

A group of business professionals in a meeting. A woman in a grey blazer is pointing at a tablet held by another person. A man in a dark suit and tie is visible on the left. The background is a bright, out-of-focus office setting.

# Mastering Negotiations: Strategies for Successfully Advocating for Yourself & Your Organization

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# Negotiation = Scary?

**Formal negotiations  
come up in personal,  
professional life**

- Discussing the terms of a job offer
- Haggling over car price
- Hammering out contract with the city

**Informal  
negotiations happen  
every day**

- Persuading a toddler to eat peas
- Debating who should unload the dishwasher
- Deciding which colleague will clean the communal bathroom

# Negotiation Definitions

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“Back-and-forth communication designed to reach an agreement when you and the other side have some interests that are shared and others that are opposed.” - *Getting to Yes: Negotiating Agreement Without Giving In.*

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Negotiation is an “interpersonal decision-making process” that is “necessary whenever we cannot achieve our objectives single-handedly.” - *The Mind and Heart of the Negotiator*

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“When two or more parties need to reach a joint decision but have different preferences, they negotiate.” - *Judgment in Managerial Decision Making*

# Negotiation Techniques

## Integrative Negotiation (Win-Win)

- **Focus:** Finding mutually beneficial solutions by expanding the value for both parties.
- **Technique:** Active listening, brainstorming creative solutions, and building trust.
- **Example:** Partnership agreements where both parties benefit from different contributions.

## Principled Negotiation (Interest-Based)

- **Focus:** Separating people from the problem and focusing on interests rather than positions.
- **Technique:** Use objective criteria, explore shared interests, and seek fair outcomes.
- **Example:** Resolving workplace disputes diplomatically.

## Collaborative Negotiation (Problem-Solving)

- **Focus:** Open communication and cooperation to achieve the best possible outcome.
- **Technique:** Sharing information, co-creating solutions, and emphasizing long-term relationships.
- **Example:** Developing strategic alliances with partner organizations.

## Compromise (Middle Ground)

- **Focus:** Finding a solution that partially satisfies both parties.
- **Technique:** Making mutual concessions to reach an agreement.
- **Example:** Agreeing to only close one street during downtown events to allow customers to reach businesses.

# Negotiation Techniques

## Accommodative Negotiation (Yielding)

- **Focus:** Preserving relationships by prioritizing the other party's needs.
- **Technique:** Making concessions and maintaining goodwill.
- **Example:** Negotiating with key stakeholders to maintain a long-term partnership. Taking on a project outside your district to accommodate the City.

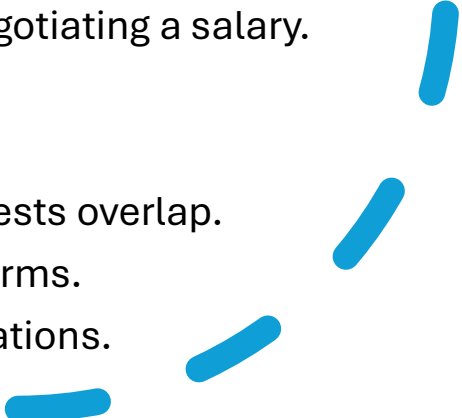
## Avoidance (No Negotiation)

- **Focus:** Walking away or postponing negotiation.
- **Technique:** Refusing to engage or delaying discussions.
- **Example:** Avoiding negotiations when costs outweigh benefits.

## BATNA (Best Alternative to a Negotiated Agreement)

- **Focus:** Understanding your best alternative if negotiations fail.
- **Technique:** Strengthen your BATNA and assess the other party's alternatives.
- **Example:** Considering competing job offers when negotiating a salary.

## ZOPA (Zone of Possible Agreement)

- **Focus:** Identifying the range where both parties' interests overlap.
  - **Technique:** Exploring boundaries to find agreeable terms.
  - **Example:** Finding a middle ground in contract negotiations.
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# Negotiation Techniques

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## Distributive Negotiation (Win-Lose)

**Focus:** Claiming the largest share of a fixed resource (e.g., price haggling).

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**Technique:** Anchoring with an initial high offer, making concessions slowly, and using deadlines.

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**Example:** Negotiating the price of a car.

