

# Negotiation TacTricks

Common Behaviours when Buyers  
and Sellers Meet

Author - Bill Young  
Illustrator - Dr Anne Ware



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## Table of Contents

Author and Illustrator .....	6
Author, Bill Young.....	6
Illustrator, Anne Ware.....	6
Collaboration .....	6
About Negotiation TacTricks .....	7
#1 Higher Authority; Final Approval.....	8
#2 Limited Budget; Money Crunch.....	9
#3 Add-Ons; Nibbles; Rolling Concessions .....	10
#4 Personal Attack; Intimidation; Power-Play; Aggression .....	11
#5 Good Guy, Bad Guy; Mr Nice & Mr Nasty .....	12
#6 Lock-In; Pre-Commitment; Internal Rules; False Alternatives .....	13
#7 Take It or Leave It; Ultimatum; Walk-Out .....	14
#8 Framing; High-High-Low .....	15
#9 Bogey; Dummy; Decoy .....	16
#10 Chicken; Raising the Stakes; Nuclear Stalemate .....	17
#11 Scrambled Eggs; Over-Complexity .....	18
#12 Foot in the Door; Yes-ables; Assumptive Close.....	19
#13 Deadlines.....	20
#14 Protracted Negotiation; Sunk Cost.....	21
#15 Team Tactic; Outnumbered .....	22
#16 Balloon Futures; Inflated Prospects .....	23
#17 You'll Have To Do Better Than That; The Vice .....	24
#18 Power of Legitimacy .....	25
#19 Going Back on the Deal; Forgotten Issues.....	26
#20 Low Key; Disinterest.....	27
#21 Wince; Sticker Shock .....	28
#22 Unfair Trading Request .....	29
#23 False Witness .....	30
#24 Gain Your Trust.....	31
#25 Escalation .....	32
#26 Mugging the Weary Traveller.....	33
#27 Hot & Cold; Mood Swings .....	34
#28 False Competition .....	35
#29 Flattery; Obligation .....	36
#30 Silent Treatment; Confessional .....	37
Final Word.....	38

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**“It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own self interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantage”**

Adam Smith, 1776

An Inquiry into the Nature and Causes of  
The Wealth of Nations

## **Author and Illustrator**

### **Author, Bill Young**

Bill Young is a consultant and coach in sales and procurement. With previous experience in sales, market development, product management and procurement, Bill now works with leading companies in agriculture, aerospace, management consultancy, energy, engineering, government, market research and pharmaceuticals. His unique development programs are based on value creation

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Originally a research chemist, Anne Ware's career in life sciences (Schering, Zeneca, Syngenta and Baxter) took her through research, procurement, product management and business development. Anne fits her passion for watercolours around her work and frequently gets up early to catch the dawn light. She uses her travel for painting. Particular favourites are Norfolk, Lake District and Cornwall, as well as Italy, Spain, France, Morocco and the Far East.

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### **Collaboration**

Bill Young and Anne Ware worked together on major outsourcing projects where they had the opportunity to observe and be amused by all of the *TacTricks* in this booklet. They also met outstanding partners who dedicated themselves to meeting agreed critical targets and deadlines, because they understood that business is built on relationships

## About Negotiation TacTricks

This book is about tactics or tricks that are used to create an advantage and win concessions in a negotiation. It is tempting to dismiss these as short-term point-scoring: unlikely to have a major impact on the outcome, and not worthy of study for a strategic negotiator. This would be a serious mistake. In sport, even with the best strategy, it is the cumulative effect of points that wins matches and tournaments. In negotiations too, such tactics wear down even the best strategies if you are not prepared for them.

Negotiation tactics are not *gotchas*. A *gotcha* is public whereas negotiation tactics only work if they are covert. If you believe you are not influenced by negotiation tactics, it means that you have not noticed them. If you want to use negotiation tactics effectively, you must be sure you are skilled enough to disguise them. Even if you do not intend to use these tactics, study and understanding of them will inoculate you against their impact.

There are no moral judgements in this booklet. A tactic is not a dirty trick; and there is nothing inherently malign, unethical or immoral about those described here. Many are used unconsciously, without the practitioner even being aware of having practised them: they have become second nature. They may even be unlearned and instinctive, part of normal human behaviour. Just because you have been caught by one does not mean that a trap was deliberately set for you. Blame yourself and move on.

There is a consistent structure throughout this book: the person practising the tactic is called the *negotiator* and the person on whom they are practising it is called the *other party*. I apologise in advance if this becomes repetitive or boring. I choose this style in order to be clear about who is doing what to whom.

Why have these particular tactics been chosen? The purpose of this book is to inoculate the negotiator against tactics and I believe that these examples achieve this end. Wherever it seemed sensible, I have combined similar tactics and, by doing so, have tried to balance completeness with conciseness. Where different names exist, these are shown. If the reader would like to propose other tactics or important variations on these ones, I will be happy to consider them in a second edition.

That's nearly it except for one important thing. If you are in a negotiation and you find yourself trading tactics, you have already begun to fail. Success in negotiations depends on a basic rule. No matter how conflicting the positions of the two parties may appear, follow this strategy:

1. Determine the common goal that underlies any eventual agreement
2. Identify what is essential in order to achieve this goal from your side.
3. Allocate a priority level to everything else. Do not omit anything, no matter how low the priority
4. Do the same thing 'in a mirror', from the other party's point of view
5. Trade your low priority items in order to hold your high priorities

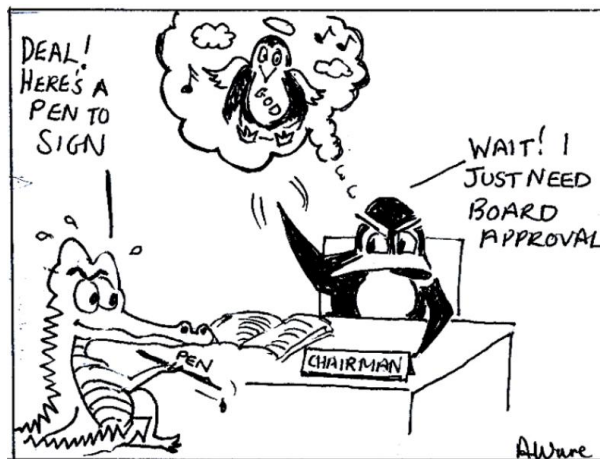
Played in this way, even a zero-sum game has elements of value creation. Get your strategy sorted out and use this booklet to support it – not the other way round – and you will be a great negotiator.

