

Managing Projects Across Border: 10 International Negotiation Tactics



Deceiving Tactics: Lies

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| What it is | Outright or partial lies which may mislead the other side about the strategy, position, or allow the party to obtain bargaining advantages. Lies only work if the other side cannot see through them. |
| Examples | A claim that a competitor has made a better offer; inventing reasons why a requested concession cannot be made. |
| Clues | Phrases like “To tell you the truth” or “Let me be frank”, a counterpart suddenly sitting straight, seeking eye contact where there was little of it before, frequently blinking his eyes, or if their voice is suddenly higher pitched. If verbal message and body language do not match, nonverbal signals probably reveal the truth. |
| Defense | Do your homework upfront, by learning as much about the other side as you can. Test whether the other side is lying by attempting to break through it: ask several tough questions that challenge the allegation and watch for signs that your counterpart is indeed lying. |
| Country-specific advice: | In cultures where people generally prefer an aggressive negotiation style, like Bulgaria, Israel, Russia, or Ukraine, it can be effective to directly confront your counterpart with your belief that they are lying. In cultures where face is very important, such as Argentina, Brazil, China, India, Indonesia, Japan, or Mexico, be careful when asking probing question. |

Deceiving Tactics: Good Cop / Bad Cop

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| What it is | One person acts as demanding and difficult while the other acts as if they are trying to make the deal but have to keep the other one from rejecting it. |
| Examples | “Bad cop” appears influential and acts aggressively, adversarial, maybe even irrational. Puts significant pressure on the other side, makes unreasonable demands, rejects concessions, etc. |
| Clues | “Good cop” gets the other side to make concessions in order to “soften things up.” Bad cop may leave the room or otherwise pull himself out if the other side appears willing to compromise. Good cop may then propose to “settle it now”, saying that they can agree with a deal that represents the best deal the other guy will ever accept. |
| Defense | Do not allow the bad cop to control the negotiation. Exclude him from the discussion and focus on the good cop. If needed, keep asking the “good cop” whether they themselves think your proposal is reasonable and acceptable. If they say yes, you won. If they keep pointing to the “bad cop”, they eventually become incredible. Don’t confront the other side about the use of good cop, bad cop. They will not admit it and doings so only deteriorates the negotiation climate |
| Country-specific advice: | May be used in several of the cultures where relationships are only moderately important and people are willing to be somewhat aggressive, like the US, Germany, Belgium, Netherlands. Unlike openly aggressive techniques, this one preserved the relationship between the companies as a whole and is thus more compatible with highly relationship-oriented cultures, so it may also be used in cultures such as Brazil, Greece, Mexico, South Korea, several others. Rarely used in Arab and most Asian countries (exceptions: South Korea, Philippines) – they prefer to work in fully aligned negotiation teams. Never used in Japan. |

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Pressure Tactics: Time Pressure

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| What it is | Negotiators with a high sense of urgency and a desire to “close the deal” often become more willing to make concessions once a deadline is approaching. Their counterparts then wait until time is very limited to deal with topics in which they wish to gain an advantage. |
| Examples | One popular tactic is to inquire about flight arrangements to “reconfirm the trip.” The local negotiators now know when the other side will start feeling time pressure. Another approach is to request changes to a pending agreement very late in the game. Russian, Ukrainian, Taiwanese, and negotiators from several other cultures often use this. Again, this requires that they know the other side’s deadline. |
| Clues | Delaying tactics, avoidance of discussions of serious issues like price, deadlines, etc. . |
| Defense | Best one is patience, setting aside ample time and being willing to come back for a continuation of the negotiation if needed. Second best is not to reveal any deadlines or to emphasize that you are prepared for delays. |
| Country-specific advice: | Shrewd negotiators may exploit every opportunity to apply time pressure when negotiating with Americans. Time pressure cannot be used against people in highly relationship-oriented cultures where people allocate considerable time for negotiations, such as China, Egypt, Indonesia, Malaysia, Mexico, or Singapore. |

