

DEPARTMENT OF THE AIR FORCE
Thomas N. Barnes Center for Enlisted Education (AETC)
Maxwell AFB, AL 36118

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AIRMAN LEADERSHIP SCHOOL
STUDENT GUIDE

PART I
COVER SHEET

LESSON TITLE: SA06, INTRODUCTION TO NEGOTIATING

TIME: 3 Hours

METHOD: Guided Discussion / Experiential

Camp, Jim. *No: the Only Negotiating System You Need for Work and Home*. New York: Crown Business, 2007.

Cialdini, Robert B. *Influence: Science and Practice*. Harlow: Pearson Education, 2008.

Cohen, Herb. *You Can Negotiate Anything*. Secaucus, N.J.: L. Stuart, 1980.

Cohen, Raymond. *Negotiating Across Cultures*. United States Institute of Peace. Washington, DC. 1997.

Cohen, Steve. *Negotiations for Managers*. McGraw-Hill Professional. New York, New York. 2002.

Eisen, Stefan. Jr. (PhD). *Practical Guide to Negotiating in the Military*. Air Force Negotiation Center of Excellence NCE Publication, Maxwell Air Force Base

Fischer, Roger and Ury, William. *Getting to Yes: Negotiating Agreement Without Giving In*. Penguin Books. New York, New York. 1991

Fisher, Roger, and Daniel Shapiro. *Beyond Reason: Using Emotions as You Negotiate*. New York: Viking, 2005.

Goodwin, Deborah. *The Military and Negotiation: the Role of the Soldier-diplomat*. London: Frank Cass, 2005.

Lewicki, Roy J., Bruce Barry, and David Saunders. *Essentials of Negotiation* (4th Edition). McGraw-Hill Irwin. New York. 2007.

Ury, William. *Getting past No: Negotiating with Difficult People*. New York: Bantam, 1991.

INSTRUCTIONAL AIDS: Activity handouts, all others instructor developed

STUDENT PREPARATION: Read the student reading assignment (approximately 8,413 words: 90 minutes) prior to class. Complete the Negotiating Worksheet homework assignment located on page 16 of the student guide and print/save the Electronic Conflict management Style Preference Estimator (e-CMSPE). Refer to CF02, Successful Learning MP 6.

PART IA

GENERAL LEARNING OUTCOME: Students who graduate from the Airman Leadership School are better prepared to foster collaborative relationships as evidenced by their comprehension of negotiations.

SUPPORTED COMPETENCIES/DIRECTIVES:

The *Introduction to Negotiating* lesson supports the following AF Institutional Competency/Sub-competency:

- Fostering Collaborative Relationships – Negotiating

TERMINAL COGNITIVE OBJECTIVE: Comprehend Introduction to Negotiating concepts and their impact on NCO, unit, and mission effectiveness.

TERMINAL COGNITIVE SAMPLES OF BEHAVIOR:

1. Explain Introduction to Negotiating concepts and their impact on NCO, unit, and mission effectiveness.
2. Give examples of Introduction to Negotiating concepts and their impact on NCO, unit, and mission effectiveness.
3. Predict the impact of Introduction to Negotiating concepts on NCO, unit, and mission effectiveness.

AFFECTIVE OBJECTIVE: Value Introduction to Negotiation concepts and their impact on NCO, unit, and mission effectiveness.

PART IB

ORGANIZATIONAL PATTERN: Topical

ASSOCIATED LESSONS: This lesson must be taught before EA01, *Introduction to Culture* and the first four hours of SA05, *Leader Influence*. This lesson is also associated with CF05, *Self-Awareness*.

PART IC

LESSON OUTLINE:

CONTENT
INTRODUCTION: Attention, Motivation, and Overview
MP 1. Key Terms
MP 2. Negotiation Environment
MP 3. Conflict Management and Negotiation Preferences and Styles Chart (NPSC)
MP 4. Negotiating Exercise
CONCLUSION: Summary, Re-motivation, and Closure

PART II

STUDENT READING

“Let us never negotiate out of fear. But, let us never fear to negotiate.”

- John F. Kennedy

35th President of the United States

As members of the US Armed Forces, we are constantly interacting with other military members, civilian employees, and contractors in various environments and situations. Oftentimes, we interact to solve problems where two or more people, or groups of people, must decide on a course of action necessary to accomplish a shared goal. For NCOs, virtually every problem-solving and decision-making process involves some sort of negotiations that can range from resolving disputes among subordinates to working through issues involving the chain of command and outside agencies.

The institutional competency *Leading People and Teams* and the Air Force Policy Directive 36-26 (27 Aug 2008) *Fostering Collaborative Relationships* highlights the competency of *Negotiating* as a critical skill. In today’s complex environment, the need to operate in peer-based relationships, and the need to communicate across service, joint, interagency, and coalition environments, all emphasize the value of understanding and effectively applying negotiating skills.

This reading provides information pertaining to negotiations and examines the effective use of the TIPO Model and the five essential negotiating strategies tailored for any environment. Each strategy has its own strengths and weaknesses. Therefore, with an understanding of these five strategies (and effective communication skills), you will be able to evaluate any given situation and correctly select and apply the most appropriate strategy.

MP 1. KEY TERMS

Before you get into the basics of negotiating, you must first be familiar with a few key terms.

Negotiation: A communication **process** involving two or more people/groups where:

1. the parties have a degree of difference in positions, interests, goals, values or beliefs
2. the parties strive to reach agreement on issues or course of action

Opposite: The person or group with whom you are engaged in negotiations. Sometimes called the negotiation partner, the opposite recognizes the idea that you lack agreement and must negotiate to solve a problem or reach an agreement. As an NCO, your ‘opposite’ might be your subordinate, supervisor/chain of command, peer, etc.

