

TOOLKIT #8

Negotiate on Interests

A preparation sheet for partnerships, donor agreements and internal conflicts. Look past positions, invent options and agree on fair standards.

A Lever & Core toolkit

Based on principled negotiation · Roger Fisher & William Ury, Getting to Yes

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Every complex organization is inherently simple.

01 · WHAT IT IS

Stop arguing over positions. Start solving for interests.

Most negotiations stall because each side defends a position: a fixed demand like “our logo goes first” or “no overhead in this grant”. Behind every position are interests, the needs and worries that made someone take it. Positions usually collide. Interests often don’t.

What it is

A way to prepare for any negotiation by mapping both sides’ interests, inventing options that serve them, and choosing between those options with standards neither side controls. Nobody has to “give in”, because the decision rests on something both can defend.

This toolkit turns that approach into a one-hour preparation routine and one worksheet you can take into the meeting.

What you need

45–60 minutes before the meeting, one to three people from your side, the worksheet on page 6, and whatever you know about the other side’s situation.

Source method. Principled negotiation was developed at the Harvard Negotiation Project by Roger Fisher and William Ury, and presented in their book *Getting to Yes* (first published 1981; later editions with Bruce Patton). This toolkit is Lever & Core’s own adaptation for mission-driven organizations.

Use it when

- You are shaping a **partnership or joint program** with another organization.
- A **donor or funder** attaches conditions you can’t accept as they stand.
- You are renewing a **contract** with a municipality, venue or supplier.
- Two **departments** compete for the same budget, staff or calendar.
- A **team conflict** over roles or workload keeps coming back.

Be careful when the other side is acting in bad faith, a legal or safeguarding issue is involved, or the power gap is very large. Prepare the same way, but bring in your board or legal counsel early and lean hard on your alternative to a deal.

Before

Map interests, options, criteria and your alternative on one page. Most of the work happens here.

During

Ask before you propose. Listen for the reasons behind demands and steer every disagreement toward a fair standard.

After

Write down what was agreed, check it against your must-haves, and keep the relationship warm.

02 · THE FRAMEWORK

Four elements and one floor

WHAT YOU HEAR VS. WHAT DRIVES IT

ABOVE THE SURFACE

Position

what they say they want

BELOW THE SURFACE

Interests

why they want it

- Needs
- Worries and risks
- Hopes and ambitions
- Constraints they answer to

1 People

Separate the relationship from the problem. Soft on people, firm on the issue.

2 Interests

Ask “why?” and “why not?” until you reach what really matters to each side.

3 Options

Invent several possible deals before judging any of them. Trade what is cheap for you and valuable to them.

4 Criteria

Decide with fair standards both sides can defend: precedent, market rates, policy, expert input, a fair procedure.

BATNA — **Best Alternative To a Negotiated Agreement**

What you will do if there is no deal. It is the floor under the whole conversation: never accept less than it.

Positions vs. interests: a quick test

POSITION “Our logo goes first on everything.”

Possible interest: their board needs visible proof that its support matters.

POSITION “We won’t fund overhead.”

Possible interest: they fear money disappearing into unclear admin costs.

POSITION “My team can’t take this project.”

Possible interest: the team is already stretched and was never consulted.

Why the BATNA matters

Without a clear alternative you may accept a deal that is worse than walking away, or reject one that was better than anything else on offer.

Knowing your BATNA, and working to **improve it before you meet**, is your real source of strength. It matters far more than how loudly you argue.

Estimate theirs too

What happens to the other side if there is no deal? The weaker their alternatives, the more room you have to ask for what you need, and the more carefully you should protect the relationship.

03 · STEP BY STEP

Prepare in one hour

1

Name the issue in neutral words

Write one sentence both sides would accept. “How we share costs and credit for the joint program” works. “Their unreasonable branding demands” does not.

2

List the positions, then dig for interests

For every position, ask why a reasonable person would want it. Aim for at least three interests per side, and include your own side: board, director, staff, the people you serve.

Ask: If we can’t name their interests, that is our first question for the meeting.

3

Rank your own interests

Mark each one **must-have**, **important** or **nice to have**. That tells you where you can be generous and where you hold firm.

4

Invent options for mutual gain

Brainstorm at least five possible agreements before judging any. Combine, phase, pilot, swap. Look for things that cost you little and matter a lot to them, and the reverse.

5

Choose objective criteria

Decide in advance how a fair answer will be judged: sector practice, published rates, your own past budgets, an independent assessment, or a fair procedure such as a joint review after six months.

6

Know your BATNA and walk-away point

Write down what you will actually do if there is no deal, and take one step this week to strengthen it. Set the point below which you will say no, and keep it to yourself.

