

## CHALLENGES

Dealing with tactics that cause tension, prolong the process and erode deals

Ineffective use of tactics that damage credibility



## TAKEAWAYS

Recognize the difference between positive tactics and potentially destructive gamesmanship

Learn how to spot and respond to tactics that can derail the deal

Understand when tactics might be the best way to a positive outcome

# Negotiation Games: Spotting and Neutralizing Five Tactics that can Damage Deals

*"The more you can keep a negotiation focused on the merits of the deal, the better chance you have of getting to a result that's within your desired Negotiation Success Range (NSR™)."*

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### Overview

The party with whom you're negotiating may consciously employ tactics or gamesmanship designed to throw you off balance, divide your team, or win easy concessions.

This whitepaper will teach you how to spot the most common negotiating tactics and suggest some approaches for managing them, maintaining your leverage, and keeping the conversation focused on the best outcome for both parties. You will also learn about the positive aspects of tactics, and how to consider when is the best time to use them. The result: more positive outcomes as you learn to spot and counter the common tactics that affect the less-experienced negotiator.

### **Tactics vs. Gamesmanship: the good and bad sides of negotiation tactics**

Every tactic described in this whitepaper has a potentially positive or negative application. Generally, when we reference **tactics** we mean the conscious application of techniques or actions intended to influence a negotiation. Judiciously applied, tactics can remove roadblocks and get the negotiation process back on track to a positive outcome.

**Gamesmanship** can be seen as the “dark side” of tactics — behavior that distracts from the merits of a transaction and is meant solely to undermine the other side to gain advantage. Gamesmanship is designed to cause confusion, intimidate another party, rush the process, or improve leverage and momentum. There is no bright line between gamesmanship and tactics as such — usually gamesmanship can negatively affect a relationship more than positive tactics.

### **Stimulus/Response Tactics**

Stimulus/response tactics are employed by a party trying to get its way on a specific issue. These can be calculated emotional outbursts — yelling, browbeating, banging the table, or even crying. These same emotions can be examples of gamesmanship.

As a negative example, consider the classic scenario of a parent and child in a store. The child, seeing something that he or she wants, begins to loudly demand the item, drawing attention from other shoppers and creating discomfort for the parent. The parent buys the item to quiet the child. Likewise some negotiators will raise their voice or speak more sternly when they don’t get their way on an issue. If the issue is important and can be reasoned, the emotion can be used as controlled indignation. This can lead to a respectful and positive resolution. On the other hand, if the emotion is simply intended to intimidate and has not rational basis, it may damage a relationship over time.

More positive examples include flattery to put other parties at ease and create an atmosphere more conducive to the deal. Aware that he or she may be facing a particularly tough negotiator, a salesperson delivers a well-placed compliment that generates a positive emotional response. This can defuse tension and help the salesperson keep the conversation focused on the merits of the deal.

When facing these tactics, particularly those accompanied by strong shows of emotion, the most fruitful approach is to simply let the other party calm down and not add to the disruption by answering emotion with emotion. If you are confident that your proposition is reasonable, let them calm down and return to your value-based argument.

A number of stimulus-response tactics are respectful of the relationship, yet still erode the other side’s position. For example, “salami slicing” or “incrementalization” is a patient process in which the negotiator elicits concessions issue by issue. Each position is reasoned, while the negotiator refuses to trade off one issue against another. This erodes the other side’s position little by little, yet the cumulative effect can be significant. Your best response to incrementalization is to ask for the issues in

advance of the discussion. Even if the other side does not give you all the issues in advance, you should patiently listen to each before making a decision to concede. If you understand all the issues being raised, you will be able to manage the overall effect of this tactic.

### **The “Chess Match”**

This type of tactic is designed to tilt the flow of the negotiation and gain the upper hand on subsequent issues. These tactics can include good cop/bad cop, or creating psychologically intimidating conditions to gain negative leverage. An example of this could be a negotiator who purposely arranges a room so that the team across the table is in lower-sitting chairs.

As with stimulus/response, your challenge is to keep emotions from driving your decision-making and losing your focus. Successful negotiation is driven by the credibility and leverage you derive from having done the advance work and studied the other side to propose solutions that have real value.

Whether or not you can ascertain if the other party is merely being thoughtless or making a conscious attempt to play on your nerves, the response remains the same: stay with the integrity of your deal and focus on the value-based argument.

### **The Psychological Stake**

This type of tactic exploits a personal, emotional motivation to get the deal done. The result could be a deal, rather than a *good* deal. Psychological and emotional stakes — which both teams will have if there is mutual advantage to be gained from a deal — cloud rational thought processes.

