

Recent bus strike shows how not to negotiate

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The four-week bus strike, which inconvenienced hundreds of thousands of commuters and resulted in conflict as well as loss of income for workers and commuters, could have been handled differently, says an expert in the field of negotiation.

The SA Road Passenger Bargaining Council recently [said](#) that the bus sector would count the cost of the month-long strike for years to come. Even though a deal was eventually reached between employers and the five unions involved, many workers endured hardships and incurred debt during the drawn-out negotiation that may take years to eradicate. And although it is not possible to fully quantify the damage the overall economy has suffered, the impact has been felt across all sectors of the economy.

“When it comes to negotiation between parties, such as in the recent bus strike, it is important to have a well-designed negotiation strategy in place that will inform how principled, value maximising agreements can be approached to avoid lengthy, drawn-out negative situations,” says Professor David Venter, an expert in negotiation and psychology.

Professor Venter runs the Negotiation Skills for Managers programme at the UCT Graduate School of Business (GSB), a course that he also teaches internationally and that is based on his experience and expertise gained while serving as Director-General of Communications in the Mandela administration during the country’s transition from apartheid to democracy.

“Given our history in which union activity involving black workers was outlawed by the apartheid government, there understandably remains considerable pent-up anger that often unfortunately complicates wage negotiations,” he says.

Such historic frustrations have a distinctly negative impact on the negotiation process, dumbing it down to a destructive bargaining process, which results in a sub-optimal outcome that erodes the value both parties derive from the process, adds Professor Venter.

“Had the parties started with a different approach to the negotiation, appreciative of the fact that the initial positions they adopt when arriving at the negotiation table are mere points of departure, which are underpinned by an array of common, complimentary and conflicting interests, they would have early on appreciated the value-destroying fallacy of engaging in a competitive tug of war between their respective positions. They might then, based on their respective interests, have engaged in jointly exploring possible solutions that would unlock optimal value for each party.”

Professor Venter believes that negotiations can deliver considerably more than what is often characterised as a win-win outcome, which all too often amounts to merely splitting the difference, preventing both parties from being truly satisfied with the outcome. “Cooperative, value-creating negotiation optimises the value for each party, as they then work together to pursue a win more-win more approach,” he says.

However, he admits that there are invariably negotiations that pose challenges. The [Brexit negotiations](#), for example, are complicated by internal divisions within the ruling party and the absence of a clear UK negotiation strategy coupled with a lack of flexibility on the part of the EU, understandably cautious not to make any concessions that would threaten the four pillars on which it rests. This is making it difficult to advance the negotiation towards a meaningful outcome that preserves value for both parties.

In his course, Venter teaches delegates how to identify the corner posts of principled, integrative, and value-maximising negotiation. In order to instil the greatest possible degree of negotiation capability, competence and confidence, a hands-

on approach is employed, paying due attention to the real-world strategic, operational, behavioural and cultural factors that influence negotiations.

He emphasises the importance of negotiators not relying on their gut instinct or personal judgment when negotiating and seeks to empower participants to approach and conduct negotiations in the most professional and productive manner. This approach worked well for Jantes Prinsloo, the Technical Director of Aurecon, who says that the knowledge, insights and skills he gained during the course meaningfully assisted him in a negotiation with a public sector client. “I am now far less apprehensive about upcoming negotiations and frankly, I am looking forward to it.”

While high-profile negotiations such as the bus strike and Brexit are often highlighted in the media, Professor Venter points to the fact that every business leader, manager or employee must daily employ negotiation in their personal and organisational lives. “Negotiation is a skills set applicable to all business disciplines,” he says.

Kumeshnee West, Director of Executive Education at the GSB, notes that since the financial crisis in 2008 there has been significant interest in the need for negotiation skills training, companies having become more aware of the damage and losses they incur due to poor negotiation. Negotiation has also been identified as one of the top 10 skills needed to thrive in the Fourth Industrial Revolution by the World Economic Forum in its latest Future of Jobs report.

“Organisations are increasingly aware of the distinct benefits that accrue from training their leaders, managers and employees in value enhancing negotiation skills, as this prevents them from missing out on deals that should be done, not doing deals that should not be done, and conducting themselves in such a manner during negotiations that they do not exacerbate irrational counterpart behaviour,” she says.

“As the world becomes increasingly complex, negotiation skills are an essential requirement for those wishing to future-proof their careers.”

For more information on the Negotiation Skills for Managers courses offered by the UCT Graduate School of Business (1-3 August in Cape Town and 7-9 November in Johannesburg) visit <http://www.gsb.uct.ac.za/negotiation>.

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