

Module 3: Discussion

What is your experience of making a win-win outcome in a competitive environment?

Daniel Talamantez

Sep 8, 2020 Sep 8 at 12:36am

What is your experience of making a win-win outcome in a competitive environment?

My experience of making a win-win outcome has come from previously managed projects where my company has made the time to go out of our way to help a customer energize their equipment for their building ahead of schedule. In this situation the prime contractor requested permanent electrical service ahead of the scheduled date. I therefore went and asked our operations group if this new timeline was feasible before agreeing to anything. Upon getting their approval, I reached back out to the contractor to specify that we would be able to move forward and make this new deadline. In this scenario, the fact that we were accommodating gave my company future leverage. When it came time that we were to set our heavy equipment and required a crane, the contractor was willing to assist us per my request. They allowed the use of their onsite construction crane to help lift our transformers and grating down in our below grade vaults. In summary, there were multiple instances for this project where we fostered a working relationship instead of pushing back and going by the contract. We both had obligations to our own required work and schedules. However, with a simple request we were both able to get what we needed done. In doing so we created trust and the want to continue working with one another.

Damian Dalcour

Damian Dalcour

Sep 12, 2020 Sep 12 at 3:06pm

Daniel, this sounds like a replay of a situation within our company. We have struggled to receive various parts, which causes delays in the completion of projects. COVID-19 has impacted companies in unimaginable ways. Several small companies within my community have had to close their doors. They were unable to meet the clients' deadlines and requests. Thankfully, my company continues to satisfy clients in the midst of our 'new normal'. Thanks for sharing. It's comforting to know I am not alone in the struggle.

Daniel Talamantez

Daniel Talamantez

Sep 19, 2020 Sep 19 at 2:08pm

Damian,

I am glad to see your company has been able to push through during this unexpected time period. Have you had any recent mutually beneficial agreements that you can recall with your vendors?

Christopher Huebel

Christopher Huebel

Sep 20, 2020 Sep 20 at 3:19pm

Hi Daniel,

This is an excellent example of a win-win outcome. By being flexible in meeting the new deadline, you were able to get some assistance with your heavy equipment and also gain a valuable relationship down the road. We have faced similar situations where one electrical contractor was ready before the E/I contractor in our project to install several downstream analyzers in our process to detect high pH in our demineralized water, we spoke with both contractors and our project management team and were able to adjust our timeline to accommodate all parties. The work still got done on schedule and while it may not have been in the exact order we had planned, between all parties it worked out great and everyone was satisfied. Glad everything was able to be worked out between your teams.

Best Regards,

Chris Huebel

Kaleigh Philips

Kaleigh Philips

Sep 24, 2020 Sep 24 at 9:36pm

Howdy Daniel,

I like that you brought to light the importance of fostering that relationship with the contractor. We currently have a contract in place where the relationship has deteriorated and it absolutely affects the potential for win-win outcomes. This experience will absolutely carry with me and motivate me to foster those working relationships from the beginning. Glad to see that relationship is working in your favor!

Thanks for sharing!

Eric Worley

Eric Worley

Sep 8, 2020 Sep 8 at 7:46am

TAM-PrimaryMarkB-12.jpg Eric Worley

TCMT 612 - Technical Management Decision Making

Module 3: Discussion

A win-win approach to a negotiation that I recollect was when I was working for an oilfield service company. We were discussing revising our established pricing agreement with a customer. The customer, an oil company, had made a concerted effort through their supply chain and procurement departments to realign and harmonize their pricing agreements with their vendors who provided nondestructive testing and inspection services. Usually, during these discussions, one would expect to be prepared for a tense negotiation, with the customer applying pressure for vendors to lower their pricing schedules. Conversely, as a vendor, one comes prepared to argue your position as a strategic partner that brings value-added services to their operations and justify the level of pricing you have established. Fortunately, a

collaborative, integrative approach to the negotiation commenced because of the organizations' longstanding relationship. Both sides explored the interests and critical objectives of each other before discussing any specific price revisions.

We identified that the customer's primary interest was to revise the mileage rate to be in line with the reimbursable IRS rate. However, the proposed mileage rate would significantly reduce the current rate that we already had established. This was certainly an area where we would lose money considering all of our vehicles' operating costs in the field, i.e., fuel, GPS systems, insurance, maintenance, idling on-site, etc. As discussions continued, we identified that the customer was willing for us to add a '\$100 /day' truck charge' to help offset these costs since the IRS mileage rate would not be adequate. Ultimately, through our collaborative approach to the pricing negotiation, both sides achieved their goals and created joint-value through the process.

Eric Worley

ewworley@tamu.edu

Tom Cappucci

Tom Cappucci

Sep 10, 2020 Sep 10 at 2:47pm

Eric, great example. When I have participated in contract negotiations with our internal supply department, it always feels like they approach deals with "distributive negotiation" tactics, seeking to claim the greatest value to our company. This sometimes leads to the contractor/service company walking away from the deal because there appears to be no ZOPA. Glad your companies were able to create value with mutual problem solving!

