



Negotiating Breakthroughs

Who Should Attend:

Middle and upper management, project managers, senior sales people and individuals involved with marketing, procurement or out-sourcing negotiations.

Format:

- A 2-day workshop that is case study driven
- A pre- and post-workshop assessment
- An optional 1-day advanced workshop

Tools Provided:

- A Comprehensive Learning Guide
- A Negotiating Planner

Related Training:

- Selling Breakthroughs

Make all negotiations more satisfying and successful

Through mutually successful negotiations, you can create lasting partnerships and measurable improvements. Use our negotiation-planning techniques to prepare strategies and tactics to achieve desired outcomes. Once you learn how to transform potential combatants into lasting partners, you will significantly increase your confidence when entering into any negotiation situation.

This course will help you:

- Reduce negotiating time by investing in planning
- Apply a full range of negotiating skills
- Eliminate potential misunderstandings
- Know when to negotiate and when to sell
- Realize a higher degree of satisfaction from the negotiation
- Build lasting relationships

The logo for Priority Management, featuring the word "Priority" in a red, cursive script font with a registered trademark symbol (®) to the upper right.

A Better Way To Work

For more information and to see how Priority Management can help you work smarter, call your local Priority Management office or contact us at:
www.prioritymanagement.com/contact_us

Transocean's return on investment

Two examples illustrate the significant ROI from course attendees applying the negotiation process tools and techniques they learned.

Savings of US\$105,000 against an initial freight quote, and US\$200,000 against a benchmark quote.

The course graduate commented:

"The training imparted during the programme definitely helped me immensely in this particular negotiation which resulted in savings of USD 105K for Transocean."

Savings of US\$34,000 were achieved through negotiating different scheduling and shipping methods.

The course graduate commented:

"This was a case where we not only negotiated with the vendor but also found a solution in conjunction with them. This resulted in a win: win for both parties and a saving of USD 34K for Transocean."

Case Study:

Negotiating with Transocean

Background

Transocean, the world's largest offshore drilling contractor, provides the most versatile fleet of mobile offshore drilling units to help clients find and develop oil and natural gas reserves. Their operations include the US Gulf of Mexico and eastern Canada, Brazil, the UK and Norwegian sectors of the North Sea, West Africa, Asia, including Australia, the Middle East, including Saudi Arabia, India and the Mediterranean. Building on more than 50 years of experience, their recent merger with GlobalSantaFe brings their total staff to 20,000 worldwide.

Transocean's training challenge to Priority

The training challenge presented by the Global Supply Chain Director in 2006 to our Regional office in Houston was about logistics – how to cost effectively train their global supply chain staff spread across the globe. Most of the supply chain staff directly service the rigs, and are therefore based close to the operations – including Aberdeen, Angola, Australia, Azerbaijan, Brazil, Canada, Egypt, India, Indonesia, Malaysia, Philippines, Nigeria, Norway, Singapore, Thailand, USA, and Vietnam. With over 300 staff in more than 20 geographically diverse locations, each requiring skills to better manage their procurement negotiations, the logistics had become a major issue.

Their challenge to Priority was – can you provide an online procurement negotiation program that will achieve the same outcome as traditional classroom training? Their main concern was that the negotiation process within the supply chain required a high level of communication and interpersonal skills and behaviors that might be difficult to replicate online. They also wanted delivery time to be limited to short bursts, as taking staff out for more than two hours would be difficult in many locations.

In line with Transocean's FIRST core values, the program needed to focus on win: win negotiations with suppliers - establishing, developing and maintaining long-term mutually profitable relationships.

The technology used for the on-line program need to be as 'low-tech' as possible as some of the more remote locations had limited bandwidth capabilities.

Other Client Testimonials:

"Thank you again for the wonderful course your team has provided. We were all impressed with the quality of the program- the linkages between theory and practice - reinforced through excellent facilitation and case studies, made it relatively easy to understand and appreciate the critical issues we are faced with during negotiation. We all learnt a great deal - even those who are often involved with difficult and complex negotiations. In a time when Victoria Police is moving away from a hierarchical management structure to one which is about influencing and persuading, this course is essential to our middle and senior managers. I would highly recommend this course."

*Outstanding facilitation by Dennis and Richard. Once again, thank you.
Richard Grant
Victoria Police*

Priority's solution for Transocean

Working in close consultation with their Global Supply Chain Director and the team at Priority's regional office in Houston, our International Program Director for negotiation designed an online version of Priority's Negotiating Breakthroughs™ program to meet Transocean's general and specific objectives.

Delivered through WebEx, the standard two-day negotiating skills program was broken down into eight two-hour sessions, presented two-weekly, and delivered across four major time zones to geographically clustered groups of 10 people.

The WebEx delivery is facilitated in a classroom format – with a mix of discussions, Transocean case studies and role-play simulations, skills and knowledge testing, Q & A sessions, involving everyone in groups, pairs or individually. The WebEx format is very flexible and allows for sharing information through slides, polls, participant input, reports, and live whiteboards. Video streaming was not an option for this project due to the bandwidth restrictions.

Between each weekly session set activities encourage practice of skills learned in their daily negotiations, and lessons learned are reinforced through feedback at the following session.

After running the first series in 2006, an indepth evaluation and review confirmed that the online delivery had proved to be an outstanding success. The only change decided was to change the frequency to weekly instead of two-weekly. Courses were scheduled for 2007 and committed for 2008.

