



Negotiate with Confidence



Danielle Cunniff Plumer & Russlene Waukechon
Texas State Library and Archives Commission

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Overview

- General Introduction
- Negotiation Process
- Negotiation Complications
 - Confidence (Gender)
 - Assumptions about when negotiations is allowed
 - Constraints (marketplace, budget, etc.)
- Case Studies



https://www.tutorialspoint.com/management_concepts/negotiation_skills.htm



Poll #1

- What is your biggest concern when it comes to negotiation?
 - Inexperience
 - Previous bad experience
 - Fear of confrontation
 - Fear of creating a negative impression



Negotiation Process

Library

- Identify need
 - What do you want?
 - Specifications
- Research & Preparation
 - Due diligence
 - Authority
 - Environmental scan
 - Peers & Products & Trends
- Contact
 - Request for information
 - Formal solicitation (in some cases)

Vendor

- Identify need
 - Sales quota
 - Competitive advantage
- Research & Preparation
 - Competitive intelligence
 - Client deep background
 - Customer Relationship Management (CRM)
- Contact
 - Cold calls
 - Response to RFI
 - Response to a solicitation



Negotiation Process

Library

- Evaluation
 - Scoring of offers
 - Budget considerations
- Negotiation
 - Formal
 - Set up a meeting or phone call to negotiate
 - Identify specific goals
 - Informal
 - Accepting offer
 - Negotiate start date

Vendor

- N/A
- Negotiation
 - Formal
 - Closer (high-level executive)
 - Informational packet unrelated to offer
 - Informal
 - Score!

Negotiation Process

Library

- Post Negotiation
 - Acceptance/Rejection
 - Implementation
 - Working out the details



<http://lydiaramsey.com/the-drama-of-the-handshake/>

Vendor

- Post Negotiation
 - Counter-offer
 - Analysis
 - Why did we get/not get the contract?
 - Update CRM & client files
 - Implementation
 - New team (sales vs. support)
 - Knowledge transfer?

Proceed with Caution



- Vendors changing the terms of the solicitation
 - “Have you thought about ...?”
 - “We think you’d be more interested in ...”
- Simultaneous price & package changes
 - Confuse and conquer
- Negotiating with unknown persons
 - “I need to run this by...”
 - Mute button while negotiator confers with others

Negotiating tricks

- Pause and reset
 - “You’ve given us a lot to think about, but we aren’t ready to make a decision. Can we talk again tomorrow?”
- Resist high-pressure sales
 - Always be prepared to walk away (don’t give them the keys to your car!)
- Develop your own team
 - The mute button can be used both ways

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“Explain to me again how buying your products will replenish the rain forest, end world hunger, and put a dolphin through college.”

