

Negotiation Smart Card



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Purpose

This card is designed to help you understand the negotiation process and is divided to reflect the three negotiation phases. The card contains links to tools to assist you in negotiating more effectively such as the Negotiation Style Assessment and the Negotiation Planning Sheet.

Negotiation Approaches

There are two primary techniques for negotiation: distributive and integrative.

Distributive is commonly referred to as "win-lose," while **Integrative** is "win-win" or "expanding-the-pie" approach.



Although there are benefits to both types of negotiation, this card focuses on Interest based negotiation (IBN), which is an integrative approach.

Interest-Based Negotiations

There are five essential components of IBN explained below. Refer to the Negotiation Planning Sheet for more information.

Separate the people from the problem
 Focus on the issues, not personalities

Focus on the interests, not positions
 What do they say they want (position) and what is behind that statement (interest)

Determine the Best Alternative to a Negotiated Agreement (BATNA)
 This is your alternative if an agreement is not reached. Refer to What is BATNA panel or QR code below for more information.

Brainstorm options for mutual gain
 How can both parties work together and win

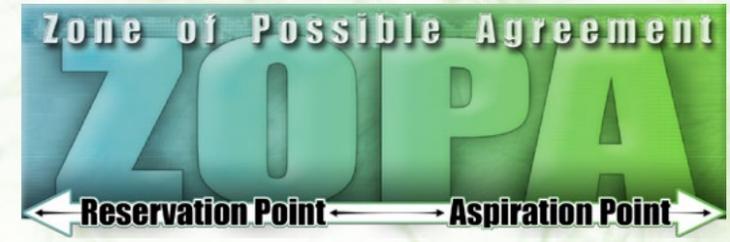
Use objective criteria/precedence
 Policies or precedents that will influence the outcome



What is BATNA?

BATNA is what you have outside of the negotiation. If the negotiation breaks down or does not take place, what are your options?

Understanding your (and your counterpart's) BATNA is critical to successful negotiation and should be determined before negotiating. Explore ways to improve your BATNA.



Zone of Possible Agreement (ZOPA)

ZOPA is the range between your Reservation Point (Bottom Line)* and your Aspiration Point (Ideal Outcome).

Do not allow ZOPA to hinder any discussions regarding options for mutual gains.

**Note: Your Reservation Point should never be less than your BATNA!*



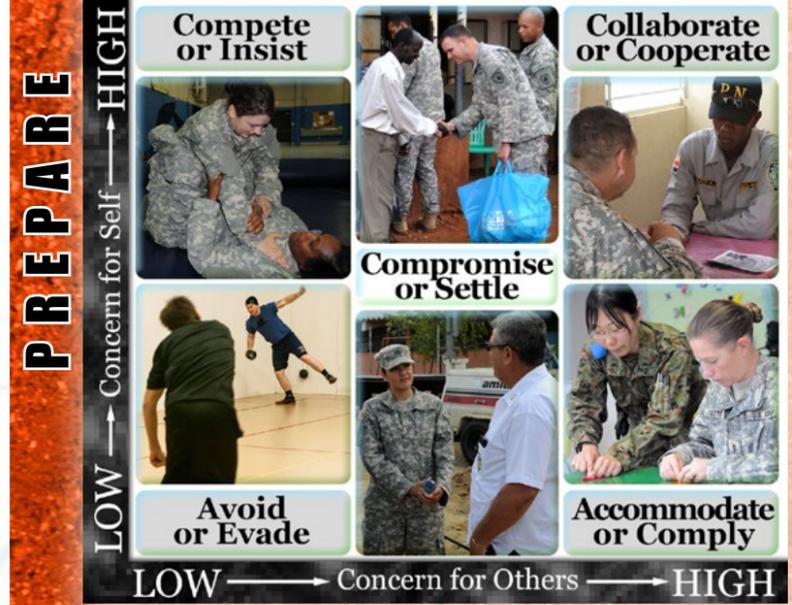
For successful negotiation, you must understand what you want and need, the rules of engagement, the rules of interaction, and your commander's guidance. Use the resources and expertise around you.

Understanding the three phases of a negotiation will help you to be more successful. They are Prepare, Implement, and Evaluate.

Negotiation Styles

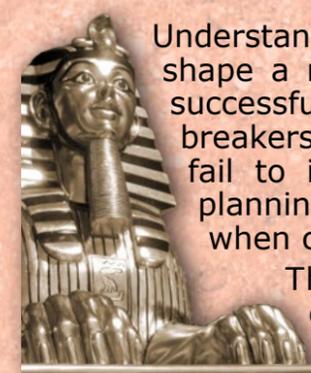
Negotiation styles indicate your tendencies during a negotiation. Each of the five styles is a combination of two dimensions:

Assertiveness - Satisfying your own concerns
Cooperativeness - Satisfying other's concerns



Download the Negotiation Style Assessment
<https://www.milsuite.mil/book/docs/DOC-183058?sr=stream>

Leveraging Culture



Understanding culture and how it can shape a negotiation is critical to a successful outcome. Cultural deal breakers normally occur when you fail to integrate culture into the planning process and ignore it when choosing a strategy.

The following are examples of how to leverage culture information.

Religion	Indication of potential loyalties Provides guidelines for behavior
Ethnicity	Indication of potential loyalties Benefits to ethnic group as "carrot"
Tribe/Kinship	Indication of potential loyalties Role in group indicates authority
Travel/Education	Increased exposure to "outsiders" Greater openness to new ideas?
Family	Family connections by marriage? Children equal increased status?