## #1 Higher Authority; Final Approval

### Keeps an option open to go back on any agreement

A negotiator claims their authority is limited. Sometimes they say they must persuade an executive or a committee, and that the two parties should work together on a case that will convince the *higher authority*. Committees are especially useful as *higher authorities* because they are less open to the challenging question: *well, perhaps you would tell me to whom I should be talking?*

This tactic is credible because most negotiators do act on delegated authority; however they commonly downplay their responsibility and influence in order to win concessions.



### Counters:

1. Ask to meet the decision maker
2. Ask if the negotiator has some delegated authority, and to what level. Otherwise, ask why they are there and what the objective of the meeting is.
3. Do not accept vague requests for improved terms to satisfy an absent *higher authority*. If you agree to work together in this way, you must see the specific brief from the executive or committee.

## #2 Limited Budget; Money Crunch

### Uses the budget as an excuse for wanting a lower price

A negotiator (invariably a buyer) states there is a simple shortage of money. If the other party wishes to make a sale, they must reduce the price. It is superficially similar to #1 *Higher Authority / Final Approval* but does not involve the subtlety of working together on a solution.

Many negotiators do not like this tactic, believing it makes them look weak and lazy.

Another problem with this gambit is that there may also be an obvious conflict between what is claimed and what the other party can read or see: one head of procurement looked out of his window at the opulent, new corporate HQ and complained wryly to the CFO, 'How am I supposed to plead poverty to any supplier who actually visits us in this palace?'



### Counters:

1. State that this is an internal problem for the negotiator to resolve
2. Offer a lower value product that is within the budget. This is a powerful response as the negotiator may be forced to reveal their real need, (or even dependency) on the premium product
3. Ask for information about the budget: how it is determined; what it covers; and how it could be changed

### #3 Add-Ons; Nibbles; Rolling Concessions

#### Coming back for more after the deal has apparently been settled

At a late stage, or after the main negotiation, a negotiator asks for a modest addition to the main deal. The other party feels this 'token' may be OK.

This tactic exploits the emotional release that comes from having completed a deal. There is a phase when someone feels good about having at last made a decision and achieved a goal. They are off-guard and feel more generous. The nibble may look small in relation to the whole but it may be part of plan to get a series of rolling concessions, or its real costs may be hidden.

More dangerous however, the nibble may not be as innocent as it looks. In B2C sales, retailers frequently make more profit from an extended warranty on a washing machine, damage waiver for a hire car, or a shirt to go with your new suit, than they make on the main item.



#### Counters:

1. If you refuse, make clear that you have already been pushed over the line
2. If you make the concession, do not do it lightly. Make them feel they have worked for it.

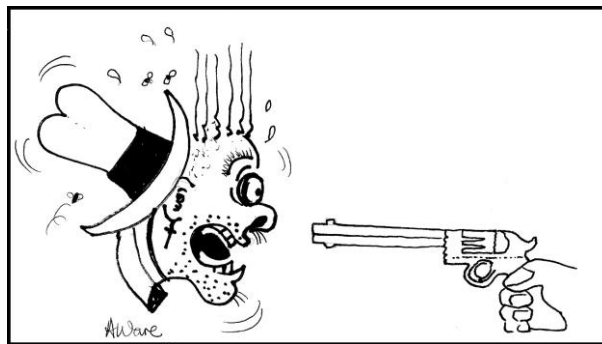
## #4 Personal Attack; Intimidation; Power-Play; Aggression

### Uses personal power to intimidate and bully

There are many variations of intimidating tactics and, after consideration, I have combined them. This is because they are all about undermining the other party's confidence and self-esteem

The negotiator tries to make the other party feel uncomfortable or insignificant. They hope to undermine their confidence and self respect. Perhaps they question their competence, or ignore them, or just fail to make eye contact. Sometimes the negotiator calls in a top executive to present their case, perhaps in an overpowering environment. The aim is not just to impress but to intimidate. A senior procurement manager recalls a contract negotiation in East Germany in the 1980s. Throughout lunch they were treated to the roar and spectacle of columns Soviet tanks on their way to a major exercise and the procurement manager never was able to work out whether this was part of his host's plan.

We are all susceptible to feelings of inadequacy and these can be brought on by threats, real or implied. The danger is that emotions get in the way of common sense and logic, and we try to appease the bully. It is an especially dangerous tactic when it is designed to make you feel small in front of colleagues in your own negotiating team



### Counters:

1. Recognise it as a tactic, stay professional and do nothing. Try to remain detached, like an audience watching a play. Enjoy it and make mental notes so that you can tell stories about it afterwards!
2. Brief your team colleagues about intimidation tactics, especially any who are new to negotiations and may be susceptible to this. If you see it, reassure them immediately afterwards
3. Consider what reasons could lie behind their behaviour and what it may tell you about the negotiator and their organisation
4. If the behaviour is too obvious, ask the negotiator for an explanation, and if there is an implication for the wider relationship
5. Escalate the issue in the negotiator's organisation and ask for a replacement.
6. Consider whether your organisation could work with them and what recommendation you will make to your management

## #5 Good Guy, Bad Guy; Mr Nice & Mr Nasty

### Two negotiators adopt friendly and aggressive poses, respectively

One negotiator plays the good guy; another, the bad guy. *Good guy* pretends to keep the negotiation moving in the desired direction whilst *bad guy* acts as a wrecker. *Bad guy* may even intimidate – see #4 above. *Good guy* may sympathise with the other party about the *bad guy's* behaviour in order to gain their confidence. *Good Guy* may even offer to team up with the other party in order to deal with *bad guy*.

