# Recognizing and Responding to Negotiation Tactics.

## Ambiguity

Our culture and our schools teach us to strive for clarity and precision in speaking and writing. We try to anticipate every possible future situation, and to provide for it in advance. When this makes both parties feel protected, it makes agreement easier. But, it sometimes makes reaching agreement harder, because it focuses attention on what can go wrong, gives as much importance to minor matters and unlikely events as to essential ones, or even creates differences that did not exist to begin with.

Ambiguous statements can give the appearance of sympathy for opponents' needs without actually making concessions and thus can improve the bargaining climate and make eventual agreement more likely. Opponents about to walk out can be kept at the bargaining table by an ambiguous statement. They will tend to request clarification, which keeps the talks going. They will also tend to interpret it in their favor, which also encourages them to keep talking. Ambiguity also permits reaching agreement on some issues while delaying settlement of details.

Ambiguity permits negotiators on all sides to claim that they have wrung concessions from opponents and have preserved vital principles. The agreement leading to the release of the American hostages by Iran allowed Iran to claim victory over "the Great Satan" while the US could argue that they had confessed to nothing. Thus, both sides could satisfy their own constituents that the result was satisfactory.

## Anger.

Anger is common in negotiations. Some negotiators lose their temper according to plan (and therefore have to be good actors). One version of the famous incident in which Nikita Khruschev banged a shoe on the table at the United Nations is that it was an extra carried in his brief case. Anger can be used to show that a particular issue is more important than the opponents might otherwise think, or to hint that a deadlock may be in the offing unless some progress is made. Sometimes it will convince opponents that they have pushed things as far as possible. Sometimes it will make opponents feel guilty or ashamed; either way anger can lead to concessions by the opponents.

Real anger provides a dangerous opportunity. A person who gets angry (or begins to cry, or otherwise loses control) often is easily fooled or will make errors or concessions out of shame once calmed down if the opponents also get angry, or treat real anger as a negotiating ploy, the negotiations may break down permanently. It takes considerable experience to remain cool in the face of anger. In most cases, it is better to wait till things calm down, or recess until they do, or try to calm opponents down.

## Authority.

Negotiators usually have limits on their authority. The Constitutional requirement for Senate approval of all treaties limits the authority of the President. Purchasing agents are given dollar limits and sales personnel discount limits beyond which they must consult higher authority. Some negotiations involve components for which negotiators have different limits.

Limited authority may be an intentional tactic to keep opponents off balance, tire them out, or facilitate retreat from previous concessions. One way to accomplish these purposes is to pass the opponent on to successively higher ranking people. Each time, the concessions made by the opponent are treated as the starting point of the discussion, while those made by one's own

agent are denied, ignored or repudiated as beyond the agent's authority.

When the tactic is expected (e.g., in buying a car, where is almost certain) the initial negotiations should be viewed as opportunities for such tactics as building acceptance time, collecting information, or establishing an agenda. Generally, it is vital to hold sufficient major concessions to force the final authority into the open and to maintain negotiating room. Ways to smoke out this individual vary with circumstances but include threatening deadlock, having one's superior call the Opponents's superior, obtaining the intercession of a third party.

When you reach each higher level of authority, it is vital to prevent opponents from summarizing your concessions without realizing those made by their subordinate. Sometimes a written record, agreed to and signed by all parties, is made before continuing negotiations at higher levels. This is usual in formal negotiations that involve long-term relationships, such as that between unions and employers, or in International relations (where they are known as aides memoirs).

One approach is to seize the initiative and state the opponents' concessions without stating one's own. Finally, and particularly if the authority of the lower ranking agents to make the offers they did is denied, opponents can be accused of failing to bargain in good faith.

An entirely different use of authority tactics is to delay making a decision that may be regretted later. In this case, the individuals will not change but the negotiations will be protracted and will involve frequent caucuses with a superior. A variation on this is a superior who is sick, on vacation or does not even really exist. Well-timed demands to negotiate with the person who has final authority will lead to that individual or, if it is a ploy, to an announcement that the current negotiator has been given greater authority.

Back Channels.

Back channels refer to secret discussions outside the formal negotiating process. They are used to overcome deadlock in very sensitive circumstances or as a face saving device. But, their very secrecy deprives the back channel negotiators of needed technical advice to make the best possible bargains. They have been much used by American presidents. They play a major role in overcoming deadlocks in union negotiations.

