

SSM 46 – STRATEGIC NEGOTIATION

INTRODUCTION

The ability to negotiate successfully is one of the most basic of the businessperson's skill sets. Significant positive or negative impacts are made to every organization's bottom line from the results of the negotiations conducted by their employees with outside firms. It is therefore essential for the continued success of any organization that employees are well trained and experienced in the planning, strategies, and conducting of negotiations. This seminar is designed to provide strong competencies in the methods and strategies that will result in successful negotiations with suppliers and contractors.

WHO SHOULD ATTEND?

Professionals involved in:

- Projects, Contracts, Purchasing, Contract administration
- Operations, Maintenance, Quality & Engineering
- Other company activities that expose them or their staff's to negotiations with contractors and suppliers and who want to improve their competency in this critical area of performance.

COURSE CONTENTS

Session 1 - The Criticality of Successful Negotiations

- Why are we here?
- Our responsibilities as Agents
- Negotiation Skill sets
- Who Wins Negotiations
- The most important thing to remember in negotiations
- Steps in Negotiation Preparation
- Comparing Approaches in Negotiations
- What gets negotiated?
- Timing as an Issue
- Negotiation Exercise

Session 2 - The Expert Negotiator Defines Many Issues

- Payment terms & Progress Payments
- Transportation issues
- Pricing issues
- Warranties & Spare Parts Issues
- Acceptance terms
- Liquidated damages
- Training
- Negotiation Exercise

Session 3 - Valuing Issues for Both Sides

- Rating & Issue Types
- Total cost of ownership considerations
- Negotiating Contractor Contingencies
- Economic Price Adjustment Clauses
- Standards of ethics in purchasing and contracting conduct
- Sharp practices
- Assess Strengths & Weaknesses
- Evaluating your position
- The 4 sets of needs present in any negotiation
- Negotiation Exercise

Session 4 - Defining the Negotiation Objectives

- Determining initial positions
- Negotiation objectives diagram
- Negotiations planning forms
- Impact of other Influences
- Pre-negotiation Exchanges
- Final Preparation
- Determine strategies
- Negotiation Exercise

Session 5 - Common Negotiation Tactics & Countermeasures

- 18 important negotiation points to remember
- Ending Deadlocks in negotiations
- Undermining Techniques
- Delaying Action
- Questioning Tactics
- Negative concessions strategy
- The "if" Statement
- Be careful of Comparative Options
- The Funny Money Technique
- Post review and analysis
- Negotiation Exercise