Pressure Tactics: Silence

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| What it is | Use of silence to intimidate the other part The objective is to signal displeasure and create pressure on the other party to improve their offering. Silence can be a very powerful tool. Since it rarely jeopardizes relationships, some negotiators may simply try the tactic to see whether it works. |
| Examples | A negotiator remains completely silent after a request or offer was made, with a serious look on his face |
| Clues | Silence is seems awkward and facial expression seems to suggest displeasure. |
| Defense | <i>Never</i> make additional concessions only because your counterpart remains silent. Try remaining silent yourself. After an extensive period of silence, when you are certain that it is used as a tactic, calmly ask your counterpart whether they plan to respond to your proposal. If the silence still continues, explain after a while that you are about to leave because they apparently are not interested in your proposal. Get up and walk towards the door. They will stop you before you have left the room |
| Country-specific advice: | Works best in communication-intense cultures where silence is interpreted as sending a negative message: United States and Ireland; may also be effective in Argentina, Mexico, France, Italy, or Spain, and might work in Canada, Hong Kong, Singapore, Taiwan, and many others. Will not have an impact in countries where silence is appreciated, for example Finland, or where it is a frequent part of normal conversations (e.g. most of Central and Eastern Europe). |

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Pressure Tactics: Final Offer

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| What it is | Using the expression “final offer” is to induce fear of losing the deal. The other side has to be sufficiently interested, plus the offer has to be made convincingly enough such that the other side believes that they will not get a better one. |
| Examples | A negotiator states “this is my final offer” or “this is the best I have to offer; take it or leave it.” |
| Clues | Final offers are best made late in the game. If the other side is already mentally committed, they may face self-induced psychological pressure “not to lose the deal.” |
| Defense | Simply ignore the offer. Never get upset over the use of this tactic. Re-state your own previous position, or make a different offer. If the other negotiator was serious, they will repeat several times that their offer is final. A hard-ball tactic may also work: respond with a final offer of your own (but be very cautious – this can backfire big time!). |
| Country-specific advice | Frequently used in many countries. Negotiators in countries such as Australia, Austria, Germany, the Nordics, or Switzerland may view a final offer as an opportunity to speed up the negotiation. In cultures where people enjoy extended bargaining, for instance in many Arab and Latin American countries, Indonesia, or Nigeria, do not make a final offer until several rounds of bargaining have been absolved. Strongly competitive or adversarial negotiators, for instance Bulgarians, Israelis, Russians, or Ukrainians, are generally distrustful and reluctant to accept if your final offer comes too soon. Final offers are often bluffs in cultures where people either prefer an aggressive negotiation style, like Bulgaria, Israel, Russia, or Ukraine, or where they prefer tough bargaining, for instance in China, Korea, or in many countries of the Middle East. |

Aggressive & Emotional Tactics: Extreme Openings

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| What it is | Commonly means an initial offer that is difficult to defend rationally. Frequently used only to get a reaction from the other side which may provide further information. May also be used if the offering side does not have a good idea of what is reasonable. May work if the other side has no idea of the true value (Antique dealers have made fortunes with this approach). |
| Examples | Offering 20 % of the actual value of the item being negotiated |
| Clues | Shockingly low offers |
| Defense | Do not take it personally. Show complete shock, point out that the offer is completely unrealistic, and request a “serious” offer. If no movement, make an equally unrealistic counteroffer. Then point out that both of you have made unrealistic offers and promise to respond in kind if they make a realistic offer. If using extreme openings yourself, never bid twice because the initial opening was “not good enough.” Always request a counteroffer instead. |
| Country-specific advice | Country-specific advice: Frequent tactic in “haggling cultures” such as Indonesia, Iraq, some Arab countries, the Philippines. Avoid the approach in countries where relationships are critically important, for example China, Indonesia, Malaysia, Mexico, or Singapore, and in cultures where people generally dislike haggling, such as Australia, Austria, Germany, Switzerland, Hungary, or the Nordics. People there may become very upset if you use it. |

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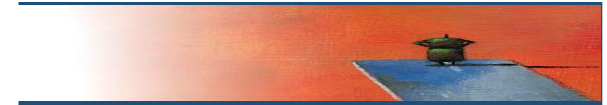
Aggressive & Emotional Tactics: Anger, Walk-Outs

