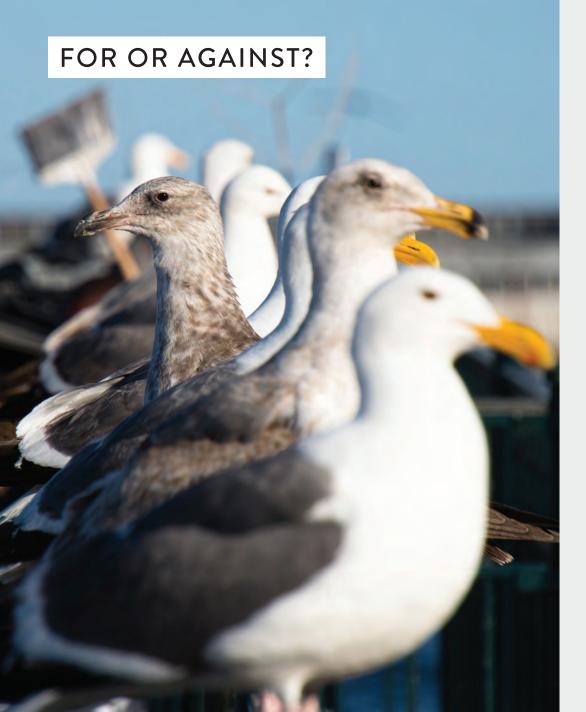


Usually, negotiators fib to artificially boost their share of the power balance. Truth-bending can help to mask or downplay their weaknesses and vulnerabilities. By exaggerating their position, deal-makers are able to squeeze extra leverage and unleash greater pressure on their unsuspecting opponents.

Untruths come in all types and sizes, from innocuous 'little white lies' to disingenuous bluffing and full-on falsification and deception. Sometimes negotiators are selective with the truth by omitting any information that doesn't conveniently fit their version of reality. At others, they proactively orchestrate a web of false facts to gain unfair advantage.

This Scotwork ebook helps negotiators to identify, manage and overcome such dishonest practices. It suggests tactics and practical techniques you can use to deal with liars or those you suspect of lying. Based on the observation and analysis of thousands of deals and authored by experts in negotiation skills training, this ebook is an invaluable reference for any negotiator.



At Scotwork we don't make moral judgements about being truthful or otherwise. Each of us has a unique moral compass and draws the line differently between right and wrong. What we do know for definite is that lying is commonplace in the negotiating room, and that it has a profound influence on outcomes.

Lying certainly has its advantages. It gives you free-rein to create your own self-serving version of events, an alternative reality tailored to fulfilling your negotiating goals. It allows you to airbrush your weaker points, appear stronger and outgun your more honest opponents in the negotiation power struggle.

The downsides are obvious. Being on the receiving end of lying is never pleasant. Innocent victims of deception often feel frustrated, humiliated and degraded. Liars open themselves to the crushing possibility of being found out. Once exposed, the liar's credibility goes into freefall and negotiations can stall. Even worse, lying behaviour can result in a fundamental breakdown of trust between parties that causes serious damage to their future relationship.

Should we lie in negotiations or shouldn't we? The choice is yours. If you do, be aware of the possible consequences. Whatever you decide, never relax your guard. Always keep your eyes and ears alert for signs of being lied to.

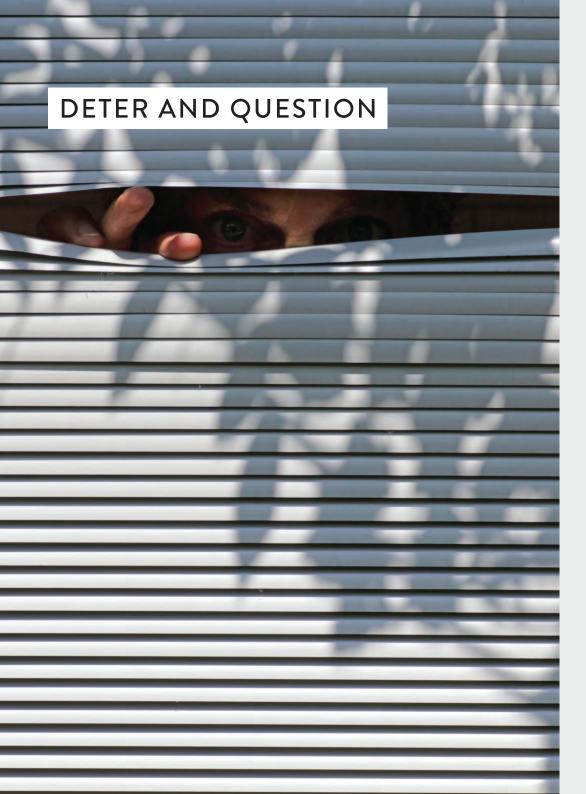


The first step to overcoming deception is to identify lying behaviour. Spotting a liar in the midst of a negotiation isn't always easy, but here are some indicative clues:

