

# Finding and Using Negotiation Power

## Objectives

1. Understand different approaches to understanding power in negotiations and why power is critical to negotiation.
  2. Explore different sources or bases of power in negotiation.
  3. Consider different strategic approaches for negotiators who have more power and for dealing with others who have more power.
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In this chapter, we focus on power in negotiation. By *power*, we mean the capabilities negotiators can assemble to give themselves an advantage or increase the probability of achieving their objectives. All negotiators want power; they want to know what they can do to put pressure on the other party, persuade the other to see it their way, get the other to give them what they want, get one up on the other, or change the other's mind. Note that, according to this definition, we have already talked about many power tactics in Chapters 3 and 4. The tactics of distributive bargaining and integrative negotiation are *leverage tactics*—tactics used to exert influence over the other party in the service of achieving the best deal for one or both parties.

In the next two chapters, we separate the concept of power from the use of influence. It is important to be clear about the distinction between the two. We treat power as the *potential* to alter the attitudes and behaviors of others that an individual brings to a given situation. Influence, on the other hand, can be thought of as *power in action*—the actual messages and tactics an individual undertakes in order to change the attitudes and/or behaviors of others. To put it concisely, power is potential influence, while influence is kinetic power (power in use) (French and Raven, 1959). We address power in this chapter and the use of influence in Chapter 8.

We begin by defining the nature of power and discussing some of the dynamics of its use in negotiation. We focus on the power sources that give negotiators capacity to exert influence. Of the many sources of power that exist (see French and Raven, 1959; Pfeffer, 1992), we consider three major ones in this chapter: information and expertise, control over resources, and one's position in an organization or network.

## Why Is Power Important to Negotiators?

Most negotiators believe that power is important in negotiation because it gives one negotiator an *advantage* over the other party. Negotiators who have this advantage usually want to use it to secure a greater share of the outcomes or achieve their preferred solution. Seeking power in negotiation usually arises from one of two perceptions:

1. The negotiator believes he or she currently has *less power* than the other party. In this situation, a negotiator believes the other party already has some advantage that can and will be used, so he or she *seeks power to offset or counterbalance the other's advantage*.
2. The negotiator believes he or she needs *more power* than the other party to increase the probability of securing a desired outcome. In this context, the negotiator believes that added power is necessary to *gain or sustain one's own advantage in the upcoming negotiation*.

Embedded in these two beliefs are significant questions of tactics and motives. The tactics may be designed to enhance the negotiator's own power or to diminish the other's power, and to create a state of either power equalization (both parties have relatively equal or countervailing power) or power difference (one's power is greater than the other's). The motive questions relate to why the negotiator is using the tactics. Most commonly, negotiators employ tactics designed to create power equalization as a way to level the playing field. The goal is to minimize either side's ability to dominate the relationship. This lays the groundwork for moving discussions toward a compromising or collaborative, integrative agreement. In contrast, negotiators also employ tactics designed to create power difference as a way to gain advantage or to block the other party's power moves. Such tactics enhance the capacity for one side to dominate the relationship, paving the way for a competing or dominating strategy and a distributive agreement. Box 7.1 presents a framework on the merits of using power as a negotiating tactic (compared with the focus on interests or an emphasis on "rights" in a dispute).

In general, negotiators who don't care about their power or who have matched power—equally high or low—find that their deliberations proceed with greater ease and simplicity toward a mutually satisfying and acceptable outcome. In contrast, negotiators who do care about their power and seek to match or exceed the other's power are probably seeking a solution in which they either do not lose the negotiation (a defensive posture) or dominate the negotiation (an offensive posture).

Power is implicated in the use of many of the competitive and collaborative negotiation tactics described earlier, such as hinting to the other party that you have good alternatives (a strong BATNA) in order to increase your leverage. Relatively few research studies have focused specifically on power and influence tactics in negotiation, and we integrate those that have into our discussion. However, much of the work on power discussed in this chapter is also drawn from broader studies of how managers influence one another in organizations, and we apply those findings to negotiation situations as appropriate.

## A Definition of Power

In a broad sense, people have power when they have "the ability to bring about outcomes they desire" or "the ability to get things done the way [they want] them to be done"

One way of thinking about the role of power in negotiation is in relation to other, alternative strategic options. In Chapter 5 we introduced a framework developed by Ury, Brett, and Goldberg (1993) that compares three different strategic approaches to negotiation: interests, rights, and power.

- Negotiators focus on interests when they strive to learn about each other's interests and priorities as a way to work toward a mutually satisfying agreement that creates value.
- Negotiators focus on rights when they seek to resolve a dispute by drawing upon decision rules or standards grounded in principles of law, community standards of fairness, or perhaps an existing contract.
- Negotiators focus on power when they use threats or other means to try to coerce the other party into making concessions.

This framework assumes that all three approaches can potentially exist in a single situation; negotiators make choices about where to place their focus. But do negotiators really use all three? Should they? These questions were addressed in a study by Anne Lytle, Jeanne Brett, and Debra Shapiro (1999). They analyzed audiotapes of negotiations in a simulated contract dispute between two companies seeking to clarify their interdependent business relationship. Of the 50 negotiators who participated (25 tape-recorded pairs), some were students and some were employed managers, but all had five or more years of business experience.

Lytle and her colleagues found that most negotiators cycled through all three strategies—interests, rights, and power—during the same encounter. They also found that negotiators tended to reciprocate these strategies. A coercive power strategy, for example, may be met with a power strategy in return, which can lead to a negative conflict spiral and a poor (or no) agreement. They developed some important implications for the use of power in negotiation:

- Starting a negotiation by conveying your own power to coerce the other party could bring a

quick settlement if your threat is credible. If the other party calls your bluff, however, you are left to either carry out your threat or lose face, both of which may be undesirable.

- To avert a conflict spiral and move toward an interests-based exchange, avoid reciprocating messages involving rights or power. Shift the conversation by asking an interests-related question. It may take several attempts to redirect the interaction successfully.
- If you can't avoid reciprocating negative behaviors (which may be a natural response, but not necessarily effective), try a "combined statement" that mixes a threat with an interests-oriented refocusing question or statement (e.g., "yes, we could sue you as well, but that won't solve our problem, so why don't we try to reach an outcome that helps us both?").
- Power tactics (and rights tactics) may be most useful when the other party refuses to negotiate or when negotiations have broken down and need to be restarted. In these situations, not much is risked by making threats based on rights or power, but the threat itself may help the other party appreciate the severity of the situation.
- The success of power tactics (and rights tactics) depends to a great extent on how they are implemented. To be effective, threats must be specific and credible, targeting the other party's high-priority interests. Otherwise, the other party has little incentive to comply. Make sure that you leave an avenue for the other party to "turn off" the threat, save face, and reopen the negotiations around interests. After all, most negotiators who make threats really don't want to implement them. As Lytle and her associates observe, "once you carry through with your threat, you frequently lose your source of power" (p. 48).

*Source:* Adapted from A. L. Lytle, J. M. Brett, and D. L. Shapiro, "The Strategic Use of Interests, Rights, and Power to Resolve Disputes," *Negotiation Journal* 15, no. 1 (1999), pp. 31–51.

(Salancik and Pfeffer, 1977). Presumably, a party with power can induce another to do what the latter otherwise would not do (Dahl, 1957; Kotter, 1979).