Position: In negotiations, a position is what ***you*** want, not necessarily what you need. It is your vision of your best possible outcome. A negotiating position is not based on haphazard thought. It should be based on carefully developed interests and desired outcomes.

Interest: An interest is what you ***need***. It is the underlying reason behind your position.

Aspiration point: The best each party hopes to get out of a negotiated agreement.

Reservation point: Your ‘bottom line’ in negotiation. It is the point you will absolutely not got over...your limit.

Zone of Possible Agreement (ZOPA): The area between each party’s aspiration point and reservation point. It is also called the ‘bargaining range.’

Best Alternative To a Negotiated Agreement (BATNA): An alternative to negotiation that you can execute independent of your ‘opposite’. It is a solution you are prepared to execute even if you don’t get what you want in the negotiation. To formulate a practical BATNA, you must have both the capability (resources) and the will to execute this alternative on your own without any assistance.

MP 2. NEGOTIATION ENVIRONMENT

Before you start the negotiation, you must first assess the negotiation environment. What you find during this assessment using the TIPO model and considering the who, stakes, and situation can have a huge impact on the strategy you decide bring to the table.

A. TIPO Model

- TIPO (pronounced “typo”) identifies how trust influences your use of information, power affects the way you develop, and how well you develop, options or solutions to solve or resolve a current problem, conflict, or situation.

Trust

Trust is the basis for any relationship. Trust, as it pertains to TIPO, is defined *as your belief and/or evidence that the opposite’s interactions with you are genuine, sincere, and honest*. The more you trust the opposite’s actions and interactions, the more trusting you are of the opposite’s actions and intentions. Usually, increased trust leads to actions that result in positive outcomes like believing the information one provides is accurate or confident they will accomplish a task just as you instructed. However, there may be times when you believe the opposite is trying to deceive you. Therefore, cultivating a trusting relationship or prioritizing the importance of people over task should be a deliberate decision, especially when negotiating. We place trust in two categories; trust in a personal or trust in a process.

Personal Trust

Personal trust stands alone. It is not reliant on any institution or third party. At the most basic level, personal trust is established between two people who share the same interests. Consider the relationship between supervisor and subordinate. As a supervisor, you trust that your subordinate is going to do his/her job, be respectful, and ‘allow’ you to lead him/her. As a subordinate, you trust that your supervisor has your best interests in mind, that he/she will represent your interests with the chain of command, and is willing to consider your ideas. This relationship wouldn’t be effective unless you both trusted each other on some level.

Building personal trust is accomplished by taking into account how well you conduct yourself, complete assigned tasks, and by considering your reputation, status, and standing in society. It is also sustained by the pattern of your actions. If you

consistently commit untrustworthy acts, it will be difficult (if not impossible) for your opposite to personally trust you.

Process Trust

Process trust exists when both parties have faith in a governing institution and believes that it supports their negotiations. We trust that these processes promote outcomes that are justified (fair and impartial), legal, and ethically moral for both parties. Process trust in the Air Force includes several programs such as the Inspector General complaint system, Equal Opportunity policies and programs, Air Force instructions, and the most crucial process trust of them all, the trust we have in the core values. Many agreements between two military members who do not know each other are based on the belief that the opposite will adhere to these *institutional* values as they negotiate.

There are trust-building measures available to help you establish and/or validate another's trust. These are small steps that help set the expectation of honorable exchanges between you and the opposite:

- providing good information in a way the opposite understands
- delivering on promises made
- taking a genuine interest in the opposite and his/her needs

These trust-building measures enhance the trust that exists between two people and helps facilitate communication that is more effective and negotiations.

Information

The level of trust directly influences the *amount of information that is shared between you and the opposite*. Information is so critical to developing options it is actually one of your personal power bases (coming up next). It can range from the amount of resources available to classified intelligence. Trust directly affects the quality and amount of information each party is willing to disclose. If you trust the opposite, you believe the information they present is truthful and accurate and will feel more comfortable sharing information with them. This results in a greater selection of options to choose from later. However, if you feel the opposite is withholding or offering false information, you may either have to use a third party source to validate the information, confront the opposite with your concerns regarding the information, dismiss the information altogether, or continue to negotiate based only on the information provided.

Unfortunately, merely trusting the information can be quite challenging. For instance, no matter how much you trust your preferred car dealership, you should never share your bank account information with the salesman. Pretty self-explanatory, right? On the other hand, many trusting relationships allow for honest disclosure of information, which may include the disclosing of unpleasant, unpopular, or less preferred information.

Consider the following example:

Let's say you are purchasing a new car and that you *informed* the salesperson that you are only willing to pay an amount significantly below the asking price for the car. This may prompt the salesman to move on to another customer and ignore you. However, if he values the *relationship*, he may reduce the price of the car in

hopes that you will buy it or assist you in finding another suitable car so you'll tell others about the dedicated service he provided. Perhaps the salesman doesn't *trust* you and believes you are capable of paying much more than you are offering. This may provoke the salesperson to continue pressuring you into purchasing the car at a higher price. In this case, the salesman's insistence may generate your heightened mistrust. And so the key dynamics of negotiation interaction continues to evolve.

The level of trust in the opposite and the information presented will influence the negotiating style you choose to use which will determine the amount of power you will need to select and the execution of your negotiating strategy.

