



Negotiation Skills for the Procurement Professional (in a weak economy)

Conducted by:

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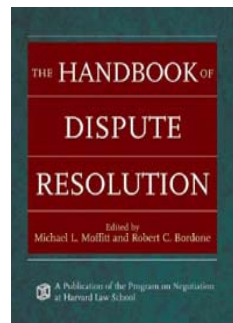
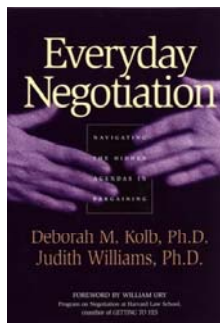
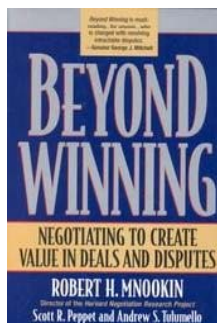
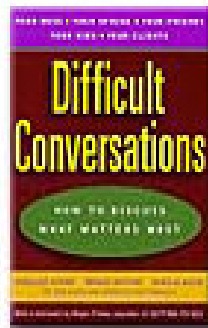
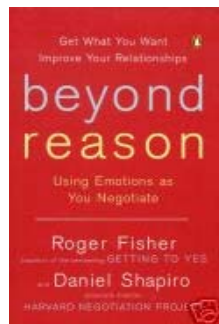
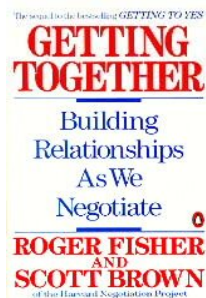
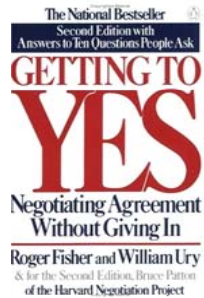
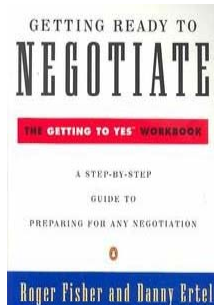
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Presentation Purposes

- Increase Awareness about your Negotiation Style
- Introduce Negotiation Tools and a Proven Framework
- Provide an Action Plan for Moving Forward



History of MWI



- Since 1994, MWI has provided negotiation training and coaching to a range of clients worldwide including:
 - Coca-Cola Enterprises
 - CVS Caremark
 - Analog Devices
 - Visa International
- MWI's Negotiation Programs are based on the work of Roger Fisher, co-author of 'Getting to Yes', and his colleagues at the Harvard Negotiation Project (HNP)



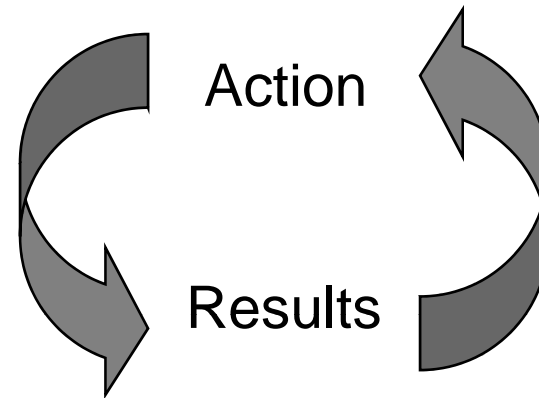
Line Exercise: General Lessons

- Question your and their **assumptions before acting**
- Identify your **goals** - Can collaboration produce more for *you*?
- **Be Purposeful:** Don't just react

