



Hardball Negotiation Tactics: Time Pressure in Major League Baseball

Hardball negotiation tactics can be subtle, such as running down the clock to put pressure on you to make a deal. Free agents in Major League Baseball are hoping to escape this trap.

BY PON STAFF — ON AUGUST 2ND, 2021 / BUSINESS NEGOTIATIONS



Major League Baseball (MLB) games are known for their leisurely pacing. In recent years, off-season negotiations between teams and free agents have sometimes proceeded at a similarly glacial rate, to the consternation of players. Changing power dynamics have led teams to resort to hardball negotiation tactics, such as dragging out talks. As a result, players are eager to push for change in their collective bargaining negotiations. This negotiation example provides

insight on how to head off hardball negotiation tactics through coalitions and collaboration.

Delay of Game

Amateur baseball players enter MLB through a draft and typically must play in the major leagues for six years before becoming free agents. For talented players, free agency offers the hope of a lucrative multi-year contract after seasons of relatively low pay.

Players eligible for free agency can begin negotiating with teams in late fall, soon after the World Series. Historically, the largest free-agent contracts were wrapped up before Christmas, leaving players the rest of the winter to relax, relocate, and recharge.

In the winter of 2017–2018, however, several big-name free agents weren't signed until after the holidays, with some players left hanging until February or March, Ben Lindbergh writes for *The Ringer*. Players who weren't signed in time to join a team for spring training had to attend a training camp operated by the Major League Baseball Players Association as they waited for offers.

The next winter, 2018–2019, top prospects were left cooling their heels into February. But the floodgates eventually burst, with Manny Machado, Bryce Harper, and finally Mike Trout reaching one record-breaking deal after another. The players' tremendous promise appeared to make them outliers in the free-agent market, however.

A Shifting Power Dynamic

With MLB losing billions in revenue amid the Covid-19 pandemic, the 2020-2021 off-season players' market was "moribund," Andrew Zimbalist wrote for *Forbes*. But even pre-pandemic, there were several reasons why teams were slow to sign top free agents, according to Lindbergh.

First, the longer players have to wait, the lower their negotiating power. If a team can't do a deal with one particular free agent, the team will find another one. Players,

meanwhile, can't play until they've signed with a team. Because players have more to lose, "when time pressure mounts, players settle," to the teams' advantage, writes Lindbergh.

Sign
In



Indeed, when a player signs late in the off-season, he's likely to earn less than was forecasted for him at the start of the free-agency period. Not surprisingly, players who sign late in the winter have been found to make a greater contribution to their team's success relative to other MLB players in the same position. As a result, Lindbergh concludes, "teams tend to win when they play chicken with free agents closer to Opening Day." Thus, slow-walking talks becomes part of teams' repertoire of hardball negotiation tactics.

Making matters worse for players, on-field success has become less critical to teams' bottom line. Thanks to lucrative broadcast deals and other revenue sources, teams are relying less on ticket revenues. As a result, teams have less motivation to scoop up the best free agents as quickly as possible and have been slowly building younger, less expensive rosters.

Dealing with Hardball Negotiation Tactics

With their collective bargaining agreement due to expire at the end of 2021, MLB and the players' union are likely to take up the issue of the slow free-agent market. Beyond baseball, here are some negotiation skills and strategies for those dealing with hardball negotiation tactics:

Anticipate instability. As circumstances and power shift over the life of a contract, a negotiating process and agreement that work well at first could become problematic over time for at least some of the protagonists.

Agree to renegotiate. Because it's critical to revisit and revise both the negotiation process and the content of business contracts, you'll want to ensure that you have the ability to renegotiate at regular intervals. It's also wise to include dispute resolution clauses in your contract in case talks get heated.

Look for compatible issues. Negotiators typically assume that their interests are diametrically opposed. When you consider the possibility that your goals could be compatible, you open up opportunities for win-win deals and lessen parties' reliance on hardball negotiation tactics, such as slow-walking a deal.

Weigh the merits of individual versus group negotiation. Negotiators in a weak bargaining position can often gain power by teaming up with others and collectively drawing on their skills of negotiation. However, if your needs and wants don't match those of the majority, you might fall short of your goals, so assess the pros and cons of coalition bargaining.

How have you dealt with hardball negotiation tactics in your recent dealmaking?

Related Posts

- Solutions for Avoiding Intercultural Barriers at the Negotiation Table
- 4 Sales Negotiation Traps—and How to Overcome Them
- How Principal Agent Theory Works in Business Negotiations: Dealmaking Strategies for Bargaining with Agents
- Business Negotiation Skills: How to Deal with a Failing Business Partnership

- The Star Wars Negotiations and Trust at the Negotiation Table

BLOG ACADEMIC PROGRAMS & FACILITIES EXECUTIVE EDUCATION

Copyright © 2022 Negotiation Daily. All rights reserved.

Comments

TEACHING MATERIALS & PUBLICATIONS PRESS REPORTS EVENTS ABOUT

Sign
In

