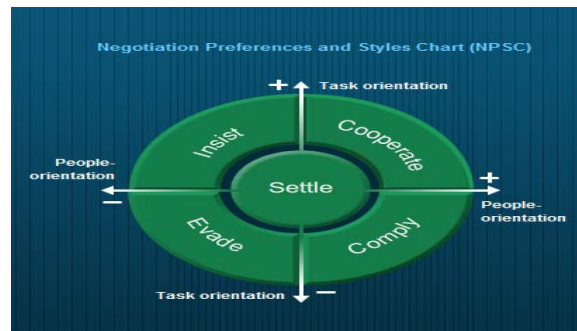


# An Overview of the AFNC Strategies



*“Let us never negotiate out of fear. But, let us never fear to negotiate.”*  
John F Kennedy

## I. Introduction

Because we are social by nature, we constantly interact with others. Often the purpose of this interaction is to solve a problem; getting two or more people (or groups of people) to decide on a course of action to accomplish a goal. Virtually every problem-solving process involves some aspect of negotiations. Practically speaking, Air Force personnel engage daily in negotiations with co-workers, supervisors, subordinates, business partners, coalition warfighters, non-governmental organizations, etc. On-duty, one could be working to get two units to agree to a Memorandum of Agreement (MOA). Later, off-duty, it could be deciding on Saturday morning who will 1) take one youngster to soccer while 2) the other spouse takes on the grocery chores so 3) the entire family can join in for a sit-down dinner.

In the Air Force, negotiation skills have also become a critical leadership competency. Air Force Doctrine Document DD-1 Leadership and Force Development (18 Feb 2004) and the Air Force Institutional Competencies List (ICL), under “Leading People/Teams” highlights the competency of “Influencing and Negotiating”. Additionally, the complexity of today’s environment, the need to work more with peer-based relationships, and the need to communicate across and within the service, joint, interagency, and coalition environments all point to the value of understanding and effectively applying negotiations skills. Articles and books on leadership, whether addressing senior leader skills or broader leadership competencies that all Airmen should develop, are consistent in their advocacy for improved negotiations skills as a “must do” competency.

This article provides an overview of several approaches to negotiating and recommends an additional negotiating tool that isn’t intuitively part of that current negotiating tool kit, the interest-based approach to negotiating.

## II. Negotiations Defined

First, a definition of negotiations is useful to frame the discussion. A negotiation is not what many envision – that “smoke-filled back room” where bare-knuckled deals are hammered out between rival parties. Rather negotiations are much more broadly defined. A negotiation is really a

communication and discovery process between two or more parties. This process may range from something open and cordial with a free exchange of information as parties cooperatively seek to satisfy common interest(s) to something closed and adversarial, where information is hoarded as parties competitively seek to satisfy only their own interest(s), and if needed, destroy the other party's interest in the process. In the middle is a process where you "lose some and win some" – otherwise called the "compromise". True negotiations must have at least the two following elements: first, a negotiation indicates that there are two or more parties with some sort of difference between them. It may be a difference in value(s), data, relationship(s), and / or interest(s). Second, at least one of the parties in the negotiation must be motivated to address the difference(s) between them and come up with an outcome (Solve, Treat, or Cope).

### **III. Negotiating Preferences and Styles Chart**

#### **THE TASK / RELATIONSHIP VARIABLES**

There are two basic variables that form a common thread between the five negotiation strategies. Every negotiation involves a problem or task of some sort and requires the interaction of at least two people or parties. The relative importance of these two variables (task orientation and people orientation) forms the basis of the Bull's-eye framework used to visualize the differences between negotiating strategies.

The Negotiation Strategies Chart (NSC), or "Bulls-eye" Chart, has two axes, one indicating how important the relationship is to the negotiating party and the other axis indicating the importance of the task. By depicting the two variables on the Bull's-eye chart, the relative importance of each variable can be visualized, and the type of negotiating strategy reflecting those two variables can be described. Since "words do count" when building frameworks, we will specify definitions for these two variables.