Laughably, this is still an extremely common and evergreen tactic, although it is not always played so obviously. For example, the bad guy could be someone from R&D, or Compliance, or Finance who is met separately. Or they may be invisible, in which case this tactic begins to merge with #1 *Higher Authority / Final Approval*.



### Counters:

1. Point it out to them in a slightly humorous way. Maybe someone just had a bad day!
2. Play along with it
3. Get details of *bad guy's* role in relation to the deal so that you can check consistency with behaviour. Maybe they really do have something to make them angry.

## #6 Lock-In; Pre-Commitment; Internal Rules; False Alternatives

### Use an internal restriction as a limit on negotiation flexibility

The negotiator makes public announcements or reveals premature commitments that assume a particular outcome. Or they pronounce some internal restriction that limits their flexibility in negotiations.

Everyone should be on the lookout for this, all of the time. If something is in the negotiator's control, the other party cannot be expected to accept it as if it were a law of nature or legal statute. Sometimes the obstacle is a genuine problem that needs to be addressed, in which case it should be the negotiator's role to persuade the other party to help. But often the obstacle is artificial and is there only to influence the negotiations.

Andy Williams, managing director of CPM Training, a specialist procurement training organisation in the UK, reminded me about a variant of this, *False Alternatives*. The negotiator presents options that appear to be helpful and to move the discussion forward, but the intention is actually to limit negotiations to the presented options.



### Counters:

1. Make clear that this is their problem, not yours. If they want help with it, they should make a sensible proposal or offer
2. Do not accept any limitations on negotiations until you understand and accept the reasons
3. If the possibility of a major pre-commitment is foreseen, lay out ground-rules beforehand

## #7 Take It or Leave It; Ultimatum; Walk-Out

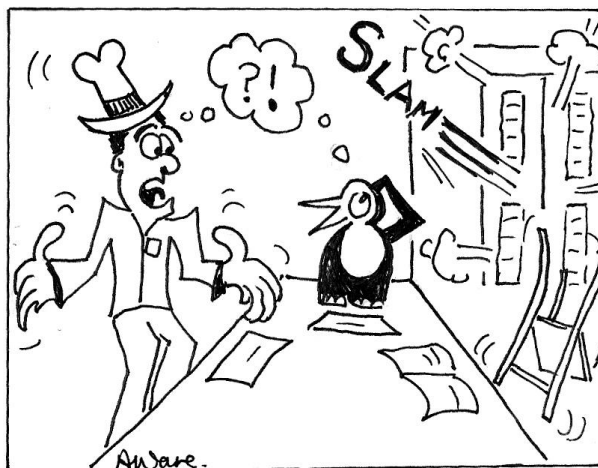
### Pretend that there is no alternative other than cancelling the deal

The negotiator makes a take-it-or-leave-it offer, apparently bringing negotiations to a close. Real ultimatums are unusual unless the negotiation has begun to close down naturally and you have reached the end of the road.

Bluffing about ultimatums is dangerous because, if the bluff is called, the negotiator has to crawl back with a weaker negotiating position. More often, a negotiator *appears* to deliver an ultimatum but actually adds the small word, 'unless....'. You should listen very carefully to whatever follows as it could be important new information.

If a *Walk-Out* occurs without any way back, it is likely that the negotiator had no intention of reaching an agreement, no matter what terms were offered. This may be because the negotiation was a sham that supported some other objective (such as getting a lower price from an incumbent supplier) or because the situation has significantly changed since the start of negotiations.

The only example that I have seen that resembled an actual Take-It-or-Leave-It happened when a supplier discovered that the technology they were developing for us did not work. Their negotiating position hardened to an extent that was irrational. They did not walk out of the negotiations but it seemed they hoped that we would. If you see irrational or obtuse intransigence in a negotiation, even if it is not a complete ultimatum, you should suspect something more than a negotiating tactic



### Counters:

1. Explore the meaning of their statement and the reasons behind it. Listen very carefully to exactly what is said. Ask for detailed clarification.
2. Call the bluff. Accept it. Wait for them to come back. Then exploit their weakness
3. If it was a real ultimatum, do not try to claw your way back. The negotiation is over. However, although you have reached the end of one road, there may be another. If so, make it clear that the old deal is dead; this is a new negotiation about a new deal.
4. In the example above, of the supplier whose development program had failed, the problem was revealed only by moving the discussion from commercial back to technical. Technical experts were able to talk about the problem more openly than commercial negotiators
5. As with other tactics, if the negotiator's behaviour has been unprofessional, it is reasonable to escalate this within their organisation, and ask if you can deal with someone else.

## #8 Framing; High-High-Low

### Make an extreme offer in order to change perceptions of what is acceptable

The negotiator makes an extreme opening offer. The intention is

- To frame or anchor the following price negotiations
- Condition the other party

Framing is based on the tradition that even sophisticated negotiators often *meet in the middle* or *split the difference*. When using the framing tactic, it is better to respond than to open because the responder can assess the opening offer. If the opening offer is extreme, the responder can be extreme in the other direction. If the opening offer is moderate, the responder can either be moderate, or can pull the *frame* in their favour by being extreme.