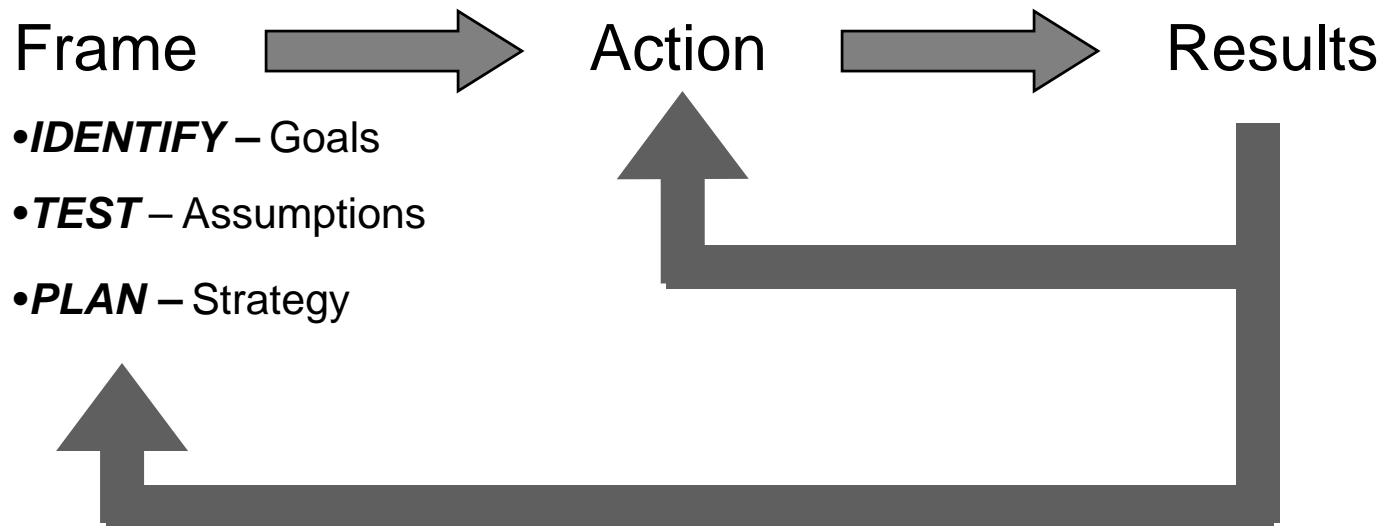


Common vs. Strategic Loops

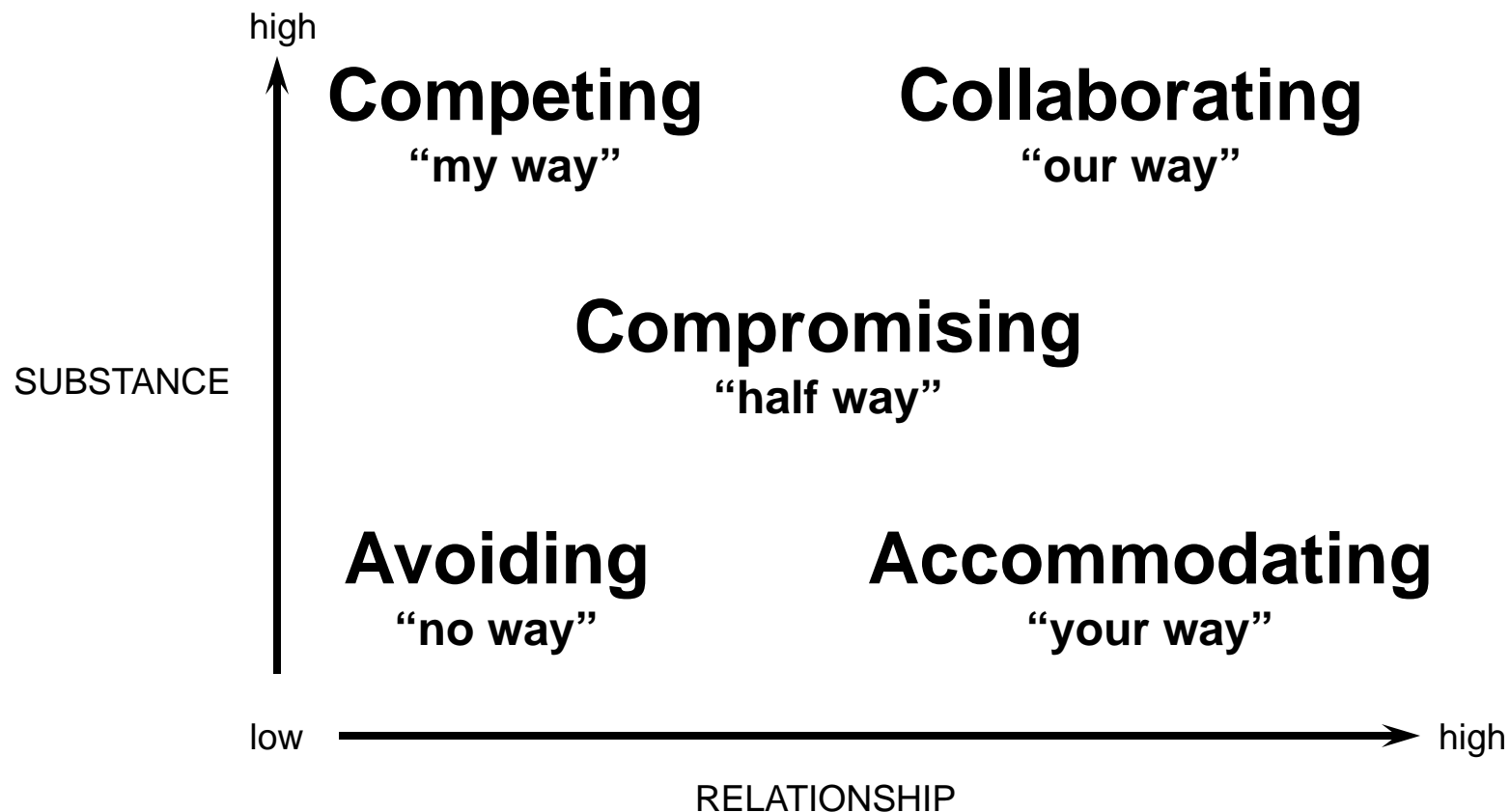
Common Loop:



