myself, they are not aware. And it can be a better situation that there could be high high situation that I know a substantial information about others and others also aware about something about me. So, this allows high feedback and high self-disclosure area, so that is called public area.

So, interpersonal relation, the more the public area better the interpersonal relation. So, this line is not a static line, sometimes this line could be like that. So, in an interpersonal relation, if the lines are like this, that means more public area. So, more the public area, it is better that we have

better interpersonal relation and if it is reverse, like, that means the unknown areas are more, this kind of situations are basically non trustworthy situation.

And in non-trustworthy situation neither we disclose anything about myself and neither I am interested to know anything from the others. So, this kind of exchanges, feedback and self-disclosure are strongly related with the trustworthy relations between the people and it is the basis of the interpersonal relation, which matters. Now, this interpersonal relation is linked with negotiations.

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So, why we negotiate at the work place? Because the individual and group differences are there. As I have told you, that is based on interpersonal relations and based on trustworthy relations. It varies up to a long extend, but we cannot afford all the relations and all the interactions every time. And sometimes, it is becoming a conflicting situation that is why we try to resolve the group differences and individual differences through a dedicated and through a systematic process that is why negotiation is required.

Then, consensus in the decisions. So, in the decision making consensus is required. Making development forward, unless we do not care about what others are thinking and we just in (()) (10:08) something toward others, the decision become biased and this decision may not help the development. And that is how we try to come out from a private area to the public area as per the

JOHARI window and try to make a trustworthy relation between the people around us, who are working at the job situation.

And then we make decision consensus and doing forward for the development and in this way we avoid conflicts. You might have seen that all the situations, where most of the trivial conflicting situations are there and many undesired situation and implications have happened. All those situations people have non trustworthy relations and because of that they failed to take consensus in the decision and they failed to take any appropriate action to solve the problem.

That is the actual problem, which is the root cause of all the problem. So, all the problems can be resolved, if there is a trustworthy relation between the people, between the groups and there is a consensus in the decision making. So, having said that I tell you about the trust and power relations in the personal relation, how trustworthiness and power also acts to the interpersonal relation. And ultimately, either it leads to collaboration or it leads to somewhat apathy to each other. So, let us see how it acts.

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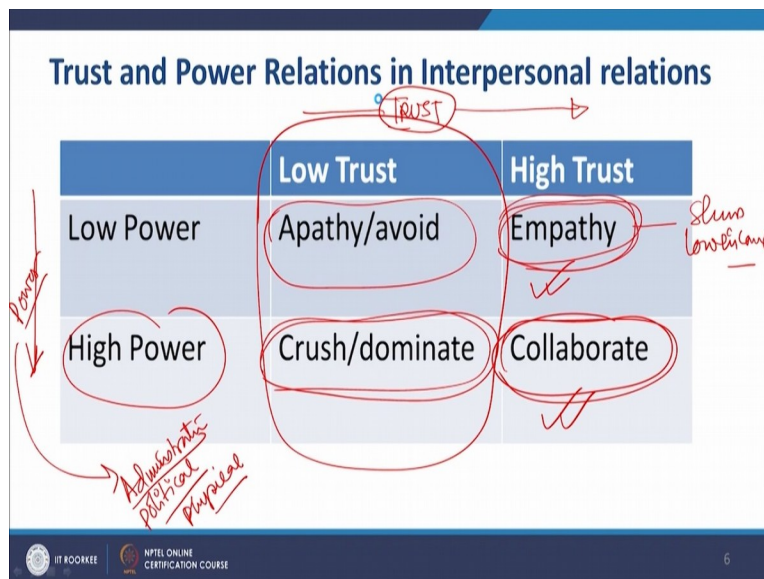
So, please see this chart. In this chart, there are two variables, one is trust component, interpersonal trust, which I talked in the first slide. So, low to high and the power, which we enjoy is a low to high. Now, this power sometimes could be administrative power, I just write here, sometimes political, sometimes physical etc. So, if the power equation of I have very low

power or the other person has low power and low trust, so, there will be kind of apathy and will try to avoid.

Because neither of as we have the administrative, political, physical power and the trust between each other. So, the situation will be apathy and avoid. I tell you the example, in any city situation if within all the constituency, there is a winning constituency and the majority of the constituency is taken over by one political party, which is running the government, local government and other political parties which are not majority, minority and which are sort of powerless and they cannot exert much match in the forum and they cannot get the projects and the development for their words.

