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Trust, Information, Power and Options (TIPO) Analysis Framework[i]

TIPO is a simple framework may help you assess your situation which, in turn, will guide your NPSC negotiating strategy selection. Also, the TIPO (pronounced "typo") framework can help you understand the negotiating strategy that the opposite may be using with you. The TIPO framework works to understand how trust influences how you use information and power, and how information and power influence the way you develop options to solve your problem.

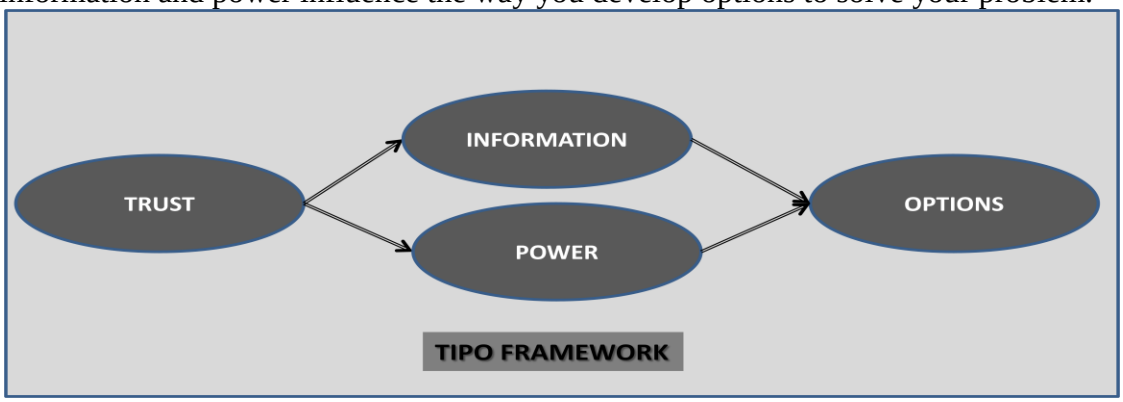

Figure 2. Trust, Information, Power, and Options (TIPO) analysis Framework

1. TRUST: To start TIPO, you assess the type of trust between you and the opposite. In this discussion, trust is defined as the belief /evidence you have to accept the opposite's interactions with you as being genuine and truthful. The more belief /evidence you have that the opposite's interactions are genuine and truthful, the trusting you are of all the opposite's actions and intentions. Trust doesn't equate with confidence. Sometimes you may have high confidence that the opposite is deceiving you; that might be a good thing to know if you intend to negotiate with them. Usually, high trust is associated with positive outcomes, such as believing the information they provide you is accurate or knowing they will run the meeting according to the agreed agenda and not blindside you. Knowing how to detect trust is a challenge, but must be mastered.

Trust may be categorized into at least two major categories; trust in a process or trust in a person. Process trust exists when both parties believe an institution they both have faith in will support the negotiations process. For example, process trust can exist in a real estate negotiation when both parties trust that banking and real estate laws will support whatever agreement they come up with. They do not have to know each other to have trust in the process. Process trust also exists in the military culture, with processes like the Inspector General complaint system; Equal Opportunity Policies, Air Force Instructions, etc. provide a basis to support agreements between two people who don't know each other. The most fundamental process trust in the military is the culture's trust in its Core Values – Integrity, Service and Excellence.[ii] Many negotiated agreements between two military members who don't know each other are based on the belief that the opposite will adhere to these core values in their dealings with you.[iii]

The other form of trust is personal trust. This form of trust is independent of any reliance on an institution and / or third party. It is established at the most tactical level – between two people. Trust can either be assumed, as when military people who believe in their service's core values first meet each other, or is earned, through proving themselves trustworthy in deed (meeting obligations) and / or word (being truthful).

Building this interpersonal trust is usually done through the "small things." Checking on an opposite's reputation, observing the opposite's non-verbal communication, and seeing how they deliver on minor items (such as punctuality, clarity in their communications, etc.) are all tools to help assess your trust in them. Caution is warranted here because you must assess trust through the opposite's cultural expectations. For example, if you are dealing with a culture with a different perspective on time, you might misinterpret their late arrival to a meeting as "tardiness," when, in their culture, they were on time; it was a happenstance encounter with an old friend on the street outside your office that delayed them. Non-verbal's are also culturally sensitive. Direct eye contact might be "positive" in many cultures, but is also seen as aggressive in other cultures. Also remember in the military context, personal trust will also reflect the opposite's chain-of-command – they may be a trustworthy individual, but their directive may not allow them to build a deep relationship. Bottom line is you need to understand the culture you are dealing with first, then assess whether the opposite's actions are really trustworthy or not.

