

FORUM 2017: Creating Connections Together



MAKING THE MOST OF COMPETITIVE NEGOTIATIONS!

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MAKING THE MOST OF COMPETITIVE NEGOTIATIONS



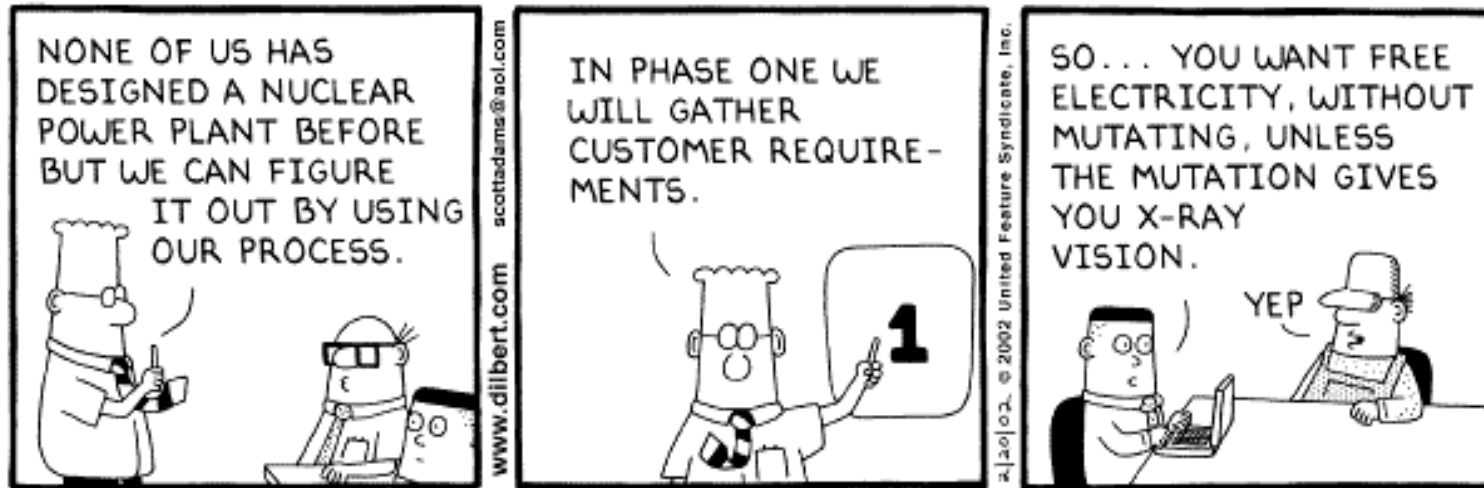
Enhancing The Experience

- Rock that Request for Proposal
- Enrich the Evaluation Phase
- Negotiation Harmony





MAKING THE MOST OF COMPETITIVE NEGOTIATIONS



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MAKING THE MOST OF COMPETITIVE NEGOTIATIONS

The Request for Proposals

- Use Templates – good for you & suppliers
- Stakeholder Collaboration
- Requirements
- Specific & Fair Evaluation Criteria
- Provide feedback
- Flexibility exists!





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"We have been having a hard time guessing the business requirements. I'm hoping our new analyst can help."



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It's Evaluation Time!

- Panel must be...
 - established early
 - understand responsibilities
 - vested in outcomes
- Scoring must be based on...
 - specified RFP criteria
 - feature-by-feature comparisons
 - only information from proposals





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Evaluations

- Scoring cannot be based on...
 - comparison to other proposals
 - other stuff you decide to add to the mix
- Wait, we can use other information...?
 - field reports
 - references
- Proposals *may* be excluded? How?
 - It's unacceptable!