That is happening, happens in some cases. In those types of situations, where low amount of power is there, low trust is there. So, apathy is there between the minority people or between the similar low power minority groups or the minority political establishment. It can be changed in a different way, for example, if there is a high power, in some cases, but low trust.

Suppose the majority are the political party, which is having majority in the distribution or the constituencies, they have high power. But, the other political parties or the groups or communities, they have very low power and they have significant amount of low trust. So, they will try to crash and dominate others definitely. Instead of apathy and avoid, they will crash and dominate and they will try to impose their decisions.

And it can be reverse like if people have low power but high trust. For example, in slums or the low income group, you might have seen that they have very low amount of power in terms of the financial power, administrative power, political power and the physical strength, in terms of infrastructure development and the own health reasons. But, they have high trust within the groups, between the people and that is how they work there as they stay there as a community.

And those types of situations create empathy and because of the empathy, they can survive on the situation, in spite of having vary inferior quality. And if there is a high trust and high power

that means I also having high power and you also have high power and it may be administrative, political, physical, but we trust each other.

Then we must collaborate to grow and now out of this four quadrant, please try to see that which one is better. Now, definitely the collaboration or the high trust high power is better. So, that is what should be there. In some cases, whenever you have low power but high trust, some amount of empathy should be there. Those kind of situations is also better. But, definitely we must avoid the situations, where low trust situations are there, i.e., apathy, crash, dominant and the in position. Those kind of positions we should avoid.

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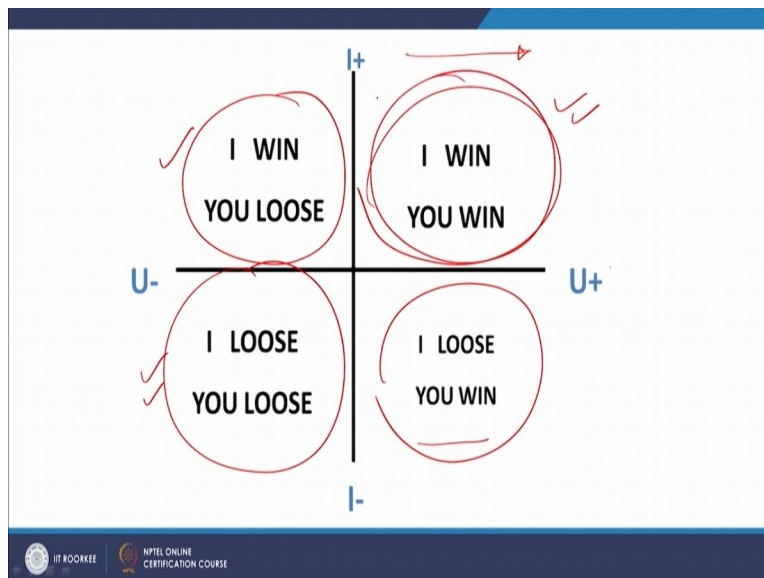
Now, based on that, I have, I am going to show the situations, where there are four quadrant, where I am showing that in the first situation, where I am thinking that I win You lose because I have the power and you do not have the power, you have less power. I do not trust you. This is I win and you loose, here I loose and you lose, because neither I have the power nor you have the power or we do not have the trust in relationship.

So, this is I loose and you loose and here I win and you win i.e., I also have the power and confidence, you also have power and confidence. This is the desired situation and there could be situations that I loose and you win. If there is situation like you do not have the power but others

are having power and the responsibility and non-trust relationship, that time I loose and you win. Those kinds of situations are also there.

So, in actual situations, we will try to create I win and you win situation. In earlier slide, we showed that collaboration. Basically, collaboration is the key principle to achieve the I win and you win situation. In short, it is called as win-win situation.