- **Evasiveness:** Liars may try to dodge your questions and keep quiet for fear they accidently expose their deception
- Single mention: Having disclosed an untruth once, liars often choose not to repeat the lie and avoid drawing attention to it at all costs
- Inconsistency: Some liars have difficulty in correctly recalling and repeating false information. This can lead to inconsistent versions of the same story
- Irritation: Many liars feel intimidated and agitated when questioned.

 This can result in angry behaviour and even verbal abuse
- Changing subject: Liars may suddenly switch the subject of the conversation to sidestep any questions relating to their deception
- Verbosity: Long rambling sentences and use of over-complex language are sure signs that the speaker is trying to conceal a lie from you
- Indirectness: Liars may find it difficult to provide quick and direct answers to your questions. Watch out for protracted and roundabout responses
- **Pronouns:** Liars often resort to the over-use of third-person pronouns such as 'his', 'hers', 'him' and 'they'
- Body language: Movements such as touching the nose, excessive hand gestures or a refusal to look you in the eye are all clear signs of a liar in action

These signals aren't necessarily definite proof of lying, but the more of these you observe, the more likely it is you are the victim of dishonesty.



Deter

Good preparation is always an effective deterrent. If your opponents see you are well researched from the outset, they are less likely to risk twisting the truth. As negotiations proceed and you suspect a lie, ask for a break. Take as much time as you need to investigate and plot a suitable response before resuming the meeting.

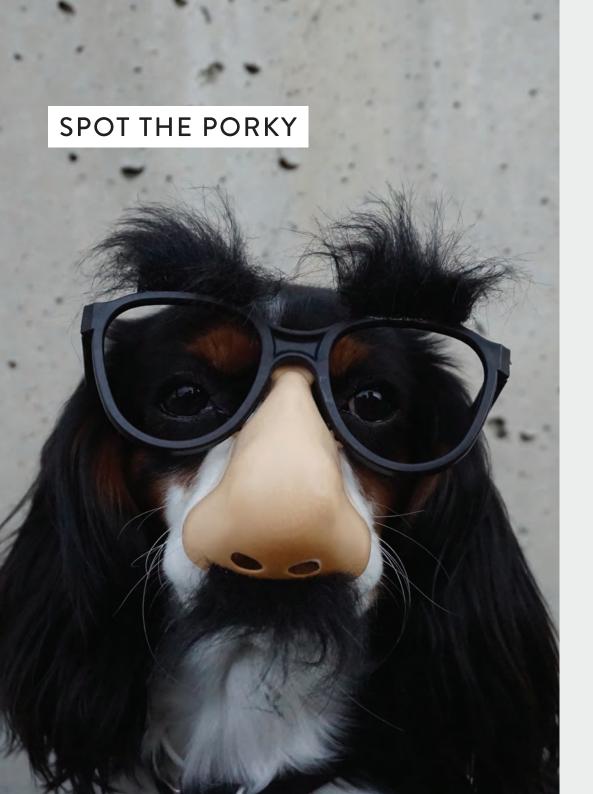
Write down and summarise everything your opponent says. Liars dislike having their untruths documented. Once they see their lies written in black and white, they often revert to a more truthful approach. Play back your notes to them and ask directly but politely: "is this true?". As you do, watch their reactions to pick up any dishonesty signals.

Secure agreement at every stage of the negotiation and make sure both parties clearly understand what has been ratified.