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Scoring Price/Cost

Lowest Price Offered	=	% Factor	X	Maximum Available Points	=	Points Assigned
Price of Offer Being Evaluated						

<u>Offeror/ Price</u>	<u>Lowest Offeror's Price</u> <u>Offeror's Price</u>	=	<u>% Factor</u>	x	<u>Maximum Eval PTS</u> <u>(25)*</u>	=	<u>Points Assigned</u>
A \$32,500	<u>24,250</u> 32,500	=	75	x	25	=	18.75
B \$24,250	<u>24,250</u> 24,250	=	100	x	25	=	25
C \$26,350	<u>24,250</u> 26,350	=	93	x	25	=	23.25
D \$27,600	<u>24,250</u> 27,600	=	88	x	25	=	22



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Ensure Evaluation Fairness

- Evaluate tech/cost separately
- All Review All
- Check References, then Presentations
- Red flags? Question them!



**KEEP
CALM
AND
SCORE
GOALS**



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Let's Negotiate!



- Do you prepare for negotiations? Why? How?
- Think you should/could do it differently?
- What type of negotiations do you utilize?



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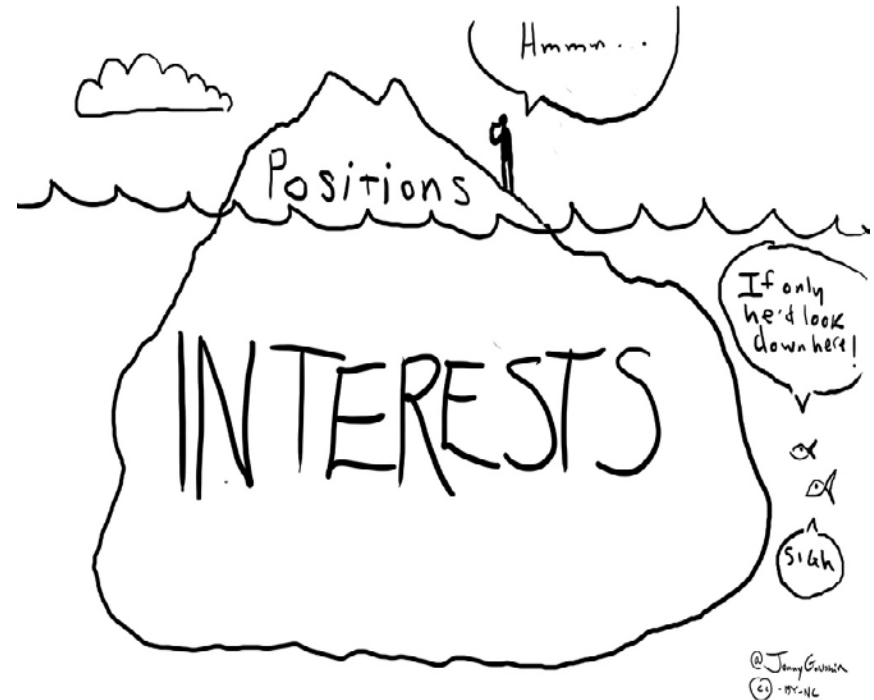




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Preparing to Negotiate

- Knowledge is Power
- Enhance your BATNAs
- Control the Logistics
- Encourage Cooperation





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Starting Negotiations

- Build Rapport
 - Talk first
 - Make it personal
- Serve Food
 - Devious? Effective!
 - Increase glucose levels
 - Generate physical warmth





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During Negotiations

- Convey Proper Emotions

- If appropriate, but must be meaningful

- Demonstrate your Knowledge/Power

- BATNAs
- Language

- Properly Address the Terms

- Address all relevant and legally required terms

- Do You Need to Rescore?