Cultures typically tend toward higher or lower context, which can influence negotiations. Understanding the tendencies of each culture will help you to negotiate more effectively.

High context - societies or groups with close connections over a long period of time. Most members know what to do/think from years of interaction with each other.

Low context - societies or groups that have many connections but of shorter duration. Behaviors and beliefs may need to be spelled out explicitly to insure understanding.

Negotiating Factor	Low / High
Face/Honor	Important/Critical
View of Time	Resource to use/Gift to share
Emotion	Suppressed/Expressed
Control	Deterministic/Fatalistic
Goal	Contract/Relationship

Learn more about high/low context cultures
<https://www.milsuite.mil/book/docs/DOC-183056?sr=stream>

Negotiation Planning Sheet	Preparing for the Negotiation		
	U.S.	Counterpart	
	Position	What is "our" position? What is the rationale for the position?	What is "their" position? Is there precedent/tradition?
	Interests	Why do I want the outcome? What are the long-term objectives?	Why do they want a specific outcome? What are their long-term objectives?
	BATNA	What can you do without an agreement? Can they weaken your BATNA?	What can they do without an agreement? Can their BATNA be weakened?
	Options for Mutual Gain	Where might your interests and counterpart's interest coincide? Are there areas of mutual agreement? How can I leverage these mutual interests to influence desired outcome?	
	Objective Criteria	Has precedence been established based on a previous agreement? What are the legal restrictions that may limit certain outcomes? What does command policy dictate?	
Cultural Considerations	What are the relevant behaviors and norms? How to introduce yourself within cultural context? How is rapport established within this culture? Does the culture possess high or low context tendencies?		



IMPLEMENT

After concluding the Prepare phase, it is time to Implement by conducting the negotiation. Negotiations have five parts.

Introduction

- Greet your counterparts per their culture
- Incorporate cultural considerations to facilitate rapport

Discussion

- Allow each side to state its case without interruption and prejudgments
- Listen for your counterpart's stated positions and interests
- Attempt to ascertain counterpart's BATNA

Proposals

- Allow your counterpart to make offer or proposal first
- Listen to offer; is it at least as good as your BATNA and within the ZOPA
- Take breaks as needed to regroup or strategize

Agreements

- If the offer is within ZOPA, are there concessions that may move you closer to your aspiration point



- If you turn down the offer, how will it influence the relationship

- Is the offer fair?
Is your offer fair?

Closing

- Receive confirmations; review next meeting time and place, if applicable
- State appreciation for the meeting
- Close meeting within cultural context

Applying the Principles of Influence/Persuasion in a Negotiation

Reciprocity – Humans are programmed to reciprocate when we are given a gift or provided a favor. Identify the rules or reciprocity that exist within your counterpart's culture. Early concessions on smaller issues will likely bring about reciprocal compliance on more important issues in later stages of the negotiation.

Commitment and Consistency – Humans desire to be seen as consistent. Work to obtain agreement on smaller objectives that support your main objectives. This will forge a path to a successful outcome that will be difficult for your counterpart to deviate from.

Social Proof – When we are uncertain about whether something is correct or not, we tend to look at others for validation. The norms of your counterpart's culture will provide insight into the sources of validation they may seek out to make a decision. Incorporate these relevant aspects of social proof into the planning process.

Liking – People tend to be more inclined to respond to a request if they like the

person making the request. Attempt to build a strong relationship between you and your counterpart before entering into a negotiation. Build rapport via a Key Leader Engagement separate from and prior to a negotiation.

Authority – Humans tend to have a deep-rooted sense of adherence to individuals they perceive as an authoritative figure. Determine who or what your counterpart recognizes as a valid source of authority. Develop strategies to leverage these sources of authority during the negotiation.

Scarcity – Opportunities seem more valuable to us when availability is limited. The scarcity concept can be applied in a number of ways and be used for both the tangible and intangible. Compliance can sometimes be achieved by reminding your counterpart of what they will lose if an agreement is not reached.



Common Negotiation Pitfalls

Neglecting the Other's Problem: It is a mistake to focus on your own problem without addressing the other's problem; remember to understand the problem from the counterpart's perspective.

Letting Positions Drive Out Your Interests: Negotiators have a built-in bias to focus on positions rather than interests. Remember, a position is the what and an interest is the why.

Searching Too Hard for Common Ground: Finding common ground is important, but there is strength in differences as well. Leveraging differences can be productive.

Neglecting BATNAs: Know yours, learn theirs, and do not forget either. The better your BATNA is perceived by the other side, the more leverage it provides you.

Failing to Correct for Bias: Being too committed to your point of view is a common mistake. We tend to overvalue our information and undervalue theirs. Assess all information objectively to determine its true value.

Evaluate

The astute negotiator will continuously evaluate throughout the phases of their negotiation.

It is important to ask "What are we missing?" "What are our challenges?" "What is going well?" "Is the information we have relevant?" "How else could we reach an agreement?" "Is it time to take a break?"

The Negotiation Observer Checklist is an excellent tool to record and organize thoughts on a specific negotiation. The checklist is structured to follow the phases of a negotiation sequentially, which makes it a useful tool in the evaluation process.



Access Negotiation Observer Checklist:
<https://www.milsuite.mil/book/docs/DOC-183097?sr=stream>

For additional culture products:
<https://ikn.army.mil/CultureCenter>

EVALUATE