Power

As mentioned in the *Leader Influence* lesson, we possess an assortment of leadership powers that enable us to accomplish various actions, to include negotiating. These powers are referred to as *personal* and *position* powers. Here is a quick review:

Position Power: This type of power is derived from your position within the organization and is ***given*** or ***delegated*** to you by your superiors.

- **Coercive:** People who have the ability to discipline or negatively impact their opposite's current or future state has coercive power. However, to be effective, others must acknowledge you have the ***capability*** and ***will*** to carry out your intentions. For example, a parent can coerce a child to clean his/her room by threatening to take away the child's play time or allowance. This tactic will only be effective if the parent is willing to follow through with the threat. If the parent makes threats but doesn't follow through, the child might not clean his/her room because he/she knows there will be no repercussions.
- **Connection:** Here, it's not what you know but who you know. Connection power refers to the relationships (or connections) you have with others who may possess more position and personal power than you and/or your opposite. These connections are extremely beneficial especially if you are required to accomplish a significant task requiring many people. These acquaintances can assist you by providing information or granting you the authority needed to encourage others to support your efforts. For example, first sergeants share information regularly and are deeply rooted in an installation's social network. They meet regularly, sharing information from their personal judicial experiences to upcoming base events. First sergeants also have the authority to work closely and advise unit commanders, another powerful connection, on issues pertaining to the health, performance, and welfare of assigned enlisted forces.
- **Reward:** It is the capability to positively impact one's current situation with something that person values...rewards! This position power must also be perceived as an actual ability one has in order to positively affect others or their situation. In other words, if you don't have the ability to provide the reward, don't offer it...doing so could negatively impact the negotiation.
- **Legitimate:** Typically associated with one's rank, position, or level of authority; legitimate power affords you the right to accomplish a task, issue an order, or insist

an action based on your position or authority. However, it is important to add that you should only use this power if your intentions are legal, ethical, and appropriate.

*Personal Powers (derived from confidence and trust that others have in the leader and is **earned**):*

- Referent (or charisma): People respond to this power because they either have a high identification with you and respect or admire you. Others tend to follow and agree with you because they aspire to be like you. By influencing others (positively or negatively), you are able to encourage, motivate, and inspire. One can develop this power by simply working with and leading others.
- Information: Information power refers to the knowledge, use, and sharing of data one possesses that others may need or desire. Having access to secure data systems, leadership or classified meetings, briefings, even good gossip, increases your information power base. Some tend to withhold information from others so they maintain the advantage and the informational “higher hand.” However, when you trust others and share information, you increase their information power as well as their trust in you.
- Expert: Having expertise refers to how well one’s special knowledge or skills related to the job. As a subject-matter expert, you become quite a valuable member of the organization. For example, an Airman assigned to a customer service section may not have the position power of his superintendent. However, this Airman is well-respected by his customers, peers, and supervisors because he knows his duties well and has mastered his assigned responsibilities. For the superintendent, it may have been several years since he worked the customer service desk and regularly relies on the Airman to brief him on current customer service matters.

When negotiating, you must assess which of these powers you have, which ones are available to the opposite, and how your powers are perceived by the opposite. What if you walk into a meeting thinking you have referent power only to find out that your opposite believes a nasty rumor that damages your reputation. This could jeopardize your negotiating efforts.

As the TIPO Model depicts (Figure 1), trust impacts the amount of information you can acquire and the power you can exercise during negotiations. With high levels of trust, powers may be actively shared between you and the opposite. For example, you may have expert power on a topic but are fully willing to listen to the opposite’s perspectives on how to solve the problem because they have additional information you need.

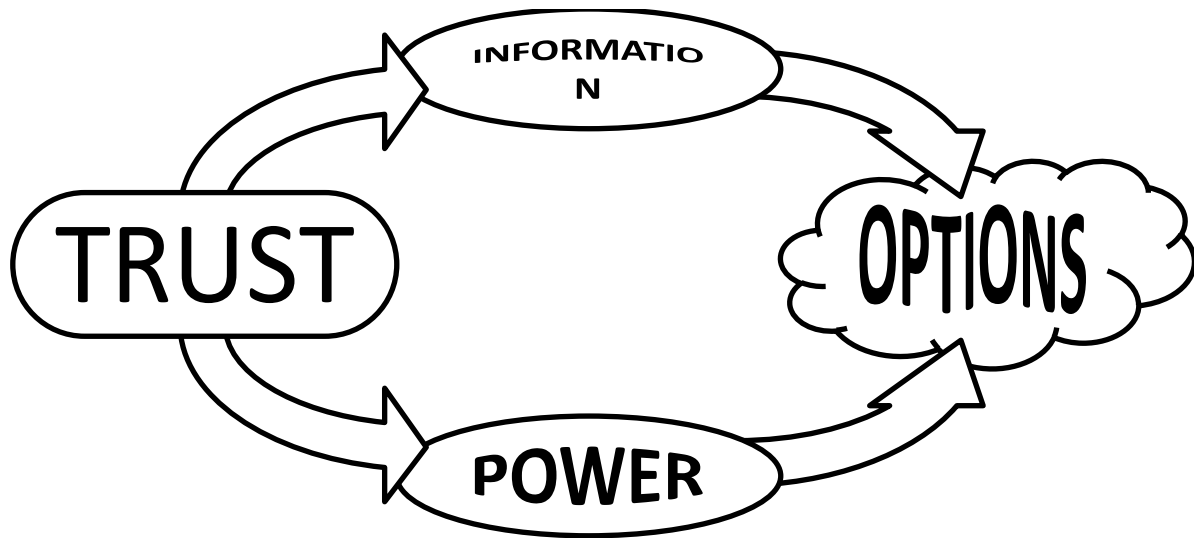


Figure 1. The TIPO Model

Let's consider the story of a Swiss engineer and his amazing invention.