Jeremy Meehleib

Jeremy Meehleib

Sep 13, 2020 Sep 13 at 2:04pm

Eric - You have a great example of uncovering what the customer needs vs providing for that need in the way in which the customer THINKS that their need should be met. Often, we are proposed with a solution by the customer for their concern, "Can you do this for us on the next job?" The sales team agrees and then the operations teams executes that request. This happens without anyone ever sitting in front of the right person to ask "Why would you like to do that?" There may be more simple solutions if a discussion could be scheduled. Many opportunities are lost because no one thought to explore alternatives.

I have found situations where the requests and objectives of the engineering team run counter to performance metrics of the operations/execution teams. Neither understanding the implication of these contrary objectives. Without asking "Why?" these types of situations can often go overlooked.

Your post also highlights the value of good relations with your customer. If it were not for the longstanding relationship, just having the conversation could have been difficult.

Jeremy

Timothy Koontz

Timothy Koontz

Sep 19, 2020 Sep 19 at 9:41am

Good day Eric.

A Win-Win Negotiation always feels good; everyone returns to their respected office with good news. I have learned that many times, negotiations could be simpler if only each team could be more transparent on why they were negotiating from the start. The concession to allow an \$100 allowance for each truck indicates that money was never the issue but how the money was budgeted. The issue may have been that the oil company had a policy where they could not pay over the IRS rate for travel expense. Instead of the high mark up, they may have used another account for maintenance that was separate from the travel expense account. I have encountered this issue a few times where the customer, the oil company, will not budge on price but once we negotiate, they will move the expense to another account with no issues. Before the communications in negotiations begin, each team needs to fully understand the problem and their options. By doing this, business relations remain intact.

Kacie Fischer

Kacie Fischer

Sep 8, 2020 Sep 8 at 4:16pm

What is your experience of making a win-win outcome in a competitive environment?

To be completely honest, I have little to no experience with any personal or professional negotiations. I suppose the closest thing to negotiation was for my initial starting salary upon leaving the USN. I suppose it didn't seem like a formal negotiation at the time but looking back I was relatively systematic about my approach. I was a potential employee that had a solid background, translatable experience to the industry, and a solid history of quality work. From the companies' point of view, they were trying to acquire an asset to their control room while still meeting HR salary requirements.

I knew what I was worth, but I have never had to translate my skills and experience to a monetary value. I determined my BATNA was at least my current salary. I was also willing to bargain that they had found the right person, as they had given me an offer knowing I was unavailable to start for another 6 months, which meant, for the right price, they were willing to pay for me as an asset. I countered with an offer that met my current salary and we both walked away happy with our agreement- them gaining a prospective employee and me successfully supporting my family with the same quality of life we've come to expect.

In hindsight, I could have probably propositioned them for a higher salary, but I didn't want to push too hard and risk losing a potential job offer. So, in the end, walking away with my BATNA was acceptable to me because the risk wasn't just for myself, but for my family as well.

I guess another situation which I can personally benefit from negotiation tactics, is the purchase of a new car from a dealership (which I will be utilizing what I've learned very soon!).

Kacie

Daniel Talamantez

Daniel Talamantez

Sep 11, 2020 Sep 11 at 5:57pm

Kacie,

This is a great relevant example, and I liked how you were able to incorporate a BATNA. I would agree that it is difficult to gauge how much you can push back without scaring the offer off. I would stretch to say that this is very similar to gambling and is quite nerve-racking. Interestingly enough I have used BATNA and the endowment effect principles when selling different belongings on online platforms. I want the offer to be competitive and match what the item is ideally worth based off the market. I have had to reassess value to be sure that I am not over-valuing items. Have you fallen under the endowment spell lately?

Kacie Fischer

Kacie Fischer

Sep 17, 2020 Sep 17 at 5:41pm

Daniel,

Thank you for the response. I have not fallen under the endowment spell lately, however, when I sold my first home in 2016, being young and inexperienced, I relied on my realtor to make some of the decisions for me. This resulted in my house sitting on the market for 6 months before being purchased. In hindsight, I could have lowered my cost, made it more competitive (as you've stated above), and probably could have walked away with the same, if not more, by making fewer mortgage payments. Ah well, the important thing is I've learned my lesson. It is nice to actually put a "face" to this emotion or cognitive behavior, in the form of bias. It is very interesting to relate previous decisions to these biases as I read through them.

Kacie

Jordan Caddick

Jordan Caddick

Sep 12, 2020 Sep 12 at 11:44pm

Great post Kacie. I also used a recent salary negotiation for my example. In negotiations, I think that personal preferences and obligations are more often than not the primary motivation for accepting a job - especially for those of us with families. Here's a good example - Job 1: salary of \$75k / 60 hour work weeks, Job 2: salary of \$50k / 40 hour work weeks. With Job 1, you'll earn more, but you'll have to work a lot more. How much is your time worth outside of work? This was my dilemma in a salary negotiation in the past. In the end, I valued time with my family more than a higher salary and more hours. What is the utility in a higher salary if you don't have the time to enjoy it? With regard to a new car purchase, don't forget the advice given in chapter 5 of our textbook, page 91: "Extended warranties are mostly profit for car dealers." I wish I read that before I purchased an extended warranty for my vehicle in 2018!