The first variable is the importance of the relationship. In other words, how important is it for you to develop and/or maintain a productive relationship and mutual trust with the other party? If the negotiator intends to harm the relationship, the relationship orientation variable can take on a negative value. If the relationship is of low or no importance, then the relationship can have a low or zero value. This is sometimes the case when one is negotiating a "one time" deal with little or no chance of ever re-engaging with the other party. However, if interaction is expected to re-occur, perhaps in the execution of the agreement, or if multiple negotiations may occur over a period of time, trust-building is much more important. This could result in a positive value assessment. Likewise, if local reputation is important, the relationship orientation variable may take on a high value even if multiple negotiations are not expected with the particular counterpart.

The second variable is task. In this chart, task orientation refers to the importance of resolving the problem in a way that meets your interests. A high task orientation means that you are very motivated to resolve the problem in a way that satisfies your interests. Conversely, a negative task orientation means that you are not motivated to resolve the problem at all, or you may not understand the problem (poor task clarity). A zero value means that this issue is not a priority for you.

The following five strategies combine the two variables as seen in the Bull's-eye Chart. We examine each negotiating strategy, with reference to task and relationship orientation.

**1. Evade: tends** to reveal a totally passive, unassertive preference for the negotiator to get what they might want while simultaneously not desiring to meet the other party's needs either. When might people "avoid" or "kick the can down the road"? Perhaps if the issue at hand is totally unimportant to them, or they lack the energy and drive to tackle the problem and any outcome is of relatively equal value to them. Also, a person may use the avoiding approach if they are faced with an overwhelmingly competitive opponent and this forestalls an outcome that would definitely not satisfy their needs. Essentially, this style avoids any meaningful negotiations and seeks neither a

”result” or the development off a relationship.. Although this approach “manages” the conflict, it doesn’t seek to resolve it – its usefulness is extremely limited. Both task and relationship needs are relatively weak.

1.a. Bumper Sticker: “Not now, can you come back later?”

**2. Comply:** tends to delegate the resolution of the conflict to the other person or party. This (along with avoiding) is a passive approach to negotiations. This style is preferred when preserving the relationship between the two parties is the paramount concern even if it is at the “expense of the task”. The result of this approach: the more assertive side gets what they want and the complying side gives up whatever is at stake, regardless of the cost to that party.

Bumper Sticker: Yes, Absolutely, let’s do it your way!”

**3. Insist:** preferred by those who perceive that obtaining their objective is paramount, regardless of the cost to the relationship or the other party’s task interest. The Insist strategy is usually associated with a position, 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 at the expense of the relationship. Usually the Insist strategy is used when there is a single issue (like price) and the likelihood of further interaction between the parties is unlikely. The Insist strategy in negotiations is usually 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 gets to play the role of the victor. The Insist Strategy may also be described as a zero-sum process where there are a finite number of “chips” to be won—and each party wants to be the sole winner. Some suggest that this winner-take-all approach is a misunderstanding of negotiations. Because it is short-sighted and does not consider relationships, etc., once a confrontational negotiator wins, the other party is not likely to want to deal with that person again or perhaps not execute the agreement they just completed with that party.

Bumper Sticker: “Take it or Leave it”

**4. Settle:** preferred by those who seek resolution to a situation, but see little chance for them to get it “their way” (Insist Strategy) or don’t want to “give in” (comply with ) to the other party. By committing to a Settle strategy, the parties are minimally satisfied through the process of splitting whatever difference that separates them somewhere down the middle. The Settle strategy usually opens not with a demand (with little wiggle room), but an offer (leaves room for one or both parties to maneuver the other to a solution). Each do “get something”, but usually not what they really needed or are satisfied with. Settling usually results in a quick negotiation, but rarely an optimal outcome. Also, the Settle strategy usually happens in a situation where only one variable is at stake or being considered (like price) and power tends to be equally distributed.