But there is a problem here: the definition we have developed so far seems to focus on power as absolute and coercive, which is too restrictive for understanding how power is used in negotiation. In fact, there are really two perspectives on power: power used to dominate and control the other (more likely in a distributive bargaining context) and power used to work together with the other (more likely in an integrative negotiation context; Coleman, 2000b). From the powerholder's point of view, the first perspective fits the Dahl *power over* definition, implying that this power is fundamentally dominating and coercive in nature. From the other party's point of view, this use of power implies *powerlessness and dependence* on the receiving end. The dynamics of this power relationship can range from "benign and supportive (as in many mentoring relationships) to oppressive and abusive (as with a dictatorial parent)" (Coleman, 2000b, p. 111).

From the second perspective, the actor's view of power suggests *power with* (Follett, 1942), implying that the power holder jointly develops and shares power with the other. The receiver experiences this power as *empowered and independent*, and its dynamics reflect the benefits of empowerment, such as better employee participation, broad delegation of authority, and a greater capacity to act with autonomy and personal integrity. This view of power fits a view of power that contrasts with Dahl's definition:

an actor . . . has power in a given situation (situational power) to the degree that he can satisfy the purposes (goals, desires, or wants) that he is attempting to fulfill in that situation. Power is a relational concept; it does not reside in the individual but rather in the relationship of the person to his environment. Thus, the power of an actor in a given situation is determined by the characteristics of the situation as well as by his own characteristics. (Deutsch, 1973, pp. 84–85)

Deutsch (1973) notes a tendency for others to view power as an attribute of the actor only. This tendency ignores those elements of power that are derived from the situation or context in which the actor operates. As Deutsch suggests, the statement "A is more powerful than B" should be viewed from three distinct yet often interrelated perspectives: environmental power, or "A is more usually able to favorably influence his overall environment and/or to overcome its resistance than is B"; relationship power, or "A is usually more able to influence B favorably and/or to overcome B's resistance than B is able to do with A"; and personal power, or "A is usually more able to satisfy his desires than is B" (p. 85).

Let us consider two examples of power that illustrate these views:

1. During economic downswings, labor unions can find themselves negotiating new contracts that delay wage increases or even reduce wages, which means giving hard-won concessions back to management—hardly something union officials want to do. They have usually done so when company officials have argued that unless wages go down, the firm will lay off thousands of employees, close a plant, move operations to another country, drop a line of business, or take some similar action. The union officials can be seen as making a rational or calculated decision to do something they ordinarily would not do (Dahl's definition), but in this case management is simply taking advantage of the shift in power within the economic environment. As markets shift, demand for products changes, costs rise, or less expensive (nonunion) labor becomes available in other areas.

2. In contemporary organizations, heads of projects, teams, and task forces find that they must effectively influence other people without having the formal authority (direct reporting relationships) to give direct orders. As a result, managers have to master the use of “influence without authority” (Cohen and Bradford, 1989) to get their jobs done and meet group goals. The targets of this influence may be employees, peers, other managers, or the boss. Subordinates who approach their superior with a list of grievances about the job and tasks that cannot be done without the boss’s compliance will receive scant attention. However, those who are able to use influence to get their boss’s assistance without creating major problems for the boss may earn the boss’s respect and accomplish their goals as well. In these kinds of situations, strong relationship and personal power skills are critical. In short, managers must learn to use relationship and personal power when environmental power, derived from a position in a formal organizational chart, is not available.

Before moving forward, we want to draw attention to the weakness of any discussion of power. It would be nice to be able to write a chapter that comprehensively reviews the power sources available to negotiators, the major configurations of power bases assembled as influence strategies, and the conditions under which each should be used. Unfortunately, such a task is not just daunting but impossible, for two principal reasons. First, the effective use of power requires a sensitive and deft touch, and its consequences may vary greatly from one person to the next. In the hands of one user, the tools of power can craft a benevolent realm of prosperity and achievement, whereas in the hands of another, they may create a nightmare of tyranny and disorder.<sup>1</sup> Second, not only do the key actors and targets change from situation to situation, but the context in which the tools of power operate changes as well. As a result, the best we can do is to identify a few key sources of power. Exactly how and when to use these tools, or in what combination, will be expanded more fully in the next chapter (See Box 7.2 for a few relevant observations).<sup>2</sup>

## Sources of Power—How People Acquire Power

Understanding the different ways in which power can be exercised is best accomplished by looking first at the various sources of power. In their seminal work on power, French and Raven (1959) identified five major types: expert power, reward power, coercive power, legitimate power, and referent power. Most of these are relatively self evident in nature:

- *Expert power*: derived from having unique, in-depth information about a subject.
- *Reward power*: derived by being able to reward others for doing what needs to be done.
- *Coercive power*: derived by being able to punish others for not doing what needs to be done.
- *Legitimate power*: derived from holding an office or formal title in some organization and using the powers that are associated with that office (e.g., a vice president or director).
- *Referent power*: derived from the respect or admiration one commands because of attributes like personality, integrity, interpersonal style, and the like. A is said to have referent power over B to the extent that B identifies with or wants to be closely associated with A.

- Power is in the eye of the beholder. For power to be effective, it does not necessarily have to be fully and completely possessed; rather, the actor must convey the appearance that he or she has power and can use it at will. Power is therefore somewhat self-fulfilling. If you—and others—think you have it, you have it. If you—and others—don't think you have it, you don't have it. Perceived power is what creates leverage, and many powerholders go out of their way to create the image of power as the critical element of effective influence (see Sun Tsu, 1983, for an excellent exposition of this point).
- The effectiveness of power and influence is ultimately defined by the behavior of the target person. What matters most is which tools and strategies actually work on that person. Does that individual comply, do what you want, or behave the way you want him or her to behave? When designing an influence strategy, you must pay attention to what you think will work with a particular target while also being sensitive to suggestions for alternative strategies.
- There is some indication that power is, in fact, corrupting—in Lord Acton's words, "Power tends to corrupt; absolute power corrupts absolutely." This may occur for several reasons. First, as just suggested, power is based on perception—creating the perception, or even the illusion, that you have power and can use it. In creating such an illusion, it is not uncommon for actors to deceive themselves as much as they deceive the target. Second, power can be intoxicating. This point is frequently lost on the naive and unskilled. Those who gain a great deal of power through rapid career success frequently overuse and eventually abuse it. Power brings a large resource base, privileged information, and the ability to control the fate of many others. In the hands of the unskilled, power can be dramatically destructive (Lewis, 1990; Stewart, 1992).

Many contemporary discussions of power are still grounded in this typology (and Raven has elaborated the typology several times since it was proposed over 45 years ago). In this chapter, we take a broader perspective on power as it relates to negotiation and aggregate the major sources of power into five different groupings (see Table 7.1):

- Informational sources of power.
- Personal sources of power.
- Power based on position in an organization.
- Relationship-based sources of power.
- Contextual sources of power.

As we regularly note, these categories are not rigid or absolute. Power can be created in many different ways in many different contexts, and a source of leverage can shift from one category to another over time. As we elaborate on these approaches, we also indicate how the French and Raven model has been revised and updated.