George de Mestral was hiking through the woods one day and noticed mountain thistles tenaciously clinging to his pant legs and beloved dog. After realizing what made the thistles so effective, he designed a prototype that mocked this action and presented it to several manufacturing companies. After many meetings and much ridicule, he eventually convinced a French fabric company to produce his concept. The company representatives were experts in the fabric industry and, though hesitant, shared their expertise with George de Mestral. The collaboration of these two parties resulted in the production of an incredible “hook-and-loop” fastener system we know today as Velcro.

On the other hand, if you have low trust in the opposite, you may apply more of your abilities to overpower them. For instance, you may use your expert power to discredit whatever data the opposite brings to the table, a tactic familiar to trial lawyers. You may threaten to leave negotiations (a coercive technique) if your opposite disregards your requests or terms. In summary, power can be shared, relinquished, or hoarded depending on the level of trust that exists between you and the opposite.

Options

The final part of the TIPO model uses the foundation of trust and the elements of information and power to develop options. Options are just different ways to potentially solve a problem or come to a mutual agreement and are often referred to as solutions, choices, and alternatives. Option building requires two elements: 1) define the problem that needs solving and 2) identify possible resources (information, power, time, people, money, etc.) that may be available. Usually, more options can be developed when an abundance of resources are available. Note the first two resources listed were *information* and *power*. Information is critical to developing options and power is key to making the options “operational.” The more trustworthy information you receive from (and about) the opposite, the more potential options you have. Trustworthy opposites can offer ideas and a perspective that you may never have considered.

Let's return to the earlier Velcro example for a moment. Many people in the late 1940's were trying to improve fastener technology beyond the button, zipper, tape, and glue. People demanded a strong, yet temporary bond, especially between fabrics. If the companies that first dealt with George de Mestral had trusted his information and shared decision-making power with him, perhaps they could have accepted his idea and reaped the profits. Perhaps these company representatives only saw annoying weeds and a mangy mutt. However, the final company, the one that partnered with George, took his idea seriously and combined it with their manufacturing technology. Together, they reinvented the fabric fastening industry; developing options that neither party could have created on their own.

Conversely, low trust between parties negatively impacts information and powers which, in turn, undermines option development. At its very worst, options become so few that you are forced to use all the power you have to "operationalize" the one solution while overriding the opposite's objections.

There is one more piece of vital information you must 'arm' yourself with going into a negotiations environment. You must assess who you are dealing with, what is at stake, and what the current situation is.

B. The Who, Stakes, and Situation

- **Who:** *Who* are you dealing with? A subordinate, peer, supervisor, etc.? When dealing with supervisors and peers, insisting may not be appropriate as your opposite may have more position power than you. For instance, it's doubtful any of us could force our commander to act in a given situation. Therefore, cooperating, settling, and complying may be more appropriate. On the other hand, if we have position power, insisting may be the most appropriate style. However, before deciding, we need to consider the next factor, the importance of the issue at hand.
- **Stakes:** What do you stand to gain or lose? If the issue is trivial (the stakes are low), you could evade it or even comply with the other party. Conversely, if the issue is critical (the stakes are high), evading may be appropriate at first to allow time to gather enough information to fully understand the issue and to carefully consider all options.
- **Situation:** How critical is the situation? In a worst-case scenario like an emergency, you may only have a few seconds to act or make a decision. For this, insisting may be the most appropriate given there is no time for cooperating or complying. However, if time is not an issue and all parties are willing, cooperation may be the best negotiation style.

MP 3. CONFLICT MANAGEMENT AND NEGOTIATION PREFERENCES AND STYLES CHART (NPSC)

Conflict Management

The potential for conflict exists whenever two or more people are present. Dr. Kenneth Thomas, author of an article entitled *Conflict and Conflict Management* defines conflict as the "process that results when one person (or a group) perceives that another person or group is frustrating, or about to frustrate, an important concern." Incompatible differences in

values, interests, beliefs, opinions, world-views, and perspectives are all contenders to fuel dispute. As supervisors and leaders within your organizations, how you manage conflict has a tremendous impact on team cohesion, unit effectiveness, and ultimately mission success.

Conflict can be constructive or destructive. Constructive conflict spurs creative thinking between two or more negotiators which result in more detailed and feasible solutions to problems and options when negotiating and mediating. Destructive conflict produces hostility between negotiators which produces barriers to cooperation, destroys morale, and thwarts efforts to solve problems and reach mutually agreed upon options. Therefore, conflict management is deeply-rooted in the art and science of negotiation and mediation. The Thomas-Kilmann Conflict Model uses the following styles for approaching conflict: **Competing, Collaborating, Accommodating, Avoiding, and Compromising.**

- A. **Competing (Win/Lose)** – A style that some consider negative because party using this style solves the problem at the cost of the other party’s goals or feelings. However, there are times when this style is appropriate. For example, when you know you are right, or when the stakes are too high and/or the situation is too critical and/or the relationship is not important enough to collaborate.
- B. **Collaborating (Win/Win)** - Occurs when all parties cooperatively work together until a mutually agreeable solution is found.
- C. **Accommodating (Lose/Win)** – This style involves giving sacrificing your own goals, or giving into the wishes of the other party to mitigate or even eliminate the conflict.
- D. **Avoiding (Lose/Lose)** – This style involves behaviors that either ignore or refuse to engage in the conflict. Although some consider this a negative style because the people using it demonstrates little or no concern for the interest of the parties involved, including their own. However, there are times when this style is appropriate and/or prudent. For example, use this style when a situation has the potential to escalate to violence.
- E. **Compromise (Neutral)** – Compromise is a give and take of resources. The classic compromise in negotiating is to “split the difference” between two positions. When using compromise, each person fails to achieve his or her original goal.