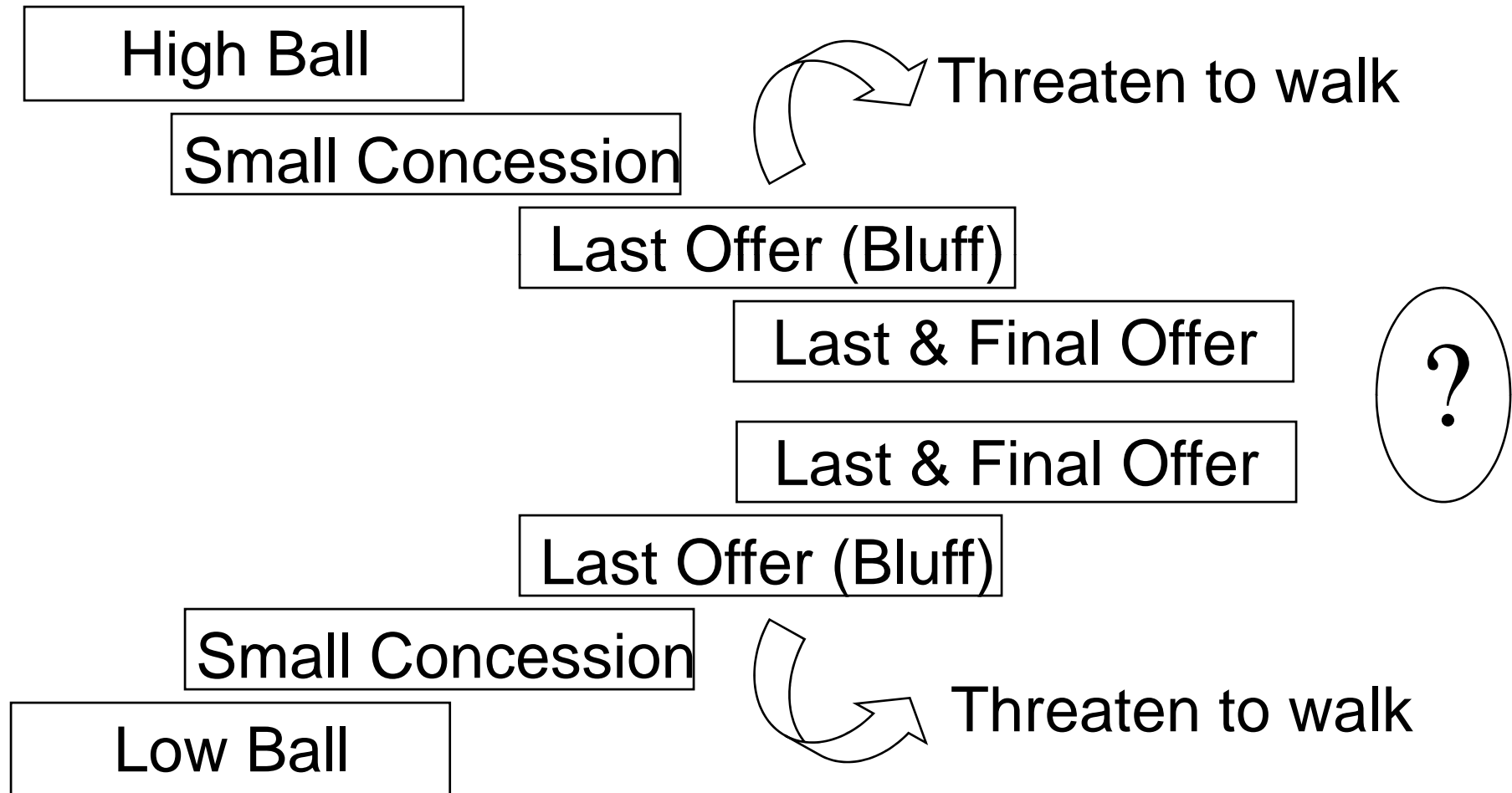
Strategic Loop:



Negotiation Styles



Positional Haggling



What is Your Definition of Success?

Typical definitions of success through Positional Haggling or other “less principled” approaches include:

- They make more concessions than you do
- Brinksmanship
- Reached a deal (*any* deal)
- It *feels* fair
- Didn't “give in” (to your own detriment?)
- You “win”



Proposed Definition of Success

An optimal agreement is one that:

- Meets both sides' **Interests** and needs (not positions)
- Is the best of many creative **Options**
- Is based on **Objective Standards** and is supported by criteria that is viewed as fair by both sides
- Is better than each party's **Alternatives** – what each party could do without the other
- Improves, supports, or at least does not damage, the **Relationships**
- Is based on clear **Communication**
- Involves **Commitments** that are realistic and operational



Preparing to Negotiate

PARTIES/POSITIONS: Who are the parties and what are they demanding?

OBJECTIVE STANDARDS: Standards of fairness recognized by both parties.

Industry standards, precedents, company policies, laws, expert opinions, etc.

INTERESTS: What motivates the parties to negotiate: their goals, hopes, needs...

RELATIONSHIP: The quality of interaction and the level of trust.

Our Interests:

Their Interests:

Describe current relationship:

Describe future ideal relationship:

OPTIONS: What we could do together to meet our interests. Possible solutions.

COMMUNICATION: How messages are sent and received by each party

Questions to ask (inquiry):

Messages to send (advocacy):

ALTERNATIVES: What each party can do on their own to meet their interests.

COMMITMENT: How you will negotiate and what the end result will look like.

What we would do if no agreement::