### Informational Sources of Power

Within the context of negotiation, information is perhaps the most common source of power. Information power is derived from the negotiator's ability to assemble and organize

**TABLE 7.1** | Major Sources of Power

Source of Power	Description
Informational	<ul style="list-style-type: none"> <li>• Information: the accumulation and presentation of data intended to change the other person's point of view or position on an issue.</li> <li>• Expertise: an acknowledged accumulation of information, or mastery of a body of information, on a particular problem or issue. Expertise power can be positive (we believe the other because of their acknowledged expertise) or negative (we so distrust the other that their claimed expertise leads us to pursue a course of action opposite to the one they advocate).</li> </ul>
Personality and individual differences	<p>Power derived from differences in</p> <ul style="list-style-type: none"> <li>• Psychological orientation (broad orientations to power use).</li> <li>• Cognitive orientation (ideologies about power).</li> <li>• Motivational orientation (specific motives to use power).</li> <li>• Dispositions and skills (orientations to cooperation/competition).</li> <li>• Moral orientation (philosophical orientations to power use).</li> </ul>
Position-based power	<p>Power derived from being located in a particular position in an organizational or communication structure; leads to several different kinds of leverage:</p> <ul style="list-style-type: none"> <li>• Legitimate power, or formal authority, derived from occupying a key position in a hierarchical organization. However, legitimate power can also influence social norms, such as <ul style="list-style-type: none"> <li>Reciprocity, or the expected exchange of favors.</li> <li>Equity, or the expected return when one has gone out of one's way for the other.</li> <li>Dependence, of the expected obligation one owes to others who cannot help themselves.</li> </ul> </li> <li>• Resource control, or the accumulation of money, raw material, labor, time, and equipment that can be used as incentives to encourage compliance or as punishments for noncompliance. Resource control is manifested in <ul style="list-style-type: none"> <li>Reward power, the use of tangible rewards or personal approval to gain the other's compliance.</li> <li>Punishment power, the use of tangible punishments or withholding of personal approval to gain the other's compliance.</li> </ul> </li> </ul>
Relationship-based power	<ul style="list-style-type: none"> <li>• Goal interdependence—how the parties view their goals <ul style="list-style-type: none"> <li>Referent power—based on an appeal to the other based on common experiences, group membership, status, etc.</li> <li>Referent power can also be positive (we believe the other because we respect them) or negative (we so disrespect the other that we pursue a course of action opposite to the one they advocate).</li> </ul> </li> <li>• Access to or control over information, resources supply flows, or access, derived from location within flows in a network.</li> </ul>
Contextual power	<p>Power derived from the context in which negotiations take place. Common sources of contextual power include</p> <ul style="list-style-type: none"> <li>• Availability of BATNAs.</li> <li>• Organizational and national culture.</li> <li>• Availability of agents, constituencies, and audiences who can directly or indirectly affect the outcomes of the negotiation.</li> </ul>

Before the age of the Internet, many consumers approached buying a car with the same enthusiasm as visiting the dentist. Customers knew their role was to scoff at the asking price, threaten to walk away from the vehicle, and generally engage in tough negotiation postures in order to get the best deal. Still, after they drove the car off the lot, nagging doubts remained about whether or not they paid too much for their new car.

Savvy customers have always known that they should determine their real requirements for an automobile, find several cars that meet their objectives, determine the book value of each car, contact current owners to determine their satisfaction, and keep from becoming emotionally attached to a particular automobile. These strategies certainly have helped people prepare for negotiations with their

local dealer. However, customers still had to rely largely on guesswork to determine what price offers would be acceptable to the dealership.

Today, however, price information on new and used cars is readily available through the Internet and other sources. Customers can enter negotiations with car dealers armed with accurate facts and figures about the car's cost to the dealership, the actual price for various options, prices in neighboring states, and the customer and dealer incentives in place at a given time. Car buyers who take the time to gather information about "real" prices report saving hundreds or even thousands of dollars on automobiles. This wealth of information gives consumers more power in negotiations with dealers. Ultimately, that power leads to lower prices on new automobiles (Blumenstein, 1997; McGraw, 1997).

facts and data to support his or her position, arguments, or desired outcomes. Negotiators may also use information as a tool to challenge the other party's position or desired outcomes or to undermine the effectiveness of the other's negotiating arguments. Even in the simplest negotiation, the parties take a position and then present arguments and facts to support that position. I want to sell a used motorcycle for \$1,500; you say it is worth only \$1,000. I proceed to tell you how much I paid for it, point out what good condition it is in and what attractive features it has, and explain why it is worth \$1,500. You point out that it is five years old; emphasize the nicks, dents, and rust spots; and comment that the tires are worn and need to be replaced. You also tell me that you can't afford to spend \$1,500. After 20 minutes of discussion about the motorcycle, we have exchanged extensive information about its original cost, age, use, depreciation, and current condition, as well as your financial situation and my need to raise cash. We then settle on a price of \$1,300, including a "loan" of \$300 I have given you. (See Box 7.3 on the ways that the power of information, now available through the Internet, has changed the ways people buy new cars.)

The exchange of information in negotiation is also at the heart of the concession-making process. As each side presents information, a common definition of the situation emerges. The amount and kind of information shared, and the way the negotiators share it, allow both parties to derive a common (and hopefully realistic) picture of the current condition of the motorcycle, its market worth, and the preferences of each side. Moreover, this information need not be 100 percent accurate to be effective; bluffs, exaggerations, omissions, and outright lies may work just as well. I may tell you I paid \$2,200 for the bike when I paid only \$2,000; I may not tell you that the clutch needs to be replaced. You may not tell me that you actually can pay \$1,500 but simply don't want to spend that much or that you plan to buy this bike regardless of what you have to pay for it. (We return to these issues of bluffing and misrepresentation in Chapter 9 when we discuss the ethics of lying and deception.)

Through the exchange of information, a common definition of the situation emerges and serves as a rationale for both sides to modify their positions and, eventually, arrive at a mutually acceptable price. Negotiators in the motorcycle example may derive feelings of satisfaction about that settlement from two sources: the price itself and the feeling that the price is justified because of their revised view of the motorcycle and the other party. Thus, information exchange in negotiation serves as the primary medium for creating a common view of the situation, justifying one's own and the other's perspective, making concessions, and eventually explaining one's feelings about the agreement achieved.

The presentation of information is also a key source of power in negotiation. Raven (1993; Raven, Schwartzwald and Koslowski, 1998) argued that information can be presented in two ways: directly, in order to change the others' mind, or indirectly, through "overheard" communication or using techniques that seek to present information without directly confronting the target's current position or attitudes. We explore these "direct" and "indirect" approaches to persuasion in Chapter 8.

Power derived from expertise is a special form of information power. The power that comes from information is available to anyone who assembles facts and figures to support arguments, but expert power is accorded to those who are seen as having achieved some level of command and mastery of a body of information. Experts are accorded respect, deference, and credibility based on their experience, study, or accomplishments. One or both parties in a negotiation will give experts' arguments more credibility than those of nonexperts—but only to the extent that the expertise is seen as functionally relevant to the persuasion situation (Cronkhite and Liska, 1976, 1980). For example, someone knowledgeable about cars may not be an expert on motorcycles. Thus, a negotiator who would like to take advantage of his or her expertise will often need to demonstrate that this expertise (1) actually exists and (2) is relevant to the issues under discussion.