Question

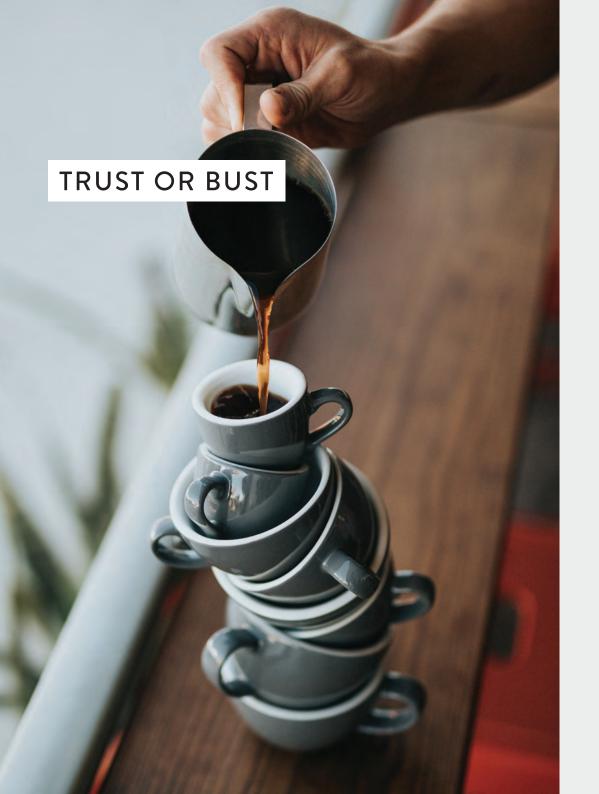
If you suspect lie-telling, don't challenge your opponent straightaway. Your hunches may be unfounded and any accusations will inevitably sour the mood. Instead, question them to gather evidence:

- Ask for specific facts and numbers to support their statements.
 Usually, if they are bluffing, the truth will reveal itself
- Ask questions to get them talking but don't get drawn into an argument
- Ask them to repeat what they say to clarify your understanding.
 They will find it difficult to repeat their lies without variation
- Ask the same question in a number of different ways
- · Ask questions to which you already know the answer
- Ask them: "Is there anything else you feel I should know?" Try to tease out any information they are withholding (lies of omission)



It's one of the oldest negotiating tricks in the book. A buyer tells a salesman his competitors are cheaper. Or a salesman tells a buyer the cost of trading with him is higher than with his other customers. Is this a truth or a lie? Nine times out ten the claim is false. In this situation, it is tempting to expose the lie by arguing and challenging your opponent head-on. Instead, try some of these well-tested techniques:

- Design testing proposals. Construct your proposals so they test your opponent's claims and protect you from the consequences if your suspicions are proved correct
- Structure their expectations. If your opponent claims the cost of trading with you is higher than with other customers, you might say: "I acknowledge your position, but I am not responsible for what the competition does, particularly if there is no evidence to support it" (ie this is what you cannot do). Follow this by telling them what you can do: "If you accept that without evidence I cannot take that into consideration, then here is my proposal"
- Repackage your proposal. Take the claim into consideration without offering your negotiating opponent any increased value
- Put a price on a demand. If your opponent says your competition is cheaper, respond by saying this is also true of their competition
- Call their bluff. Ask your opponent whether or not accepting their proposal is a deal-breaker. Liars will find it hard to say "yes"



When it comes to negotiation, trust is much more than a cosy nice-to-have. Trust is the backbone upon which any deal is built. Trust, or absence of trust, dictates the tone and conditionality of your final deal.

Trust acts as a lens through which parties process all the inputs and experiences of the negotiating process. Think of it like a traffic light system. A green light denotes you have complete trust in your opponent and accept at face value anything they say to you. Amber indicates you are less trusting, suspicious and need evidence to confirm what they say. Red shows you definitely don't trust them and disbelieve everything they tell you.

Lies pose a constant threat to the preservation of trust and the wider relationship you share with your negotiating partner.

How much trust do you have?

Use these simple criteria to evaluate levels of trust in your partner relationship:

- **1. Predictability:** you are able to predict what they will do in a given situation because they behave with openness, consistency, integrity and competence
- **2. Value exchange:** you are willing to make a trade with them, even when you don't have access to all relevant information
- **3. Exposed vulnerabilities:** you are willing to share something with them in the expectation that it will positively influence the outcome, despite it exposing you to possible exploitation
- **4. Delayed reciprocity:** you are willing to give something now on the understanding (rather than explicit condition) it will be repaid later

If all four of these apply, your relationship has a high degree of trust. If not, consider where you are on this scale, where you would like to be and how you get there.

Making a real impact worldwide

Scotwork has coached over 200,000 senior managers in 24 languages. We have grown into the world's number one independent negotiation consultancy, operating in 38 countries. We work with organisations large and small across all sectors. After 40 years we are still the real deal, giving people powerful skills that transform their lives, and handing businesses more successful futures.



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