Usually, the negotiator will do a lot of softening up before announcing an extreme offer. This is intended to make it appear legitimate.

Andy Williams of CPM Training also reminded me about *High-High-Low*, a variant of *Framing*. The negotiator makes a series of excessive and unacceptable demands. The other party is conditioned to expect a really tough negotiation and feels uneasy about always saying 'no'. When the negotiator presents the *real* requirement, it sounds reasonable in comparison, so it is accepted with relief.



### Counters:

1. Have objective facts to counter the extreme proposals.
2. Ask them to justify the offer. If they have offered a softening-up presentation, explore it in detail
3. Question the basis of the discussion. Say there may have been some initial misunderstanding that needs to be cleared up
4. Get them to moderate and soften the offer before you respond with any counter-offer.
5. Put in a counter-offer that is equally extreme in the other direction

## #9 Bogey; Dummy; Decoy

**Make a fuss about a small issue in order to hide the real target.**

A negotiator inflates or exaggerates the importance of something which is actually not important to them. Or they may invent issues that do not exist, just so that they can be traded away. The negotiator eventually concedes on the inflated issue in return for something that is much more important.

When Gene Hackman was cast to play Lex Luthor in Superman (1978), he refused to get rid of his bushy moustache. In a desperate bid to persuade him to shave, the film's director, Dick Donner visited Hackman in makeup and made him a proposal: If he would get rid of his treasured moustache, Donner himself would follow suit -- right then and there. Hackman agreed and was soon clean-shaven -- whereupon Donner plucked from his face... a fake moustache!

The Decoy goes beyond tactics. It is the core of how a negotiation strategy is developed and executed. When working out a negotiation strategy, each side prioritises their needs and then attempts to trade something trivial for something important.



### **Counters:**

1. Ask for background information and an explanation of the issue and its impact.
2. If its value has been exaggerated, this should become apparent
3. Look for ways of resolving issues or softening their effects, that do not involve trading

## #10 Chicken; Raising the Stakes; Nuclear Stalemate

**Threaten an extremely bad outcome, even one that is disastrous for both**

A negotiator raises the stakes and combines it with a threat. Sometimes the threat does not even make sense for the negotiator. According to Wikipedia, *'the principle is that while each player prefers not to yield to the other, the worst possible outcome occurs when both players do not yield'*. Its place in the popular imagination is from films of the 1950s and 1960s in the genre of James Dean's *Rebel without a Cause*. It was the basis of the nuclear stand-off during the cold war.

It is not a common tactic in serious commercial negotiations and is likely to be a bluff. Example: *if you don't accept our offer, we have to close the plant and stop deliveries*.

However, some organisations use apparently reckless behaviour in order to develop a reputation for power confrontation, to discourage others from taking them on. This happens in litigation. A company will go to law and even be prepared to lose expensively in order to deliver a clear message that they are not to be messed with. For obvious reasons, I am not naming them. Racing drivers find that a reputation for reckless confrontation, backed up by few big crashes, makes other drivers move over when they spot the daredevil in their rear-view.



### **Counters:**

1. Ignore the bluff and keep on talking
2. Use it as an opportunity to get inside information about the other party. It is hard for them to refuse to explain
3. Work out what is really going on. There are three main possibilities
  - a) Bluff
  - b) Agreement is not wanted. See #7 *Take It Or Leave It / Ultimatum / Walk-Out*
  - c) There is a strategy of power confrontation

## #11 Scrambled Eggs; Over-Complexity

### Present an offer that is not what it seems and is hard to understand

A negotiator complicates a proposal in order to obscure how it works in practice. As an example of its use by sellers, think of mobile phone tariffs.

It is common in the sale of utilities where there is nothing to differentiate suppliers of, for instance, gas or electricity. The products come from the same source and arrive in the same pipe or cable. If the prices were simple *per unit* comparisons, the cheaper product would always have 100% of the market.

Some buyers also favour complex pricing models but I have never discovered a sensible reason for this – except as a job creation scam



### Counters:

1. Suggest that the work involved in operating the contract is out of proportion to its overall value.
2. Restrict certain, complicated deal structures at the outset, giving reasons why they cannot be considered
3. Add a management fee to recover the costs of operating the contract
4. Admit that the complexity makes the contract too difficult to understand and operate, and ask for a careful and patient explanation. The negotiator may be embarrassed into admission that it will be hard to operate – or that they themselves do not understand it!
5. Ask the other party to create a spreadsheet or other formal documentation to explain how it works

## #12 Foot in the Door; Yes-ables; Assumptive Close

### Present obvious benefits to keep the conversation going and avoid objections

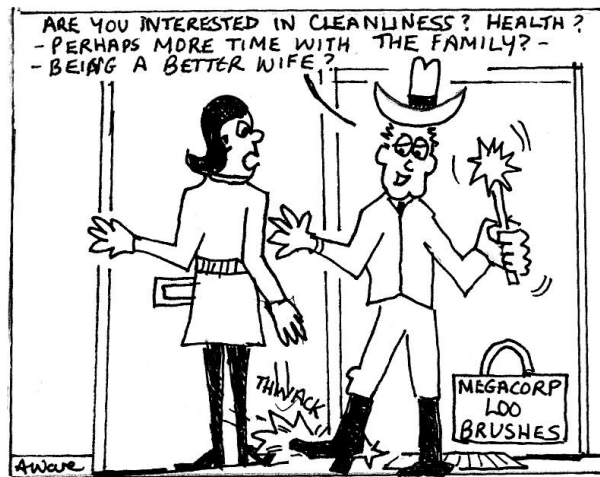
A negotiator asks the other party's response to statements to which there is no response other than 'yes'.

*Example: you are concerned about employee health and safety, are you not?*

The intention is to get the other party used to saying 'yes' and thinking positively about the negotiator and their organisation; or simply to maintain dialogue (or monologue).