## **Power Based on Personality and Individual Differences**

**Personal Orientation** Individuals have different psychological orientations to social situations. According to Deutsch (1985, p. 74), three such orientations are paramount: "cognitive, motivational and moral orientations to a given situation that serve to guide one's behavior and responses to that situation." These are stable individual differences—personality traits, if you will—that affect how individuals acquire and use power. We now briefly discuss all of these orientations.

**Cognitive Orientation** Burrell and Morgan (1979) suggest that individual differences in ideological frames of reference—one way to represent a cognitive orientation—are central to their approach to power. They identified three types of ideological frames:

- The unitary frame, characterized by beliefs that society is an integrated whole and that the interests of individuals and society are one, such that power can be largely ignored or, when needed, be used by benevolent authorities to benefit the good of all (a view common to many "communal" societies and cultures).
- The radical frame, characterized by beliefs that society is in a continual clash of social, political, and class interests, and that power is inherently and structurally imbalanced (a view common to Marxist individuals and cultures).

## Power Doesn't Always Contribute to a Healthy Personality or a Healthy Use of Power

Psychologists have studied the ways that power can contribute to paranoia. *Paranoia* is a psychological disability in which the individual believes that he or she is the target of destructive actions by another person. Paranoid individuals feel a heightened sense of self-consciousness, believe that they are constantly being scrutinized and judged by others, and hence believe that their self-concept and self-esteem are threatened. Paranoid individuals suffer from high levels of distrust of others. This distrust is often “irrational” in nature, in that the individual experiences strong fear and suspicion of others, but there is no specific interactions or experiences to justify that distrust. In its most extreme cases, paranoia can be pathological, in that the individual distrusts almost all other people and persists in these beliefs, regardless of the actual words or behavior of these other parties.

Paranoia can arise from personality dispositions as well as situational circumstances. For example, several authors have examined the U.S. presidency of Lyndon Johnson. Kramer (1995) shows how

Johnson had a profound distrust and suspicion of his political rivals, such as Robert Kennedy. This led Johnson to be highly vigilant about even the most minor of political threats and challenges. But the paranoia was also exacerbated by the escalation of the war in Vietnam and the strong, persistent voice of the antiwar movement encouraging him to withdraw U.S. troops from the conflict. As a result, Johnson significantly magnified the perceived power and threat of these adversaries and increased his resolve to not pursue any courses of action which might be seen as “giving in” to these critics. Unfortunately, as noted by Caro (2006), his response to the antiwar critics significantly diminished his legacy as a very talented politician and significant leader in the country’s civil rights movement.

*Sources:* R. M. Kramer, “Power, Paranoia and Distrust in Organizations: The Distorted View from the Top.” In R. J. Bies, R. J. Lewicki, and B. H. Sheppard, *Research on Negotiation in Organizations*, vol. 5 (Greenwich, CT: JAI Press, 1995), pp. 119–154; R. A. Caro, “Lessons in Power: Lyndon Johnson Revealed,” *Harvard Business Review*, April 2006, pp. 47–52.

- The pluralist frame, characterized by beliefs that power is distributed relatively equally across various groups, which compete and bargain for a share of the continually evolving balance of power (a view common to many liberal democracies).

Each ideological perspective operates as a “frame” (see Chapter 5) or perspective on the world, shaping expectations about what one should pay attention to, how events will evolve, and how one should engage situations of power. The ideological perspective has also been shown to affect the way individuals process social information about power: “whether it is limited or expandable, competitive or cooperative, or equal or unequal” (Coleman, 2000b, p. 116), and how the orientation affects people’s willingness to share power when they have authority. But having power doesn’t always mean that it gets used in a healthy way (see Box 7.4).

**Motivational Orientation** A second orientation focuses on differences in individual motivations—that is, differences rooted more in needs and “energizing elements” of the personality rather than in ideology. McClelland (1975; McClelland and Burnham, 1976) identified individual differences in “power motive,” or the disposition of some people to have high needs to influence and control others and to seek out positions of power and authority. More dramatically, in the era following World War II and the notorious empire-building dispositions of Hitler and Mussolini, personality theorists described “the authori-

tarian personality,” as an individual who has a strong need to dominate others and yet, at the same time, to identify with and submit to those in high authority (Adorno, Frenkel-Brunswick, Levinson, and Sanford, 1950). These orientations are likely to play out in either the “power over” or “powerless” situations of power, depending on the status of the other party.

**Dispositions and Skills** Several authors (e.g., Pfeffer, 1992; Frost, 1987) have suggested that orientations to power are broadly grounded in individual dispositions to be cooperative or competitive (e.g., the dual concerns model, Chapter 1, and individual differences in conflict management styles, Chapter 15). Competitive dispositions and skills may emphasize the “power over” approach and suggest that people with these dispositions maintain skills such as sustaining energy and stamina; maintaining focus; and having high expertise, strong self-confidence, and high tolerance for conflict. Cooperative dispositions and skills are more allied with the “power with” approach, emphasizing skills such as sensitivity to others, flexibility, and ability to consider and incorporate the views of others into an agreement. For example, one group of researchers encouraged students to recall a time when they felt powerful and then to see how this disposition translated to a negotiation. High-power individuals displayed a greater propensity to initiate negotiations and to make the first move in a variety of competitive situations, to actually make the first offer, and to gain bargaining advantage by making that offer (Magee, Galinsky, and Gruenfeld, 2007).

**Moral Orientation** Finally, individuals differ in their moral views about power and its use. Coleman (1997) has noted that there is a significant positive relationship between people’s implicit ideals regarding egalitarianism—a deep-seated belief in the ideal of equality of power for all—and their willingness to share power with low power parties. In Chapter 9, we show how differences in moral orientation broadly affect the use of ethical and unethical tactics in negotiation.

### **Power Based on Position in an Organization**

We discuss two major sources of power based on position in an organization: (1) legitimate power, which is grounded in the title, duties, and responsibilities of a job description and “level” within an organization hierarchy; and (2) power based on the control of resources (budget, funding, etc.) associated with that position.

**Legitimate Power** Legitimate power is derived from occupying a particular job, office, or position in an organizational hierarchy. In this case, the power resides in the title, duties, and responsibilities of the job itself, and the “legitimacy” of the officeholder comes from the title and duties of the job description within that organization context. Thus, a newly promoted vice president acquires some legitimate power merely from holding the title of vice president.

There are times when people respond to directions from another, even directions they do not like, because they feel it is proper (legitimate) for the other to direct them and proper (obligatory) for them to obey. This is the effect of legitimate power.

Legitimate power is at the foundation of our social structure. When individuals and groups organize into any social system—a small business, a combat unit, a union, a political

action organization, a sports team, a task force—they almost immediately create some form of structure and hierarchy. They elect or appoint a leader and may introduce formal rules about decision making, work division, allocation of responsibilities, and conflict management. Without this social order, either the group can take little coordinated action (chaos prevails), or everyone is required to participate in every decision and group coordination takes forever. Social structures are efficient and effective, and this fact creates the basis for legitimate power. People are willing to give up their right to participate in every decision by vesting authority in someone who can act on their behalf (a president, leader, or spokesperson). By creating a group structure that gives one person a power base, group members generate a willingness within themselves to obey that person's directives.