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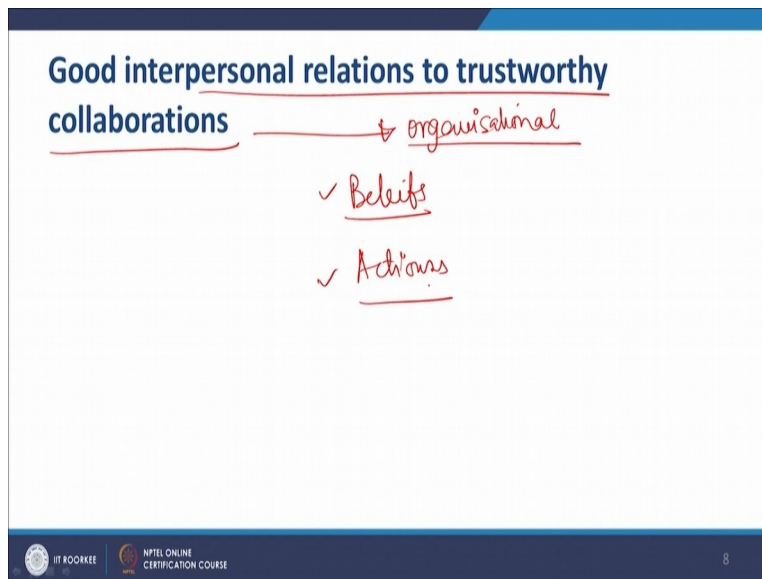
This is basically the light positions, where we can have in the negotiation paradigm. Now, good interpersonal relations to trustworthy collaborations, so definitely good interpersonal relations is important to make trustworthy collaborations in actual practice. So, in this practice of trustworthy collaborations in organizational setup situations, there are some belief systems it should have to have trustworthy situations. There are some actions, which need to be taken at every level, so let us see what those are.

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Beliefs in Collaborative actions

- **Belief 1:** People at work want to contribute, learn and grow, to be acknowledged and supported, and to win

- **Belief 2:** People want a workplace fit for the human spirit, where they feel psychologically safe, free from fear, and honored

- **Belief 3:** The cornerstone of all human relationships is trust—without it we cannot function very effectively

- **Belief 4:** People take care of what they own—they don't wash rented cars

- **Belief 5:** Collaboration is the way people naturally want to work

So Belief 1, people at work want to contribute, so you should trust people that they want to contribute that they are here to word. It is not that they are here not to contribute, not to take action. So, they are here to contribute learn and grow, belief to people want a workplace fit for the human spirit. If you do not give a better workplace, better environment, how they will work. So, people are here to work, to spend seven to eight or nine or ten hours of time in a day.

So, therefore we have to give them better environment to work. Belief 3, the cornerstone of all human relationship is trust that I have already discussed in. So emphasis on that. Belief 4, people take care of what they own, they do not wash the rented cars. So, bringing and creating a cell, a concept of ownership. If you impose something, it is not own by people. So, try to understand that what people own and try to develop an ownership among the people, among the group member, team member.

So, that there is joint consensus among the, for resolving all the problems and taking all the decisions. So, that is important. Belief 5, collaboration is the best way people naturally want to work. People do not work in a situation like I win you lose; I lose you win or I lose you lose situation. People work only in I win you win situation, win-win situation, where people can see that they are doing something, which will help them as an individual, so that which will help them for their individual growth, family growth and at the same time which will help organization.

Organization will prosper and grow, so that organization can also return something to the individual people. That is what people consider.

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Based on the beliefs, there are some practices for actions. So please follow these actions. I have not developed all these practices and this thing. I am just sharing with you, so that you understand better. One is strategic thinking, so takes the long view and provides clear direction, links the strategy to the betterment of society. Authentic, you should be authentic and genuine in terms of the interactions, ownership. I have told that build ownership at your level, at people level.

Communication is very important, transparent, open and two-way communication, written and verbal communication will have a dedicated lecture for the communication later on. And differences, it is very important and very natural to have the differences, so please accept the differences between the groups, between the individual and identify the differences and try to minimize the differences by solving those differences through negotiations and in discussions.

And nurturing and support to the people. Learning, learning could be very enjoyable, if the learning has an outcome in the official situation, where it will solve individual group and organization both and change. If we do all things, everything then the organization will change.

If the organization changes, definitely the individuals and everybody will get the benefit toward the better society. So, we can deliver excel and see the collaboration.

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That is what we have established and I hope you got the some message that collaboration and win-win situation is the principle, by which we can deliver excellence. So, how this can solve the negotiation process, that is what we see. Now, actual negotiations, when urban governance situations happen in many situations including land acquisition.

