

Negotiation Tactics: Literature Review

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## INTRODUCTION

Negotiation is a crucial skill in many facets of life, and to be a successful negotiator is to not only achieve one's own goals but to help others achieve their goals as well. To be a successful negotiator, however, requires knowledge of the tactics required. This literature review will explore three different articles concerning negotiation tactics. The first article under review broadly explains the many benefits that knowledge of tactics gives a negotiator. The second article will explore negotiation skills and tactics as they relate to gender. The third article explores trust, aspiration, and gender as they relate to negotiation tactics.

## THE USE OF TACTICAL DESCRIPTIONS TO ENHANCE NEGOTIATIONS

In their article *Knowledge Matters: The Effect of Tactical Descriptions on Negotiations Behavior and Outcome*, Weingart, Hyder, and Prietula begin by examining the problem with many negotiations. This problem is that joint gain between the two parties is often not maximized. Even when the two parties believe that negotiations have been optimized, this is not often the case. The researchers in this study hope to reduce the occurrence of 'suboptimal negotiated solutions' through the use of intervention in a laboratory study (1996).

In examining the reasons for why suboptimal solutions are reached, the researchers posit in their opening paragraphs that the reason is a lack of knowledge. Although knowledge can be lacking in many areas (i.e. resistance points, alternative options, etcetera), they specifically focus on a lack of knowledge of tactics. Specifically, they talked about some of the important tactical information that inexperienced negotiators often forget. With integrative situations, people often forget that the situation is not zero-sum, and that trade-offs on various issues are a very important part of the process. Concerning distributive tactics, it is important to remember that appearing firm and using persuasive arguments are crucial to achieve a favorable solution (Weingart et al, 1996).

Both experience and instruction play important roles in the development of negotiation skills. Therefore, although a negotiator may not have much experience, a set of instructions for the use of certain tactics can be greatly beneficial to the novice negotiator. As the authors point out, negotiations happen every day, and so the use of simple instructions could lead to great payoffs (Weingart et al, 1980).

The experimental design included two persons seated on opposite sides of a table. Each was told the scenario that they would be negotiating, and each was given a card with set of instructions as to what each of their resistance points would be. This information was private, and each participant's card was private and not visible to the other party. Half of the dyads received another sheet with negotiation tactics, while the other half of the dyads did not (Weingart et al, 1980).

The researchers analyzed the results of the experiment and how successful the negotiations were for both parties by calculating a Pareto efficiency score, a type of best outcome equation. After response coding and analysis, the results indicated that providing inexperienced negotiators with operational tactical knowledge allowed for much more efficient outcomes. In fact, the dyads with tactical knowledge utilized more integrative tactics and achieved much better outcomes for both parties, as measured by the Pareto equation (Weingart et al, 1980).

The results of this study indicate that intuition alone is far from all that is needed in the negotiation process. Rather, knowledge of negotiation tactics, even if brief and consulted during the process, can make a huge difference in the success or failure of negotiations.

#### NEGOTIATION TACTICS, SALARY, AND GENDER

The second study in this review is similar to the first concerning experimental methods, as this too examined how negotiation tactics training improved the capability of MBA students to negotiate for a better salary. In addition, these researchers examined how salary negotiation was related to gender.

Stevens, Bavetta, and Gist begin with a discussion of the pay gender gap, specifically with regards to salary negotiation. A previous study cites the fact that men on average receive \$742 more when they negotiate for a better salary than do women (1993).

There are several possible explanations for this gender gap that the authors cite. One reason is a lack of tactical knowledge compared to men. A second possible reason might be the expenditure of less energy on the part of women when negotiating. Finally, a third explanation provided for this difference is a lack of self-efficacy among females. Self-efficacy refers to confidence in one's ability pertaining to a particular task or series of skills (Stevens et al, 1993).

The researchers designed a negotiation tactics training program in the hopes that, once the training program was completed, simulated negotiations with confederates would show a minimized gender raise achievement discrepancy versus the non-trained group. The experiment was constructed as follows. Men and women enrolled in an entry level human resources management class volunteered to participate in the researchers' study. These individuals then attended an initial orientation session, and then had to negotiate for salary increases with a trained confederate. This served to construct a baseline score for the participants (Stevens et al, 1993).