Bumper Sticker: “Let’s just split the difference and call it a day”

**5. Cooperative Negotiating Strategy (CNS is a military variant of the business world concept known as “Interest-Based Negotiations (CNS): CNS seeks to maximize both sides’ interests and integrate their ideas into a solution that is better than what either of them could have come up on their own (i.e. their opening positions). CNS depends on each party’s desire to achieve both a mutually satisfactory outcome while simultaneously managing the relationship. For this to occur, trust must exist between the parties and they must be willing to share information and withhold judgment on possible solutions.**

CNS has potential to address multiple issues. The basic premise is that the “game” is not inherently zero-sum, but there is an ability to create new value for each party involved and help manage long-term relationships. CNS is particularly effective in a diverse situation – such as the military environment. Agreements in the military must be reached with people and groups that are often very different —culturally, socially, politically, etc. To get beyond the obstacles to an agreement, CNS suggests focusing on the underlying interests behind each party’s initial positions. From interests arises the potential to find common ground and opportunities to create new value. Reduced to its essential, CNS proposes that two groups working together will come up with a solution that is qualitatively better than what either party could have generated on their own.

Bumper Sticker: “Let’s work together and come up with an even better idea”

*“It became clear to me that at the age of 58 I would have to learn new tricks that were not taught in the military manuals or on the battlefield. In this position I am a political soldier and will have to put my training in rapping-out orders and making snap decisions on the back burner, and have to learn the arts of persuasion and guile. I must become an expert in a whole new set of skills.”*

Gen George C. Marshall

#### **IV. CNS’s Key Features:**

**1. CNS Changes Negotiation from a Contest of Wills to a Search for Solutions:** By separating the people from the problem, CNS gets negotiators to treat disputes and issues as problems to be solved rather than a contest of wills between the parties and their positions. It shifts the negotiation dynamic away from the primary focus on making concessions, often the hallmark of distributive bargaining, to a genuine search for win/win solutions.

**2. CNS Focuses on Underlying Interests:** CNS recognizes that parties’ underlying interests are at the heart of their dispute. It recognizes that it is more important to the negotiation that the parties know WHY they want something (the interests) rather than focusing on just WHAT they want (position). The interests are the underlying desires, values, concerns, fears and limitations that motivate the parties and stand behind their posturing about their positions. CNS requires each party to focus on their own interests AND to focus on uncovering and understanding their counterpart’s interests as well. Critical to this discovery process is not only identifying and sharing interest, but also prioritizing which interests is most to least important. This will become important during the option selection phase of the negotiation.

**3. CNS Searches for Solutions Based on Differences:** CNS recognizes that parties have differing interests, priorities, preferences, and organizational needs. By uncovering these varying interests and preferences, parties can better search for solutions that satisfy the priority needs of each party. The search for options changes negotiation from a pattern of concessions to a genuine search to solve the problem and find the best solution to meet both party’s differing interests.

**4. CNS Recognizes that Information Sharing and Communication Are at the Heart of Problem Solving:** CNS rests on a foundation that includes active listening and critical thinking. These skills are required for parties to understand perceptions of events, interests, priorities and possible options to enhance the parties’ search for viable solutions. . CNS information sharing is in

sharp contrast to the tendency to withhold and manipulate information that characterizes positional negotiation.

#### **5. CNS requires you to consider a Best Alternative to a Negotiated Agreement**

**(BATNA):** BATNAs are elegantly simple in concept, but notoriously difficult to execute. A BATNA is the option a negotiating party might execute *independent of the other party* should negotiations fail. A BATNA is not the negotiation's "bottom line" – it is something a negotiator may wish to do if an acceptable "bottom line" cannot be achieved during negotiations. You should always know and update your BATNA and always estimate (and update) your counterpart's BATNA. Seek ways to improve your BATNA and make the counterpart's BATNA less attractive to them.

There are three keys to determining a valid BATNA.

First, it must be an option that the negotiating party can execute unilaterally (without any action or interaction with the other negotiating party). A BATNA is worthless if it requires the participation of the other negotiating party to execute.

