

Negotiation Types and **Power**

Jennifer Miller, D.B.A.



MANY OF US THINK OF NEGOTIATION AS AN ACTIVITY FOR THE AUTO DEALERSHIP. HOWEVER, we negotiate each day, whether with a spouse, child, sales representative or internally with ourselves. Each of those examples is found anywhere other than a dealership lot. For instance, a bargain may be made about what to watch on television, who will do what chores, what will be paid or included with online orders, or whether and how much dessert to have with dinner. Negotiation also has a fascinating power component. Most people recognize six main sources of negotiation power that this article will explain. I will begin with an overarching look at Dr. Stefan Eisen's Negotiation Preferences and Styles, found in *Practical Guide to Negotiating in the Military*, with which many people are familiar.

In his book, Eisen captures negotiation preferences and styles in five categories: insist, cooperate, evade, comply and settle. Each of the identified strategies rests along a dual set of spectrums: task orientation and people orientation. Task orientation concerns the achievement of the goals at hand. That is, how important is the task? Are there task time constraints? Is it a one-time or ongoing task situation? On the other axis, people orientation involves the

Miller is a Financial Management Analyst supporting the Deputy Assistant Secretary of the Army, Financial Information Management organization. She previously supported the National Guard Bureau Headquarters' Joint Staff, and Air Force and Army at installations along the East Coast. She is a Certified Government Financial Manager and member of the Association of Government Accountants' Northern Virginia chapter and of the American Society of Military Comptroller's Washington Chapter, and a Certified Defense Financial Manager with acquisition specialty. She received her Doctorate of Business Administration from Walden University's College of Management and Technology. The views expressed are the author's own.

subjective elements including trust, relationships, power and information.

The Five Strategies

Let us look at the negotiation preferences and styles. I offer the five negotiation strategies in no particular order.

(1) Insist is a “my way or the highway” approach for one of the parties in a negotiation to achieve its objectives with little regard to relationships or interests of the opposing party. Although rapid, this approach to negotiations can leave poor aftertastes for others and have short-term gains at long-term costs. I like to think this negotiation preference and style serves parents of younger children well when it comes to matters of bedtime, going to school and brushing teeth. There are many other instances. In the workplace of emergency responders, trauma can disillusion victims, and first responders must make the decisions in the best interest of the victims. We have witnessed this in recent news reports, whether of hurricane rescues or active shooter events.

(2) Next is the cooperate style; this may be the most advantageous for both sides of a negotiation. This style is geared toward satisfying both side’s objectives and maintaining relationships for both the short- and long-terms. More time is involved with the cooperative style as each side of the negotiation will offer its respective goals, information and ideas to reach a mutually satisfying result. However, relationships grow from such engagements for sustained benefits too.

Synergies may arise too because having more minds at work seeking a solution may invite higher value or new value solutions, according to Eisen. I find the cooperate preference and style of negotiation possible in many situations. For instance, a planning committee contacted me about supporting an offsite organizational event. I wanted to support, but could not play a key role. The planning committee was desperate for help in making a positive impression on leadership and conducting the grunt work of market research. In combining our mutual interests, I contributed my recent market for another organization with similar requirements. The planning committee expressed appreciation and ensured shared recognition for a successful event. Once we exchanged information, we built upon our existing objectives to build an even grander set of goals at the best price, time, location and least hassle possible.

During a professional military course, I gained another great example of the cooperate strategy. In the problem set for the students, two parties wanted the same orange. One party wished to eat the orange meat while the other party only wanted the zest. Now, had the parties been unable to share information and take time to appreciate the

opposite party’s goals, a result acceptable to both may not have been achieved. However, the two parties cooperated by successfully sharing the parts of the orange, thereby minimizing waste, each side obtaining the desired parts and setting an example for future relationships and negotiations. Ta da!

(3) Then there is the evade negotiation preference and style. In my humble opinion, evasion is like procrastination—the problem will remain, perhaps grow and likely get worse. This sounds unsavory, right? However, the evade negotiation strategy is functional if the negotiation party considers the matter unimportant or cannot address the issue (by choice or ability) says Eisen in *Practical Guide to Negotiating in the Military*. The evade strategy also can be applied in very emotional situations. The evade strategy would have appeal as a temporary solution until emotions settle to a manageable level for the negotiation parties to engage using another negotiation strategy. Some could say the evade strategy may exist when debtors choose to become delinquent without just cause. During the recession and aftermath, many investors decided to walk away from real estate responsibilities where the investor was “underwater” and willing to tolerate months of debt collection calls, a credit score downgrade and other consequences.