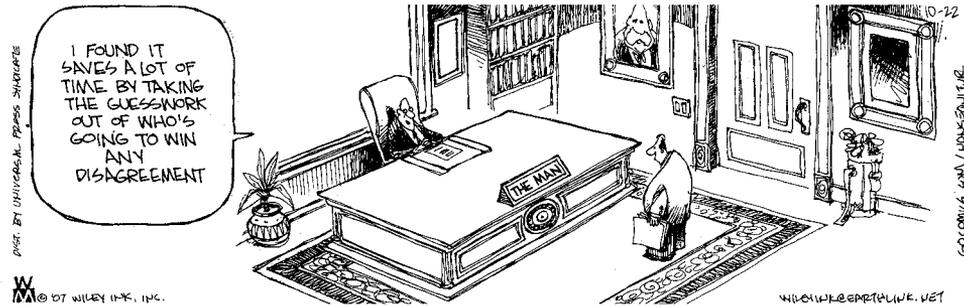
People can acquire legitimate power in several ways. First, it may be acquired at birth. Elizabeth II has the title of Queen of England and all the stature the title commands. She also controls a great deal of the personal wealth of the monarchy. However, she has little actual power in terms of her ability to run the day-to-day affairs of Britain, a situation that has created controversy and resentment in recent years. Second, legitimate power may be acquired by election to a designated office: the President of the United States has substantial legitimate power derived from the constitutional structure of the American government. Third, legitimate power is derived simply by appointment or promotion to some organizational position. Thus, holding the title of Director or General Manager entitles a person to all the rights, responsibilities, and privileges that go with that position. Finally, some legitimate authority comes to an individual who occupies a position for which other people simply show respect. Usually, such respect is derived from the intrinsic social good or important social values of that person's position or organization. In many societies, the young listen to and obey the old. People also listen to college presidents or the members of the clergy. They follow their advice because they believe it is proper to do so. While clergy members, college presidents, and many others may have precious little they can actually give to individuals as rewards or use against them as coercive punishments, they still have considerable legitimate power (see Cialdini, 2001, on the illusions of authority).

The effectiveness of formal authority is derived from the willingness of followers to acknowledge the legitimacy of the organizational structure and the system of rules and regulations that empowers its leaders (Barnard, 1938). In short, legitimate power cannot function without obedience or the consent of the governed. If enough British citizens question the legitimacy of the Queen and her authority—even given the hundreds of years of tradition and law on which the monarchy is founded—her continued rule will be in serious jeopardy. If enough Catholics challenge the Pope's rulings on abortion, birth control, or other social policy, the Pope's authority will erode. If the President's cabinet members and key advisers are unwilling to act on presidential orders, then the President's effectiveness is nullified. When enough people begin to distrust the authority or discredit its legitimacy, they will begin to defy it and thereby undermine its potential as a power source.

Because legitimate power can be undermined if followers choose to no longer recognize the powerholder's authority, it is not uncommon for powerholders to accumulate other power sources (such as resource control or information) to fortify their power base. Resource control and information power frequently accompany a title, position, or job

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definition. Legitimate power is often derived from manipulating these other sources of power. Military officers have known this for a long time. All military-style organizations (soldiers, police, etc.) still drill their personnel, even though military units no longer march into battle as they once did. There are several reasons for this: a drill is an easy place to give instructions, teach discipline and obedience, closely monitor large numbers of people, and quickly punish or reward performance. Drilling gets large numbers of people used to accepting orders from a specific person, without question. Those who follow orders are rewarded, whereas those who do not are quickly and publicly punished. After a while, the need for reward and punishment drops off, and it seems natural or legitimate for the soldier to accept orders from an officer without asking why or inquiring about the consequences.

Although we have been talking about organizational structures and positions as conferring “legitimacy,” it is also possible to apply the notion of legitimacy to certain social norms or conventions that exert strong control over people (Raven, 1993; Raven, Schwartzwald and Koslowski, 1998). Examples include the following:

1. The legitimate power of reciprocity, a very strong social norm that suggests that if one person does something positive or favorable for the other, the gesture or favor is expected to be returned (“I did you a favor; I expect you to do one for me”).
2. The legitimate power of equity, another strong social norm, in which the agent has a right to request compensation from the other if the agent goes out of his or her way or endures suffering for the other (“I went out of my way for you; this is the least you could do for me”).
3. The legitimate power of responsibility or dependence, a third strong social norm that says we have an obligation to help others who cannot help themselves and are dependent on us (“I understood that the other really needed help on this and could not do it themselves”).

**Resource Control** People who control resources have the capacity to give them to someone who will do what they want and withhold them (or take them away) from someone who

doesn't do what they want. Resources can be many things. Particular resources are more useful as instruments of power to the extent that they are highly valued by participants in the negotiation. In an organizational context, some of the most important resources are the following:

1. *Money*, in its various forms: cash, salary, budget allocations, grants, bonus money, expense accounts, and discretionary funds.
2. *Supplies*: raw materials, components, pieces, and parts.
3. *Human capital*: available labor supply, staff that can be allocated to a problem or task, temporary help.
4. *Time*: free time, the ability to meet deadlines, the ability to control a deadline. If time pressure is operating on one or both parties, the ability to help someone meet or move a deadline can be extremely powerful (we discussed deadlines in negotiation in Chapter 3).
5. *Equipment*: machines, tools, technology, computer hardware and software, vehicles.
6. *Critical services*: repair, maintenance, upkeep, installation and delivery, technical support, and transportation.
7. *Interpersonal support*: verbal praise and encouragement for good performance or criticism for bad performance. This is an interesting resource because it is available to almost anyone, does not require significant effort to acquire, and the impact of receiving it is quite powerful on its own.

Pfeffer and Salancik (1974), among others, stress that the ability to control and dispense resources is a major power source in organizations. Power also comes from creating a resource stockpile in an environment where resources appear to be scarce. In his book *Managing with Power* (1992), Jeffrey Pfeffer illustrated how powerful political and corporate figures build empires founded on resource control. During his early years in Congress, Lyndon Johnson took over the "Little Congress" (a speaker's bureau for clerical personnel and aides to members of Congress) and leveraged it into a major power base that led him to become Speaker of the House of Representatives and eventually President. Similarly, Robert Moses, beginning as the parks commissioner of New York City, built a power empire that resulted in the successful construction of 12 bridges, 35 highways, 751 playgrounds, 13 golf courses, 18 swimming pools, and more than 2 million acres of park land in the New York metropolitan area—a base he used to become a dominant power broker in the city.

Resources are generally deployed in one of two principal ways: as rewards and as punishments. French and Raven (1959) called these *reward power* and *coercion power*. Raven (1993; Raven, Schwartzwald and Koslowski, 1998) has further distinguished between these two to define both personal and impersonal forms. Personal forms of power derive from the personal attraction between the agent and the target. Thus, personal reward power is derived from the target being influenced because the agent liked them or showed them some form of social acceptance. Impersonal reward power, on the other hand, comes from the direct use of tangible rewards by the agent, such as pay, benefits, a promotion, or favorable consideration. Personal coercive power is in play when the target wants to avoid or minimize

the agent's disliking or social rejection (being cold, distant, rejecting, etc.). Impersonal coercive power, on the other hand, comes from the direct use of coercive punishment by the other, such as denying a raise or promotion, giving the target unfavorable job assignments, and the like.