This is common for low value items that are purchased without much management attention. An experienced negotiator in a big-ticket transaction does not need to pack a presentation with corporate PR. At best, this tactic is intended to generate goodwill and maintain a discussion. At worst, it is there to hide more important issues.

Be sensitive to the fact that different cultures have a different pace of negotiations. It is, for example, necessary in Japan to get to know each other and to invest time appreciating their culture, capabilities and resources. In North America, however, one is expected to be more focused.



### Counters:

1. Ask the purpose of the discussion and its relevance.
2. Set out an agenda and take over management of the time-line

## #13 Deadlines

### Set an artificial time limit on discussions

A negotiator imposes a deadline for completion of contract, or delivery, or something. The aim is to put stress on the other party, in order to squeeze out concessions or close an order. Too often, the negotiator's time-deadline is accepted without challenge. It is commonplace for the real negotiations to be postponed until the last day of a overseas trip, knowing that there is pressure on the travelling negotiator not to go home empty handed. [See #26 *Mugging the Weary Traveller*]



### Counters:

1. Determine why a deadline is important. It may be real, convenience, or bluff. A real deadline is normally driven by external factors. If the deadline is driven by the negotiator's own organisation, treat it as a mere convenience for them that should not influence you.
2. If it is a bluff, ignore or reject it. If appropriate, impose your own deadlines
3. Negotiate concessions in return for accepting a convenience-deadline.
4. If real, suggest that both parties own and address the issue together

## #14 Protracted Negotiation; Sunk Cost

### Create impatience and frustration through delay

A negotiator protracts the negotiation and may pretend to back out. Or they may simply make themselves unavailable and hard to reach

The intention is to exploit the other party's sunk cost. The other party gets impatient and, because they have already invested so much time in the deal, they feel committed to seeing it through. In this situation they make concessions or even start to operate the contract before it is signed, thus conceding all of the negotiator's tabled requests.

This is used by both sellers and buyers, especially if there is a deadline on the other party. During a negotiation, power shifts from the buyer to the seller. At the start, the buyer is in control. As things progress, the buying organisation is introduced to the new products and services and to the new supplier; technical qualifications are completed; and executives have authorised the expenditure. The customer may even begin to use the products or services. Failure to complete the deal would be a major embarrassment for the buying organisation so power has shifted to the seller.



### Counters:

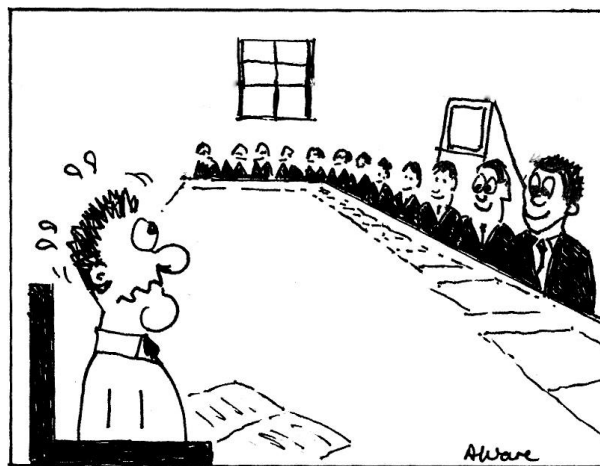
1. Create and maintain a walk-away or 'Best Alternative To a Negotiated Agreement' (BATNA) for critical negotiations.
2. Inform internal stakeholders that the negotiation is not complete and that they should not start
3. If you have time, let the deal cool off and go through a quiet period. Resurrect it later.

## #15 Team Tactic; Outnumbered

### Cause exhaustion by having multiple, parallel discussions about different issues

A negotiator assembles a large support team, each member of which is briefed to lead the arguments in a specific part of the negotiation. The aim is to overwhelm the other party and exhaust them. The support team may appear together or manage a relay of back-to-back meetings with the other party. It looks busy and efficient but stretches the other party's ability to think clearly about each issue whilst retaining a holistic overview.

As with other tactics, cultural sensitivity is important. A business host in the East may assemble a large team as a sign of honour and respect to the visiting party. The message is that they take you seriously, not that they are intent on overwhelming you.



### Counters:

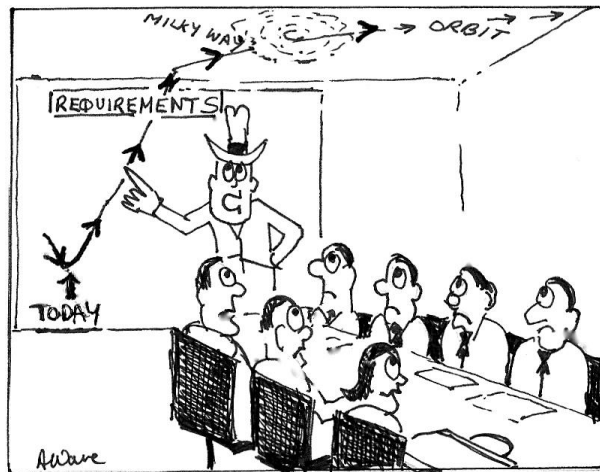
1. Assemble an equally large team so that the negotiation resembles a football game with each player marked by one in the other team.
2. If you can afford the time, be well briefed, methodical and steady; dealing with each point in turn
3. Stick to your agenda and do not be distracted by less important details

## #16 Balloon Futures; Inflated Prospects

### Encourage a belief that the rewards are bigger than reality

A negotiator forecasts future benefits, especially sales growth. The intention is to extract a better deal today than they could otherwise leverage from their present position.