<http://www.glasbergen.com/>

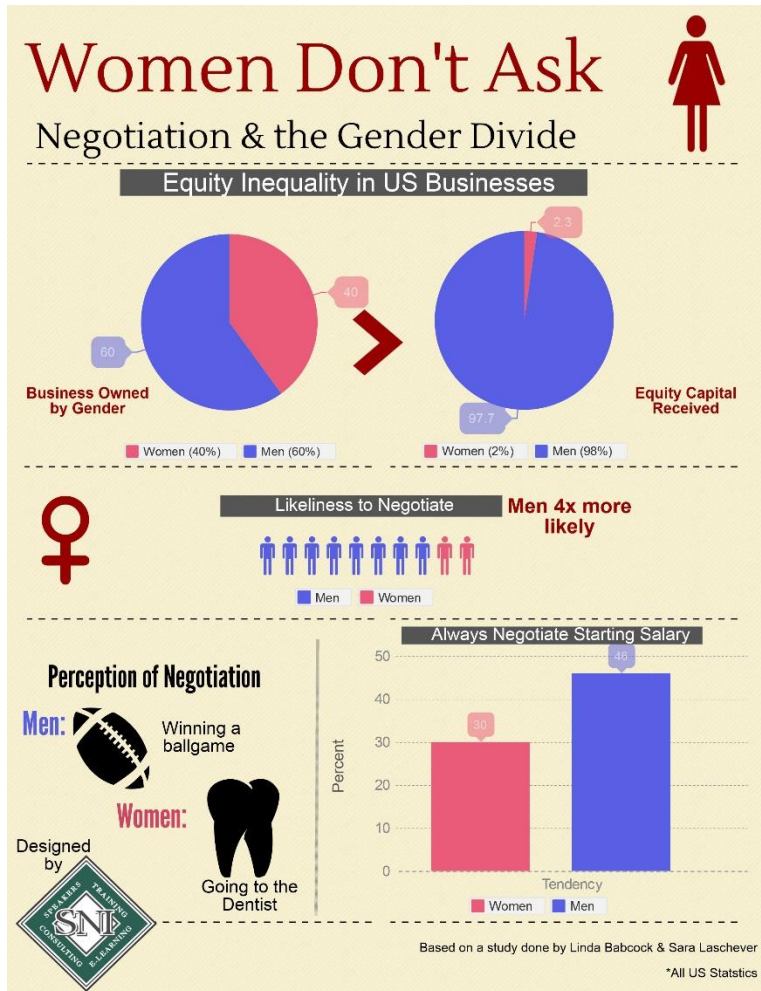
Constraints

- Role
 - Delegated authority
 - Purchasing team
- Needs
 - Stakeholders
 - Are there multiple possible vendors/products?
 - Sole-source offers less scope for negotiation
- Budget & Timeline



<https://www.projectsmart.co.uk/how-project-management-developed.php>

Complications



- Confidence
 - Women less confident than men
- Not worth time/energy/money
- Assumptions
 - Clients often assume negotiation isn't allowed/expected
 - Vendor generally expects negotiation
 - Price is the only negotiable option
 - Consider services (support) & terms

Case study #1

- Jane's car is 12 years old and she wants to replace it with a new car. She has a budget of \$25,000 with a guaranteed loan from her bank. She wants a car that has automatic windows, heated seats, and a backup camera. She likes blue cars but is willing to compromise.



Dealing on Your Terms

How do I negotiate a good sales price?

- Have a plan and stick with it:**
 - ✓ Get preapproved before you head to the dealer.
 - ✓ Negotiate only on purchase price.
 - ✓ If the negotiation doesn't feel right, walk away.
- Keep the sale of your old vehicle independent of your purchase transaction.**
- Don't discuss your down payment.**

The amount you put down is part of financing and shouldn't impact price negotiations.
- Look at the total cost.**

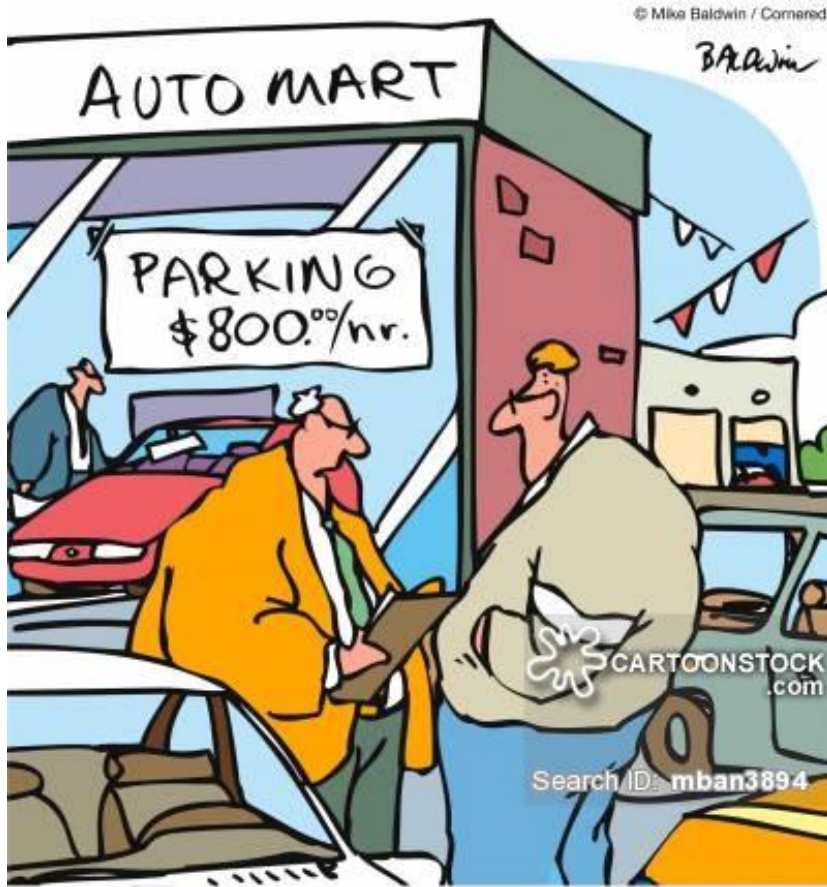
Don't let the monthly payment, loan term or interest rate cause you to lose sight of the car's actual price.

Keep your options open: While it's good to stick with your plan, being flexible on things like color and nice-to-have options may give you more room for negotiating.