The Results for Transocean

At the end of the training program, participants are asked to provide details about how their new negotiating skills enabled them to achieve better win: win outcomes. In virtually every case they have been able to show that the relationships with their suppliers has been strengthened – an improved win: win personally and contractually.

In most cases they have also been able to quantify the material outcomes, showing significant ROI across the typical variables of volume and price, delivery and freight, service aspects, specifications and warranties, payment terms and scheduling, etc. Examples of creative win: win negotiations include additional contracts for suppliers, expanded opportunities for both, rationalized transportation, and significant cost savings for both parties.

“At the end of the training I was able to do some excellent negotiation even in private affairs. I actually did not expect all these things but I did which has improved my logical thinking, reputation and high level of communication skills”

“I have been in procurement for 14 years and was significantly satisfied with the course contents. I felt like my skills have been sharpened and I learned new approaches in handling negotiations.”

Two examples illustrate the significant ROI from course attendees applying the negotiation process tools and techniques they learned.

1. Savings of US\$105,000 against an initial freight quote, and US\$200,000 against a benchmark quote. This was achieved by careful preparation, understanding the other party’s motivations, and by focusing on the settlement objectives. The negotiation was conducted amicably, with both parties satisfied with the outcome.

The course graduate commented:

“The training imparted during the programme definitely helped me immensely in this particular negotiation which resulted in savings of USD 105K for Transocean.”

2. Savings of US\$34,000 were achieved through negotiating different scheduling and shipping methods. Optimizing the negotiating process, ranking variables and focusing on settlement objectives significantly helped the process.

The course graduate commented:

“This was a case where we not only negotiated with the vendor but also found a solution in conjunction with them. This resulted in a win: win for both parties and a saving of USD 34K for Transocean.”

An unintended benefit for Transocean has been the increased teamwork in the global supply chain, as the sessions bring together in a formal way staff from different offices, diverse cultures, a variety of supply chain roles, with a common need for best practice negotiating skills and a common Transocean language.

In 2007 a further 70 staff attended the program, in 2008 45 and in 2009 70 are scheduled.

Detailed Synopsis:

Negotiating Breakthroughs

The Negotiating Breakthroughs Workshop is designed for business negotiators. The process and tools are applicable to all negotiation situations – sales, procurement, marketing, finance, construction, projects etc, and are equally relevant to internal as well as external negotiations. The detailed negotiation guide, and the planning tools, will provide you with the necessary concepts, structures and processes of negotiation to enable you to become more skilled and confident in any negotiation situation you find yourself in.

The focus is on win:win outcomes. We spend a large part of our business lives managing transactions with others, and we owe it to them, ourselves and our organization to do it well.

Case studies and practice sessions make this an interactive workshop to learn and enhance your negotiation skills.

Unit 1 The Process of Negotiation

In this unit we examine the negotiation process, and work in depth on the essential skills involved in the five stages of preparation, discussion, expansion, bargaining and finalizing.

The preparation stage includes stating with certainty the reason for the negotiation, with clear written objectives about the negotiation and the people involved. You will analyze the gaps, and learn how to manage and use the tension for resolution for both parties. Analyzing all the issues and variables is an essential precursor to ranking the variables in terms of value and cost to each party, which ensures you

get the most from each variable traded. From that information you will prepare settlement objectives that reflect the situation, and enable continuous control of all variables during the face-to-face or telephone negotiation.

The discussion stage includes the behaviors needed to initiate, gain and maintain initiatives during the negotiation. You will learn how to control the opening stage of the actual negotiation, manage the time and process agenda, confirm expectations and objectives, and control the process throughout the negotiation. You will learn how to obtain the other party's shopping list.

The expansion stage will ensure you make proposals that will achieve your optimistic objectives, and show you how to proactively develop options and alternatives, and creatively explore ways to expand the outcomes available.

The trading or bargaining stage will ensure you are effectively trading variables based on your objectives, costs and values, and use bargaining techniques to achieve your optimistic settlement objectives.

The finalizing stage ensures you positively initiate final decisions, summarize all interim settlements and agreements, and close.

Unit 2 Expanding the Essential Skills

This unit expands the essential skills to ensure you understand and can deal with different approaches, competitive tactics, and achieve material and emotional wins for both parties.

Detailed Synopsis:

Negotiating Breakthroughs

In the discussion stage you need to be confident dealing with competitive tactics and opening gambits in a win:win manner. You will understand how to ensure both material and emotional wins are provided. You will also learn how to avoid being cherry-picked, and know when straw men/wheat and chaff are being introduced, and how to deal with these.

In the expansion stage you need to confidently deal with price issues, and negotiate on value and benefits.

In the trading/bargaining stage you will learn common bargaining techniques, and how to assertively deal with competitive tactics and conflict.

In the finalizing stage you will learn how to deal with endpoint competitive tactics, such as nibbling and escalation, and understand the six outcomes and the consequences of each on the relationship.

After completing the two day program, you will confidently take both strategic and tactical views of your negotiations, and manage both the structure and the process. You will be able to influence the final outcome in terms of win versus loss, and manage both logical and emotional issues and outcomes. You will manage conflict through adopting assertive styles and behaviors, and an abundance mentality. You will be able to establish credibility quickly with new negotiating parties, and build trust that leads to long term relationships reliant on continuous negotiation.

The Learning Guide also includes a useful glossary of international negotiating terms.



A Better Way To Work

For more information and to see how Priority Management can help you work smarter, call your local Priority Management office or contact us at:
www.prioritymanagement.com/contact_us