This is usually a buyer's tactic and is so common that most sales people automatically discount all forecasts by a large factor. Indeed an account manager once second-guessed forecasts for our new product to such an extent that they walked away in disbelief. Fortunately for us, and unfortunately for them, they were wrong.



### Counters:

1. Ask for assurances about getting higher volume and a longer contract in return for lower prices
2. Create a two-phase contract that anticipates the future growth but does not rely on it.
3. Make any short-term concessions conditional upon achievement of forecasts within a set period
4. Don't express disbelief too openly or too early. It is just possible that this really is the big one!

## #17 You'll Have To Do Better Than That; The Vice

### Make demands for an improvement but without saying what or how much

A negotiator makes unspecific requests for better pricing (or other terms). The aim is to win concessions without giving anything in return. This tactic requires no preparation or effort and is much favoured by the lazy negotiator because it works so often, and so well. Sometimes it is achieved by simple body language, a raised eyebrow or a wince (see #21 *Wince / Sticker Shock*) for example, or by silence (see #30 *Silent Treatment/ Confessional*). It is also a counter to #8 *Framing*.



### Counters:

1. Ask for more information about their expectations.
2. Do not yield anything in direct response to this tactic. It only produces a demand for a further improvement
3. If you have to respond, change the nature of your offer or the overall deal so that your response does not appear to be a direct concession

## #18 Power of Legitimacy

### Use irrelevant documentation to support an argument

A negotiator presents documentation to support their negotiating position. Most commonly, this is simply a formal price list. This technique is especially useful for selling intellectual property rights (such as software) that have no production costs. A formal document helps to support a price that is hard to justify, based on direct costs.

The referenced documents are usually internal and this tactic can be linked to #7 *Lock-in / Pre-Commitment / Internal Rules*.

During most negotiations, each party presents its own standard terms and conditions that include, for instance, payment terms. The seller wants paid in 14 days and the buyer specifies 90: both claim that this is mandated by their respective finance departments – but both also know that it is an aspirational target.



### Counters:

1. Ignore the document and make an offer as if it did not exist
2. Ask for evidence that the document is real and authoritative and that it is actually being implemented.
3. Point out that document has little relevance to the negotiations and is actually constraining their opportunities for doing business
4. With a product like software, a buyer can claim that they do not need the full functionality
5. If you concede on something like payment terms, do so as part of the overall negotiation, getting something in return.

## #19 Going Back on the Deal; Forgotten Issues

### Return to issues that should have already been settled

A negotiator attempts to reopen points from the negotiation after agreement has been reached. In a major negotiation, it is possible for new issues to arise or become recognised. Reopening a negotiation that the other party thought was settled is very disruptive. Emotionally, they have moved on to the next stage and are reluctant to go back so there is a great temptation to concede even major points in order to maintain progress. It is also possible that the negotiator's senior management has rejected some component of the deal and refuses to sign off on it. Or that it is an attempt to nibble – see #3 *Add-Ons / Nibbles / Rolling Concessions*.



### Counters:

1. Be patient in case there is a real issue (new or previously overlooked). Listen carefully to the new request in order to understand it
2. If the request is reasonable, state that this can only be resolved by re-opening and rebalancing the whole negotiation
3. If the request is considered to be a trick, see #3 and #14

## #20 Low Key; Disinterest

### Pretend a lack of interest in any outcome or remain silent and unresponsive

A negotiator behaves as though they are not really interested in doing business. They may do this from the start, or affect it at a later stage. The intention is to make the other party raise their offer, reveal more information about their need, or generally try and make a settlement more attractive.

Maintaining complete silence is dealt with as a separate tactic in #30 *Silent Treatment / Confessional*.



### Counters:

1. Remain cool and calm *without* mirroring the negotiator's bad manners and disinterest
2. State or repeat your proposal clearly and simply. Then imply that their disinterest is a sign of acceptance. If they just want to close the deal and move on, that's OK.
3. In extreme cases, tell them, it looks as though they are no longer interested and ask if there is any point in continuing. Ask if there is someone else you should be having this discussion with.

## #21 Wince; Sticker Shock

### Show surprise or shock in response to an offer

A negotiator responds to the other party's terms with a wince or sharp intake of breath in an attempt to indicate shock or surprise. Buyers are trained to do this automatically and it can be amusing to watch. Indeed, it is so common that failure to produce a convincing wince leads most negotiators to believe that their proposal was too un-ambitious! Reluctantly, I have to advise every person who negotiates anything to develop a repertoire of *Winces*. They do not have to be Oscar-winning but some form of response that shows a proposal was challenging is needed.



### Counters:

1. Condition yourself to expect it
2. Introduce proposals slowly. This reduces the impact of the negotiator's dramatic efforts.
3. Don't react, other than to show surprise that they are surprised
4. Repeat the arguments to support your case

## #22 Unfair Trading Request

### Exploits dominance by refusing to negotiate any concessions

A negotiator tries to apply excessive and unfair conditions on the other party. Even if they are willing to attend meetings and dedicate time to listening, the shape of the offer does not change nor recognise any of the other party's needs.

It usually indicates dominance rather than partnership. It may also imply that the negotiator actually has no authority: they have been given the terms and no flexibility to vary them. The two are often linked as there is no need for a dominant party to give its negotiating party real authority to negotiate



### Counters:

1. Investigate why the negotiator is being so inflexible. Patiently explain your concept for the relationship and ask why it is so different from theirs.
2. If it is a relatively unimportant piece of business, do not waste time on it or get personal. Do it on their terms or walk away. Otherwise you may invest more in negotiations than the prize is worth.
3. If it is important, inform your own management immediately so that, at the very least, you can manage internal expectations.
4. Fundamentally review the relationship. This type of behaviour can be the first signal that something is wrong.

## #23 False Witness

### Create the record of what was actually agreed

A negotiator summarises the discussion and sends its minutes to the other party who finds that it is biased.