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Case study #1



The dealer offers her a blue car, but says that heated seats only come with leather and the backup requires the technology package which has things Jane doesn't need, like lane assistance. The price is \$35,000 but he offers her a better loan. He also has a red car without heated seats or a backup camera.

"If you buy something, we'll validate."



What should Jane do?

- Accept the dealer's offer
- Go to a different dealer
- Pause and reset to research MSRP and options
- Ask the dealer about similar used cars
- Take the red car but negotiate after-market upgrades

Case study #2

- Bob recently graduated from library school and has interviewed for jobs with two libraries. One library is in a city with a higher cost of living than the other but is larger with more possibilities for promotion. The other library, though smaller and in a town he doesn't like, offers a better salary. Both libraries say that they can't increase the salary.



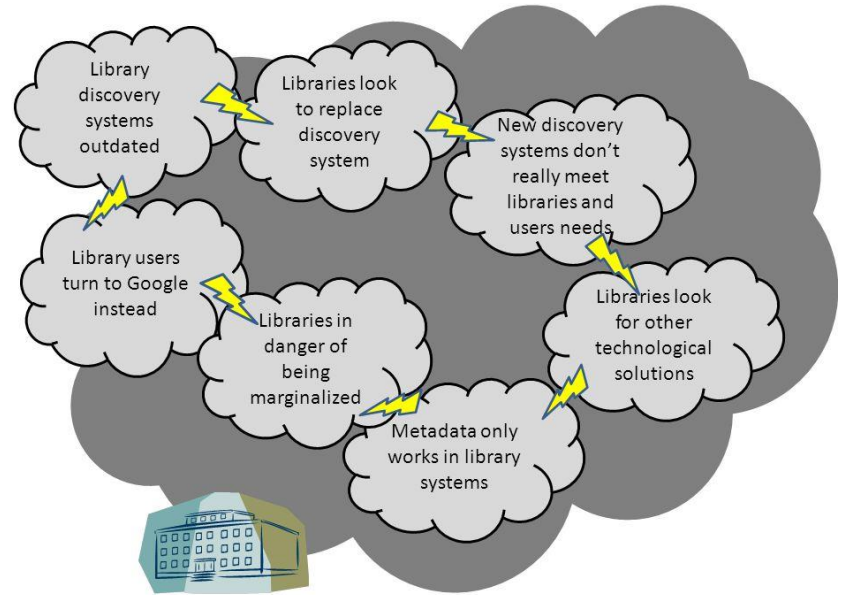


What should Bob do?

- Take the job with a better salary.
- Take the job with more opportunities for promotion and find a roommate.
- Negotiate with the library with more opportunities for promotion for flexible hours and telecommuting.
- Negotiate with the library that offers a better salary for opportunities to attend conferences and training.
- Apply for other jobs.

Case study #3

- Alice works for a medium-sized public library. Her manager has asked her to take the lead on purchasing a discovery system to integrate ebooks, audiobooks, and research databases. She has contacted vendors to find out what they offer and what it would cost. All options are about the same cost.





Case study #3

- Vendor #1 works with ebooks and audiobooks, but not the research databases the library subscribes to.
- Vendor #2 works with all research databases, but other libraries say that it's much more complicated to implement.
- Vendor #3 is the library's current catalog vendor and offers to develop a way for you to search everything in the catalog.




What should Alice do?

- Tell Vendor #1 that the lack of support for research databases is a problem and ask if they plan to add that functionality.
- Accept Vendor #2's offer for the system that does it all but is more complicated because it's the only one that meets requirements.
- Ask Vendor #2 if they will add support for implementation at no additional charge.
- Accept Vendor #3's offer to develop a system that works within their catalog, knowing that it won't be ready for over a year.
- Tell her supervisor that it's hopeless.



Key Points to Remember

- Know what you want. Keep that goal forefront in all your negotiations.
- Know that you can negotiate for almost everything.
- Know that you can walk away.
- Don't neglect due diligence. Always research your options before accepting any offer.
- Realize that the perfect is the enemy of the good, and the good enough. Compromise is okay.



"Don't Undersell Yourself"




Value is perceptual.
Thus, value is where you find, or create it.



First you have to see it within yourself.



Then you can display it to others.



I CAN!

Greg Williams,
The Master Negotiator &
Body Language Expert

You're always negotiating!

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Questions?

- TexShare@tsl.texas.gov
- Danielle Cunniff Plumer, dplumer@tsl.texas.gov
- Russlene Waukechon, rwaukechon@tsl.texas.gov
- **More Information:**
 - TexShare: <https://www.tsl.texas.gov/texshare/>