

# Hostage Negotiation Tactics for Business?

In a recent negotiation workshop for the senior leadership team of a Fortune 500 company, one of the executive's presented me with a tactic from a book written by a prominent hostage negotiator. I was conducting a negotiation exercise and to make the teams even, I agreed to negotiate with him. I created an initial offer and presented it with options for him to consider. The first thing out of his mouth was, "How am I supposed to do that?" As soon as I heard the response, I knew this was one of the negotiation tactics suggested by the hostage negotiator. The problem is; hostage negotiations and business negotiations are extremely different. One involves peoples lives, the other involves someone's livelihood. One can be replaced, the other cannot. The implications on how we deal with each scenario are vastly different.



I responded to his question with, "I'm not sure. I don't understand your funding process. Can you explain it to me?" His next response was, "How do I come up with the funds if I'm not even sure you can deliver what you say you can deliver?" Again, using phrases suggested by the hostage negotiator. I smiled and told him I was surprised by his question.

Our exercise case scenario identified that we had already conducted a demonstration, walked through a current client's operations to illustrate our capabilities, and gained his agreement that we had the solution best meeting their requirements. The selling, I thought, was already done and it was time to determine the terms and conditions of our agreement. Then, I asked him why he was back pedaling. I asked him if there was something he was uncomfortable with as far as our ability to meet his requirements. Finally, I asked him why he failed to inform me earlier that he had no intention of working out a deal with me since he didn't have the funds to do so. I suggested that we postpone our negotiation until he was ready to work on an agreement.

He was clearly rattled. His deal was quickly falling apart. The level of success for the exercise was based on a deal getting done, and he was about to fail the exercise. Seeing that his tactics didn't work, he asked me to take him through my offer. I provided him with three options to consider; explaining that my team and I spent several weeks creating alternatives to establish an agreement and that we were anxious to hear his feedback. I took him through the options and asked him which alternative best met his requirements. He didn't like any of them.

I was not surprised. I let him know that while my team worked hard to get a good set of options together that incorporated what he told us was important to him; I was willing to be flexible and adjust per his request. I asked him which of the options came the closest, so I knew where to put time and effort to speed up the process of getting back to him. He picked one. I asked him why that one resonated with him. And he told me. I used that information to create a new set of offers, and we did this several times until we settled on the options that worked for both of us. When all was said and

done, I ended up with the lion's share of what was on the table and he was happy with the outcome knowing he had extracted value from me thru the adjustments that were made.

In a hostage negotiation, the person holding the hostages is so desperate for what they want, they are willing to take someone's life to get it. This is not a healthy-minded business professional that is trying to get something done to impact their business in positive ways. The hostage negotiator's alternatives involve one of two terrible scenarios; 1. Someone dies, or 2. They give up a lot of money or resources. The hostage taker's alternatives are not much better; 1. They end up freeing the hostages and going to jail for a very long time or 2. They get killed. In this scenario, each is more willing to do desperate things to get to an agreement because their alternatives are all terrible. Additionally, prolonged negotiations for a hostage release can be a good thing. Intentionally prolonged negotiations in business is never a good thing.

In business, most negotiation situations offer a great number of alternatives enabling us to strike a deal with the other party. In a few cases, we don't have a lot of great alternatives and decide to make concessions or maybe even end up with no deal. Guess what? NO ONE IS GOING TO DIE, if we don't get the deal done. While it makes for exciting reading as you envision being the hero of a life and death negotiation; the hostage negotiator's tactics aren't effective when dealing with a seasoned and relatively intelligent business person.

In fact, I can't imagine a smart business person ever asking the question, "How am I supposed to do that?" This implies that they don't understand their own business and will lose credibility instantly with the other side. Without credibility, you won't be taken seriously. The minute you lose credibility, you can kiss the possibility of getting a good deal done goodbye. Further, if you imagine the same business professional asking how they can come up with funds when they are not even sure the other side can deliver just implies that the selling isn't done yet and there is no basis for a negotiation at all, so what the heck are you doing at the negotiation table?

Don't get me wrong; I have the utmost respect for hostage negotiators. They are attempting the impossible with the most unstable people on earth. That takes a special kind of person with a special kind of skill set. But business professionals require tools and strategies that can be applied to their everyday deal making. Tools that allow them to ensure great outcomes consistently, using negotiations strategies that pave the way for growth and with a great deal more creativity and flexibility. Business professionals need tools and strategies that are tested and proven...in business!

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As a professional negotiator and coach, Joe assists CEOs, senior executives, sales professionals, and buyers in preparing for their most important deals. In addition, he provides world class negotiation training programs that change the way business people negotiate deals with immediate results. He has developed a unique methodology of negotiating that utilizes cutting edge tools and processes.



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