No style is ideal in general, as complex problem solving and creative endeavors require a diversity of Conflict Management Styles for success overall. Use the Electronic Conflict management Style Preference Estimator (e-CMSPE) cognitive assessment to help you identify your leadership strength and areas for improvement concerning your use of conflict management styles. Gaining an understanding of which styles you prefer can help you become an even more effective leader by capitalizing on your opportunities to help overcome weaknesses.

Comparing the Thomas-Kilmann Conflict Model and Air Force Negotiation Center of Excellence's Negotiation Preferences and Styles Chart (NPSC), you should find some intriguing connections.

<u>Conflict Management</u>		<u>NPSC</u>
Competing	↔	Insisting
Collaborating	↔	Cooperating
Accommodating	↔	Complying
Avoiding	↔	Evading
Compromising	↔	Settling

Negotiation Preferences and Styles Chart (NPSC)

The five strategies for the *Negotiation Preferences and Styles Chart (NPSC)* were developed by the USAF Negotiations Center of Excellence based on an interest-based business model for negotiations and converted to a practical model for military negotiations and problem-solving. For orientation, the chart (figure 2) shows the two most important variables (task and people). It is important to note, all five strategies have value and serve a purpose. Because negotiations occur in such a wide range of circumstances, no single strategy will cover all the variables. Just as in golf, picking the right club for the shot tends to improve your score. The same holds for negotiating, selecting the most appropriate strategy for the situation should improve chances for success. When the situation changes, a change in strategy may also be prudent. Picking up on variances in TIPO helps guide the selection and execution of a particular strategy. Additionally, since trust, information, power, and options can and frequently do change during a negotiations, awareness and critical evaluation of these changes can guide your shift in strategies, if needed.

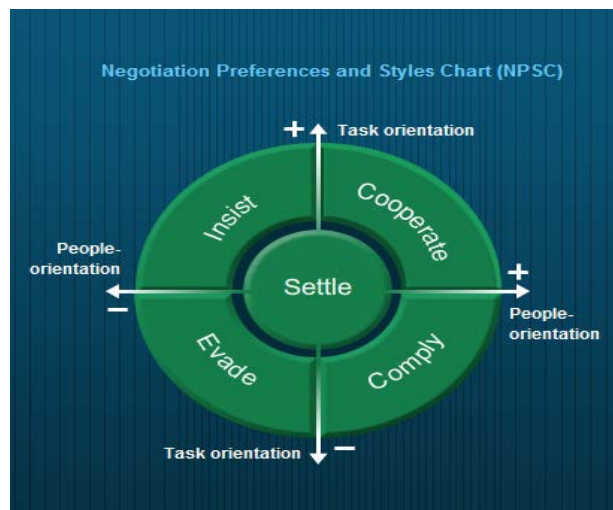


Figure 2, Negotiation Preferences and Styles Chart (NPSC)

A. Task and People Orientation

Every negotiation involves some sort of *task* and the interaction of two or more *people* or groups. These two variables form the “framework” used to visualize and understand the differences between the five negotiation strategies. Once you decide what is more important (task or people), you can then select the negotiation style that is most appropriate for the situation.

People Orientation

The first variable, people orientation, are those relationships that exist between us and others. In some situations, these relationships are more important to develop and maintain than the tasks at hand. However, the ability to negotiate does not mean you have to develop a friendship. Though beneficial, being friends with the opposite is not necessary. As you will soon see in the next section, trust is the key to successful relationships.

A *trusting* relationship means you are willing to consider the opposite’s needs and desires during negotiations as well as sharing information with the expectation of receiving these actions of trust in return. On the other hand, disregarding the relationship, trust, and information leads to a negative result. Here, you intend to ignore the opposite’s needs and desires and/or may not trust the information they provide. This distrust may prompt you to refuse or disclosure information even to the point of being vague or misleading. There is a fine ethical line here so be careful when negotiating to avoid creating a distrusting relationship and an uncomfortable situation.

Something else to consider when assessing a relationship’s importance is how much you may need the opposite’s involvement in the negotiation process. If you need the opposite’s power (i.e. referent, information, expert, coercive, connection, reward, legitimate) and/or their participation to develop potential options; you need a positive relationship. This will guide your strategy selection. However, if you do not value the opposite’s power (perhaps because you have enough power of your own) or their participation in the process, your people orientation will be low (negative) which will steer your selection toward a more task oriented style.

Task Orientation

The second variable is task orientation. In the NPSC, task orientation refers to the importance of resolving the problem to meet your needs. In the military context, it is getting the mission done. A positive task orientation means that you are very motivated to resolve a problem or respond to a critical situation. Conversely, a negative task orientation means that you do not wish to resolve the situation at this time or not at all. It could be that you are satisfied with the current situation or status quo. Perhaps you do not agree with any of the possible solutions. Or, it could be that you may not understand the problem and need more time to gather data.

B. Negotiation Strategy Selection

➤ *Evade* (“Not now, can you come back later?”)

The Evade strategy is a passive, unassertive strategy where you do not have any motivation to work your expectations or meet their expectations. When might you choose to evade or

kick the can down the road? Evade works if the issue at hand is totally unimportant to you, if you have higher priorities, or you lack the energy and drive to tackle the problem. Often the status quo is actually preferred to any envisioned solution. Also, you may use the Evade strategy if you are faced with an overwhelmingly competitive opponent that you have no power over.

