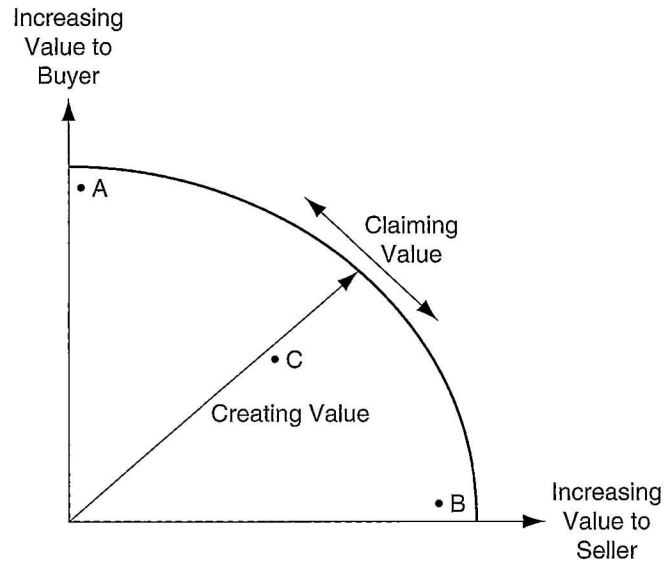


FIGURE 4.2 | How Issues Affect the Choice between Distributive and Integrative Strategy



Sources: After Lax and Sebenius, 1986; Raiffa, 1982; Watkins, 2002.

While the number of issues affects strategy, it does not preclude the possibility that single-issue negotiations can be made integrative or that multiple-issue negotiations will remain distributive. Single-issue negotiations can often be made integrative by working to increase the number of issues. For instance, in buying a house, both parties may begin by believing that price is the only issue but may quickly realize that other issues are equally central: how the purchase will be financed, date of sale, or date of occupancy. They might also identify other issues, such as appliances or patio furniture to be included, repair of a broken fence, or payment for the fuel oil left in the storage tank. During the purchase process, the buyer's lawyer, mortgage financier, or real estate agent might draw up a list of other things to consider: taxes to pay, escrow amounts for undiscovered damage problems, or a written statement that the seller must leave the house in "broom-clean" condition (as well as the fees to be paid to all these professionals!). Note that it does not take long to generate a fairly detailed list. In any negotiation, a complete list of the issues at stake is best derived from the following sources:

1. An analysis of all the possible issues that need to be decided.
2. Previous experience in similar negotiations (e.g., buying your fifth house versus buying your first).
3. Research conducted to gather information (e.g., study the neighborhood, have the house inspected, or read up on how to buy a house).
4. Consultation with experts in that industry (real estate agents, mortgage lenders, attorneys, home repair experts, or friends who have bought a house recently).