To use resources as a basis for power, negotiators must develop or maintain control over some desirable reward that the other party wants—such as physical space, jobs, budget authorizations, or raw materials—or control over some punishment the other seeks to avoid. As noted, these rewards and punishments could be tangible or intangible, such as liking, approval, respect, and so on. Successful control over resources also requires that the other party deal directly with the powerholder. Finally, the powerholder must be willing to allocate resources depending on the other's compliance or cooperation with the powerholder's requests. The increasing scarcity of resources of all kinds has led to the new golden rule of organizations: "whoever has the gold makes the rules." The potential use of reward and punishment power is most commonly expressed in negotiation as threats to punish and promises to reward, which we addressed in our discussion of distributive bargaining in Chapter 2.

### **Power Based on Relationships**

Three types of power are discussed here: goal interdependence, referent power, and power based on relationship with others in personal and professional networks.

**Goal Interdependence** How the parties view their goals—and how much achievement of their goal depends on the behavior of the other party—has a strong impact on how likely parties will be to constructively use power. Goal structure has consistently demonstrated a strong effect on negotiator's attitudes and behaviors by influencing the disposition parties take toward power. Cooperative goals tend to shape the "power with" orientation, even between superiors and subordinates; Tjosvold (1997) found that these goals induce "higher expectations of assistance, more assistance, greater support, more persuasion and less coercion and more trusting and friendly attitudes" (p. 297). Those with cooperative goals want others to perform effectively and achieve common objectives. In contrast, competitive goals lead the parties to pursue a "power over" orientation; to reinforce or enhance existing power differences; and to use that power to maximize one's own goals, often at the expense of the other (see also Deutsch, 1973; Howard, Gardner, and Thompson, 2007). For example, relationships and goal interdependence are key sources of power in salary negotiations (see Box 7.5).

**Referent Power** As defined earlier, referent power is derived from the respect or admiration one commands because of attributes like personality, integrity, interpersonal style, and the like. A is said to have referent power over B to the extent that B identifies with or wants to be closely associated with A. Referent power is often based on an appeal to common experiences, common past, common fate, or membership in the same groups. Referent power is made *salient* when one party identifies the dimension of commonality in an effort to increase his or her power (usually persuasiveness) over the other. Thus, a negotiator might start getting to know the other in order to discover commonalities (home town,

Salary and negotiation expert Paul Barada from Monster.com points out that power is one of the most overlooked but important dynamics in negotiation. He says that power relationships aren't like blackjack, but there is one parallel: power will determine who has the better hand. The employer often has the better hand because he or she has something the candidate wants: the job opening, and there are probably lots of candidates who want the job (a good BATNA). But if the candidate has unique skills that the employer wants, or if there is a shortage of talent in a particular field, the candidate can have a lot of power (and hence a good hand). A job candidate can increase his or her power as follows:

- Determine what skills has, and which ones can be transferred to the job one has applying for.
- Do homework on the demand for those skills in various jobs and industries.
- Know what is a fair and reasonable salary for this job, given the market conditions and the geographic area in which the job is located.
- Be prepared to make a convincing set of arguments for the value one will bring to your new employer.
- Determine a fair compensation rate (target) and a threshold below which one will not go (walkaway point).

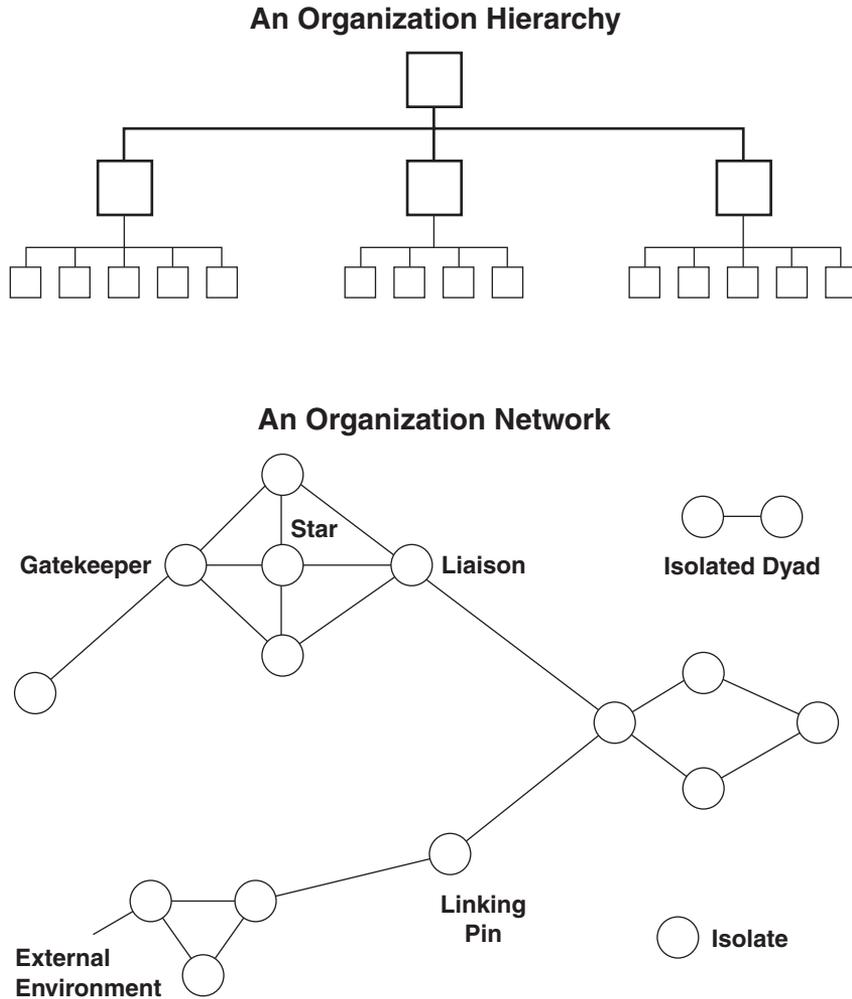
If the candidate determines that he or she does not have the appropriate skills, education or experience, he or she should consider how to gain those skills or experience to give him or her more power in job negotiations.

*Source:* P. W. Barada, "Power Relationships and Negotiation." (2008). <http://www.career-advice.monster.com/salary-negotiation/Power-Relationships-and-Negotiation/home.asp>.

college, favorite sports team, political perspective) that, when discovered, will hopefully create a bond between the parties that will facilitate agreement. Like expert power, referent power can also have negative forms. Negative referent power is often used, particularly when parties seek to create distance or division between themselves and others or to label the other. Thus, political rivals often label each other as "liberals" or "right wingers" in an effort to make the other a less attractive candidate in an upcoming election (Raven and Rubin, 1976).

**Networks** The third type of relational power also comes from location in an organizational structure, but not necessarily a hierarchical structure. In this case, power is derived from whatever flows through that particular location in the structure (usually information and resources, such as money). The person occupying a certain position may not have a formal title or office; his or her leverage comes from the ability to control and manage what "flows" through that position. For example, before China modernized in the 1980s, automobile chauffeurs held enormous power even though their title was not prestigious. If a chauffeur did not like a passenger or did not feel like driving to a certain location, he could make life very difficult and impose serious consequences for the passenger (e.g., delayed departure time, driving very slowly, taking a roundabout route, etc.).