In assessing TIPO, the Evade strategy may be appropriate when:

Trust: When trust is low, to the point you believe the opposite is not willing to work with you or you believe they intend you ill will, the Evade strategy may buy you time. The passage of time may allow for conditions to change in your favor.

Information: With low information, either you have too little information from the opposite to work the issue, are not motivated to gain the needed information, or don't trust the information you do have. Sometimes the information you have may discourage you from engaging in the issue, even if the opposite is interested in engaging.

Power: You have little or no effective power. Especially if your powers are being diverted to tackle other pressing issues.

Options: To develop options, you need resources. In this situation, where trust and power are low, your option is limited to what you can dream up on your own, trusting only the information you can validate. Often, this results in a situation where the status quo is not only better than any envisioned outcome of the proposed negotiations, but your only available option, since you have no power to engage the opposite. The Evade strategy may be a good strategy, especially if you can change the conditions down the road that would allow for the development of better options.

➤ *Comply* (“Yes, absolutely, let’s do it your way!”)

The Comply strategy tends to delegate the responsibility to the other person or party. This (along with the Evade strategy) is a passive approach to negotiations. This strategy is preferred when *preserving the relationship between you and the other party* is the paramount concern even if it is at the expense of the task. The result of this strategy is that the more assertive party gets what they want and you, as the compliant side, give up whatever is at stake or gives in to the opposite.

In assessing TIPO, the Comply strategy may be appropriate when:

Trust: In assessing the situation, if there is a trusting relationship between the parties, and there is a desire to continue trust-building, then the Comply strategy may be appropriate.

Information: You may have information, be willing to share information, and have the opposite trust your information (and you trust the opposite's), but it is of little benefit to you because the balance of power heavily favors the opposite. This doesn't mean the opposite will necessarily hold this imbalance in power over you, although he/she may have the ability to do that. It means you cannot initiate or follow through on any implementation without the cooperation of the opposite.

Power: If you have little power, or the power you do have is not perceived as legitimate by the opposite, then your negotiating strategy choices are limited to what the opposite

will allow you to accomplish. However, you can be in a situation where you have high trust and no power. This means you seek to work with the opposite, even to the point where the outcome may be worse for you than the status quo. You may also have sufficient power to deal with the issue, but need to devote that power to a more critical task.

Options: Under the Comply strategy, options are lop-sided in favor of the opposite. This does not always mean a bad outcome for you. If one of your interests is to build rapport and goodwill for relations and negotiations later on, then the Comply strategy may help you build it. When employing the Comply strategy, you must carefully evaluate the potential impact on long-term relations. If you are quick to comply, for example, your opposite may see it as a sign of weakness that will set a challenging stage for future negotiations.

➤ *Insist (“Take it or Leave it”)*

The Insist strategy is useful when you believe that obtaining your objective is paramount, regardless of the cost to the opposite’s interests or the relationship. The Insist strategy is usually associated with a position and declared with a demand that leaves little room for movement and /or compromise. Information is usually hoarded and withheld. Relationships are usually put at risk and any long-term negotiating relationships are difficult to maintain. This style is preferred when a “winner takes all” requirement is sought. Usually the Insist strategy is used when there is a single issue (like price or security) and the possibility of future interaction between the parties is unlikely or winner’s residual power after the negotiations will allow for more use of the Insist strategy. The Insist strategy is quick, and there’s usually one outcome: one party “wins” and the other “loses”. At issue is which party gets to play the victor or the vanquished. Usually, the party with the greater amount of power is the victor.

In assessing TIPO, the Insist strategy may be appropriate when:

Trust: Trust does not exist, is not needed or is not valued. Simply put, the Insist strategy is not IF you win, but HOW MUCH you will win.

Information: Similar to the conditions in the power discussion above, your situational assessment reveals that you do not need and / or do not trust their information. Your assessment is that their information may be truthful but of no value or the information is suspect and thus worthless to you. You are assuming you have all the information needed for a clear decision and the information you have is of sufficient quality.

Power: The Insist strategy requires overwhelming power. In the assessment, you must consider not only the power you need to win the negotiation and defeat the opposite, but to also have sufficient power to ensure the agreement is executed. Too often, you might use all your power in the negotiations to dominate the opposite, only to have the execution fail because the opposite, in the execution phase, has more power than you, or has built a coalition of power to resist your ability to enforce the agreement’s terms.

Option: Option development under the Insist strategy is one-sided – your side. Since trust is low, power is high, and the opposite’s information is scarce or not valued, you are essentially negotiating with yourself to come up with the preferred solution to meet

your interests and ignore, either intentionally or unintentionally, the other party's interests. An Insist strategy may be appropriate in a crisis, when time is short and even though you might trust the opposite, there is not enough time to gather information, share power and take the time to mutually develop options for consideration as potential solutions. In this strategy, official power is needed in quantities sufficient to execute the solution. Often in a crisis situation, the Insist strategy predominates in the beginning, and then as the crisis subsides, other negotiating strategies are adopted to develop and execute a more durable, long-term solution.

➤ *Settle ("Let's just split the difference and call it a day")*

The Settle strategy may be an option when you seek resolution to a situation, but see little chance for you to really get it "your way" (e.g. the Insist Strategy) or you don't want to "give in" (e.g. the Comply Strategy) to the opposite. By using the Settle strategy, you may minimally satisfy both side's task interests through the process of compromising on whatever difference separating you from the opposite; usually in the form of splitting the difference "...somewhere down the middle". The Settle strategy usually opens not with a demand (a hard position with no wiggle room), but a softer "offer" (a position leaving some room for you or the opposite to maneuver the other to a solution). Each party "gets something", but usually not what you really need or what fully satisfies you. Additionally, the people orientation is not strong, as you expect the opposite to take care of their interests as you are taking care of yours. It is not antagonistic, neither is it nurturing.

