

POWER TACTICS:

Successful negotiation from a disadvantageous position¹

Have you ever felt pressured into accepting a deal that you were unhappy with? Or you took a deal because there seemed to be no alternative? Most of us have probably experienced this at one time or another.

Just recently I've had two occasions in which the deal was less than what I had aimed for and in both of these the sale of something that I owned was involved. But because I was under pressure, I settled for the first offer that came in. Clearly, if I had more time on my side I would have been in a more powerful negotiating position and so I could have waited for better offers. My case wasn't helped by the fact that the buyers knew I was moving overseas within a matter of weeks. Knowing this information definitely gave them the upper-hand in our discussions. So, my position was weakened because I had a limited amount of a particular resource (time) and the other party knew this fact (they had important info which could be used to their advantage).

These situations leave us feeling less than enthusiastic about the outcome and have us questioning what we could have done differently to improve our negotiating power in order to reach a better deal.

So, what can realistically be done in these situations where you are negotiating from a less powerful position (which has been termed an *asymmetric negotiation*)? Well, it turns out that the answer is a lot.

Know Your and Their Sources of Power

In any negotiation, the first thing that you'd want to know is where your and their sources of power are located. But, in order to do this, you first need to know what gives one negotiator more power than another.

¹ This article was originally published online here: <http://www.charityvillage.com/cv/research/rom73.html>

So, where does a negotiator's power originate from? There are actually many sources, but we'll concentrate on only two of these for now: a good BATNA and resources.

1 -A GOOD BATNA

A BATNA refers to your Best Alternative to reaching a Negotiated Agreement. That is, do you need to negotiate at all or do you have other options or alternatives available to you?

You can easily determine your BATNA by answering the question "if this deal cannot be reached how can I still achieve my aims"? The less you "need" to reach a deal in these negotiations, the more powerful you are because you have a very good BATNA – you have other choices than entering into or completing the negotiation in question.

A good example that illustrates this is the case of haggling over the price of a souvenir in a tourists' market. A vendor there may be willing to lower their price significantly on an item because they know that the other vendors in the market all carry a similar item at roughly a similar price. It is very much in this vendor's interest to strike a deal with you at this moment, while you are more than ready to walk away because you'll have numerous other chances to shop for the item.

So, your BATNA -and consequently your negotiating power- is improved the less you need to complete the negotiation and the more you can create other options for reaching your aims. Of course, the flipside of this is that the other party's negotiating power is decreased the more they need to make a deal with you because they have fewer other options available to them.

2- ACCESS & MOBILIZATION OF RESOURCES

A second source of negotiating power stems from the ability to access and mobilize resources. It is important to note that having resources does not automatically equate with being more powerful in a specific negotiation. In other words, having more resources does not automatically make one party more powerful. Why is this?

There are several reasons why having resources does not always make one party more powerful than another. First is the context. Power is context-specific: a person with a canteen full of water in the desert has more power than someone without one. The same is not true if these two people were sitting beside a freshwater lake filled with good, clean drinking water. Context makes all the difference in the world whether a resource has value or not.

The second reason is actualization. Power is impotent or even nonexistent if it is not possible to express or actualize it. In other words, owning all of the materials to build an addition onto my house might make me more powerful, but if I don't have the skills (or tools) to actually build anything or a back injury prevents me from doing this, then my power is greatly reduced because I cannot actually tap into my resources to reach my aim. Thus, power stemming from access to resources is only *real power* if these resources can actually be mobilized.

So, after considering a negotiator's power in terms of BATNAs there is also the factor of having and then mobilizing resources as a second source of power.

Collect Information

Knowing the different sources of negotiating power, you would want to collect information about the other party. What is their BATNA? What resources are relevant to this particular negotiation and of those, which ones do they (not) have access to or control of? Can they mobilize the resources they possess? What restricts them from doing so, and will they be able to overcome these restrictions? The answers to these types of question will be vital for the next step: formulating a full negotiating strategy.

Strategy Development

Armed with the above information, you would then look to formulate a full negotiating strategy to guide your efforts. In general, your goal is to always protect your own interests while looking to reach a solution that also meets their interests. Somewhat ironically though, as you help empower yourself to meet your interests and by helping them to meet theirs, you are co-empowering them. That is, if we both reach a deal that truly meets our common interests, then

we have both become more powerful through the process because we both “got what we wanted” from the negotiations.

In fact, by going even further and searching for even more creative, outside-the-box solutions to the problems at hand and by pushing to the “frontier of possibilities” both parties can actually exponentially increase their power by getting more from the negotiations than meeting their basic interests only.

In much more specific terms, however, this means that to protect your interests you must increase your power while accounting for the influence of theirs. This may require the skilful use of both protective or defensive measures in order to deflect and re-channel their use of power into an agreement that is mutually-beneficial. Specific tactics for doing this are discussed below. At the same time, you want to explore the “zone of agreement” in order to push to the frontier of possibilities so that you can reach those special deals that actually surpass everyone’s minimum expectations.

Power Tactics

In order to actually make your negotiating strategy happen you are going to need to use a number of specific tactics throughout the negotiating process. These include the following:

- Protect (or reveal) your information at key points while being careful not to reveal anything that would compromise you.
- Collect information about the other party – keep it confidential or reveal it at certain key points if it will help advance your mutual interests.
- Make reaching a deal with you an attractive option for the other party while also improving your BATNA by developing other avenues to reach your goals.
- Change the context in your favor.
- Increase your resources – ensure you can mobilize them when and if necessary. Decrease their resources and/or block them from mobilizing them if they are being used in manner that is detrimental to reaching a mutually-acceptable deal.
- Leverage your resources for maximum effectiveness.
- Be firm and focused: know your objective and direct all available resources to it.

This article addressed the question of what you can do if you find yourself in the situation of being a weaker party in a negotiation. As described above, there are a number of simple and practical things that can be done and several steps that can be followed to increase your negotiating power.

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CIAN offers several online negotiation training courses. For more details, check their website.

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