

Entrepreneurship Curricula

Good Cop/Bad Cop Game

This is usually a team strategy in which one person plays the “bad cop” role and the other person the “good cop”. The bad cop usually initiates the negotiation with tactics to intentionally frighten and bully. The good cop then comes to the rescue and offers the other side an escape from this abuse. This scenario is also known as the Hurt and Rescue Principle, by where one person brings harm and the other saves the day.

eg: “The startup is asking for \$200,000 for 15% stake. Prof Juzar is interested in the deal and he is friend with Mr bochup who is not interested to invest. They teamed up to play the strategy where Mr Bochup recommend a 50% equity stake and \$200,000 offer. Mr Juzar then come in and criticize Mr Bochup of this ridiculous deal and offer \$200,000 for 30%. The startup seeing a much more sensible deal then agreed. Then, he treat Mr Bochup for a lunch”

Escalating Demand (Also known as foot in the door technique)

This is really simple and common. Start off by asking for something small. This can be something that requires no action on their part, but by giving them a chance to say “yes” sets an agreeable atmosphere. When the other party complies with your minor request, ask for something bigger and keep on asking for more until they refuse.

eg: “The startup is asking for \$200,000 for 15% stake..Mr Tan is interested in investing in the company. First , he tell the Startup he will invest for \$200k and wait for the startup team agreement . Then he tell them he will take 30% stake and wait for startup team to agree. Finally he request the CEO to be changed to his son...”

Door in the Face Technique

First make a really large request which will turned off the other side of the negotiation. Then make a second one which is more agreeable.

eg: “The startup is asking for 200,000 E for 15% stake. Mr Song is interested in the deal. First he offered 100000 E for 30% stake which was rejected(as expected). Then he offered 200,000 E for 20% stake and was accepted”

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Double agent

When negotiating with another group of people , it is far easier to persuade one person of the team to your side.

eg: “The startup is asking for \$200,000 for 15% stake. Mr Song is interested in the deal but couldnt get the team to agree with \$200k for 25% stake. So he called up to one of the person of the startup team privately and started telling him how hard it would be to get money else where. That individual was convinced and went back to talk with his team. In the end , the startup agreed”