Settling usually results in a quick negotiation (Settle is an efficient process), but rarely an optimal outcome (Settle is usually not an effective process). Also, the Settle strategy is usually most useful where only one variable is at stake or being considered (like price). A quick tutorial on the Settle strategy is available in any segment of "Pawn Stars" or "American Pickers" series on cable television. Observe how they intuitively use TIPO in these cable television programs.

In assessing TIPO, the Settle Strategy may be appropriate when:

Trust: A certain amount of trust is needed to use the Settle strategy. It will impact the way you perceive power and information. Sometimes trust can be found in the process, like a third party (examples are Blue Book or Edmunds.com for vehicles or Zilla.com / public tax records for estimates of property values).

Information: Because there is some trust, you perceive the opposite is providing reasonably accurate information, although you are not sure if they are partially or fully disclosing information. Because trust is neither strong nor weak, you protect yourself by slowly yielding information to them. This is usually observed by the tradition of "I'll come down \$5.00 if you'll match me" back and forth bargaining style until the total difference is somewhat evenly split.

Power: When power is evenly divided between parties, and trust is not high, the Settle strategy allows both parties to exercise some control over the process, but not to the total detriment of the opposite. In this situation, especially when personal and position power is diffused (there are experts and rank on both parties), compromises are necessary

because neither party is willing to either move to the opposite's offer or take the time to explore options, as you will see later in the Cooperative Strategy.

Options: Option development is somewhat limited, but is based on your perception that there is some element of trust, a belief that the opposite's information is truthful (perhaps incomplete, but accurate), and some acknowledgement that neither side has the power to unilaterally conclude a deal. You also acknowledge that all the interests needed to drive home a deal don't lie with you and you must consider some of their interests. In the Settle strategy planning phase, you still determine what you need, but then establish some wiggle room between what you would like to settle for (aspiration point) and what the worst you would agree to (reservation point). The range between the aspiration and reservation points is your bargaining range (ZOPA). The same goes for the opposite if they adopt the Settle strategy. They too have aspiration and reservation points.

For example, say you see a car on eBay – the seller is willing to let it go for...\$25,000 or best offer. You only want to pay \$20,000 (your aspiration point), but would be willing to pay up to \$23,000 (reservation point). The seller's "Buy it Now" price (opposite's aspiration point) is \$25,000, but deep down inside, they have information on other on-line auctions where similar cars were moved for as little as \$22,000. So they are also willing to move it for that amount (their reservation point). Your bargaining range (ZOPA) is from their reservation point (\$22,000) to your reservation point (\$23,000).

➤ *Cooperate ("Let's work together and come up with an even better idea")*

The Cooperative Negotiation Strategy (CNS) reflects high interests in both people and task orientations. CNS seeks to create new value within available resources. This style is useful when a party desires to achieve a mutually satisfying outcome while simultaneously managing the relationship. For this to occur, trust must exist with both parties willing to share information and power. They must also suspend judgment in order to work together to develop options.

Cooperation is particularly effective in diverse situations, especially in the military environment. Agreements in the military must be reached with people and groups that are often very different. To move beyond the obstacles and barriers that potentially hinder us from reaching an agreement, the CNS focuses on the basic and perhaps common interests that drive each party's position. Shared interests lead to common ground, generating options valued by both parties. Implementing CNS also offers opportunities for both parties to work together to generate options that are better than what they could have created on their own.

In assessing TIPO, the CNS may be appropriate when:

Trust: A great deal of trust must exist for CNS to succeed. Although process trust may be evident, personal trust is also critical, because CNS is based on sharing information and power. Trust building is a foundational tool of CNS.

Information: The amount and level of information revealed is based on the strength of the trust between the parties. With stronger trust, more information can be freely and reliably shared. In the ultimate situation, full, unconditional trust (primarily personal trust) could result in the revelation of deep secrets that you would never otherwise divulge. However, process trust could also result in full disclosure, such as an

institutional assurance that everything you say in a negotiation would be confidential information and any public disclosure of information by the opposite would result in punitive action against them.

Power: With great levels of trust, defensive mechanisms are not as important and people feel less vulnerable to manipulation. Lowered defensive mechanisms means you are willing to share power, both in the negotiation process and ultimately sharing power in selecting the option to be executed. At times, you may select an option that more completely satisfies the opposite's interests, knowing that in execution, you trust they will be looking out for your best interests if something unusual should arise.

Options: Because there is an exchange of information, there is also an exchange of ideas resulting in multiple ways to possibly solve the problem under consideration. CNS works best when parties develop multiple options and then explore which of the proposed options, either in their original or modified form, might best solve the problem. Unlike the Insist strategy, where there is only "my way" to solve my problem, CNS might find "our way" to solve *our* problem. Ultimately, one option must be selected for execution, but that option was selected from a pool of likely candidate options that were mutually developed.

MP 4: NEGOTIATING EXERCISE

Review attachment #1, *Negotiating Exercise Scenario*. Using the information provided in the scenario, begin filling out the appropriate areas of attachment #2, *Negotiating Worksheet*.

*Note: You have not been given enough information to complete all areas of the worksheet. During the in-class exercise, you will be given additional information to assist in the exercise.