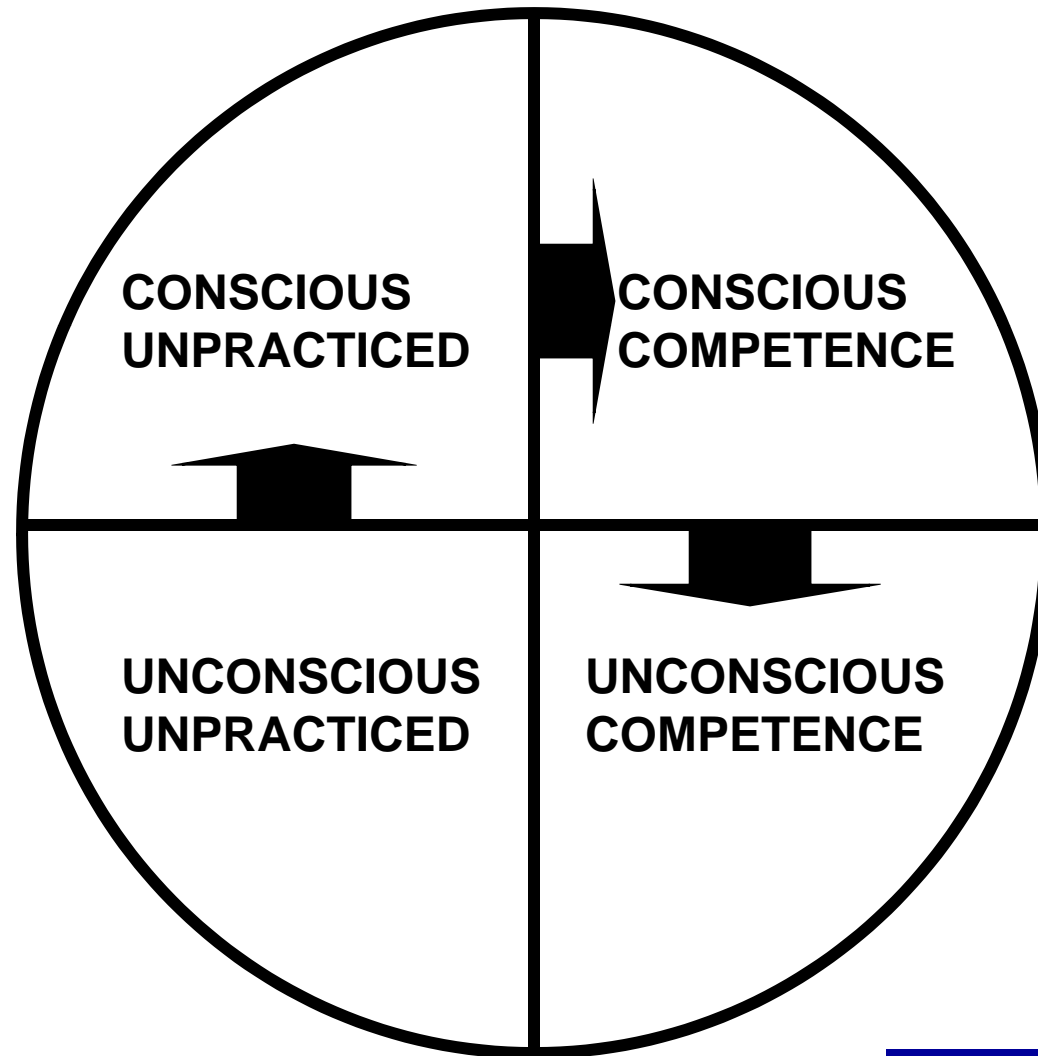
What they would do if no agreement::

Plan to explicitly discuss process: Meeting agenda ID attendees & roles
Length and number of meetings
Ground rules and guidelines

Plan to explicitly discuss outcomes: Expected outcomes Dispute resolution
Agreement structure



Learning Cycle



Going Forward: Continuing the Learning Process

- Practice, Practice, Practice
- Continue to receive professional development
- Negotiate with yourself to prepare for your negotiations early, often and consistently
- Read and re-read “Getting To Yes” and see bibliography in the back of this manual for suggested titles on basic and advanced negotiation topics
- Prepare in groups with your colleagues
- Consult an expert for advice/suggestions in difficult situations



About MWI

MWI is dedicated to providing innovative negotiation and dispute resolution training and coaching services to corporate, institutional and individual clients. The following provides an overview of the dispute resolution services and training provided to clients since 1994.

Negotiation and Mediation Training Programs:

- Effective Negotiation Skills
- Dealing with Difficult People
- Getting Past No
- Manager as Negotiator
- Mediation Skills Training

Dispute Resolution Services

- Business and Workplace Mediation Services
- Facilitation Services
- Organizational Ombuds
- Divorce Mediation Services
- Dispute Management System Design

Please visit www.mwi.org or contact MWI at 800-348-4888 for more information.