This example shows that even without a lofty position or title, individuals can become powerful because of the way their actions and responsibilities are embedded in the flows of information, goods and services, or contacts. For example, individuals such as clerks or data-entry operators, who have access to a large amount of information or who are responsible

**FIGURE 7.1** | Comparing Organization Hierarchies and Networks

for collecting, managing, and allocating vital resources (money, raw materials, permissions and authorizations) may become very powerful (see Charan, 1991; Kaplan, 1984; Krackhart and Hanson, 1993). The job may not have a fancy title, a large staff, or a large corner office, but it can confer a significant amount of power by virtue of the amount of information and resources that pass through it.

Understanding power in this way is derived from conceptualizing organizations and their functioning not as a hierarchy, but as a network of interrelationships. Network schemas represent key individuals as circles or nodes and relationships between individuals as lines of transaction. (See Figure 7.1 for an example of a network as compared with an organizational hierarchy).

These lines (*ties*) connect individuals or groups (*nodes*) who interact or need to interact with each other in the organization. Through information and resources as the primary focus of transactions, personal relationships, referent power, and “pressure” may also be negotiated across network lines. In formal hierarchy terms, authority is directly related to how high the position is on the vertical organization chart and how many people report to that individual from lower levels. In network terms, in contrast, power is determined by location within the set of relationships and the flows that occur through that node in the network. Several key aspects of networks shape power: tie strength, tie content, and network structure (including node centrality, criticality, flexibility, and visibility).

**Tie Strength** This is an indication of the strength or quality of relationships with others. Quality might be measured by how close you are, how much personal information you share with the other, or how much one person is willing to go out of his or her way for the other. Strength of ties between individuals can be determined by how often the parties interact, how long they have known each other, how close the personal relationship is with the other, how many different ways the two parties interact with each other, and how much reciprocity or mutuality there is in the relationship so that each contributes equally to the give-and-take. Stronger ties with another usually indicate greater power to have the other accede to requests.

**Tie Content** Content is the resource that passes along the tie with the other person. This could be money or other resources, information, support, emotion, and the like. The more the content of the ties builds a strong personal relationship (rather than just a series of exchanges or transactions—also see Chapter 10) and the more they create trust and respect for each other, the stronger the tie will be (Ibarra and Andrews, 1993).

**Network Structure** While tie strength and content relate to an individual relationship within a network, network structure refers to the overall set of relationships within a social system (e.g., a workplace, department, school, or other social environment). Some aspects of network structure that determine power in a role include:

1. **Centrality.** The more central a node is in a network of exchanges and transactions, the more power that node’s occupant will have. Centrality may be determined by the amount of information or total number of transactions that pass through a node or by the degree to which the node is central to managing information flow. In the network depicted in Figure 7.1, the star has greater centrality and therefore more power. Researchers have shown that being in the center of information flows—the workflow network, the informal communication network, and the friendship network—is particularly important to being promoted (see Brass, 1984). A new faculty member might decide to volunteer to head up the “speakers” program for faculty seminars because it would put him or her in the center of many communications about the weekly presentations.
2. **Criticality and relevance.** A second source of network power is the criticality of the node. Although a large amount of information or resources may not flow through a particular node, what does may be essential to the organization’s mission, major task, or key

product. People who depend highly on others may become critical to the degree that they are charged with assembling information from many locations; that is, they may be in frequent contact with many important people and may be required to integrate information from those contacts into a recommendation, action strategy, or decision. In Figure 7.1, liaisons and linking pins perform this role. Employees who want to succeed rapidly are frequently counseled to find jobs with high centrality and criticality in an organization so they can get the experience and visibility necessary for rapid promotion. Being critical—even irreplaceable—is a core part of getting and maintaining power.

3. *Flexibility.* A third source of network power lies in the position's flexibility, or the degree to which the key individual can exercise discretion in how certain decisions are made or who gains access. Flexibility is often related to criticality (see the preceding discussion). A classic example of flexibility is the role of gatekeeper (Figure 7.1), the person in a network who controls the access to a key figure or group. Anyone who wants to get to the star has to go through the gatekeeper. If you want to see the boss, you have to get permission and access from the secretary.

4. *Visibility.* Nodes differ in their degree of visibility—that is, how visible the task performance is to others in the organization. Visibility is not necessarily the same thing as centrality or criticality. A negotiator who deals with his or her constituency in the same room has high visibility; if the negotiator gains significant concessions from the other party while being watched, the team will give that negotiator a great deal of affirmation. A node with high centrality and criticality may not be visible, but if it is not, it is much less likely to be recognized and rewarded. Visibility may also be determined simply by where a person's office or parking space is located, such as in the hallway where the president walks to lunch or near the location where the president parks his or her car. Pfeffer (1992) relates a story about a new faculty colleague who became well known simply by the proximity of his office to one of the few men's rooms in the building—most colleagues got to know him as they passed his office on their periodic trips to the lavatory.

5. *Membership in a coalition.* Finally, as a node in a network, you can be a member of one or more subgroups or coalitions. Coalitions often act together to represent a point of view or promote action or change; the more coalitions you belong to, the more likely you will be to find “friends” who can help you meet key people, obtain important (often “inside”) information, and accomplish objectives. We say more about how coalitions work in negotiations in Chapter 12.

### Contextual Sources of Power

Finally, while power can be located within individuals and their relationships, power is also based in the context, situation, or environment in which negotiations take place. While these forms of power often go unrecognized in the short term (because of our tendency to see power as an individual quality rather than embedded in the structure or context of a conflict), these sources are just as critical.

**BATNAs** In Chapters 3 and 4, we discussed the role of a best alternative to a negotiated agreement—that is, an alternative deal that a negotiator might pursue if she or he does not

come to agreement with the current other party. The availability of a BATNA offers a negotiator significant power because he or she now has a choice between accepting the other party's proposal or the alternative deal. Any viable BATNA gives the negotiator the choice to walk away from the current deal or to use the BATNA as leverage to strike a better agreement in the current discussions. Students who have two financial aid offers from different graduate schools will have significantly more power to increase the quality of that aid package offer from either university than students who have only one financial aid offer, because they can "play one off against the other." Knowledge of the other's BATNA can also help shape a negotiator's initial offer. Buelens and Van Poucke (2004) have shown that knowledge of the opponent's BATNA was by far the strongest determinant in shaping a manager's initial offer in a negotiation situation.

Several studies have reinforced the importance of a strong BATNA as a source of power. First, having a strong BATNA increases the likelihood that one will make the first offer (Magee, Galinsky, and Gruenfeld, 2007). Second, having a BATNA increases one's own outcomes as well as the other's outcomes, compared with not having a BATNA. Moreover, the better the BATNA, the more leverage a negotiator has over his or her opponent. Finally, negotiators with better BATNAs (compared with their opponents) were able to claim a greater share of the resource pie (Pinkley, Neale, and Bennett, 1994). However, if one is concerned about integrative outcomes, the reverse is true: the smaller the perceived difference in power (as determined by the quality of alternatives), the better the integrative outcomes derived from the negotiation (Wolfe and McGinn, 2005).

**Culture** Culture determines the "meaning system" of a social environment. That is, culture is a system of basic assumptions, norms, and/or common values that individuals in a group or organization share about how to interact with each other, work together, deal with the external environment, and move the organization into the future (Schein, 1988). Culture often shapes what kinds of power are seen as legitimate and illegitimate or how people use influence and react to influence. For example, in one organization known to the authors of this book, the chief executive officer (CEO) introduced ideas for major changes in business strategy in management team meetings. Senior managers made very few critical comments about these ideas in the meeting, but they then actively expressed their disagreement with the idea in one-to-one conversations with each other or the CEO. This public lack of openness and honesty—a cultural value in this organization—contributed to many decisions that were apparently made by consensus, but then consistently undermined in private by the very people who were part of the decision. Changing this cultural value required a strong, concerted action by the CEO and other managers working together with a consultant over a number of months. Cultures often contain many implicit "rules" about use of power and whether "power over" or "power with" processes are seen as more or less appropriate.

