

November 2010

## How to Defuse Threats at the Bargaining Table

Issue 13

### How to Defuse Threats at the Bargaining Table

*Our DEAL approach can launch a more  
productive conversation focused on  
satisfying everyone's interests.*

By

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**SOONER OR LATER, EVERY NEGOTIATOR** faces threats at the bargaining table. How should you respond when the other side threatens to walk away, file a lawsuit, or damage your reputation?

Direct counterattacks are rarely the answer. Your threats may not be as powerful or credible as the other side's, or they could launch an uncontrollable spiral of conflict. Alternatively, you might be tempted to immediately concede to your opponent's demands, but that would only reinforce his domineering tactics.

In our December 2004 *Negotiation* article, "Putting on the Pressure: How to Make Threats in Negotiations," we showed you how to make "WISE" threats—characterized by willingness to follow through, interests, saving face, and exactness—that facilitate agreement without endangering the relationship. In this article, we tell you how to react when you're on the receiving

end of threats in negotiation. Our "DEAL" approach involves:

1. Diagnosing the threat.
2. Expressing understanding.
3. Asking questions.
4. Labeling the threat.

By tailoring your response to the motivations underlying a threat, you can defuse an antagonistic opponent, launch a more productive conversation, and generate a mutually beneficial agreement.

#### Why threats push our buttons

The impulse to fight back and seek vengeance when threatened is rooted in biology. When we're verbally challenged or insulted, neuroscientists have found, the area of the brain associated with appetite becomes active, producing a craving for retaliation.

Similarly, psychological research demonstrates that the tendency to reciprocate negative behaviors is stronger than the tendency to reciprocate pleasurable behaviors. University of Washington psychology professor John Gottman has found that distressed and nondistressed couples differ not in the degree to which spouses express anger but in how they respond to anger. Distressed couples reciprocate anger in kind. By contrast, members of nondistressed couples ease conflict by responding to antagonism with neutral or positive statements.

These natural reactions to threats emerge in personal and business negotiations alike. Counter-threats may satisfy your desire for retribution, but they can also harm your interests and long-term relationships. In fact, one of the most effective ways to deal with threats is simply to ignore them. (See the sidebar “Should You Ignore a Threat?”) Anne Lytle of the Australian Graduate School of Management, Jeanne Brett of Northwestern University, and Debra Shapiro of the University of Maryland found that negotiators abandoned their threats 77% of the time when the threats were unreciprocated. Yet sometimes the severity or persistence of threats demands direct confrontation.

## How to DEAL with threats

Our DEAL approach allows you to respond to threats without conveying weakness or escalating the conflict, redirecting talks toward a focus on each other’s interests.

### 1. Diagnose the threat.

Sometimes threats emerge as overt declarations: “If you can’t follow through on the contract terms, I’ll let the community know what kind of show you’re running.” Other times they’re more subtle: “You know, I’d hate for this to hurt your reputation.” Regardless, it’s critical that you seek to understand what provoked the threat, as its cause should determine your response.

The first step in effective threat diagnosis is to remove yourself from the situation—physically and/or psychologically. You might suggest to your counterpart that it’s time for a break, or imagine that you’re an outside observer and try to evaluate the threat more objectively. By detaching yourself from the situation, you can calm your emotions and truly hear what the other side is saying.

## SHOULD YOU IGNORE A THREAT?

In negotiation, ignoring a threat often can be the best approach. Consider how this strategy played out in the midst of the 1962 Cuban Missile Crisis, which brought the world to the brink of nuclear war.

After learning that the Soviet Union was building secret missile bases in Cuba, President John F. Kennedy demanded that the Soviets remove the bases and ordered a U.S. naval blockade of Cuba to prevent Soviet ships from supplying additional materials and missiles. Soviet premier Nikita Khrushchev countered by authorizing the launch of tactical nuclear weapons if the United States invaded Cuba.

After six tense days of deadlock, Khrushchev presented Kennedy with an acceptable offer: the Soviets would dismantle the installations in exchange for assurances that the United States would not invade Cuba. The next day, Kennedy received a second message demanding that the United States publicly agree to remove its missile installations in Turkey. (Some suspected that Kremlin hard-liners, rather than Khrushchev himself, sent this message.) Although the United States was already considering removing the installations in Turkey, a public deal on these terms was considered detrimental to long-term U.S. interests.

Attorney General Robert Kennedy advised his brother to ignore the second message and respond only to the first one. (Privately, Robert Kennedy informed the Soviet ambassador of President Kennedy’s intention to remove the missiles in Turkey within the year.) Kennedy ignored the second message and responded by agreeing to the terms of the original offer. The Soviets accepted, and the crisis was averted.