Many negotiators regard it as standard good-practice to write and circulate the notes from a meeting. Even if bias is unintentional, it is certain to be there because the notes are only one side's view. They may not contain deliberate lies but that does not make them accurate and unbiased



### Counters:

1. Always keep your own notes. You may wish to review these together at the end of the meeting
2. Read any notes which are sent in order to spot any bias as this will indicate clearly what their negotiating intention is.
3. Do not rely on the other party's minutes as a true record in any way. Do not circulate them to colleagues. If you respond to them, make it clear that these are their notes only, not an agreed version of the meeting.

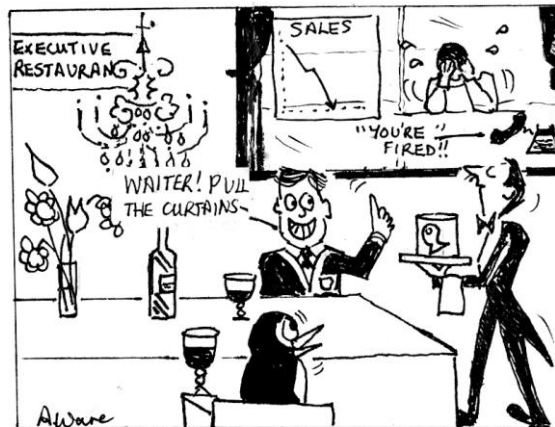
## #24 Gain Your Trust

### Seduces you with a vision of wealth creating partnership

A negotiator (or often their senior manager or executive) presents an excessively rosy picture of the prospective relationship: a happy, open partnership with shared values and wealth for all. The aim is to build trust without actually performing. But the vision may conflict with other indications that the reality will be even more gritty than usual.

A meet and greet session with a senior executive is nearly standard practice in negotiations. Indeed, if you don't meet anyone very senior from the other organisation, you should question their commitment to the deal. You need judgement.

We had a presentation once from a potential contract-manufacturing partner, in which they offered everything we could have asked for, and more. Meeting our team afterwards, I said that they seemed very keen, to which our senior chemist, Ray, replied darkly, 'Yes, Bill, but are they desperate?' We went ahead and contracted with them to get a dedicated plant built for our product. But Ray was right. Some time later, reading a paper on a tram into work, I saw a picture of the new plant in flames, just as it was supposed to be commissioned



### Counters:

1. Analyse your gut feelings
2. Recognise the internal contradiction. Consider whether it matters to this particular deal .If you know the reality and can live with it, ignore the blandishments
3. Challenge the vision, requesting an explanation of how and why it should be different from last time
4. If you do not know the organisation well, do more homework. Involve colleagues in assessments of their capabilities and culture

## #25 Escalation

### Get a senior manager or executive involved, or threaten to

A negotiator pushes an issue up their organisation. This could be a very normal and reasonable behaviour. Judgement is needed by the other party because it could also be used to intimidate



### Counters:

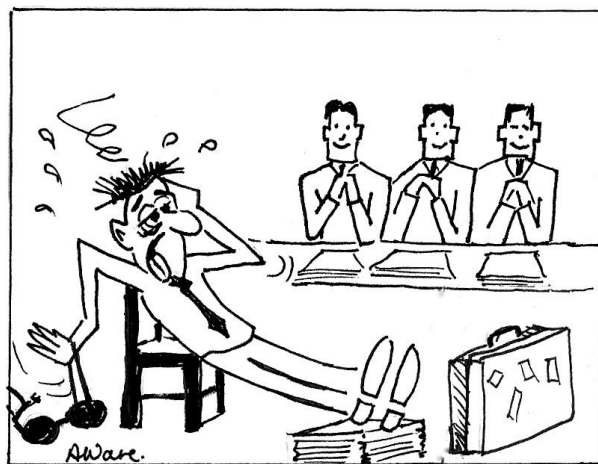
1. Do not try to prevent escalation; do not make concessions; and do not request that they do not do it.
2. If you respond, welcome their decision and maybe point out some probably next steps, as well as any implications
3. Keep your own line-manager aware of the status of negotiations and current issues as a matter of routine. No surprises.
4. If an escalation looks likely, give a special briefing to your line-manager and whoever is likely to be contacted by the negotiator's organisation

## #26 Mugging the Weary Traveller

### Exploit traveller's tiredness or unfamiliarity

A negotiator exploits the fact that the other party has travelled and is likely suffering from jet-lag, sleep deprivation and stress. They can do this in a number of ways, such as planning an exhausting schedule of meetings and dinners, or by creating embarrassment on cultural issues. And they can also play on the business traveller's need to reach a deal before returning home.

I recall being invited to a supposedly casual dinner in a Bedouin tent somewhere in the Negev, during an intensive business trip. I found myself seated opposite the managing director, a former major-general, feted for his leadership during the Six Day War. He was surrounded by his staff and I was on my own as he harangued me for most of the night for not making commitments and deals during my visit.



### Counters:

1. Be prepared. Get briefed about what to expect
2. Manage expectations back home
3. Arrive early, without telling your host, and take time out
4. Control the schedule yourself

## #27 Hot & Cold; Mood Swings

### Create confusion by changes of mood

A negotiator tries to raise the other party's stress level by frequent changes of mood (*blowing hot and cold*). This may be combined with #5 *Good Guy, Bad Guy / Mr Nice & Mr Nasty*. Acting different roles comes naturally to an experienced negotiator, so switching from one to another within the same negotiation is easy and may be done unconsciously. It can be disconcerting for the other party but the inconsistency that is inherent in this tactic can make the *negotiator* look unprofessional and ill-prepared. The other party, faced with changing behaviours, is likely to become more cautious.