National cultures also differ in the degree to which these "power over" or "power with" orientations are supported or encouraged. Hofstede (1980a, 1980b, 1989) identified "power distance" as a key dimension that distinguishes national cultures from each other. Cultures high in power distance accept inherent inequality in their social structure—that some people in the culture have "power over" others, such as religious or political leaders, elders, "wise men," and the like. In contrast, cultures low in power distance embrace a broad norm

of “power with”—that decision-making power is spread broadly through the culture and that democratic decision making and delegation to those with expertise or unique skill is more acceptable than rule by a few. We explore this approach in greater depth in our treatment of international negotiation in Chapter 17.

Finally, culture—both organizational and national—often translates into deeply embedded structural inequalities in a society. The degree to which women, religious or ethnic groups, certain social classes, or other minority interests are treated unjustly in a society reflect longstanding historical evolution of power inequalities in social structures and institutions. Many significant social problems and negotiations about how to change them can be traced to the historical evolution of these dispositions within a culture, and they require significant effort and attention over many years to introduce meaningful change.

**Agents, Constituencies, and External Audiences** Most negotiations that we describe in this book take place one-to-one—just you and the other negotiator. But negotiations become significantly more complex when negotiators are representing others’ views (e.g., acting as an agent representing their organization or being represented by another person) and when there are multiple parties, the public media, and/or audiences present to observe, critique, and evaluate the negotiations. When all of these other parties are present in a negotiation, they can become actively involved to formally or informally pressure others as part of the negotiation process, which changes the power dynamics. We extensively discuss the effects of additional parties in Chapter 11.

## Dealing with Others Who Have More Power

Thus far, we have been focusing on the numerous ways that negotiators can assemble and use power to their advantage in a negotiation. However, negotiators are often on the receiving end of that power. Very little research has focused on how parties can deal with others who have significantly more power (from one or more of the sources we have mentioned in this chapter). We end this chapter with some advice to negotiators who are in a low-power position, and we return to that advice in Chapter 18, where we specifically focus on negotiation “mismatches” and how low-power parties can deal with more powerful others who use strategy and tactics that makes them difficult. Watkins (2002) and others specifically address the problem of “dancing with elephants” (striking a deal with an opponent much bigger than you) and highlight ways that lower-power parties can deal with the big players in business deals and partnerships. Here is some of their advice:

1. *Never do an all-or-nothing deal.* Relying on a single party and creating a make-or-break deal with them leaves the low-power party highly vulnerable. For example, a small business that agrees to let Wal-Mart stores be its only customer runs the risk of being completely controlled by Wal-Mart. Low-power parties should attempt to diversify their risk by entering into deals with several other partners so that no single high-power player could wipe the low-power partner out. We comment more on this process when we discuss coalition dynamics in Chapter 12.

2. *Make the other party smaller.* In dealing with a high-power party, particularly if it is a group or organization, one should attempt to establish multiple relationships and engage in multiple negotiations. By dealing with a variety of different individuals and departments in the high-power party, one may be able to “divide and conquer” by diversifying the relationships and the multiple interests that may be served in working with these different subgroups.
3. *Make yourself bigger.* Similarly, low-power players should attempt to build coalitions with other low-power players so as to increase their collective bargaining power. Again, these coalition tactics are extensively discussed in Chapter 12. On the other hand, if a low-power player tries to “make itself bigger” by becoming more aggressive, he or she achieves significantly poorer outcomes than if he or she accepts the low-power position (Donohue and Taylor, 2007).
4. *Build momentum through doing deals in sequence.* Early deals can be done to build a relationship, strengthen the relationship with the high-power party, and perhaps acquire resources (information, technology, seed capital, etc.). Select those high-power targets that have the most to gain, and maximize visibility of those deals to other parties.
5. *Use the power of competition to leverage power.* This is a variation on the power of a BATNA. If you have something to offer, make sure you offer it to more than one high-power party. If you can get them competing against each other for what you want, some may actually do a deal with you simply to keep you from doing a deal with one of their competitors.
6. *Constrain yourself.* Tie your hands by limiting the ways that you can do business or who you can do business with. However, while these constraints might drive away your competition, they also have the liability of constraining you as well.
7. *Good information is always a source of power.* Seek out information that strengthens your negotiating position and case. Anticipate the information that would be most compelling or persuasive to the other side; organize it so that you can draw on it quickly and assemble it to be maximally persuasive.
8. *Ask lots of questions to gain more information.* Research shows that negotiators with less power ask more diagnostic than leading questions and constantly showed their willingness to cooperate—and that these behaviors resulted in better outcomes (de Dreu and Van Kleef, 2004).
9. *Do what you can to manage the process.* If the high-power party controls the negotiation process (the agenda, the cadence, the timing, and the location), he or she will do it in a way to assure outcomes he or she wants. If the low-power party controls the process, he or she is more likely to be able to steer the deal in an advantageous direction (Watkins, 2002).

## Chapter Summary

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In this chapter, we discussed the nature of power in negotiation. We suggested that there were two major ways to think about power: “power over,” which suggests that power is fundamentally dominating and coercive in nature, and “power with,” suggesting that power is jointly shared with the other party to collectively develop joint goals and objectives. There is a great tendency to see and define power as the former, but as we have discussed in this chapter and our review of the basic negotiation strategies, “power with” is critical to successful integrative negotiation.

We reviewed five major sources of power:

- Informational sources of power (information and expertise).
- Personal sources of power (psychological orientation, cognitive orientation, motivational orientation, certain dispositions, and moral orientation and skills).
- Position-based sources of power (legitimate power and resource control).

- Relationship-based power (goal interdependence and referent power and networks).
- Contextual sources of power (availability of BATNAs, availability of agents, and the organizational or national culture in which the negotiation occurs).

In closing, we wish to stress two key points. First, while we have presented many vehicles for attaining power in this chapter, it must be remembered that power can be highly elusive and fleeting in negotiation. Almost anything can be a source of power if it gives the negotiator a temporary advantage over the other party (e.g., a BATNA or a piece of critical information). Second, power is only the capacity to influence; using that power and skillfully exerting influence on the other requires a great deal of sophistication and experience. In the next chapter, we turn next to a detailed examination of how negotiators implement these power sources through the strategies and tactics of interpersonal influence.

## Endnotes

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<sup>1</sup> Researchers have defined an individual difference called *communication competency* (Spitzberg and Cupach, 1984). Individuals who are high in communication competency are likely to have strong verbal ability, are able to strategize about the way they communicate from one situation to the next, and can easily take the perspective of the other party. Individuals who are high in communication competence are able to adapt to different situations and do what is most necessary and desirable in any given situation.

<sup>2</sup> See, for example, Schreisheim and Hinkin, 1990; Yukl and Tracey, 1992; Cialdini and Goldstein, 2004. For one comprehensive approach to reconceptualizing the use of power in negotiation, see Kim, Pinkley, and Fragale, 2005.