Lab: Acquiring Resources and Effective Negotiation

Estimated time: 30 minutes

Objectives

 Determine required resources needed from a given scenario and resource breakdown structure example, and challenges that are being faced in acquiring resources

• Document the negotiation strategies you would use to resolve the challenges

Prerequisites

You must have Microsoft Office or Microsoft 365 apps installed on your computer or have access to the free web version of Microsoft 365.

Scenario: Interior Design Project

Harmony Interiors is a large interior design firm that is taking on a new interior design client. You are the project manager of this new project, which is a new kitchen and living room redesign. The project start date is April 1st and should end by July 1st.

The key objectives of this project include:

- Improve the functionality of the kitchen and living space. The team will reconfigure the layout to create better flow and maximize storage space, and provide a design concept to the client before work begins.
- Enhance the aesthetic appeal of the space. The team will update the color scheme, add new textures, finishes, and furniture, and incorporate decorative elements that match the client's preferences. The team will provide the client with a furniture and materials selection look book and purchase all the agreed-upon furniture and fixtures.
- Improving energy efficiency. The team needs to provide updated LED lighting solutions to the client, with an electrical and lighting plan to meet updated energy standards. The team will also be responsible for purchasing and installing any new lighting fixtures.

You have developed a work breakdown structure (WBS) and a resource breakdown structure (RBS) for the project, and now you need to acquire resources.

Harmony Interiors currently has two other projects that are high priority. One of the projects includes a large new home build that is designed and furnished by Harmony Interiors. The

home is expected to be complete on June 15th, and the contractors will not be available for the two months leading up to this launch.

Another project is developing a new product line for Harmony Interiors that they believe will give them an additional million dollars a year in revenue. This project requires many of the resources of the purchasing team.

You are on a tight timeline, as the homeowners want this project completed in time for their summer activities.

You have been given a budget of \$35,000. You are told that there may be a possibility for slightly more budget.

You are currently considering a team that consists of a lead designer, an associate designer, a purchaser, and two contractors. The assistant designer's role will be to manage the installation and final walkthrough for the client. The assistant designer that is currently on the team is taking a 2 week vacation from June 15th - July 1st.

Exercise

Acquire the necessary resources for the **Interior Design** project.

Step 1: Keeping the CTRL key pressed, click <u>here</u> to review the attached Resource Breakdown Structure.

Note: Use the COMMAND key instead of CTRL on Mac systems.

Step 2: Identify the challenges you are likely to face when acquiring resources based on the existing resource breakdown structure and the project scenario.

Step 3: Select two key challenges and determine the approaches to overcome two approaches that you can take to acquire the needed resources. For the two approaches, identify which challenges (from step 3) that you are trying to address with each approach.

Step 4: Describe the actions you would take for each approach.

Note: Nicely done. But, you are still unable to get the director of the purchasing department to provide a purchasing resource that can purchase the furniture, fixture, and lighting materials for the project. The director is under immense pressure from the company executives to build vendor relationships to launch the new product line. The director also believes that the new product line is more important than your project because it will increase the company's revenue. In addition, two of his seven employees are taking vacations over the summer, so the director is currently short on resources.

Step 5: With this new challenge, identify the strategy that will help you acquire the resource.

Step 6: Utilizing the first principle of negotiation, identify the key issues and competing priorities or challenges that the other party may face regarding their resources.

Step 7: Utilizing the first principle of negotiation, define your objectives as the project manager.

Step 8: Using the information from the scenario and your answers to steps 7 and 8, determine which negotiation principles you would apply to this situation. (Choose 2 or 3)

Step 9: Describe how and why you would apply them.

Make sure to attempt the exercise, as it will help you firm up the concepts covered in the module.

Potential Solution

Keeping the CTRL key pressed, click <u>here</u> to download the file to review the potential solution.

Note 1: The document will open in a new tab.

Note 2: Use the COMMAND key instead of CTRL on Mac systems