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| What it is | An attempt to seize complete control of and dictate the agenda through aggressive behavior. Could be a tactic to intimidate a weaker counterpart and get concessions, or a personality trait |
| Examples | A negotiator appears very aggressive, openly displays angry behavior like raised voices or angry mimics and gestures, or walks out, yelling and slamming the door. |
| Clues | See above |
| Defense | Never respond in kind. Stay calm and friendly, remain very patient. Remind yourself that what you see is likely a technique. Listen carefully for leaks and non-verbal messages. Watch their body language to determine whether it is an act or it may be real. You can often get valuable information from an aggressive negotiator because few are able to choose their words carefully while “acting.” If the other side gets overly adversarial, first try to calm things down, for example by calling a short break. If no progress, state that you will not participate in discussions unless conducted in a professional manner. Wait until they finally talk in a “normal” tone. If they keep interrupting you, calmly say that you are not finished. If necessary, point out that you don’t talk while they are speaking, so you expect the same courtesy. Once they calmed down, point to your recent concessions and ask how they could get so aggressive with you when showed such a willingness to work with them. You may succeed in making them feel guilty and get concessions yourself. |
| Country-specific advice | Country-specific advice: Frequently used in Russia and Ukraine, occasionally in several other Central and Eastern European countries, as well as Israel. Tactic can be effective in many European countries, the Middle East, the United States, Canada, etc. Don’t use it in cultures where the concept of face is very important, such as China, India, Indonesia, Japan, many Latin American countries. Openly displaying anger and being aggressive likely means they will not take you seriously anymore. |

Aggressive & Emotional Tactics: Appeals to Personal Relationship

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| What it is | A negotiator uses an appeal to a personal relationship in order to get agreement with a proposal or obtain a concession. |
| Examples | Negotiators may use phrases such as “you owe this one to me for the sake of our friendship”, “show me that you like me by agreeing with this.” Sometimes with a future orientation: “I can assure you that accepting this will affirm our relationship and give you great advantages in our future business relations.” |
| Clues | Appeals to a friendship or business relationship that don’t seem match your history of working with your counterpart. |
| Defense | Rationally assess how strong the present relationship is and whether you believe that you owe a concession or that they will reciprocate. Set the hurdle high for the latter |
| Country-specific advice | The tactic is often used by people from cultures where relationships are less important. Others, e.g. in the Middle East or in Eastern Europe, may use it only with people with whom they do not have a strong relationship yet. The tactic is rarely used in most countries where relationships are critically important, for example China, Indonesia, Malaysia, Mexico, or Singapore. If they do use it, it is a serious promise that the other side will make good on your concession down the road. Be very careful about when to use it yourself. In strongly relationship-focused cultures, you may overestimate how good the other side already feels about the relationship. If they reject because they don’t feel that good about you just yet, you lose face and are left in a weak negotiating position. |

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Defensive Tactics: Changing the Subject

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| What it is | A negotiator may frequently change subjects during the course of the negotiation in order to confuse the other side. Can be very effective to avoid releasing information and to accept concessions without reciprocating. |
| Examples | A negotiator starts talking about potential follow up business right after you have offered a concession. You aren't sure if she understood the concession you offered or didn't like it. |
| Clues | You have trouble following the conversation; your counterpart seems to lack discipline or focus |
| Defense | Keep track of any concessions the other side made. If you just made a concession, ask "Does changing topics mean that you did not value the concession I just made" |
| Country-specific advice | Country-specific advice: People in many "polychronic cultures", such as France, most of Latin America, the Middle East, and many others, may use this technique. It will not be very effective for you to use in these countries. Don't use it with strongly "monochronic" cultures, such as Canada, Germany, the Nordic countries, Switzerland, or the United States. People may get very upset if you do. |

Defensive Tactics: Changing the Subject

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| What it is | A surprise tactic to disarm the other by being very direct and candid. A negotiator may openly ask for the other side's real intentions. |
| Examples | "What would you consider a fair agreement?" |
| Clues | A question seems inappropriate or the negotiator appears to be naive or too trusting (he is neither) |
| Defense | State something that is non-committal and leaves enough further bargaining room |
| Country-specific advice | Country-specific advice: Can be effective with many cultures. Recommended with countries that dislike bargaining but generally have a high sense for fairness, e.g. in Northern Europe. Expect them to use it as well. Use cautiously in cultures where the concept of face is very important, such as China, India, Indonesia, Japan, and others. If you reject or strongly debate their next response right away, you would cause the other to lose face. Avoid in cultures that enjoy and expect extended bargaining and haggling, such as the Middle East countries, Indonesia, Mexico, Nigeria. They may be insulted by the approach and view it as a refusal to negotiate |