

## Negotiation: Fabiessi's Role

People- Who is Involved in the negotiation

### 1. PERSONAL RELATIONSHIPS

Camille Drouel (CD) and Fabiessi's Human Resource Director (HRD) already met once and got on well. They met a year ago during a specialized forum and exchange email addresses. Nonetheless, the HRD may be surprised that CD looks personally interested by the job offer. Camille D. should be prepared to answer some question related to her interest in this job. The HRD will have some questions for Camille related to her interest for this job.

### 2. VERTICAL RELATIONSHIP (MANDATE)

The firm employs approximately 800 people. HRD does report to THE CEO of the company. After the negotiation he will have to report to the CEO; there is therefore a mandate. The HRD negotiates on behalf of Fabiessi's CEO, with a clear mandate: find good design, within one month, and for less than 15,000 € a month.

### 3. STAKEHOLDERS

The managing team includes the CEO, the production director, the sales director, the administrative and finance director whose preferences could come into consideration. Also, the "head of design office" (HDO) is responsible for the design activity under the authority of the production director. This unit is composed by a team of approximately ten draftsmen and technicians, who realize the plan of the pieces to be produced following the HDO's drawings.

PROBLEM — WHAT IS AT STAKE?

#### Motivations

##### HDR's motivations

- HDO left the firm in the middle of a campaign and the company needs an urgent designer.
- Without any replacement of the HDO, the firm is getting more and more in trouble every week.
- Part of your references risk to collapse if their design is not reviewed
- Preserve reputation and image of the firm
- You are trying to save the company
- Increase company sales and profits
- Successfully design the new catalog and do so very quickly

- Confirm the strategic positioning of high-level products

## **SOLUTIONS AT THE TABLE**

### ***Solutions for a job package:***

- How fast can Camille can start her job at the company?
- They can negotiate for Camille to start as soon as possible offering her some options like: a good package deal, a new cooler name than HDO, a nice office
- Fabiessi pays for beginner Italian courses for CD;
- They could offer Camille a good package relocation to Milan, gets helped with the installation
- Fabiessi creates a new luxury line in its online catalog that bears the name of CD (like Peugeot sports cars designed by Pininfarina): "Design by Camille Drouel".
- Fabiessi widens and diversifies its catalog by creating kitchen furniture and lights. This would allow the utilization of Cam's Design's savoir-faire.
- Financial compensation? Fabiessi gives CD a fixed salary, plus an incentive proportional to the increase on sales, or on profit; parties agree to review the compensation in x months, etc.
- Organize a meeting between CD and the assistant (and then the whole team) in order to promote good relations internally and externally.

## **JUSTIFICATIONS**

- a maximum salary of €15,000 per month (which you personally consider excessive).
- A salary of 12000 for someone new
- The leaving HDO was getting €10,000, and his 5 hiring salary was €6,000 ten years ago (in current euros) The leaving HDO was getting €10,000, and his 5 hiring salary was €6,000 ten years ago (in current euros)

## **SOLUTION AWAY FROM THE TABLE (SAFT)**

An internal solution exists, although it does not satisfy you fully. The HDO had an assistant who has been working in the company for 13 years. He knows the catalog and the technical characteristics of the products by heart. Although design-wise, you doubt his ability to innovate and to meet your customers' expectations. The sales director agrees on this point. The HDO assistant gets paid €5,000. Contact a headhunter. Risk: Lose three months of time and miss out on preparing for the new collection. Also, no guarantee on the quality of the

applicant or on the salary that will be asked. Another solution could be to look for an external experienced designer who knows your sector, who is fluent in English and if possible, in Italian, and above all, who could take on the vacancy immediately. To put it in another way: to find the man in a million.

## **PROCESS — HOW TO ORGANIZE THE NEGOTIATION?**

### **8. ORGANIZATION**

Key points in this rather simple negotiation are: timing (how long do we have, when should the HRD leave because of his/her plane, etc.), agenda (which points should be addressed? In which order?), and deliverable (what should be the outcome of the meeting? Is it a final decision, or is it a “next step”, such as meeting in Milan?).

### **9. COMMUNICATION**

The following items should be considered:

- Information to share, and NOT to share
- Questions to ask the other, and questions to expect from the other (. The salary of course, but also the bonus, timeline, trial period, relocation package, whom the person reports to, task sharing with the assistant, resources, project etc. Why do you need a designer in such a short notice?)
- How to frame the situation? What will be your opening statements?

### **10.LOGISTICS**

As the meeting is taking place in Paris, the location could be CD's office (if it looks good!), or in a café, or in the HRD's hotel (provided this secures the discretion of the discussion). CD might need (or the HRD might ask) some material, such as a portfolio of his/her recent design. A working lunch could provide more friendly an environment.