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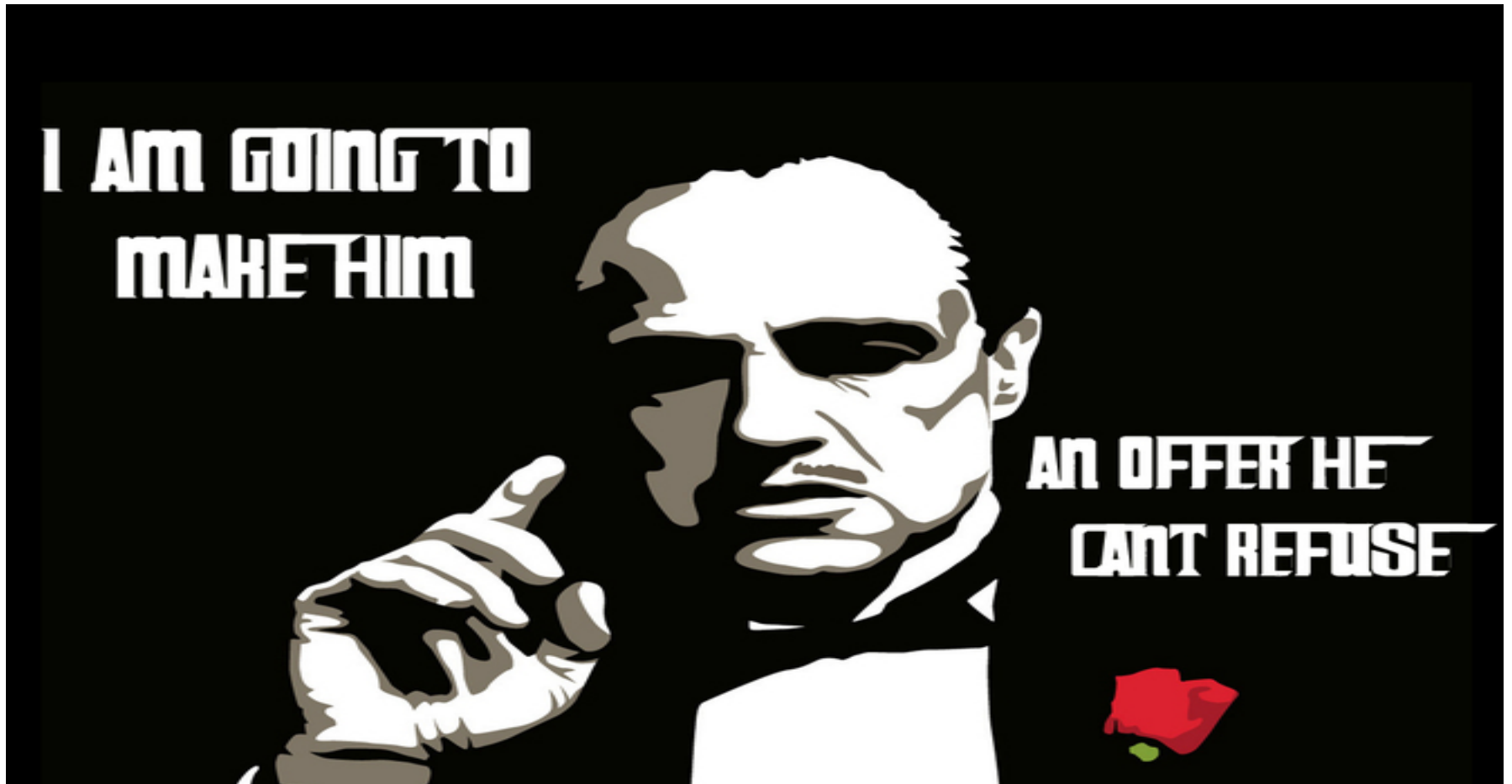
Ending Negotiations

- Anchor Your Offer
 - Can you make the first offer?
- Frame your Offer
 - Gains vs. Losses
- Counter their Offer
 - Ask diagnostic questions
- PAUSE!
 - What if they make an offer you cannot refuse?





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After Negotiations

- Follow Up!
 - Say thank you
 - Compliment negotiation skills!
- Finalize the Deal!
 - YOU draft the contract





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Wrap Up

- Rock your Request for Proposal
- Enrich the Evaluation Phase
- Negotiation Harmony