Better Than That.

Opponents often can get significant concessions simply by saying "You have got to do a lot better than that." Unskilled or tired negotiators often assume what kind of improvement is required (e.g., price) and make unthinking concessions. It is much wiser to find out what is wrong with the current offer and why, so that an offer can be made that has some chance of being accepted. The objection that the competition is offering a better deal is a dual opportunity. You may learn something new about the opponents, useful in the current negotiation or in a future one. Or you may be able to demonstrate ways in which your offer is better despite differences.

Bluffing And Lying.

Bluffing is more common and less frowned upon, than lying but both occur so must be guarded against. A negotiator can bluff or lie either by commission, omission, or interpretation. Deliberate errors are a time-tested means of lying to gain advantage. The base by which percentages are multiplied (e.g. from net to gross sales or vice-versa) can be altered. A seller can imply that a reduced price applies to a higher quality of goods than is being discussed. Dates can

be changed, "mistakes" made in arithmetic. Words can be added, omitted or changed. Price can be inflated by adding the same item in more than once. Or, in a classic seller's trick, some item can be "forgotten" until the "error" is caught by a supervisor before approving the final deal, then added back into the "agreed" price. Bluffs and lies are common in low-trust conditions but are more effective in high trust situations. They are much less damaging to the overall negotiation in low- than in high-trust conditions. That is, the rewards of bluffing and lying are directly proportional and the risks inversely proportional to the level of trust. Because level of trust and credibility do not preclude such tactics, the negotiator must always guard against them.

Bottom Line.

The "bottom line" refers to the final total benefits and costs of a deal. Negotiators often try to distract opponents from the bottom line by discussing prices on an item-by-item basis (come down a penny to $.49 a pound and you have a deal), percentages (come down a quarter point and I'll agree to the mortgage) or the size of monthly payments. In doing so, they obscure the total cost (a penny a pound on a million pounds is $10,000, a quarter point on a mortgage is likely to cost thousands; low monthly payments may mean that the debt outlasts the useful life of the product and doubles its price). Negotiators must be careful to determine both immediate and total costs of an offer.

Concession Rate.

Negotiators expect to make several concessions from their first position. This should be planned for. I suggest setting four objectives for each issue. Start with your Deadlock position. One of the best suggestions for choosing it is Fisher and Ury's (1981) concept of the Best Alternative To a Negotiated Agreement [BATNA]. Basically, it requires that you assess the cost of alternatives to reaching agreement. For example, if you don't buy a house, what are all the costs (including lost tax deductions, etc.) of continuing to rent. Next is your Realistic position - the one which, based on all you can learn about your opponent, the situation, and yourself, is your best estimate of what you can achieve. Next is your Optimistic position - the position you might achieve if your opponents need to settle quickly or have not assessed the situation accurately- and the point at which you will stop making concessions until you get to the opposing negotiator with the authority to make a final agreement. Finally, set your First position- your opening bid. Taken together, the four positions have their own easy-to-remember acronym, FORD.

It is neither necessary nor wise to match your opponents' concessions in value or number, and naive to expect them to match yours. Negotiators try to prevent opponents guessing accurately or even think they have guessed accurately just what their settlement range is.

Concessions can be made at a regular rate (the same amount each time) or an irregular one. Too large an initial concession may lead the opponents to think they have a pigeon, while delaying any concession for too long may suggest lack of good faith. A regular rate, or even worse, a larger and larger concession each time, makes it difficult to signal opponents that you are reaching the point at which no agreement is possible and suggests to them that patience will be rewarded. Due to exhaustion, lack of confidence, fear of deadlines or lack of skill, negotiators often make large concessions toward the end of a negotiation, giving away all they have gained. Thus, patience can bring advantages even from apparently tough opponents.

A substantial concession followed by progressively smaller ones suggests a willingness to

compromise and signals opponents that the limit is being reached. An irregular pattern (sometimes substantial, sometimes trivial, sometimes moderate, sometimes no concession) suggests willingness to compromise, but makes it more difficult for opponents to ascertain the point at which the negotiator will deadlock.

There is a psychological element to the completion of every deal. Those made too quickly always leave people with the uneasy feeling that they might have been cheated, or might have made a better deal with someone else. People tend to feel best about those they have worked hard to achieve. For this reason, too, concessions must not come too frequently nor any deal concluded too quickly.

