

25 Most Difficult Negotiation Tactics

*How to respond effectively to
adversarial tactics*

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By Bill McCormick,
President,
Peak Selling, Inc.

info@peaksellinginc.com

www.peaksellinginc.com

(866) 934-0900



THE 25 MOST DIFFICULT NEGOTIATION TACTICS

Negotiation is a critical part of the sales process and many sales professionals tend to make several common mistakes during a negotiation, in particular when faced with adversarial tactics. This article will address how to respond effectively when the other side uses adversarial tactics, provides you with more details about the resources available to you as a participant in our coaching process for Sales Negotiation.

Tactics are behaviors - actions used by the negotiator to serve a purpose or to pursue an objective. Tactics can be verbal and/or nonverbal. One of the first things that negotiators or anyone skilled in communication learns is that every piece of behavior communicates. Whether we want to or not our behavior speaks louder than the words we use. For example, have you ever developed a series of assumptions about people just by watching them enter a room, shake hands, etc. without their uttering a single word.

Negotiation tactics can work to strengthen the relationship or can be used to intimidate, discourage, anger or upset the other party. Tactics can be skillfully planned or just happen in the course of a negotiation. Tactics that are intended to intimidate, surprise, or tip the power balance are labeled in this reading as "Adversarial Tactics".

Successful vs. Average Negotiators

Average negotiators make **three common mistakes** when they encounter adversarial tactics:

1. Average negotiators concede too much, too soon, on price.
2. Lower their expectation level for the overall negotiation.
3. Become intimidated or flustered, and make a bad agreement just to escape the situation.

By contrast, successful negotiators are flexible and creative when they respond to adversarial tactics. In general, successful negotiators respond to adversarial tactics as follows:

- Remain calm
- Suggest a break (or caucus), if needed
- Ask more questions to explore for alternative options
- Make a concession only if the other side reciprocates
- Hold firm on price but offer an elegant currency instead
- Warn, but not threaten the other person about the consequences of the adversarial tactic
- Get their needs met elsewhere

If you haven't already done so, as a participant in our coaching process for Sales Negotiation, you will complete an online negotiation styles inventory. As a result, you will receive by email a comprehensive personal report to help you identify your natural negotiation style and your strengths and areas for improvement as a negotiator. During the coaching conversation we will discuss ways you can adjust your style to meet your negotiation objectives.

The remainder of this reading contains some specific responses to each of the 25 most common and difficult negotiation tactics.

THE 25 MOST DIFFICULT ADVERSARIAL TACTICS

Adversarial tactics, if used by the other side, would be most likely to cause you some difficulty. The primary reason that we present adversarial tactics in our negotiation workshop is to teach participants how to recognize and respond to these types of tactics.

We do not recommend that you use these tactics if you are interested in reaching win/win agreements. There may be some situations where you choose to use some of these tactics, but be aware of the negative consequences that these tactics can have on the relationship and trust level.

1. **Big Pot tactic**...this refers to the creation and use of imaginary negotiating issues by the other side. Their hope is that the number of issues will dampen your aspiration level and establish a climate of toughness. Then, when they retract one of the imaginary issues, they hope to set up the feeling that you now owe them a concession. You can offset it by ignoring some of their issues (concentrate on those that are important to you) or by introducing numerous issues of your own.
2. **Budget or “Bogey” tactic** (“This is all I’ve got...”)...the other side tries to convince you that they have a dollar limit or some other restriction placed on them by their organization. For example, everyone is familiar with budget constraints so it is very believable and effective when the other side protests accordingly. Possible countermeasures: test it since most budgets are flexible; disengage and study the problem; change the payment terms; find out who the decision maker is (who controls the budget).
3. **Cherry Picking**...this refers to when a customer gets multiple bids, and then tries to get the best or lowest offer on each item by playing one supplier off the others. For example, suppose Supplier A gives the best price, Supplier B gives the best terms, and Supplier C gives the best warranty. The buyer starts the next round of negotiation by asking each supplier to make a proposal at A’s price, B’s terms, and C’s warranty. Possible countermeasures: make a small concession on price only; know your competition and have the courage to either say no; caucus.
4. **Company Policy**...the other person cites a company policy over which he or she allegedly has no control. For example: “We have to use our contract form” or “Standard payment terms are 60 days for everyone.” This tactic is often combined with the Non-Negotiable Demand tactic. Counter by saying you have similar constraints or offering an acceptable alternative such as mark-up-the-document. In other words, we’ll use your contract but only with some changes.