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You have seen that in land acquisition situation whenever negotiation fails, there are problems like vegetation, there are problems like strikes and all those situations and land acquisition is not

possible. On the contrary, if the negotiations are successful, we have seen that large townships have been developed based on that and in absence of that even government can change, the project will not be fulfilled.

So, land acquisition is the very conflictive and trivial case, where we find that negotiation is inheritance. Without the effective negotiations skill and negotiation is not possible. Land pooling and land reconstitutions, in some of the lectures, we discuss the land reconstitutions, which we call in India town planning scheme. The whole psychological and the understanding of the town planning scheme based on the negotiation and the win-win situation.

In typical land pooling and land reconstitutions, it is not acquired. The land is taken for some time and it is developed and the betterment or the advantage or the benefit of the betterment is shared between the government and the people. And people can see some of the advantages and benefits, which they are going to enjoy if the land is developed. So, in pooling and land reconstitution, the negotiation is important.

So, typical expectations are like, people think that what kind of compensation I am going to get in both the situation. What kind of return in terms of the job, in terms of the land, what I am going to get? What will be the final market value of my land, what will be the share of the land, what I have to give for the development of the infrastructure and the government job? Those are the expectations and questions are there in the people's or the land owner's mind.

That is what we have to think. On the other hand, if you are working as a city manager, as a public representative or a functionaries, your expectation will be how much I have to invest. The investment amount will be as much as less as possible and at the end of the negotiation, what I am going to get. Is it benefiting the people, is it benefiting the mass population for creating some better infrastructure or not.

This kind of questions should be there in your mind and expectation should be there. So, land acquisition and land pulling is very important cases, where negotiations are required. Sometimes,

when you widened the road in existing cities you need to talk with the people and negotiate them and take a consensus. Now, in initial phases, people do not give the consent.

But if you can convince them, if the road is widen, ultimately they are going to get a better communication facility, better transportation facility and not only that, in addition, they are going to get a better land value. Because we know that a wider road gives a better land value than a narrow road. So, that is what we can do to convince people to give actual information and then showing the benefit they are going to get after the any development work like road widening.

Then making large infrastructure decision, not only road widening, for example large infrastructure decisions like making a transport terminal, making solid waste disposal ground or making a water supply treatment plant. All these decisions are now days are taken with the consensus with the people and the groups. So, you have to make them understand that what benefit they are going to take and what contribution and responsibility they also have to take.

And then only it is possible to make successful negotiation. User charges, we have talked in the urban reform and the change that user charges was one very important element in the urban reform starting from (()) (25:34) and even in the current Amruth Paradine. So, in the beginning, the user charges did not get a very good response from the common people. The reason was that they were not sure that what kind of service they are going to get.

But in some cities, the city authorities, they could convince the people that yes, they are going to get better services and they performed it genuinely. And then only, people were convinced that yes we can give the some amount of user charges. So, user charges is another very important part in urban infrastructure, where you did negotiation between the groups and the people and also PPP projects.

In the PPP projects, I have talked earlier also that you have to negotiate the private party. The objective of the interest of the private party will be simply the profit and the benefit, they can get from the government in terms of the permissions, approvals and in some kind of incentives like

better more FIR and tax, incentives like that. But from your side, if you are working as a public representative or the functionaries.

Your interest should be that you facilitate the private partnership by allowing very negligible amount of the financial investment from the government exchequer and getting maximum advantage of the public infrastructure, social housing, whatever you can achiever through the PPP project. So, the expectation from between two parties in PPP project like government and the private are different.

So, you have to understand not only your expectation, the other's expectation, wherever you are working in public or private concern. So, these are situations mostly needs effective negotiations. There are many situations where it is needed but these are the major situation which matters the development process.

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Now, in a typical negotiation process there are several net stages. So, you should know as a city manager, first is welcome the members. To initiate the negotiation, you should welcome in a hearty manner and then welcome genuinely irrespective of any political biases, irrespective of any background information. I have seen effective negotiation conducted by the political executives.

Even the brokers and functionaries, where they have been even after knowing the political background or the community background, they have been unbiased in welcoming them in a better way, because whenever your share rational and unbiased behavior and conduct is expected from you. That is what you should remember when you welcome and initiate a negotiation process.