Next, consider the motivation behind the threat, which may identify the threat issuer as one of these types:

- **The victim:** If your counterpart was feeling frustrated or offended, the threat may have emerged from his basic need to be heard and acknowledged.
- **The pragmatist:** This straight shooter is simply informing you of the real constraints she faces or the strong outside alternatives she has.
- **The bluffer:** He may be brandishing his power due to insecurity or a desire to dominate. If so, the threat may be more ruse than reality.

## 2. Express understanding.

As customer-service representatives have been taught, the best way to handle a “victim” is to listen to his grievances, acknowledge his feelings, and apologize for his troubles. Such moves can be palliative. New York University professor Tom Tyler has shown that when individuals in conflict can express their emotions and tell their side of the story, they’re more satisfied with outcomes—even when these outcomes aren’t in their favor. Expressing understanding can defuse tensions and reduce the risk of additional threats, but be careful not to reward tirades with concessions.

## 3. Ask questions.

A threat issued by a “pragmatist” may convey legitimate sources of power or important needs and constraints. Spanish writer José Bergamin once said, “A piece of advice always contains an implicit threat, just as a threat always contains an implicit piece of advice.” Your job as a negotiator

is to discover the implicit advice in the pragmatist’s threat.

By asking questions, you can unearth novel remedies to her concerns and avoid caving in to surface demands. The goal should be to determine the power or the constraints behind your counterpart’s threat. The threat may simply be an expression of her intention to resort to a strong BATNA, or *best alternative to a negotiated agreement*, in the absence of a satisfactory offer. By inquiring about her needs and alternatives, you can determine if a zone of potential agreement exists. If so, acknowledge her BATNA, but suggest ways you might both better meet your needs at the table.

Imagine that a contractor threatens to sue you, a supplier, over proposed changes in the delivery date of raw materials. You can try to discover the motivation for the threat by asking, “Why would a lawsuit be a better option for you than continued talks?” If he reveals that he expects the courts to

rule in his favor, his threat is based on his sense of real power. But if he says your delays could bankrupt his company, he could be informing you of a realistic constraint.

Finally, by inquiring about the exact nature of the lawsuit he plans to file, you can determine if the threat could cause you real harm or if it is just a bluff. By asking questions, you can assess whether you’re willing to let him pursue it, work within the constraints of his underlying concerns, or offer a settlement that takes into account his objective power.

## 4. Label the threat.

When a threat is nothing more than insidious intimidation, your approach should be quite different. If you sense that your opponent’s bark is louder than his bite, let him know you’re onto

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his game. You might tell a “bluffer,” “I don’t consider threats very productive. Let’s put our heads together and come up with some viable solutions.” Labeling a threat neutralizes negative intent and boosts your sense of control. In fact, research by Lytle, Brett, and Shapiro demonstrates that *process labeling*—calling attention to what’s happening—is the most effective way to get a negotiation marred by threats back on track. Labeling the situation gives your opponent the same detachment you achieved through threat diagnosis.

## When all else fails

Despite your best efforts, sometimes an aggressor will respond only to aggression. In this case, issue a counterthreat to establish your credibility and then immediately shift the focus to identifying each other’s interests, thereby preventing an entrenched battle. Lyle, Brett, and Shapiro have found that his mix of contentious and conciliatory communication can be extremely effective in negotiation. “I know you think a court could rule

in your favor,” you might tell the litigious contractor, “but recent rulings lead us to believe we’d prevail. I think we’d both be better off trying to work out a deal and avoid trial costs.”

Brett, Mara Olekalns of Melbourne University, and Laurie Weingart of Carnegie Mellon University have found that solutions based on identifying interests often don’t occur until after parties have had a chance to signal their own power and assess the other party’s power. When confronted with a particularly aggressive threat, display your strength, but demonstrate your preference for negotiating at the level of interests.

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This article first appeared in *Negotiation* newsletter,  
published by the Program on Negotiation at Harvard Law School.

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## Lunch and Learn Meetings

We now have several lunch and learn programs available. Each is ninety minutes in length and provides both a presentation and sufficient time for questions to be answered. The four sessions are:

- The Impact of Culture and Language on Team Effectiveness,
- Conducting the Tough Conversation,
- The Basic Elements of Successful Negotiating, and
- Trust Based Influencing and the Sponsor CRO Relationship.

The Tough conversations program is conducted by either Jack Lerner or Jay Cherney. Jack and Jay co authored our most recent newsletter – “What’s Wrong with Being Right?” The remaining programs are conducted by Ira.

## For Regulatory Professionals

Interested in feedback on your department’s performance? If the answer is “yes,” then you want to preview our Regulatory Assessment. This 36 question survey is designed to obtain feedback for RA groups about their performance, as viewed by members of management and co-workers. Additional information can be obtained at our website. The link is <http://www.asherman.com/products-ra-assessment.htm>.

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