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## Competitive Negotiation (Hard Bargaining)

**Focus:** Achieving victory at the expense of the other party.

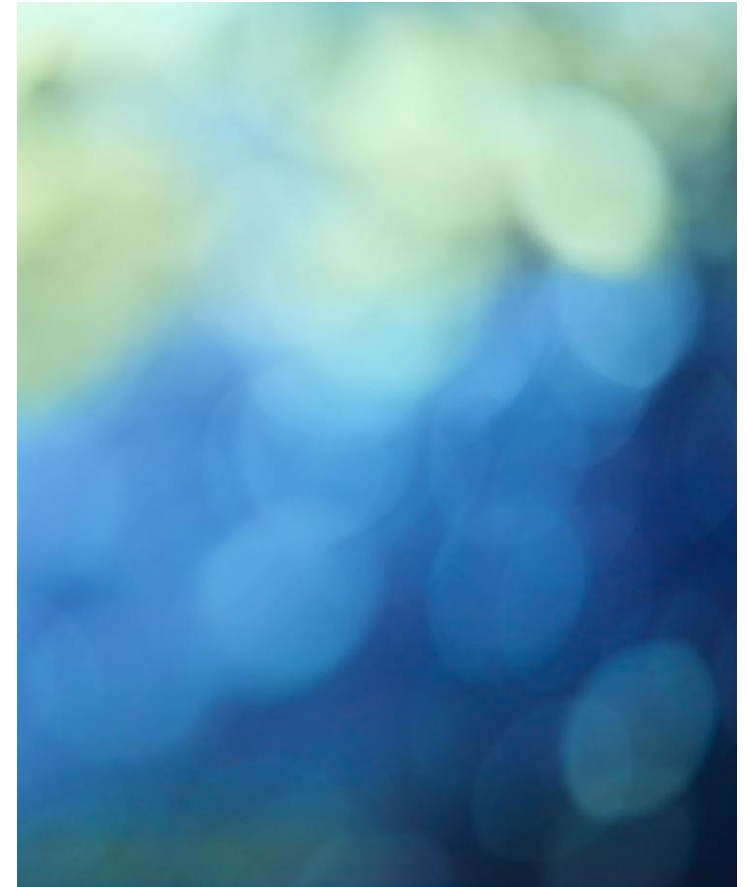
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**Technique:** High demands, aggressive tactics, and limited concessions.

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**Example:** Mergers or acquisitions where control is at stake.

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# Techniques for Negotiating a Salary Increase

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**Principled  
Negotiation  
(Interest-Based)**

**Why:** Align your request with the organization's mission and long-term sustainability.

**How:** Highlight how fair compensation ensures leadership stability and better organizational outcomes.

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**Collaborative  
Negotiation  
(Problem-Solving)**

**Why:** Building consensus is important when dealing with a diverse board.

**How:** Frame discussion as a joint effort to find solutions that balance your needs and the org's capacity.

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**Integrative  
Negotiation  
(Win-Win)**

**Why:** Seeking creative solutions fosters goodwill and long-term support.

**How:** Suggest performance-based benefits or incentives tied to strategic goals.

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**BATNA (Best  
Alternative to a  
Negotiated  
Agreement)**

**Why:** Understanding your options strengthens your position.

**How:** Consider other compensation forms (e.g., additional benefits, professional development budgets) if pay increases are limited.

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**ZOPA (Zone of  
Possible  
Agreement)**

**Why:** Identifying a mutually acceptable range helps find common ground.

**How:** Know your ideal, acceptable, and bottom-line terms before entering the discussion.

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# What should I prepare before I negotiate?

## Your Achievements (Know Your Value):

- Key successes during your tenure (e.g., fundraising milestones, program growth, operational improvements). Challenges you've successfully navigated.

## Organizational Impact:

- Metrics that demonstrate the organization's growth or success under your leadership (e.g., increased funding, expanded services, improved community outcomes).

## Current Compensation Package:

- Your current salary and benefits.

## Comparable Benchmarks:

- Salaries of other MS staff in similar sized communities. Salaries of local peers (Chamber or EDC Executive Directors; other non-profit EDs).

## Preferred Outcomes:

- Specific salary increase, benefits (e.g., healthcare, retirement contributions, professional development), or other perks.

## Board Dynamics:

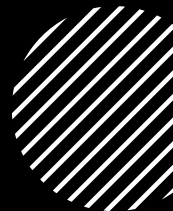
- Consider your current relationship with the board and timing of the request. Identify allies or potential concerns among board members.

## Other Context:

- Recent organizational wins, funding boosts, or strategic goals achieved that support your case.



# Documents & Info to Support Your Case



NMMS Local Program Annual Performance Report



NMMS Annual Budget & Salary Survey



Recent IRS 990s of local non-profits, Chamber and EDC (for salary info)

Can be found on Candid.org or sometimes on their org website

[Essential nonprofit data, tools, and resources | Candid](#)



Wage Inflation Calculator

[Wage Inflation Calculator | Wealthier Today](#)



Websites that provide average salaries for jobs

[www.Glassdoor.com](http://www.Glassdoor.com);  
[www.payscale.com](http://www.payscale.com); many others!