Trust-building measures are another tool you can use to help you establish and / or validate trust. Trust-building measures are small steps taken at the beginning of the relationship demonstrating the honor of your actions. These steps help set the expectation of honorable exchanges between you and the opposite. Trust-building measures can be simple actions, such as providing good information in a format and style the opposite understands, delivering on any promises made, and taking a genuine interest in the opposite both as a person and the problem they are dealing with. Trust-building takes time and cultural awareness. However, once established, trust helps facilitate more effective communication and potentially more effective problem-solving down the road.

In most negotiations, some form of both process and personal trust is usually relied on. The amount of reliance is based on cultural perceptions (some cultures have almost no trust in central processes like law and banking and conduct business only with personal trust), structural issues (the existence and consistency of processes within or between cultures) and / or the level of intimacy a culture allows between people (some cultures limit interaction between people, thus personal trust-building may be more difficult). As a benchmark, Americans use process trust. Many cultures (African, Arab, South American, and Asian) emphasize personal trust.

2. <u>INFORMATION</u>: The level of trust directly influences the next segment of the TIPO framework, information. If you trust the information presented is truthful and complete, you have a greater range of negotiating strategies available (to be expanded upon later in this article). If you believe the information is incomplete, incorrect, or even intentionally deceitful, you must make decisions on whether to use third party sources to validate, directly confront the opposite with your concerns over the information and / or decide the information should not be part of working the current situation. In the extreme, total information trust would mean you are fully willing to totally disclose all you know and expect the opposite to do likewise. This rarely occurs – for example, no matter how much you trust your car dealer, you will never show him / her your bank balance. However, many trusting relationships do allow for great amount of disclosure during the negotiations, to include, at times, revealing unpleasant or unpopular information. Conversely, if you have no trust in the opposite's information, then you must decide if you want to use other sources to validate the opposite's information or disregard the opposite's information and negotiate based only on what you know. This will influence the negotiating strategy you pursue, and will impact the amount of power you need to draw upon to execute your strategy.

3. <u>POWER</u>: Power comes from many sources. The most predominant forms of power are:[iv]

3.1. <u>Expert</u>: having the expertise in either how to do a process or expertise in a certain subject matter gives you power. For example, in a FOB Civil Engineering meeting about electrical grids, the deployed electrical engineer probably has tremendous influence, especially if the other people in the negotiation trust the Civil Engineer's information is accurate and valid.
3.2. <u>Referent or charismatic</u>: People give you power because they either have a high identification with and / or respect / admiration for you. They simply agree with you because they would like to be like you.
3.3. <u>Position or legitimate</u>: This is self-evident in the military context. Position or legitimate power is the power available to you when others see your authority as legitimate / legal / acceptable.
3.4. <u>Coercive</u>: People having the perceived potential to harm or withhold a reward from another have coercive power. Often seen as the "stick" in the "carrot and stick" analogy, this power's key feature is it must be perceived as real in the person being influenced. If you have all the firepower in the world, but no authority to discharge a single weapon, then the coercive value of this power is nil.
3.5. <u>Reward</u>: On the "carrot" end of the "carrot and stick" analogy is the power to reward action. This too must be perceived as legitimate in the person you are trying to influence. Reward power may also be punitive if you reward someone who will ally with you against the opposite – thereby giving you more power. For example: If you can award security badges allowing for free movement in an area, and access to these badges benefits the holder, then awarding these badges to the opposite's competitor is an exercise in reward power, but used to possibly coerce the opposite into complying with your interests.
3.6. <u>Influence</u>: This is a combination of reward and coercive power. In essence, you are developing power by working with others. You build temporary or permanent coalitions by influencing others to join your cause or abandon the opposite's cause. This type of power is often used in multi-party negotiations when several parties band together to do something they could not do on their own. We often see governments with multiple, fractured political parties build coalitions to help pass legislation.

