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Time to Assess Your Negotiation Approach

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Our economy and the automotive industry, in particular, has been turned on its ear in a very short period of time. We have moved from growing our businesses and our careers to keeping our companies afloat and keeping our jobs.

In response to these radical changes, we need to look at our approach to negotiations. Here are some examples:

- There is substantial advantage in fighting a “mutual enemy”. By recognizing that the economy or industry transformation is a “mutual” enemy to be jointly overcome, parties of a negotiation can focus on looking at options that will be mutually beneficial and maximize results for both parties. This shared enemy approach will not only be beneficial in the short term but will help in the long term. Years from now people who have worked together during this period will be saying to each other: “Do you remember when...?”
- In my experience, individuals working for companies that are in “dire straits” tend to be very realistic when engaged in negotiations if they feel that they are being treated fairly. Conversely, if they believe they are being treated in an unfair or dismissive fashion they can react very negatively; even if it is counter to their own interests. So, when dealing with the “dire straits” negotiation, maintain a calm demeanor and make sure that positions are communicated based upon interests and not power.
- There is a risk that skilled negotiators with power on their side may be benevolent to unskilled, less powerful opponents. * I think there is some risk that negotiators in relatively well-to-do companies may sub optimize results when negotiating with individuals in “dire straits” companies. Counter this by using team negotiations, adequate preparation and defined goals.
- Finally, we need to make sure that we remember that all negotiations are based upon organizational and personal needs and objectives. We are in a time of rapid transition where these needs and objectives can be changing daily. It is important to prepare adequately to understand how the negation landscape has changed prior to starting a negotiation.

* Chester L. Karrass, *The Negotiating Game*, New York, Thomas Y. Cromwell Company, 1970

APD's Strategic Negotiation Course is focused to provide buyers and sellers in manufacturing companies with tools and strategies to improve their negotiation results. For more information, call 734-927-0836 or e-mail jburriss@apurchasingqd.com.