# Techniques for Negotiating Your Service Contract with the Local Government

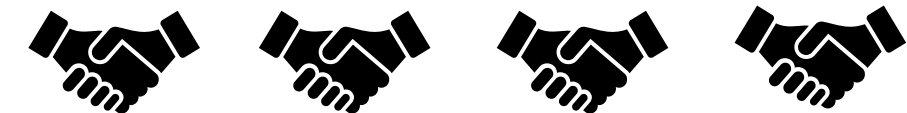
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## 1. Collaborative (Problem-Solving) Negotiation

- Why: Governments often prioritize public interest, so framing the negotiation as a partnership for community impact can foster cooperation.
- How: Emphasize shared goals, such as enhancing services for residents or filling gaps in municipal offerings.
- Support: Economic Transformation Strategies; Annual Work Plan or Strategic Plan; MOU

## 2. Principled Negotiation (Interest-Based)

- Why: Focus on interests rather than positions to uncover mutually beneficial solutions.
- How: Understand the municipality's priorities (e.g., budget constraints, compliance, public perception) and align your proposal accordingly.
- Support: Preemptively address concerns in proposal



## 3. Data-Driven Negotiation (Using Objective Criteria)

- Why: Public entities value transparency and accountability.
- How: Present clear evidence of your nonprofit's impact, efficiency, and cost-effectiveness. Use performance metrics, case studies, and comparisons to similar contracts.
- Support: NMMS Local Program Annual Performance Report; NMMS Impact Report

## 4. Building Relationships and Stakeholder Engagement

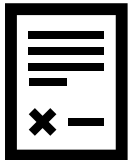
- Why: Trust and strong relationships can influence decision-making in bureaucratic settings.
- How: Develop positive relationships with key municipal leaders, staff, and council members. Understand their concerns and build rapport before formal negotiations.
- Support: Presentations/ info sharing at council/commission meetings. Regular one-on-one meetings with relevant staff and elected officials.

## 5. BATNA (Best Alternative to a Negotiated Agreement)

- Why: Knowing your alternatives strengthens your position and helps set realistic boundaries.
- How: Identify other funding sources or service delivery options if the municipality's terms are unfavorable.
- Support: Prepare for best possible outcome as well as “other” outcomes.” Request “in-kind” support.

## 6. Highlighting Public Value (Framing)

- Why: Municipalities must justify expenditures to the public.
- How: Frame your services as essential, cost-saving, or improving quality of life for residents. Connect your mission to civic priorities.
- Support: Testimonials from business owners, residents, vendors.



## 7. Emphasizing Long-Term Partnerships

- Why: Municipalities often value stability and long-term service arrangements.
- How: Propose multi-year contracts or pilot programs that can evolve into ongoing partnerships.
- Support: Strategic plan and/or future plans for successful projects

## 8. Addressing Risk and Compliance Concerns

- Why: Governments are risk-averse and require adherence to regulations.
- How: Show your ability to manage compliance, accountability, and reporting. Offer solutions to minimize risk.
- Support: Main Street America Accredited Status; Demonstrate past successes managing projects; financial/fiscal policies.

Now for a little fun. . .

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# Exercise: The Downtown Revitalization Pitch

## Objective:

Participants will quickly practice negotiation techniques to reach a simple service contract agreement between a nonprofit economic development organization and a municipality.

## Scenario:

*Downtown Progress Initiative (DPI)* is negotiating a 12-month service contract with *City of Shelbyville*. The contract will fund downtown revitalization projects, including business support, public events, and beautification efforts. DPI would like to emphasize business supports over events and beautification projects.

## The Nonprofit's Priorities:

- A \$100,000 budget for projects and operational costs.
- Flexibility in spending funds based on community needs.

## The Municipality's Priorities:

- A \$70,000 maximum budget due to financial constraints.
- Clear deliverables, such as a minimum of three public events and monthly progress reports.

## Instructions:

### 1. Break table up into two teams (2 minute):

- **Team A:** DPI (nonprofit negotiators)
- **Team B:** City of Shelbyville (municipal negotiators)

### 2. Preparation (5 Minutes):

- Teams quickly identify their top priorities and negotiation strategy.

### 3. Negotiation (8 Minutes):

- Teams negotiate to reach a simple agreement on:
  - Budget amount
  - Key deliverables (number of events, reporting requirements)

### 4. Debrief (5 Minutes):

- Participants share their negotiation strategies, whether they reached an agreement, and key takeaways.

# And for a little more fun...

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- Choose your champions (up to four people)
- Now, they must battle the final boss... Daniel!





Thank you!

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