Confusing the Issue (or Snow Job).

Negotiators might try to confuse the issue by illogical statements, red herrings, overwhelming complicated technical or financial details, statistics, or possible alternative deals, then discussing them all at once in no sensible order. The tactic can used in the early stages to test the opponents' preparation, in the middle stages to lure them into mistakes, or in the latter stages in hope that tired opponents will prefer agreement to thinking through the implications of all the new concepts. It can be used to divert attention from a question you don't want to answer. The technique can be countered by insisting on adherence to the agenda, insisting that each variation be taken up in turn, refusing to talk about the variations, or insisting on a full explanation of each variation. If the variations were introduced primarily to confuse, they probably have no substance and will be withdrawn quickly.

Deadlines.

The negotiator under the greatest time pressure is at a serious disadvantage. Negotiators therefore usually try to conceal their own deadlines while trying to learn the opponents' Deadlines are useful in other ways. Deadlines can provide important protection. For example, failing to put an expiration on an offer to sell your house makes it impossible to make an offer to a second possible buyer without risking a lawsuit by the first one. Deadlines can encourage an opponent to settle. For example, telling buyers that the price will go up at the end of the month or that on-time delivery requires a firm order by the end of the week give opponents reasons to act promptly (Notice that these last deadlines a do lot to place opponents in take it or leave it positions - both permit continued negotiation without loss of face).

If you are given a deadline by your opponents, you can take it seriously, ignore it, or try to negotiate a new one. The first course usually concedes bargaining strength to opponents. The second gains bargaining strength if the opponents are luffing, but makes deadlock likely if they are not. The third reduces the opponents' bargaining strength to the extent that it rested on the original deadline.

Delay.

Negotiators sometimes want to slow down the pace of a negotiation. They may believe that the opponents' can be forced up against their deadline, believe that their own bargaining strength is likely to increase shortly, need time to think, or be waiting for additional information. Delays can be for a few seconds or a few months. Delays can be of specific or uncertain duration.

Negotiations can be delayed by requesting a caucus or by confusing the issue. They may be delayed by telling a joke, going to the bathroom, or asking for a coffee or meal break. They

can be delayed by a detailed exploration of an issue - and the choice of a false, trivial, peripheral, or key issue can be significant. They can be delayed by presenting background information (sometimes beginning with Genesis), discussing precedents or regulations, or reading lengthy documents into the record. Another classic technique is insisting on delaying a final decision until a committee of specialists-usually financial, technical or legal advisors specified matters. The makeup of the committee can itself be the subject of almost endless negotiation. There are ample devices to delay a negotiation.

Empathy.

Empathy is a matter of imagining oneself in the opponent's place. It is a device for improving the bargaining climate by demonstrating that the opponents' problems are understood. It is useful in conditions of high tension or low trust because it demonstrates willingness to understand the opponents position. In the negotiating context, it can be developed, then reinforced, by "empathic listening as developed by the psychologist Carl Rogers. The technique involves presenting one's own position only after you have restated the ideas and feelings of opponents to their satisfaction, then requiring them to extend the same courtesy to you. This is intended to demonstrate that you are willing to make the effort required to understand their concerns and needs, which makes it difficult for them to remain angry with you or to continue feeling that you are being unfair to them. It also is intended to encourage opponents to understand that your concerns and needs are legitimate as well. And it is intended to improve listening and reduce the tendency of opponents to interrupt one another, as it becomes impossible to restate a position you have not listened to carefully.

Good Faith.

Negotiators sometimes try to soften opponents' positions by accusing them of bargaining in bad faith. But opponents cannot be proven to be bargaining in bad faith simply because they have not made a concession as readily as hoped, or because an offer is completely unrealistic. They cannot be proven to be bargaining in bad faith simply because they interpret facts differently or provide only partial answers to questions. Multi-cultural negotiations which include negotiations involving different socio-economic groups or even different professions in a single culture as well as international ones may have quite different concepts of what is and is not ethical. Even illegal tactics, such as bait and switch, may be difficult to distinguish from similar but legal variants. Virtually every charge put forth as evidence of bad faith by opponents may be no more than tough negotiators using perfectly legitimate tactics. Bad faith is an easy accusation to make, but a difficult one to prove.