Second is explain the schemes and proposal. Now, explaining the schemes and proposal is very important in true facts and figure. Sometimes, we explain by verbal communication, sometimes we explain using PowerPoint presentation or giving the maps everything. So, try to explain in actual figures and information. Do not try to camouflage or manipulate with the figures because once people understand the manipulation, manipulated figures or the camouflage figure, definitely they are going to discard the negotiation and the negotiation will fail.

Therefore, take additional careful action, so that you can avoid those kinds of situations, where it can bring the non-trustworthy situation. Then ask, clarify the demand, expectation and take note. It is important to ask them to know about their expectation and also show them that you are taking concern and taking careful notes about their expectations. Explain benefits of the schemes and the possible return that you have to explain the benefits and the return, what they are going to get.

Otherwise and in this process, it is also possible not to commit each and everything in the process because it may not be possible. So, commit whatever you can do or whatever you can deliver, and remaining expectation and the demand, you can take a note and you can tell them that yes, I will come back to you again. And may be another meeting is required to resolve all those kind of additional demands.

Then discussions. In the discussions also be unbiased, listen points and take notes, when interactions are there. And in actual practice, I have seen that in land acquisition/land pooling, it is not only one discussion. There can be serious of discussion which is required for a successful negotiation and you have to think win-win. Without thinking win-win, you cannot succeed in negotiation.

You have to tell them that, yes, this is going to benefit you and this is going to benefit also the government. And there will be share of responsibility between the people, between the stake holders and between the governments. That is the win-win thinking. Not only thinking is essential, you have to represent and show the thinking in your conduct also. And come to consensus. Once you come to consensus, please take care that those decision with all the consensus and use that decision with meaningful actions.

Once people see that some actions are there, based on their meeting discussion and negotiation and those actions and interventions are giving benefit to them, and then, they will have more confidence on the government or the city managers. And they will time to time, they will participate more negotiation process, that is the legacy and the culture of the effective negotiation, which is built on a sound relationship, interpersonal relations and win-win thinking and collaborative thinking and trustworthy relations.

That is what we can build other city manager in an organization and also in our cities that is what is required. Ok, so having said that I am going to conclude today's lecture. So, I just summarize quickly. In today's lecture we have discussed the essence of negotiation skills, we have seen that in there are situations, where conflicting situations are there, differences are there.

To avoid those kind of situations and to take decision on consensus, we need to negotiate with people, groups, organization and take a decision where everybody has acceptance and the share of responsibility. And everybody can own the responsibility and that is how we can do the projects and for the development.

And in this process we have seen that there are framework of the interpersonal relationship, where we have seen the private area, blind areas, unknown areas, which acts in a great way. It is the common area, public area, where I also know something about you or the other party and the other party or the other person also is aware about myself, which creates a better interpersonal relationship.

And it generates a collaborative attitude. It generates a trustworthy situation, which is required. At the official situation, at the organization situation, we have seen that trust and power also plays a great role. And wherever we have high trust and high power that those kind of situation should be encouraged more. And in a high power and high trust situation, we collaborate with each other.

It can be collaboration between organization and organization, it can be collaboration between organization and people, organization and the community group, various kinds of collaboration could be there. Between two sections within one organization can be there. So, those kinds of collaborations are possible, if there is a trustworthy and power relationship. And then we have seen that there are situation like land acquisition, land pooling, land reconstitution and similar type of public infrastructure projects, where we need negotiation.

In a typical negotiation process, we have to prepare yourself in a better way, we have to present a proposal in a transparent way, accountable way, welcome them in unbiased manner discuss and take the notes of all the demands and the expectation, commit whatever you can do and commit whatever you cannot do, and then take meaningful actions, so that people get confidence on negotiation process.

And that is how we can grow and whenever there is a possibility of negotiation between the private parties, be aware about the expectation about the private party and the public party. And that is what is required for the negotiation for all the process. Now, this is a general discussion about the negotiation process. Wherever you are working in the public sector in the urban governance situation, do the negotiation and take systematic notes of your own process.

So that you can learn from your success and failure both and you can share your experiences with all of your colleagues and with us also. In next lecture, we are going to discuss the communication skill, the communication skill is very important in the interpersonal relationship, which acts as a very useful tool in day to day interactions between the people, between the

groups. So, that is what we are going to discuss in the next class. So, thank you very much for today's lecture.