



## BARGAINING TECHNIQUES & TACTICS

### Bargaining Techniques

<b>Be Prepared</b>	Adequate preparation is essential for successful negotiations. Study strengths & weaknesses of both positions. Also study needs of the other party and ways to satisfy those needs.
<b>Aim High</b>	Adequate preparation is essential for successful negotiations. Study strengths & weaknesses of both positions. Also study needs of the other party and ways to satisfy those needs. Generally, the higher your expectations, the more successful your performance will be. Strive for a WIN/WIN outcome with expectations on both price and on non-price (contract requirements) issues.
<b>Give Yourself Room To Compromise</b>	When negotiating price, Government negotiators should present an initial, reasonable position below what will be the ultimate price in order to be in a position to make concessions before agreeing on the final price.
<b>Put The Pressure On The Contractor/Government</b>	Listen and watch during negotiations to identify cues on the pressures affecting the contractor/government. Potential alternatives that may be posed to a contractor in non-competitive negotiations include changing product requirements to encourage competition; changing terms and conditions to encourage competition; make or perform work within the Government. Potential alternatives that may be posed to the Government include making the case that the firm is the only company experienced and qualified to perform the work; that the Government's schedule imposes a burden on the contractor's performance; that specialty subcontractors are in limited in availability.
<b>Do Not Volunteer Weaknesses</b>	Never disclose information that would weaken your negotiating position or enhance the bargaining position of the contractor. Respond to questions carefully by avoiding a direct response to a direct question. For example, when selling a car, the owner should never reveal that the car is a gas-guzzler, but that he/she just wants another car
<b>Use Concessions Wisely</b>	Compromise is a vital part of contract negotiations. Never make a concession without getting, or at least asking for a concession in return. Do not appear overly generous or rush to make concessions. Concede slowly and in small amounts.
<b>Say It Right</b>	Sell yourself and your ideas. Be polite and show respect. Be personable, but businesslike. Keep it simple and never personalize differences. Emphasize need for cooperation. Speak with strength and confidence. Never make negative personal comments, and stay calm.
<b>Satisfy Non-Price Issues</b>	Common non-price issues include: Technical requirements; data requirements; contract start; contract type; contract financing; delivery; options; and government-furnished property.
<b>Use The Power Of Patience</b>	Use patience to increase the stress on the contractor. Do not appear overly anxious and avoid displaying emotional feelings about issues that are important to you.
<b>Be Willing To Walk Away From Or Back To Negotiations</b>	Consider walking away from what a reasonable person would consider to be a bad deal. However, do not let pride get in the way of returning to the table after a deadlock. Professionalism and a win/win attitude help prevent stalemates caused by personality conflicts. Consider changing chief negotiators when returning from a deadlock.

### Win/Win Bargaining Tactics

<b>Forbearance</b>	This is the act of refraining or abstaining from action. Agree to disagree and move on to the next issue without making a commitment one way or another. Search for issues where you can agree. Return to the unresolved issue later.
<b>Questioning</b>	Ask questions to probe the position of the other party. Ask questions such as, "What is the best you can do?" "Have you considered...?"
<b>Trial Balloon</b>	This is a tentative plan offered to test the reaction of the contractor. This tactic can be useful if you phrase the trial balloon in a way that encourages the contractor to offer alternatives.
<b>Alternative Positions</b>	By offering two or more alternative positions at the same time, you can indicate that you would be willing to accept more than one way of settling an issue or a group of issues.
<b>Acceptance Time</b>	This is a definite time period that one party has to accept an offer by another party. Increase acceptance time by making an offer near the end of the day, and then allowing the contractor to think about the offer over night.
<b>Brainstorming</b>	This is a tactic used to develop alternative solutions through thinking out loud and openly discussing alternatives or ways to resolve issues. When negotiators are sincere and open to new ideas, the result is usually a win/win outcome.
<b>Salami</b>	This tactic is used when a negotiator makes demands one demand at a time rather than requesting everything at once. This approach allows negotiators to divide complex issues into more understandable components.
<b>Blanketing</b>	This is designed to get all the issues on the table at the beginning of the negotiation so that everyone understands the magnitude of the negotiation task.
<b>Bracketing</b>	This is a group or class of issues or solutions that are linked together. Use bracketing to group major issues in an attempt to reach a mutually satisfactory result on those issues.

### Win/Lose Bargaining Tactics

<b>Funny Money</b>	Many issues in government negotiations relate to percentages, factors, or other estimating relationships. This tactic may be used to distract attention from the true effect on cost or price. <b>Countermeasure:</b> Translate all funny money terms to their actual monetary equivalent.
<b>Surprise</b>	This tactic is used to introduce an unexpected issue or goal during the proceedings. The surprise attack is used to disrupt negotiations. <b>Countermeasure:</b> When necessary, call for a team caucus to make sure you are responding with reason and not emotion.
<b>Undermining</b>	This tactic is used to put the other party on the defensive using threats, insults, or ultimatums. If the threat is unlawful, unethical, or immoral, state that you intend to report the threat to proper authorities. <b>Countermeasure:</b> Ignore the threat, remain professional, and move on to the next issue.
<b>Silence</b>	This tactic is generally used when the negotiators do not want to disclose weaknesses in their position. <b>Countermeasure:</b> Persistently ask effective questions to uncover information on the avoided topic.
<b>Feinting</b>	This is the use of a pretense or action designed to mislead. <b>Countermeasure:</b> Ask probing questions to determine the real situation or bring out the hidden topic.
<b>Limited Authority</b>	This tactic limits a negotiator's authority by limited funds and required management approvals. <b>Countermeasure:</b> Ask at the beginning of the negotiations if there are any issues that the contractor's negotiator does not have authority to negotiate.
<b>Apparent Withdrawal</b>	A negotiator using this tactic gives the impression that his/her organization is withdrawing from the negotiation when that is not the actual intent. <b>Countermeasure:</b> Inform the negotiator that you are considering other alternatives.