THE 25 MOST DIFFICULT ADVERSARIAL TACTICS (continued)

5. **Deadline Pressure**...they force action. Time is power. Use deadlines to your advantage. Don't accept them blindly if the other side puts deadline pressure on you. Is it real? What are the consequences if you decline? Both sellers and buyers use deadlines on the other. Sellers say: "the price goes up January 1"; "I can't guarantee availability, etc. unless you agree by Friday"; "this offer expires in two weeks." Buyers say: "I need your answer by tomorrow"; "if we can't agree, I'll talk to your competitor"; "the money won't be in the budget after next week."
6. **Deadlock**...perhaps the most powerful and uncomfortable tactic and situation to face. It leaves one with a sense of failure. In addition, how do you explain the deadlock to others inside your organization? It is usually effective to caucus and try to come up with a face saving solution. Neither side wants to deadlock if they truly wanted to reach an agreement. Remember: No deal is better than a bad deal!
7. **Divide and Conquer**...the other side involves multiple negotiators making side deals with various parts of the vendor organization. For example, the procurement manager works with the sales rep to get a better deal on price while the systems manager cuts a side deal with the vendor's development engineer to include some special software or services. Each concession looks small but the aggregate contract may look like a "bad deal" from the vendor's perspective. Best response: plan and coordinate with all members of your team that will have contact with the customer.
8. **Emotional Outbursts**...where the other party erupts into anger, which can be directed at the other party or toward their own colleague. Most emotional outbursts during the negotiation are staged to gain some advantage. Many people are uncomfortable with emotional displays and may move to placate or make concessions to 'keep the peace'. The most effective way to deal with emotional outburst is to remain calm. When things settle down, ask what specifically the problem is? If the outburst is real then you can deal with the issue. Otherwise, to appease may put you at a disadvantage.
9. **End Run**...suppose one side doesn't want to deal with the other's primary negotiator? Besides using the Change the Negotiator technique, an option is to go around the other person or escalate to a higher authority. Some possible ways that it is often done: initiate boss-to-boss contact; say, "This is bigger than both of us" and propose that other people need to be brought in; change the site to where other contacts may be.
10. **Fait Accompli**...the other side takes a surprise action. It works if the other side thinks that it is easier to ask for forgiveness rather than ask for permission. Tends to affect the balance of power. Could occur after the deal is signed. For example, the other side inserts or deletes penalties for non-compliance in the written contract.

THE 25 MOST DIFFICULT ADVERSARIAL TACTICS (continued)

11. **False Authority**...the other side misleads you about his or her authority. For example, after you have already made several concessions and thought that an agreement was in place, the other person says “I have to take this to my manager for approval.” This tactic is designed to wear you out, both physically and psychologically. Be prepared for last minute authority changes. Raise the issue early! Some additional options are to test it, counteract with an authority escalation of your own, and be willing to walk away.
12. **Good guy, Bad guy**...can occur in a team negotiation when one person acts tough and unreasonable and their partner acts nice and reasonable. Remember, if the other side is using this on you, neither side is really the good guy. You can react by walking out, protesting, ignoring the bad guy, or using your own bad guy. Humor can sometimes work (“hey, I know what you’re doing...I saw that on TV”).
13. **Heckling (or Personal Attack)**...this refers to negative attacks by the other person on you, often at a personal level. Best responses: dissociate yourself from the problem or issue. Be calm, try to ignore it. Negotiate to end it. If it persists, walk out and protest as loudly and as high up as you can. You do NOT have to take abuse.
14. **Intentional Delay**...this is a tactic where the other side uses time pressure against you, but they don’t explicitly express a deadline. It is usually used either at the beginning or end of the negotiation. For example, you show up on time at the other person’s location, and they make you wait in the lobby an exceptionally long time. Or, late in the negotiation, the other side procrastinates or “misplaces” a critical document. If the other side learns that time pressure exists for you, such as the need to catch an airline flight, they can use it to their advantage.
15. **Killer Phrase (“You’ve got to do better than that”)**...those seven words work well against average negotiators, who tend to make an immediate and unilateral concession. Some good responses are to remain firm and get the other party to offer a counter-proposal if they haven’t yet expressed their position. Another alternative is to make a concession, but only if the other side makes a concession in return.
16. **Missing Man Maneuver**...person with final authority disappears near the end of the agreement. This is a delaying tactic, signaling that they are going to competition. If it happens, consider walking out; put a time limit on your offer; go higher.
17. **Nibbling (or Add-on)**...this refers to when one party asks for a relatively minor concession or throw-in, typically at the conclusion of the ‘big’ negotiation. It works. For example, ask for slightly extended payment terms...or a less than usual down payment...or an extended warranty. Resist the tendency to give in. With tactful firmness, you can decline the nibble or trade it for a larger concession.

