

# How to Negotiate: The Art of Getting What You Want

## Part 3: Leverage and Tactics

### *AM I PLAYING THE RIGHT GAME?*

**Leverage:** Build it, use it

Notes and Reflections

**Game:** Recognize it

Notes and Reflections

**Tactics:** Move and counter

Notes and Reflections

# Negotiation

## Phase III – Employing Leverage and Tactics

### Am I Playing the Right Game?

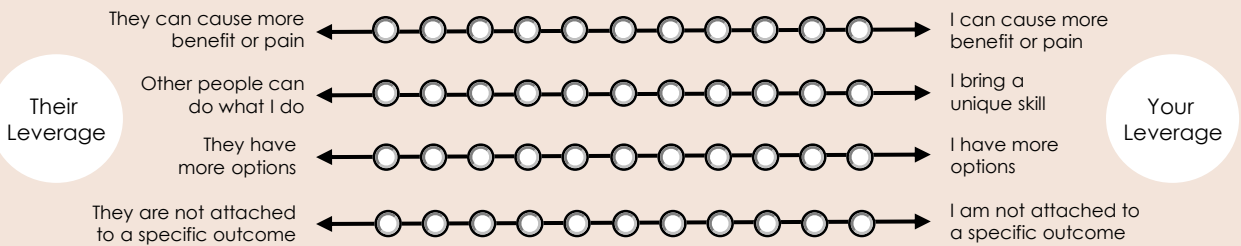
During a negotiation, a dynamic will emerge. It can often hinge on the relative leverage that you have relative to the other parties. The dynamic is usually characterized by a "cooperative" tone or a "competitive" tone. Based on the tone, there are tactics that are appropriate for each.

#### Leverage. Build it, use it

- Establish your value and be ready to leave the social encounter
- Who has more options? Who needs whom more?
- In the space below evaluate your leverage, and consider how you might increase your leverage
- In the space to the right, think about why you are indispensable and how you can leave the social encounter

What is my case for being indispensable?

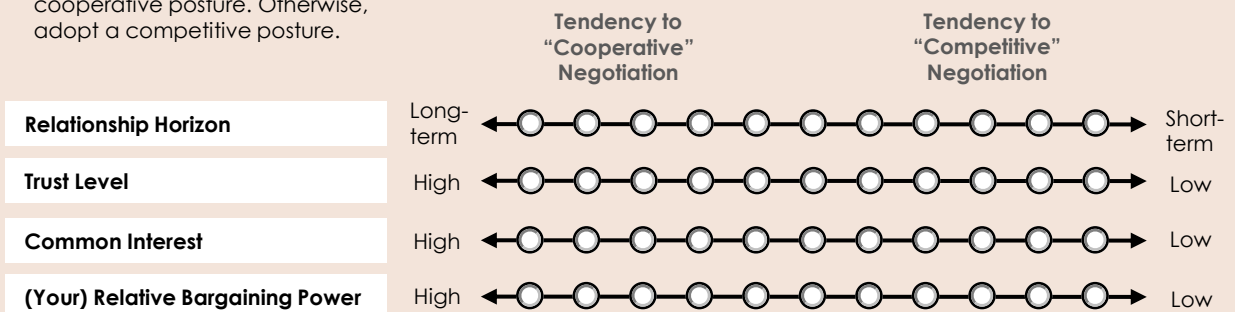
Why am I prepared to leave?



#### Game. Recognize it

- It is generally preferred to engage in a cooperative negotiation because of the opportunity to create additional value for both sides
- As an opening posture, be tentatively cooperative
- In the space below, evaluate the context for a cooperative versus competitive negotiation
- If the other side reciprocates cooperation, then maintain the cooperative posture. Otherwise, adopt a competitive posture.

	Cooperative	Competitive
Initial Framing	Define issue in terms of common interest	Define issue in terms of <b>self interest</b>
Communication Style	"All cards on the table" More disclosure the better	"Close to the vest" Reveal as little as possible while gathering information about the other side
General Strategy	Define common interest. Explore creative possibilities	Leverage bargaining strength, keep other off balance



# Negotiation

## Phase III – Employing Leverage and Tactics

### Tactics. Move and counter

	Cooperative	Competitive
Initial Framing	Define issue in terms of common interest	Define issue in terms of <b>self interest</b>
Communication Style	"All cards on the table" More disclosure the better	"Close to the vest" Reveal as little as possible while gathering information about the other side
General Strategy	Define common interest. Explore creative possibilities	Leverage bargaining strength, keep other off balance

#### Example **Cooperative Tactics**

- Establish areas of agreement (begin by finding areas of agreement and common interests)
- Define a common issue to solve ("I think we both have an interest in...")
- Liking (making a personal plea, using personal influence, using someone who has influence with the other party)
- Risk mitigation (proposing something on a trial basis, pilot programs)
- Advice Seeking ("If you were in my position, how would you approach this issue?")

#### Example **General Tactics**

- Appeal to Self-Interest (this is what you get, this is what you'll lose out on)
- Scarcity (if we don't do this now, we'll lose the opportunity)
- Social proof (enlisting support of others, showing successful examples from other sources, in job negotiation, get a second offer which confirms market value)
- Reciprocity (quid pro quo, mutual concession)
- Framing (providing options and choice)
- Commitment / Consistency
- Authority (using experts, rules, laws, regulations to support your position)

#### Example **Competitive Tactics**

- Scarcity ("I have someone else who wants it")
- Take-it or Leave it ("I'll give you a day to think about it")
- Padding (introducing issues you don't care about in order to negotiate them away)
- Low-ball offer (anchoring effect on the range of the negotiation)
- Preconditioning ("I only have \$20,000 in the budget")
- Silence (people hate silence and may give a better offer)
- New issue / new facts / new rules ("Have you also considered...?")
- Nibbling ("Oh by the way")
- (and many more!)

Potential **Cooperative Tactics**

Potential **General Tactics**

Potential **Competitive Tactics**