The interactions that are the major part of the process of resolution of a complex decision situation are primarily a process of negotiation and bargaining between the participants. The negotiations between the participants may be explicit and direct as in the case where they meet with the express purpose of resolving the issue. In other cases, the communication may be less direct such as when a participant issues a statement for general consumption or when the negotiations are conducted through an agent not directly involved in the decision situation. Each participant enters into an interaction with a set of perceptions of each of the other participants, of the possible final outcomes and of the participants' preferences between them. These perceptions may have been built up over a period of time by observing the behaviour of the others involved, by studying their writings or verbal declarations or possibly by previous direct communication between participants. The perceptions of any participant at any time are usually neither complete nor certain.

THE PROCESS OF NEGOTIATION AND BARGAINING

The essential ingredient of the process of negotiation and bargaining is the exchange of information between the participants. The content of the messages exchanged is usually designed to influence the recipient in some
way and to change his or her perceptions of: (i) the decision situation; (ii) the possible outcomes; and (iii) preferences between the outcomes. The communication may be tacit and indirect, such as sometimes can be achieved by a participant going about other business, apparently unconcerned, in what is thought by others to be a time of crisis. It may, on the other hand, be direct and explicit, as in a meeting between participants, or in a letter from one participant to another. In between these extremes, there is an infinite variety of types of communication, each comprising a mix of the tacit and explicit forms. The information communicated by any participant may be considered by the recipient and by others to be true or false or a mixture of both. The extent to which information that is considered to be false is deliberately imparted to others is a measure of the degree to which the participant originating the message is engaged in bluffing.

The objective of communication of information in interactions is usually to influence other participants toward accepting a position considered to be advantageous by the participant offering the information. The degree of success attained in such an attempt to influence other participants is dependent on the nature of the message imparted, the manner in which it is delivered, and the perception of the recipients of the message and its contents.

The essential ingredient of communication in the interactions can be achieved by a variety of tactics that are available to the participants. The choice of tactics in any situation is usually made after consideration of their immediate costs and of their estimated effect in bringing about a desired final outcome as outlined in Chapter 5. Tactics can be considered initially in two broad categories: (a) pure communication tactics, in which information is passed that is designed to alter the participants' perceptions of the problem and their preferences for alternatives and outcomes, and (b) structural tactics that involve commitment to an actual alternative, or a broadening or a narrowing of the options available to one or more of the participants. Pure communication tactics do not necessarily involve an immediate change in the alternatives available to any of the participants. However, since the passage of information may result in the increasing or lessening of the number of alternatives considered feasible by a participant, such a change may be considered to be their actual effect. On the other hand, structural tactics almost always result in an immediate change in the available alternatives, since they usually involve some form of action or commitment to action. Nevertheless, structural tactics have an intrinsic information content. The two categories, therefore, tend to merge into one another in many practical situations. Both bring about a change in the strategic structure of the problem situation by virtue of a change in the options available to the participants, a change in their preferences for outcomes, or both.

Tactics in negotiation and bargaining may also be categorized by whether they are coercive or accommodative. A coercive tactic is one that is designed to apply pressure on one or more of the other participants intended to bring their position closer to that of the initiator of the tactic.