### Counters:

1. Keep track of real progress.
2. Do not be influenced by the other party's apparent mood – good or bad.

## #28 False Competition

### Imply that there are more attractive, competitive offers

A negotiator presents market information to the other party, but without details. They ask the other party to beat these terms and conditions.

This is almost exclusively a buyer's tactic and many are surprised to learn that it works best when the threat is not specific or detailed. The fear of competition in the seller's mind is much more insidious than anything that is actually in the market place. Indeed, the clever negotiator plays mercilessly on this. The negotiator will say, 'we both know who we are talking about here'. In reality, the negotiator is bluffing but is sure that the demons in the seller's head will fill in the blanks!



### Counters:

1. Ask for more information. If you do not get the actual names of the source, ask for the nature of the information.
  - Was it a quote or an invoice?
  - What were the conditions attached to it, for what volumes?
  - Was it from market research, or a panel?
  - How old is the information?Distinguish facts from factoids (*what Wikipedia describes as questionable, unverified, false or fabricated statement presented as a fact without opposing evidence*)
2. Listen to the exact words used to respond to your questions. Nobody likes to lie outright
3. Watch the body-language
4. Show interest. Do not be dismissive; but don't agree, either

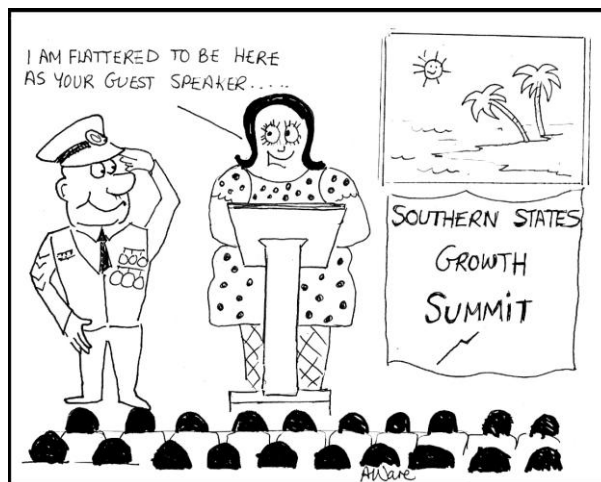
## #29 Flattery; Obligation

### Gain rapport and build a feeling of debt

A negotiator flatters the other party on things like their preparation, knowledge, negotiating skill, commercial skills or anything else. The aim is to gain rapport and empathy. On a modest level, of course, it is just good manners. But most of us are susceptible to flattery and this tactic can be surprisingly effective.

A more concrete form of flattery is an invitation to speak at respected events or to be consulted on some specialist subject. The invitation may include travel to a prestigious location and meetings with influential people. With tighter rules on compliance and therefore less outright entertainment, there has actually been an increase in these pseudo-professional events. This goes beyond tactics perhaps, but I have combined Flattery and Obligation in order to cover a full range of situations that can make the less experienced negotiator susceptible to socio-business blandishments.

There is one situation where something like flattery is best practice. At the end of a negotiation, a good negotiator compliments the other party on their conduct and their capability. There are two aims: one is to reassure the other party and remove the usual doubts that they gave away too much; and the other is to establish goodwill for the new relationship, and put negotiation conflicts into the past.



### Counters

1. Receive the flattery professionally and without protest.
2. Do not respond with equal flattery.
3. Have a short, prepared response about the natural fit between the two organisations
4. Don't let a technical colleagues be gulled into believing she or he is the world expert your supplier or customer had to have as a speaker for their conference.

### #30 Silent Treatment; Confessional

The negotiator remains absolutely silent with the aim of forcing the other party to keep talking and give away information and better terms. It can be unnerving and in his early career a friend, Steve McIlwrath, now managing director of Avalon Guitars, once faced the buyer for a small chain of chemists (drugstores) in Ireland who used this tactic with great effect. The buyer, a former priest, would lean back in his chair, light his pipe and silently smoke it whilst Steve was intimidated into giving away discounts equivalent to those for Walgreens or Boots!

In a different context and on the other side of the table, James Donaldson who is now Head of Procurement Capability in Syngenta, was locked in a stalemate in a major deal. He brought an experienced colleague into the next round, to repeat his position; and then neither said anything until the other party replied. The silence lasted twenty embarrassing minutes! When the response came, it was an offer to come back with a counter proposal and this proved to be the turning point leading to a satisfactory outcome.



#### Counter

1. The traditional response to the *Silent Treatment* is to be silent in return; however it is not recommended as a standard tactic because it is confrontational. In the example above, James Donaldson had already reached a confrontational stalemate which he wanted to break. He took the precaution of inviting support from an experienced colleague. Together, they were able to manage the confrontation; but it is not for the faint-hearted.
2. To respond to the Silent Treatment, ask direct questions such as, 'Is there something that is not clear?' or 'I am sorry if I have missed an important requirement, could you tell me what it is, please? Allow time for an answer – without getting into a confrontational silence.
3. Do not do what Steve did. Having previously endured the *Confessional* several times, he completed his sales pitch and told the buyer to take his time to think about it, whilst Steve took a novel out of his briefcase, sat back and began to read it! It broke the silence dramatically. The buyer ejected him not only from the meeting room but from the customer's site, with much noise and bluster. Full marks to Steve for style, though.

## Final Word

There is one response to negotiation tactics that is almost universally successful in defusing the tactic and re-establishing sound principles; and that is effective questioning. In the *Counters* to each tactic in this booklet, you often see specific questions. The art of questioning is fundamental to good negotiating and all readers of this book are strongly recommended to develop their ability to ask questions through the study of consultative selling skills. But good questions are only as good as the questioner's ability to listen to the answers.

Far more important than any tactic is the ability to listen actively; and there is no better point on which to finish.





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