(4) Next we have the comply negotiation preference and style. This strategy has some similarities to the evade strategy concerning a transition of responsibility. In an example, one person going out on a date may be indecisive about where to dine for the night. This is a frequent conflict that many know well. The indecisive party could delegate the choice to the other party with the understanding that compliance could mean an unsavory option for the night (cuisine offerings, commuting distance, price, wait time, service quality, etc.). However, the indecisive party’s goal of preserving the relationship with the other party is accomplished as well as not deciding the venue for the date. Clearly, there is risk for the indecisive party when choosing the comply strategy, so trust would be beneficial and sought as an outcome. In the workplace, examples of the comply strategy include a manager empowering an employee to make increasingly important decisions on an assigned project.

(5) Finally, there is the settle negotiation preference and style. The settle negotiation strategy seems more like another phrase for compromise. Eisen in *Practical Guide to Negotiating in the Military* reasons that it is a feasible option when the insist strategy and the comply strategy appear unlikely. In essence, both sides of the negotiation achieve some interests but sacrifice others. The relationship between the parties suffers, although the efficient results are appealing. One may argue the effectiveness of the settle strategy outcome suffers from the gain in efficiency.

Examples of the settle strategy include large purchases like autos and real estate or haggling at yard sales. Who does not love a good old haggle over price or what other goods and or services can be thrown in to close the deal?

Sources of Power

Thus far I have neglected to explicitly mention and elaborate on the forms of power present in negotiation, yet power is a critical component of negotiation. Most people recognize six main sources of negotiation power: expert, referent, position, coercive, reward and influence. As experts in our areas of accounting, audit, finance, analysis, cost, budget and many other comptroller-related areas, we know the power of being the “go to” person as people remark of our expertise. We know the subject matter well and those who lack this subject-matter expertise yield to us for decision support. We have expert power the same way that dentists, electricians, engineers, plumbers, realtors and other specialists are sought for expertise demonstrated by up-to-date certifications, licenses and continuous education.

Then there is reference power, also known as charismatic power. On encountering a new group of people, we may gain or give power based on observed accents, appearance or another attribute possessed by some individuals but not others. For example, at a conference in Scotland, I gravitated toward those people who sounded most American in speech. Charismatic definitions vary. Others indicate that power stems from physical attraction like proportionality, height and movement. Of course, different cultural preference would heavily influence what is considered charismatic using physical appearance-based definitions.

Position power is a third and powerful source of power, especially in the military environment where the Uniform Code of Military Justice applies. At random selection of rank in this example, we know a technical sergeant of the Air Force would not supervise an Army colonel from a table of distribution and allowances organization chart. However, position power takes many forms, so a technical sergeant may yield power if located at a headquarters with a colonel located at a garrison. Position power is also known as legitimate power since it is seen, like a crown on a royal head. Additional observations of position power exist in company annual reports, organizational charts, seating at events and among group interactions.

Coercive power tends to convey a negative connotation. However, coercive power is based on perception, so the risks could be high for the power-yielding party. In a humorous example, two male birds may make a show of power by performing a ritualistic pattern of fluffing feathers, changing color, and crowing to create a powerful illusion of being the bigger, stronger and better-suited mate.

For more information, see *Practical Guide to Negotiating in the Military* by Stefan Eisen, 2011, 2nd ed., Maxwell Air Force Base, Alabama; U.S. Air Force Center for Negotiation Excellence, Air University.

However, if one bird startles, gets soaked with a hose, or stumbles, then the show is over and the façade of being better is lost. The opposing bird and surrounding females will see the reality. Coercive power among humans is similar. As children, we may have been told or asked about our fears of false perceptions of harm from others, only to look back and realize that the perceptions were unrealistic.

Next is reward power, which has a dual purpose attribute. For instance, a supervisor can reward someone for desired actions. The reward can fluctuate according to actions. I liken this to my experience earning bonuses for commission-based sales in the private sector. Rather than a flat rate, I was rewarded on a sliding scale in addition to basic rewards. In another position, I competed with myself and others to maximize the reward received. On the other hand, a reward may be based on a limited pool of money, time off, or other type of reward resource so that less reward for one person equates to more reward for other(s) or vice versa.

Finally, influence is a source of power uniquely combining other powers. Interactions with others form influential power. Influence can draw people or deter people. Children are influenced by teachers because of the potential for reward or punishment, whether real or perceived. Thus, teachers yield great influence power. Candidates for public office also have influence power because of their constituent activities demonstrating success, power and sources of support that inspire influence.

Conclusion

Every day we encounter negotiations such as those discussed above. These extend to negotiating with a spouse, child, sales representative or even internally with ourselves. It is hoped that the examples of five types of negotiation preferences and styles—including insist, cooperate, evade, comply and settle strategies—contributed to your thinking about negotiation. This article then ventured into the six commonly recognized sources of power leveraged when navigating the Negotiation Preferences and Styles that Eisen has written about in many works. A variety of examples conveyed the sources of power in real life.

I wish you well in your future negotiations and leveraging power—whether at the dealership, yard sale, home, work or elsewhere.

The author can be contacted at jammrellim@yahoo.com.