7

Plan the conversation

Draft your opening line, your first questions, and how you will answer pressure: “Help me understand the reasoning” or “What standard should we use to decide this?”

8

Close and write it down

Summarize what was agreed, who does what by when, and check it against your must-haves. Send a short written recap the same day.

> **Timing.** Steps 1–6 take about an hour for a routine negotiation. For a major partnership or a conflict with a long history, give it a half-day session and fill in the sheet together as a team.

04 · WORKED EXAMPLE

A three-year grant that almost broke down

TYPICAL SCENARIO

A composite situation of the kind we often see in the sector. It is not a client and does not describe any real organization.

THE SITUATION

An education NGO and a corporate foundation are negotiating a three-year grant for a youth mentoring program. Talks stall on one budget line.

POSITIONS

Foundation: "We fund direct program costs only. No overhead."
NGO: "We need a share for overhead or we can't run it."

INTERESTS
foundation

Show its board that the money reaches young people · avoid unclear admin costs · see measurable results · work with a partner it trusts.

INTERESTS
NGO

Cover the real cost of mentor supervision and data · keep good staff · not launch something it can't sustain · build a long-term funding relationship.

OPTIONS
they generated

- Show supervision and the data system as **program-delivery lines**, itemized, instead of one overhead percentage.
- The foundation funds an evaluation component that also builds the NGO's data capacity.
- Year one as a pilot, with a joint review before years two and three.
- A co-branded annual results report the foundation can share with its board.

CRITERIA

The program's actual cost per participant from last year's audited accounts · full-cost funding practices already used by other funders in the field · an agreed set of indicators for the six-month review.

BATNAS

NGO: run a smaller version from existing funds while pursuing two other prospects.
Foundation: find another grantee, with new due diligence and a likely delay.

> **Outcome.** A full-cost budget with supervision and data visible line by line, a pilot year and a shared report. Neither side "gave in" on overhead: the question became what the program really costs.

What made the difference: both sides moved from defending a percentage to asking what the program actually needs to deliver results, and agreed on evidence to settle it.

05 · WORKSHEET

Negotiation prep sheet

Negotiation with

Meeting date

Prepared by

1 THE ISSUE IN NEUTRAL WORDS

One sentence both sides would accept.

2 THEIR POSITIONS → INTERESTS

What they say, and why they might want it.

3 OUR POSITIONS → INTERESTS

Mark each: M must-have · I important · N nice.

4 OPTIONS FOR MUTUAL GAIN

At least five. Don't judge yet: combine, phase, pilot, trade.

5 OBJECTIVE CRITERIA

Standards both sides could defend.

6 PEOPLE AND RELATIONSHIP

Perceptions, emotions, history, who influences them.

7 OUR BATNA AND WALK-AWAY POINT

What we do if there is no deal. One step to strengthen it.

8 THEIR LIKELY BATNA

What happens to them if there is no deal?

9 OPENING LINE AND FIRST THREE QUESTIONS

06 · FOR THE FACILITATOR

Tips and common mistakes

Facilitator tips

Separate inventing from deciding

Run a short no-judgment round for options. Evaluate only once the list is on the wall.

Summarize their interests first

When people hear their own concerns said back accurately, they listen to yours.

Answer pressure with a question

“What makes that the right figure?” moves the talk from willpower back to criteria.

Use the same sheet inside the team

For internal conflicts, ask each department to fill in its own interests, then compare the sheets side by side.

Bring a neutral facilitator

When the conflict sits inside the team or the stakes are high, someone outside the dispute keeps the process fair.

Debrief afterwards

Which interest surprised us? Which option was new? Did we decide by criteria or by pressure?

Common mistakes

Treating positions as interests

If an item on your list is a demand rather than a reason, ask “why?” one more time.

Splitting the difference too early

Meeting in the middle feels fair but often leaves both sides worse off. Look for a better option first.

Arriving with one solution

A single proposal turns the meeting into a contest of wills. Bring several you could live with.

Negotiating without a BATNA

If you don’t know your alternative, you can’t tell a good deal from a bad one.

Revealing your walk-away point

Share your interests generously. Keep your bottom line to yourself.

Forgetting your own side

Many deals fail back home. Check your board’s, director’s and staff’s interests before you go in.

Three questions to keep in your pocket

“What would make this work for you?” · “What standard should we use to decide?” · “If we can’t agree, what will each of us do instead?”

Want help running this with your team?

Lever & Core — Uriel Edery

We help NGOs and mission-driven organizations find the few things that really limit their impact, and build simple, focused ways of working around them.

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