

# Negotiations: BATNA, NOPA, WATNA & ZOPA

## Introduction

What makes a person win an argument during a negotiation? There is definitely some hidden wisdom behind winning a deal whether it is a business meeting, a negotiation with a client or a supplier. It is not always necessary to be straightforward with your demands during a negotiation to be fulfilled. The real winning lies under being prepared with alternatives beforehand, use your knowledge and aim with your alternate plans when the initial deal starts to wobble.

## Definition

Negotiation is a discussion in which two or more parties attempt to reach an agreement through bargaining.

## When to Use it

Surveys suggests that the negotiators need alternatives to succeed. Alternatives give negotiators the confidence to negotiate offers more ambitiously, to push for more optimal outcomes, and to walk away from the table when needed. It also empowers person with confidence and self-esteem. It surely gives a person the courage to push harder during a negotiation.

## Details

The four distinctive negotiation types and alternatives are: BATNA, NOPA, WATNA, ZOPA:

**BATNA:** The full form for BATNA is (best alternative to a negotiated agreement), this phenomenon refers to the options available to you when a certain negotiation doesn't and it refers to the options you have available if a negotiation doesn't get ahead.

**WATNA:** Stands for (worst alternative to a negotiated agreement) which is opposite to BATNA in negotiation. Surveys conducted in many workplaces' states that their BATNA during a negotiation is never a surety and chances are that a negotiation agreement might end up in WATNA which causes many negotiators to focus on their worst alternative during a negotiation.

**ZOPA:** the acronym stands for (zone of possible agreement) or in simpler words known as a common ground for two or more parties to have a bargain range during a negotiation. Statistics shows that most of the times, negotiating parties are found in this area often compromising and striking a deal.

**NOPA:** known as (no possible agreement) which is opposite of ZOPA in a negotiation, which means that when the parties are unable to reach a zone of possible agreement (ZOPA), they happen to be in a negative bargaining zone (NOPA). A deal cannot be reached between the two parties during a negative bargaining zone, as the needs and desires are not able to be fulfilled by either party.

## Example:

**BATNA:** For example, you are working in a company and prefer to stay there but expect a promotion from your boss. Now imagine that you have received a job offer from another company which are not interested in but you can use it as your BATNA while negotiating a promotion with your current boss. In this way, your current boss can offer you a raise which would make you stay in his company and join the other offer made to you.

**Examples regarding WATNA** in a workplace includes for instance, a person who is unemployed enters in a negotiation with a hiring manager while being in a weak position himself. His unemployment being the WATNA results him in being ignored for the job and not being able to change his economical state. Another scenario explains an undergoing negotiation with an existing supplier, where having an alternative supplier as a backup would eliminate WATNA out of the equation and might even transform your BATNA into a sure deal.

**An example of ZOPA** can only exist in situations where a common ground can be found between the two parties, willing to accept from the deal. To explain it further let's take an example of Tom and John, in order for them to have a deal in which Tom wants to sell his car to John for a minimum \$5,000 and John must be willing to pay at least \$5,000. If John is willing to offer \$5,500 for the car, then there is an overlap between his and Tom's bottom lines. If John can only offer \$4,750 for the car, then there is no overlap, and there cannot be a ZOPA.

**Example for understanding NOPA**, let's say that Dave wants to sell his mountain bike and gear for \$700 to buy a new ski gear. Suzy wants to buy the bike and gear for \$400, and can't go any higher. Dave and Suzy have not reached a ZOPA; they are in a negative bargaining zone.

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