Of these different types of power, you need to assess what types of power are available to you, what types of power are available to the opposite, and how is your power perceived by the opposite. It does little good to walk into a meeting thinking you have referent power, just to find out the opposite succumbed to a vicious rumor that discredits you and your negotiating efforts. Trust will impact the amount of power you should use in a negotiation. With exceptional levels of trust, power may be actively shared, i.e. 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. George de Mestral, the inventor of Velcro, wasn't an accomplished engineer, but he eventually, after some laughter from the "experts", convinced a French fabric company to produce his concept. This company was a textile industry leader, but rather than using this expert power unilaterally, they shared their power with is this relatively unknown inventor – and became rich.[v]

On the other hand, if you have low trust in the opposite or you believe his actions are against your interests, you may liberally apply power to overcome them. You may use your expert power to discredit whatever data they bring to the table, a tactic familiar to trial lawyers. You may use your process knowledge to derail their efforts. You may also threaten them with coercive consequences if they do not agree with your plan of action. In essence, power can be shared or hoarded, all depending on the type of trust you have with the opposite.

4. <u>OPTIONS</u>: Your final piece of this assessment framework uses the foundation of trust and the influence of information and power to develop negotiation options. Options are just different ways to potentially solve the problem. The options may be easy or hard, cheap or expensive, but they are all nevertheless options. Option building requires two elements: first is defining the problem that needs solving and second is identifying possible resources (information, power, time, people, money, etc.) that may be applied to solving the problem. Usually when more resources are available, more options can be developed. Note the first two words in the previous set of parenthesis were "information" and "power". Information is key to developing options and power is key to making the options "operational". The more trustworthy information you have from and about the opposite, the greater the range of possible options. A trustworthy opposite can provide a perspective you haven't thought of. Going back to the Velcro example, many people in the late 1940s were trying to improve fastener technology beyond the button, the zipper, tape and glue. People wanted a strong, yet temporary bond, especially between fabrics. If the companies that first dealt with Mousier George de Mestral had trusted his information and shared decision-making power with him, they perhaps could have seen what he saw, and reaped tremendous profit. He saw mountain thistles clinging to his beloved pet dog with an amazing tenacity. Perhaps all the fabric company leaders saw was a mangy mutt. However, the final company, the one that worked with Mousier de Mestral, took his idea and combined it with their ideas on manufacturing technology. Together, they took fabric fastening technology to the proverbial "next level". They developed options together that neither could do on their own because they decided to share power and information, thus coming up with novel options.

Conversely, when trust is low between parties and power is hoarded and / or information is not considered truthful, option development becomes narrowed – in the extreme it becomes narrowed to the information you have on hand and the power you have to operationalize that solution, possibly over their objections. This imposed solution is a form of negotiations, and it does have its time and place, especially in the military context. However, as will be developed in the following sections on NPSC negotiation strategy selection, it may lead to suboptimal results and / or significant problems in execution and / or follow-on negotiations.

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[i] Developed by the NCE in May 2011. Based on extensive feedback by the DOD Special Operations Community.

[ii] The United States Air Force Core Values were published in the "little blue book" on 1 January 1997. With Secretary Shelia Widnall and CSAF Gen Ron Fogleman as the two senior leaders, the three service values are 1. Integrity first, 2. Service before self and 3. Excellence in all we do. *It is remarkable that they have remained unchanged for over 14 years.* Available at: http://www.au.af.mil/au/awc/awcgate/cv-mastr.htm. Last accessed 13 Jun 2011.

[iii] This is a powerful force. Trust, once lost, in the military culture is almost impossible to regain. The author of this article frequently saw and used this mutual trust in the Air Force's core values to close deals. In 34 years of service in the uniform and 5 as an AF civilian, the negotiating venues varied from Congress, college campuses with university provosts and presidents, the Air Staff, MAJCOM HQ, Wing, Group, squadron as well as flight levels -- and even the base "lemon lot" when it came time to buy and sell cars.

[iv] The forms of power outlined here are based on a 2007 web article by Jonathan Farrington entitled *Negotiation - Understanding Your Sources Of Power*. Jonathan Farrington is a globally recognized business coach, mentor, author and consultant, who has guided hundreds of companies and thousands of individuals around the world towards optimum performance levels. He is Chairman of The JF Corporation, CEO of Top Sales Associates and Senior Partner at The JF Consultancy. Available at: http://ezinearticles.com/?Negotiation---Understanding-Your-Sources-Of-Power&id=471198. Last accessed 132 Jun 2011.

[v] Bellis, Mary. *The Invention of VELCRO ® - George de Mestral*. Available at: http://inventors.about.com/library/weekly/aa091297.htm. Last accessed 8 June 2011.