Accusing opponents of bad faith when they view their actions simply as good tactics can undermine the bargaining climate. But, negotiators who fail to point out tactics that are offensive take the risk of appearing to be too weak to protect their own interests, a situation likely to lead to deadlock if false and to disadvantageous agreements if true.

Haggling.

Haggling consists of alternating, converging, offers by each party until agreement is (or is not) reached. Often it is closer to ritual than to bargaining. Haggling is the main form of bargaining in oriental bazaars, street markets and swap meets but is common also in settling small remaining differences during the closing phase of major negotiations. Haggling is a simple

process, with a settlement very close to the point half way between the first offers of each party being likely, if that point is within the settlement range. Thus, it involves a lot of verbal fencing to maneuver the opponent into making the first offer. Then it is easy to subtract the first offer from the price they hope to settle on, then add (if selling) or subtract (if buying) to arrive at one's own first offer.

The disadvantage of having made the first offer can be overcome by refusing further concessions or making very small ones until the mid-point between the parties is acceptable, by the Sibylline Books tactic, or by threatening deadlock.

Hot Button.

Negotiators like to find and push their opponents' "hot button" the underlying need that will make almost any deal irresistible. Some people want to save money, some to save time, some want to save or avoid work. Some want to be in the know, some want to be in style. Some want prestige, some want power, some want security. Identification of hot buttons is best done early in a negotiation pushing them is best done as you begin trying to close.

It is of course impossible to list all the possible hot buttons, and even if such a list were available, it would be difficult to run through such a list to determine which ones applied to a particular opponent. Several efforts have been made to develop general taxonomies. Maslow's (1954) is the best known. His hierarchy runs from basic to higher needs as follows: Physiological; Safety and Security; Love and Belonging; Esteem; Self-actualization; Intellectual; Esthetic.

Maslow argues that people strive to meet these needs progressively. The idea then is to identify which need an opponent is striving at, and to pitch your offer in those terms. In practice, it may be easier to identify the level opponents already have achieved, and to assume they are striving for the next level, than to identify where they are at directly.

The further implication of Maslow's hierarchy is that any difference in needs between two new negotiators gives greater bargaining strength to the one seeking higher needs. This provides an abstract explanation of the advantage of international terrorists, as governments are concerned with saving lives, the lowest possible need, while the real motive of the terrorists usually is publicity for their cause, a form of self-actualization.

Ignorance.

Negotiators usually feel a need to demonstrate mastery of their subject, but feigning ignorance is a good way to obtain useful explanations, gain time to think and, pushed to the extreme, drive opponents to real and thus exploitable anger. Tactical ignorance can be countered by confusing the issues, information, questions and answers or asking opponents to be less ambiguous in their questions so you can answer them properly.

Ignorance as a tactic should not be confused with real ignorance. The negotiator who has not prepared adequately is at the mercy of the opponent. The ignorant usually make very bad deals and often are unaware of the fact.

Linkage (Tie ins or Log-rolling).

Negotiators can try to get what they need on one issue by offering a concession on another issue. The success of the technique depends on issues having differential importance to

each side, so that each can make an unimportant concession to get one that is important. It depends also on how an agenda that allows exploring all issues then making proposals, rather than exploring and settling each issue independently in turn.

Linkage can involve closely related issues such a down payment, installments and interest rates. But they need not be related at all. Prestige may be important to one party and ideology to the other. Nor need they be equal in number. Precedent and tradition may be important to one party and appearances to the other. The most satisfactory and creative solutions often are the ones that achieve the most unexpected linkages.

Precedent.

Negotiators sometimes say that they could not possibly meet opponents' demands because they would have to make the same concession to everyone else. It is a powerful tactic because it obviously is difficult to determine whether the negotiators really would treat the concessions as precedents in future deals.

Four counter tactics are possible. The first is a series of questions, first confirming that the opponents are serious about precedents then asking how they keep track of them, and finally asking for a list of all precedents affecting you. If done too quickly, the opponent is likely to see the purpose, but if drawn out, the opponent will be placed in the position of bargaining in bad faith if the request is not met when the trap finally is sprung. The second counter tactic is to argue that the current deal is sufficiently unique that it is not covered by the precedent clause. The third is to make sure the opponent actually is offering terms as good as they gave the government, then to ask for evidence of just what those terms are. The fourth is to use linkage to obtain concessions elsewhere (perhaps citing a few examples of government overpayment such as the recently notorious $150 hammers, or reaching back to the 1930s when the government bought a hundred thousand or so feedbags for the 50 or so horses remaining in the army).