CONCLUSION

The Air Force Negotiations Center of Excellence, Air University, Maxwell AFB hosts a web site that is very practical in design and delivery. It has a myriad of helpful tools for almost any negotiation circumstance, including a section for quick tips if your time to prepare is short. They will also be publishing and posting the most current and relevant research for your use. If you forget the site address, simply Google "Air Force Negotiations" and you will find it.

If you only have one tool in your negotiation tool kit and only one way to use it, you're pretty much locked into a "one size fits all" situation. Other leadership tools give you options and flexibility to adapt the leadership style to fit the situation. It should be the same with negotiations. That's the reasoning behind the TIPO assessment tool and the Negotiation Preference and Styles Chart – assess the context and apply the best tool for the situation. Then, things can get complicated when you use these tools in a different culture. Without understanding, you can easily judge differences rather than understand them. With understanding, you can adapt your selected negotiating approach to work within the cross-cultural context – helping increase your chances of a good solution to the problem.

NEGOTIATING EXERCISE SCENARIO

SUPERVISOR:

SrA _____ is one of your best Airmen. He/she is the most experienced person in the work center and is responsible for training the new arrivals. SrA _____ is married and has a 6-year old son. He/she is active in the local community and is working on his/her bachelor's degree. He/she is so dedicated to the unit's mission that he/she won the Airman of the Year at the Group level last year.

Recently, the unit has taken on a new aircraft mission and the flight superintendent wants your best people on the day shift due to the mission's high visibility. Since SrA _____ is one of your go-to Airmen, you didn't hesitate to put him/her on day shift. Although there are other Airmen that might be interested in the day shift, SrA _____ has the ability to work without any direction...simply put, he/she knows what needs to be done and gets it done well! However, you've heard that he/she isn't too happy with the change in duty schedule.

Today you will sit down with SrA _____ to negotiate an agreement to better meet his/her needs as well as accomplish the mission.

AIRMAN:

You are SrA _____, the flight's best, most highly trained and experienced airman. You are married with a six-year old son and have an active personal life. You've been diligently working on your bachelor's degree and you only have one more year left before you finish. You are currently on the night shift and you like it because you are able to take care of family obligations as well as volunteer in the local community during the day.

Recently, you've been put on day shift due to an increase in OPSTEMPO. You were told that this change in your shift might last one year and to expect 6-12 hour work days, depending on the task assignments. The change in shift has upset your daily routine a great deal and you want to meet with SSgt _____ to see if you both can work something out. There are other airmen in the work center that wouldn't mind working the day shift if SSgt _____ agrees. You are hopeful since SSgt _____ has worked with you in the past and he/she has always been an attentive and caring supervisor.

Today you will sit down with your supervisor, SSgt _____ to negotiate an agreement to better meet your personal and professional obligations.

<u>Negotiating Worksheet</u>		
TIPO Process		
Trust - Is there a need for trust? What types of trust do I value / the opposite value (personal versus process)? How can trust be built?	My trust in the Opposite	The Opposite's trust in me
Information - Do I have enough information to advocate for solution? What are my assumptions? Can the opposite help me validate the assumptions into facts? What can I do to help the opposite value my information as valid? What can the opposite do to increase my trust in their information?	Information I have	Information the opposite might have
Power - What types of power do I have that the opposite values (expert, reward, coerce, referent, position, official)? Will I use power over or power with the opposite? What type of power does the opposite possess that I value?	Types of Power I have	Types of power my opposite has
Options - Am I advocating for a single solution or seeking among multiple options for a solution? What is my opposite aiming to do?	What should I seek? Advocate for a single option? Seek the development of multiple options?	What might my opposite seek? Advocate for a single option? Seek the development of multiple options?
Strategy Selection (Insist, Comply, Settle, Cooperate, or Evade)	From the above insights, what might be the most appropriate strategy to begin the negotiations?	From the above insights, what might be the most appropriate strategy for my opposite to use?

Negotiating Process Evade / Insist / Settle / Comply / Cooperate		
Position <i>(What do I think I/They WANT?)</i>	What is my position?	What do I think is my opposite's position?
Aspiration Point	What might the best possible outcome be for me?	What might be the best possible outcome for my opposite?
Reservation Point	What's the minimum I would accept?	What's the minimum my opposite would accept?
Identify Interests <i>(Critical Thinking: Why do I want the above outcome? How important are each of the interests? Part of this will be developing assumptions to be tested during the negotiation)</i>	What are my interests?	What might be my opposite's interests?
Best Alternative to a Negotiated Agreement (BATNAs) <i>(Critical Thinking: What can I/they do if we don't reach an agreement?)</i>	What is my BATNA?	What might be my opposite's BATNA?
Develop an Agenda 1. Who opens? 2. Common interests? 3. Options presented as full proposal or incremental? 4. Reciprocity? 5. What must be discussed? 6. Who should attend? 7. Where should the meeting be? 8. What is the expectation for the meeting? 9. How much time should be set aside?		

Execution Process	
<p>Developing a Zone of Possible Agreement (ZOPA)</p> <p><i>The range of possible solutions from your reservation point to the opposite's reservation point. Try to define this zone after interests are explored and assumptions validated / rejected.</i></p>	
<p>Options for Mutual Gain</p> <p><i>(Create ideas that satisfy as many interests of both parties as possible – this process is brainstorming and non-judgmental. Continue to test assumptions with Active Listening as well as using Critical Thinking questions)</i></p>	
<p>Objective Criteria</p> <p><i>(Find the option that best meets the priority needs established in the exploration of each sides' interest)</i></p>	