Following this baseline measurement, the participants were randomly divided into one of two supplemental training programs- goal-setting training and self-management training. Approximately two weeks after this training, a second negotiation session was held to determine if the trainings had improved negotiation tactics and increased salary (Stevens et al, 1993).

The results of the study were mixed. Results indicated that not only did women utilize less tactics in the salary negotiation process but they also consistently set lower goals for their salary. Therefore, they continued to obtain smaller salary increases than the men, even after the training on negotiation skills and tactics. However, there was some encouraging news from the study. The supplemental goal-setting training did improve both sexes' salaries from their initial baselines. The

researchers also point out the value of reactive tactics in salary negotiation. The use of reactive tactics involves anticipating and planning to overcome resistance obstacles. One final note is the fact that employers sometimes react differently to negotiation tactics depending on the gender of the employee. So this also is important to keep in mind when examining the results of the study (Stevens et al, 1993).

Overall this study shed some light on the reasons behind the gender gap in the United States. While the research suggested some good ideas for bridging this gap, the authors make clear that the issue is complex and more research is required to further close the gender gap.

#### TRUST, ASPIRATION, AND GENDER WITH REGARD TO NEGOTIATION TACTICS

In a study investigating trust, aspiration, and gender and how they relate to negotiation tactics, Kimmel, Pruitt, Magenau, Konar-Goldband, and Carnevale have crafted a fairly complex yet informative research study concerning various aspects of negotiation. Specifically, the researchers investigate three types of negotiation tactics that influence the capability to enjoy joint benefits in a negotiation session. These three tactics are distributive tactics, information exchange, and heuristic trial and error. Distributive tactics are more high pressure and seek to drive the other side to make concessions, and often lead to a low joint profit. Information exchange involves the sharing of information between two parties, and often leads to high joint outcomes. Finally, heuristic trial and error involves a lack of trust between the two parties, so this involves changing one's offer, seeking reaction to offer changes, making concessions to lower priority items, and systematic concession making, all in an effort to feel out the other party's position (1980).

To study these different kinds of negotiation tactics, the researchers recruited freshman college students to participate in a study. The researchers had several hypotheses, namely that higher trust will produce more information exchange, that lower trust will produce more heuristic trial and error, and that if negotiators' aspirations are higher, the ending joint benefit will be larger, as the negotiators will

not want to settle for a substandard agreement. The experiment was set up in “a 2 X 2 X 2 design involving aspirations (high vs. low), trust (high vs. low), and gender (male dyads vs. female dyads with same gender experimenters)” (Kimmel et al, 1980, p. 11). Aspiration level was determined by the dollar value of the negotiation goal. Trust level was determined through a questionnaire that was completed by each dyad negotiator participant. These completed questionnaires were swapped and shown to the other member of the dyad. If the experimenters wanted to purposely create a low trusting environment, they would show the two dyad participants cards that were purposely filled out showing low trust. Finally, gender was evaluated to determine differences in female-dyad negotiations versus male-male dyad negotiations (Kimmel et al, 1980).

Each participant had a card with prices for three different products. One participant of each dyad was the buyer, and the other was the seller. Both parties could achieve the best possible outcomes through compromise, whereas lower outcomes for each would occur if harder positions were taken. The results of the study indicated several important findings. First, that high trust led to much better negotiation outcomes through the use of better tactics throughout the process. Secondly, that negotiators tend to mirror the other’s behavior, so that if one’s trust is high, the other negotiator’s trust may increase as well. Thirdly, a low trust high aspiration situation tended to result in more distributive tactics, especially among the male dyads, leading to less fruitful negotiation settlements. Finally, with regards to gender, although correlation of measurements between different gender dyads was high, females tended to speak less during the negotiations and show more self-doubt (Kimmel et al, 1980)

## CONCLUSION

These three studies show the many different tactics that can influence and affect a successful negotiation outcome. Gender, training, tactical descriptions, and trust are among the many important factors in negotiation outcomes. Additionally, the strength of conducting research using dyads was

demonstrated in these well-crafted and worthwhile research studies. The two studies that referenced gender highlighted the different conclusions that researchers have arrived at concerning why and how gender affects negotiations. This literature review reveals both the progress that has been made in negotiation research and the many questions that yet remain unanswered.

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