What is a negotiation support system?

Negotiation Support Systems (NSS) are designed to assist negotiators in reaching mutually satisfactory decisions by providing a means of communication and through the analysis of available information (cf., Bui and Shakun, 2004). Negotiation support may involve using a model-driven, data-driven, communications-driven, document-driven or a knowledge-driven DSS. This sub-category of computerized decision support systems is defined by the purpose of the system.

Negotiations involve multiple interdependent, sequential decisions by at least 2 parties to the negotiation. There is some disagreement or conflict of interest among these parties that may be subject to resolution. The parties both perceive a need to bargain or negotiate rather than accept what the other party would voluntarily give them.

Kersten and Lo (2001) describe Negotiation Support Systems as "designed to help and advise negotiators; they are used to structure and analyse the problem, elicit preferences and use them to construct a utility function, determine feasible and efficient alternatives, visualise different aspects of the problem and the process, and facilitate communication."

Some negotiation support systems focus on improving the negotiation process, i.e., process-oriented NSS, and others provide tools to try to improve the outcomes of the negotiation, i.e., outcome-oriented NSS. The outcome-oriented NSS have tools to help decide upon offers and to help evaluate the offers received. Outcome-oriented Negotiation Support Systems may be standalone systems used by the bargainer or negotiator, bilateral systems used by both parties, or multilateral, used by many parties to the negotiation. In general, there are general purpose and special purpose NSS. A number of researchers suggest the more the NSS "is tailored to a specific negotiation the more support the system can provide for the negotiators."

In a 1998 paper, Kersten noted "Negotiation support systems (NSS) cover a wide range of individual and group decision support technologies. Many NSS have been developed and used in training and research but they have been rarely used in practice." This is changing ... NSS are being used in some actual negotiation situations.

Kersten's InterNeg project developed a Web-based NSS called INSPIRE that has been used by people around the world. Negotiation Support Systems now often have flexible tools that can be used in different configurations and applied to different problems. Systems exist for bilateral negotiation support based on multiple attribute utility theory and game theory; and there are specialized systems for auction negotiations, contract negotiations, e-commerce and purchasing.

In general, eight major goals have been discussed for using information technology to support
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Negotiation Support Systems are one of the seven major areas of DSS research. They identify two approaches to constructing systems that support negotiation, problem oriented and process oriented. Pioneering "problem-oriented NSS products include Co-oP (Bui and Jarke, 1986), DECISION MAKER (Fraser and Hippel, 1984), GDSI (Kersten, 1987) and MEDIATOR (Jarke et al, 1987). These problem-oriented systems focus on providing support to support negotiation for specific problem types. On the other hand, process-oriented NSS focus on providing general support of the give-and-take process of negotiation (Chaudhury, 1995; Kersten and Szapiro, 1986)."

According to Arnott and Pervan (2005), Negotiation Support Systems is not a new subfield related to decision support. There has been a Negotiation Support Systems minitrack at the Hawaii International Conference on System Sciences (HICSS) since 1991. Articles on this type of system began appearing in the literature in 1986.
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Kersten, G. E. and G. Lo, "Negotiation support systems and software agents in e-business negotiations," First International Conference on Electronic Business, Hong Kong, December 2001,
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Last update: 2007-08-10 14:08