One side, knowing that performance pressure or a time factor is creating a sense of urgency across the table, may exploit this by demanding concessions or stalling to increase the anxiety level and the likelihood of a more favorable deal price.

Whether or not you can ascertain that a party is exploiting your psychological or emotional investment in a deal, the response is the same: remain analytical on the merits of the deal. Re-examine your offer if necessary; do the other party’s demands or objections appear substantive? Remaining focused on your knowledge of the other team’s core needs and motivations keeps your personal investment in the deal from clouding your decisions and your response.

Psychological stakes exist in every deal. The key is managing them on your side, otherwise they will (and should) affect negotiated results.

### **The Power of “Face”**

“Face” is a person’s standing in the eyes of others. That means looking good to both negotiation teams, as well as peers and management — even spouses and families. Being conscious of “face” means avoiding awkward situations that can humiliate or embarrass someone with whom you’re negotiating. Cultivated in the positive sense, “face” makes other people feel good and is more likely to create positive business relationships. All other things being equal, people do business with people they like.

This issue is important both internally and externally. Taking aside a member of your team to address a mistake during a negotiation rather than exposing them to the other side keeps your team’s harmony and efficacy intact. Likewise, being sensitive to players from the “opposing” side defuses tension and decreases the likelihood that your negotiation will become mired in arguments irrelevant to the merits of the deal because somebody feels personally offended or slighted. This is particularly important during international negotiations, where social and business conventions can vary greatly.

There are negotiators who will try to embarrass the other side in order to intimidate and distract. In those situations, once again it is important to focus on the merits of the deal and not let the intimidation affect you.

### **Relieving the Pressure**

This tactic can be very positive and can be used to calm tense times. Relieving the pressure comes in two forms: from within the entire negotiation, and within a particularly tense meeting. Ways to relieve the pressure include social activities, informal meetings, off-hour activities, and humor. Changing the environment and getting away from the business conference room can be a very effective way to improve a situation that’s become tense with the pressure of getting the deal done.

Always consider your own natural style before you decide how much humor (and what kind\*) to use. Basic rules take into account cultural and social conventions (a shared frame of reference for any humor), level of propriety for both the listeners and the occasion, and how well the humor fits with your personal style. If in doubt, leave it out. But if it is genuinely funny, can be told comfortably and understood by all, humor can be a powerful tool to relieve the pressure.

\*Our advice is to avoid any jokes that touch on religion, race, sexuality, politics, or physical/mental attributes.

## **Additional Ways to Manage Tactics**

Additional principles to keep in mind when managing negotiation tactics include:

- **Teamwork:** There is no substitute for effective teamwork as an umbrella defense for adversarial tactics. Everybody benefits from, respects and responds to good teamwork.
- **Recognition:** If you don't identify the tactic, you can't respond to it. Some tactics can be subtle, and they are employed by very skilled people. Be vigilant for when the pressure and emotion of a negotiation may blind you to obvious tactics or gamesmanship. And always focus on the business merits of the deal.
- **Stop and Consider:** Once you become aware of tactics being used against you, you may start seeing them in every negotiation - even when they're not being employed. Always ask yourself, "is the issue they are raising business reasonable?" If the answer is "yes," then deal with the issue on its merits and forget the tactics!

## **Conclusion**

Many types of tactics can be implemented in a positive or negative manner. The choices are the personal decision of the negotiator. However, negative gamesmanship can affect your credibility and relationships. Employing tactics is sometimes necessary in response to tactics or gamesmanship from the other side. Most experienced business negotiators will employ tactics positively in the hopes of fostering long-term, fruitful relationships rather than sacrificing goodwill for the short-term win.

Almost any problem can be solved collaboratively. If it's not, then one side will be dissatisfied. While the adversarial philosophy — that we must compete to get every penny from the other side — may be advantageous for one-time-only transactions such as purchasing a car, it's the right mix of competitiveness combined with collaborative problem solving that will yield the best results for both parties in the long run.



### **About K&R Negotiation**

K&R Negotiation Associates, LLC, is a consulting firm specializing in structuring and negotiating business transactions around the world. The company is comprised of professional negotiators, sales executives, and business attorneys. K&R professionals average over 20 years of professional negotiation experience and apply a results-driven methodology to change negotiation behaviors and improve negotiating success. K&R's clients include Fortune 200 companies such as IBM, EMC and Xerox, as well as smaller companies such as Bristol Technology (now part of HP), Priceline, SEI and others. For more information, please visit [www.negotiators.com](http://www.negotiators.com).

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908 Ethan Allen Highway  
Ridgefield, CT 06877

For more information, please visit <http://www.negotiators.com> or call 203-431-7693.