THE 25 MOST DIFFICULT ADVERSARIAL TACTICS (continued)

18. **Non-Negotiable Demands**...tends to be perceived as adversarial if the other side takes this position on all or most issues. This tactic works because it lowers your expectations. Possible counter-measures: conduct off the record talks; explain why you feel otherwise; treat the demands as negotiable and suggest alternatives; caucus. If you opt to use it, this tactic is especially effective if the non-negotiable demands are included with reasonable demands.
19. **Outrageous Initial Demand**...the customer opens at a very low price or the seller opens at a very high price. On its own, this tactic is intended to influence the expectations of the other side. Used in combination with split-the-difference, it works to the advantage of the “outrageous” side. Some responses include walkaway, have the courage to stick to your original opening, or reschedule.
20. **Phony Facts**... In plain English, the other person lies to you. Be alert to indications that they are deliberately lying. If you suspect it, don't attack the person; instead, use face saving techniques such as trust-but-verify.
21. **Physical setting**...this tactic is not as prevalent as it once was, but don't be surprised if the other side tries purposely to make the physical setting of the negotiation as uncomfortable as possible for you. Some classic examples: the infamous sun-in-your-eyes, or uncomfortable chairs, or a lot of background noise and interruptions. A more recent example of this tactic is to conduct the negotiation in a public setting such as the other side's lobby, so that other people overhear what you are saying.
22. **Split the Difference**...it is hard to say no because this appears to be so reasonable. In some cases, this tactic has a positive effect. However, if used in combination with Outrageous Initial Demand, it favors one side much more than the other. If the splitting the difference makes the agreement unacceptable, simply say no.
23. **Take Back What You Gave Earlier**...purpose is to reduce other side's aspiration level. When it is restored or returned, it makes the other side feel as if they have gained something. But all that's happened is a return to status quo.
24. **Take It or Leave It** ...signals that the other side has reached their limit. The other person might say something such as “...this is our last and final offer”. If the other side uses this tactic on you, you can respond by introducing new alternatives, explaining the true cost of deadlock to both of you, or move to a different solution.
25. **Threats**...every negotiation involves a degree of threat. The problem is when it is explicit and punitive. Threats usually lead to counter-threats. Threats can be real or imaginary; treat them as real if the other side has other alternatives and can live without you. Otherwise, consider the fact that they may be bluffing. Possible counter moves: fait accompli; protest to higher management; prove that the threat can't hurt you; be irrational; show the threatener that they have more to lose.

THREE CATEGORIES OF TACTICS

One of the best books on tactics is “Getting Past No: Negotiating With Difficult People” by William Ury (see bibliography on next page). Ury lists three types of tactics, for which we have categorized the 25 adversarial tactics from this reading.

Stone Walls (*the other side refuses to budge*)

- Budget (or Bogey)
- Company Policy
- Deadline Pressure***
- Deadlock
- Fait Accompli
- Non-Negotiable Demand
- Take It Or Leave It (or Last and Final Offer)

Attacks (*pressure and posturing tactics by the other side to intimidate you*)

- Divide-and-Conquer
- Emotional Outburst
- End Run
- Heckling (or Personal Attack)
- Intentional Delay
- Killer Phrase***
- Outrageous Initial Demand***
- Physical Setting
- Threats***

Tricks (*tactics to mislead you*)

- Big Pot
- Cherry Picking***
- False Authority
- Good Guy, Bad Guy
- Missing Man
- Nibbling
- Phony Facts (or Lying)
- Split the Difference
- Take Back What You Gave Earlier

***Top 5 tactics from Peak Selling surveys and prework from our Negotiation Skills Workshop.**