Proposals.

Proposals represent the terms currently available to opponents. But they can serve other purposes, such as conveying determination or trying to reduce the opponent’s aspirations. Proposals can be made merely to prevent deadlock by giving parties something to talk about.

Negotiators can accomplish these purposes by tone and phrasing. Describing a proposal as a suggestion, demand or ultimatum will have quite different effect.

Ambiguity makes proposals easier to withdraw, replace or change. Proposals should not be taken at face value. In interpreting a proposal all the foregoing must be considered, but so too must be the possibility that the opponent is not well prepared, unskilled or may not have taken the same course in negotiating.

Proposals can be ignored, laughed off, rejected, questioned or accepted. Explanations, justifications, modifications or time to consider them can be requested. Counter proposals can be made.

Red Herring (Strawman or Throwaway).

Negotiators sometimes raise issues or take positions in which they have no interest, defend these red herrings at length, and finally try to surrender them in exchange for real concessions. A car buyer can easily begin negotiations for a car that includes one or two perfectly normal options, expensive hubcaps and a luggage rack, for example of no real interest. Well into

the negotiation the buyer can complain that the requested price still is too steep and give up the hubcaps. The trick of course is to request a reduction in price greater than that of the option being sacrificed. Later, the luggage rack can be given up to signal that the buyer is unlikely to make any more concessions.

Salami Slicing

Salami slicing refers to getting one small concession after another until they add up to big ones. Salami slicing is one way to make progress under conditions of low trust. Requested concessions should be small and begin with issues of low importance to the opponent. Salami slicing is useful when an opponent is known to be under deadline pressure. The progress being made makes it unlikely that the opponent will turn to a competitor, while the slow pace may force opponents to make manor concessions as they run out of time. Salami tactics also provide a means of making it difficult to establish linkage among issues.

A variant of Salami slicing (nibbling) is threatening to back out of a deal at the last moment unless some extra is thrown in. The usual devices for defeating nibbling include published prices, ignoring nibbles, politely explaining that it cannot be done, treating it as an old joke, anticipating the nibble and suggesting the item or service as part of the deal before the buyer does or including the price of the nibble in the original price. Remember too that the buyer has a lot of time invested in the deal and is unlikely to go through the whole process again for a small benefit.

Silence.

Silence can emphasize a point, give the audience an opportunity to absorb a point or reflect on it, or simply regain attention. Silence is preferable to saying too much. For example, bargaining strength is lost by revealing how soon one needs to make a purchase, or that a particular product is the only one with the particular design feature meeting one's needs.

Opponents are expected to reply when a negotiator finishes a statement. If they do not, merely looking expectantly for more information, the negotiator often becomes uncomfortable and continues speaking, giving away more information than intended. A negotiator whose comments are answered by silence normally should wait in silence, without retracting, muttering, fidgeting or supplementing what has been said. But, if the silence is an opportunity to seize the initiative or if the opponent is confused, there is advantage in breaking the silence.

Threats

Threats and ultimatums suggest unpleasant consequences if a proposal is not accepted. The consequences can be ambiguous or clear, depending on the offerors' assessment of which will be most effective.

A threat interpreted as bluff regardless of how it was meant will be ignored and further concessions sought. If the threat was seriously intended the recipient may be in for a nasty surprise when negotiations are broken off and the threats carried out. A threat taken seriously regardless of how it was meant leaves the recipient a choice between accepting the terms or suffering the consequences. The reaction to such a condition depends on several factors, most importantly whether the offer meets the opponents' negotiating objectives and whether the recipient can find a way to neutralize the threat. Some approaches that have worked have been transferring the negotiation to the next level of authority, responding as if the threat never had

been received and getting agreement to "stop the clock" until agreement can be reached. The latter provides a face-saving way for all parties to ignore the threat.

A threat is most effective if made near opponents' deadlines or if coupled with an offer that falls between the opponents' realistic and deadlock positions. Early or frequent reliance on threats as a bargaining tool affects a negotiators bargaining reputation, which quickly deteriorates to that of "bully" or "boy who cries wolf." But, even this can be exploited. Before attacking Israel in 1972, Sadat carried out a series of bluffs, so that preparations for the real attack were seen as just another bluff.