

CASE STUDY – MOTHER-IN-LAW BATNA

BATNA stands for ‘Best Alternative to a Negotiated Agreement’ coined by Harvard Negotiation Project Professors Roger Fisher and William Ury in their classic book “Getting to Yes.” My most difficult determination of a BATNA applied to me personally. Here is the story.

Convincing my mother-in-law to move from her home that was too big and too costly for her to maintain was a two-to-three-year process, but with the help of many I was able to convince her to move to an apartment that my wife and I helped finance with a loan of over \$100,000. It was agreed that the sale of the home would be carried out by my wife and her sister. We put the home for sale at its appraised value of \$550,000 and received in a few weeks an offer for that amount with no bank finance contingency and on an “as is condition.”

To our surprise my mother-in-law expressed that the home was worth at least \$750,000 and it looked like she would not go forward with the sale. This, of course, created legal and credibility problems for me and a serious possible confrontation with her. What was especially problematical was determining my BATNA since the two classic ones of walking away and litigation were not practical – I certainly could not sue my mother in law on the grounds that she had not lived up to our agreement and I could not defend a lawsuit by the buyers that had accepted our written offer. Given the fairly good family relationship and our financial commitment, it was also not practical to just walk away.

I remember bringing the issue to my UPR Law School seminar class wherein I was teaching persuasion and negotiation skills, and they were very empathetic, but were not helpful in suggesting my BATNA.

One of my best tools in dealing with really difficult problems is to take a long solo jog, swim or bike and I chose the jog after going over the dilemma with my wife. The exercise helped. I determined that my BATNA was to tell my mother-in-law that I would not be the one to tell the buyers of her decision nor would I be involved in dealing with these buyers or any other prospective buyers, BUT I would continue to support her fully financially and would come back into the picture when the decision on the sale was finalized on terms acceptable to her.

More importantly, I also came up with the strategy to convince her to accept the sale at the appraised value. First of all, I would not be the person to persuade her; the priest who had helped me convince her to move to the apartment, the broker who she trusted and was her good friend, and my wife’s sister who had a much better relationship with their mother than my wife. All three were on my side, although the person with the toughest role was the broker who had led her to believe that her home was worth what she thought. It was just a question of subtly making it clear to her that her home was not worth what she thought. The broker took her to homes at the \$750,000 price that had more land and construction area. In addition, they were in much better condition and were located in a more prestigious residential area.

It took a couple of weeks, but “we” were able to convince her to go forward with the offer we had received.

I use to invite the UPR Law School class to my apartment after the end of the seminar (and prior to sending out the grades). One of the students raised the question of what happened with my mother-in-law. Luckily, I had a good ending. Whew!