Second, it must be a real option. It must be something that the negotiating party can actually do (has the time and resources available).

Third, it must be credible. To have the time and resources is a necessary, but not sufficient condition; the negotiating party must also have the will.

BATNAs may be strong or weak. As an example, if I am negotiating with other base personnel on an office move, and it is getting nowhere, a strong BATNA would be that the current office space is adequate to do the mission, and it is available for the foreseeable future. A weak BATNA would be that the current office area is cramped, the electrical system unsafe, and it is due to be demolished in three weeks.

BATNAs may change during the negotiations process as information and conditions change. For example, you may be buying a new car with a good BATNA (your current car is in excellent condition). However, your BATNA would change considerably if your car got sideswiped tomorrow during the daily commute.

**6. CNS Focuses on Expanding Solution Options (Expanding the "Pie"):** An Insist strategy conceives of negotiation as a football game and seeks a win-lose outcome ("what I gain on the field, you lose.") Such strategies create a battle of wills rather than a meeting of the minds. In contrast, CNS allows parties to conceptually sit side-by-side to search for value-creating opportunities based on their differences. They literally have the potential to create new solutions that neither of them could have imagined on their own. By focusing on expanding the solution field and creating as much value as possible, the division of the expanded pie becomes more reasoned and logical, rather than simply being a result of manipulation and hard-ball negotiation tactics.

**7. CNS Focuses on Using Some Sort of Objective Standards and Legitimate Reasons in the Option Selection Phase:** Once parties have expanded and created possible options for solutions, the pie must still be divided. Where Insist strategy relies on posturing on many fronts to divide the proceeds, CNS asks negotiators to find standards to justify the division that is inevitable in any negotiation. In the military context, where "objective standards" (like a Blue Book for cars, etc.) are often difficult to ascertain, it is suggested that the negotiating parties select the best option for the available option based on which of the options best meet the top interests (not positions) of both parties.

## **What are some of the pitfalls in Negotiating?**

**1. Neglecting the other side's problem.** The first mistake is to focus on your own problem exclusively. You need to understand the problem from the other side's perspective. Most people have difficulty understanding the other side's perspective, and overcoming this self-centered tendency is critical. Always try to put yourself in the other person's shoes and try to understand, in depth, what the other side really wants out of the deal. If you want to change someone's mind, you should first learn where that person's mind is. Then you can build a bridge spanning the distance where your counterpart is now and your desired end point. The best tool for doing this is to actively listen and follow up their conversations and contributions with a series of critical thinking questions to help deepen and clarify the message (A critical thinking question is any question that cannot be answered by a "yes", "no", or "maybe". The 5 "Ws+" are great critical thinking questions (Why, Who, What, When, Where, How Much, If, etc.)

**2. Letting Positions Drive Out Interests.** People have a built in bias toward focusing on their own positions in negotiation over reconciling deeper interests. Reconciling interests to create value requires patience and a willingness to research the other side, ask many questions, and actively listen.

**3. Searching too hard for Common Ground.** We negotiate to overcome the differences that divide us. Typically, we're advised to find win-win agreements by searching for common ground, yet many of the most frequently overlooked sources of value in negotiation arise from differences among the parties. Remember, "In difference there is strength." Conducting a disciplined "differences inventory" is at least as important as identifying areas of common ground.

**4. Neglecting BATNAs.** A BATNA reflects the course of action a party would take if the proposed deal were not possible. Know yours; do not forget that the other side has one. Do not inadvertently weaken yours. The better your BATNA appears to you and the other party, the more it can serve you as leverage.

**6. Failing to Correct for Skewed Vision.** First, people tend to unconsciously interpret information pertaining to their own side in a strongly self-serving way...they get caught in "role biases". Getting too committed to your point of view is a common mistake (Never fall in love...with your ideas!). Second, is the concept of partisan perceptions. While we systematically err in processing information critical to our own side, we are even worse at assessing the other side. In short, we tend to overvalue our information and undervalue the counterpart's information. This can be corrected through self-awareness and seeking outside views.