Kacie Fischer

Kacie Fischer

Sep 17, 2020 Sep 17 at 5:47pm

Jordan,

I can relate, especially after 10 LONG years in the military. Time with my family is extremely important, so my time is invaluable. These are one of the many things that I weighed when trying to choose my career path. I was in a unique experience and was able to rely on other veterans' experiences when getting out (what company provides what positions with what salary and benefits, etc.). I was very fortunate to have this extensive network as a resource.

I hadn't intended on purchasing an extended warranty, but I will keep that in mind!

Kacie

Matthew Hudson

Matthew Hudson

Sep 16, 2020 Sep 16 at 5:34pm

I can relate when I moved from Education to Private. I knew my salary would be higher. The company approached me for nine months through interviews and negotiations. After finally submitting my salary the company came back with a letter informing me that the salary was

lower than the grade level I would be placed. The letter listed a higher salary than my request. They gave me a higher salary which I saw as a win-win. Ironically, I became the lowest paid member of the team with the highest experience. That just made my negotiations seem like a Win-lose. I am sure the company would have gone higher but not understanding the value of something makes it hard to negotiate. We need to make sure when create a win-win situation that both parties can see that and accept it so they don't think they were deceived.

The question to tend to ask was, "was it a bigger win for the other person than me" I think with the negotiation sheet we learned to write the desired and the acceptable. I think this something I will use for many other types of negotiations to keep BATNA in check and be happy with my outcome.

Kacie Fischer

Kacie Fischer

Sep 19, 2020 Sep 19 at 12:19pm

Matt,

You stated, "not understanding the value of something makes it hard negotiate." I cannot agree with this statement more! I personally had to rely on my network for this information. Luckily I was in communication with others who had the same position in the same industry, so I recognized what was the standard or at least what would be a fair salary. It was interesting because I actually started off a lot lower, but our raises happen twice per year with the goal to be at midrange salary from 3-5 years. I weighed this factor because even though I'd be starting off lower than average, I'd be at a much higher salary a lot faster than most other companies.

As for your situation, it would have certainly felt like a Win-Lose situation for me, but you now have the tools to be successful if another career move happens. Maybe this is something you can negotiate on a pay raise?

Kacie

Jay Hembree

Jay Hembree

Sep 17, 2020 Sep 17 at 2:22pm

Howdy Kacie,

By doing research, having numbers in mind, other items needed, and being willing to counter, but also remain reasonable you were definitely negotiating. You weighed risks (needing a job) vs benefits (salary and benefits) and used the research and needs of the company to your advantage. I wish I had been this forward thinking when I first left the Air Force. While it worked out for me, I was used to being able to talk someone into what I wanted by using salesmanship. A better plan would have helped me get to understand risk vs reward. Great use of BANTA before you knew what a BANTA was.

Congrats on the car purchase. Negotiating a depreciating asset is never easy, but I love the new car smell.

Jay

Kacie Fischer

Kacie Fischer

Sep 19, 2020 Sep 19 at 12:21pm

Thank you for the reply,

It is interesting to look back and now recognize using these skills prior to knowing there was an actual defined process. I feel like have more tools to really talk the car salesman down!

Kacie

Travis Metz

Travis Metz

Sep 20, 2020 Sep 20 at 10:07am

Kacie,

That's always the hardest part, right? Changing careers, especially when it's a major shift from ocean to land makes it very hard to translate skills and competencies over. I'm facing the same right now, and the salary part does provide a bit of worry. How much am I willing to not make for better job stability and working environment? It's good to see that your BATNA was a success to you and your employer. Reading your post here certainly provides for some interesting thinking points moving forward in this program and otherwise. Thank you for sharing the insight.

Travis

Jeremy Meehleib

Jeremy Meehleib

Sep 10, 2020 Sep 10 at 10:30am

I once owned an entry level luxury vehicle. Over the course of 3 years it had a series of strange problems never experienced with less 'luxurious' brands. The relationship ended with the prospect of replacement of the front bumper. It was almost completely removed after catching on a curb. The repair was to be over \$2000. Luckily, I was already on the market for replacement of the vehicle.

If I repaired the bumper, I would not recover the repair cost in either trade or selling it myself. What to do? I looked for the replacement vehicle and negotiated my price. When asked about my trade, I presented my 'luxury' vehicle with the half torn off bumper. I asked for a quote if repaired before trade and a quote if not repaired before trade. In the end, I negotiated the trade vehicle in such a way that I was more ahead by trading in a broken vehicle than trading in a fixed one.

The logic here was the profit potential to the dealer was greater on the future sell of the vehicle and I did not have to bear the substandard return on repairing the bumper myself. Win-Win!

Eric Worley

Eric Worley

Sep 12, 2020 Sep 12 at 10:48am

Jeremy,

Thanks for your example. I find that there are always numerous negotiation examples relating to buying and selling vehicles. I suppose that comes with the territory.

What you describe here is an excellent example of identifying the dealer's interests and resistance point, and weighing that against your own interests and resistance point, as well, 'integrative negotiation' approach and identifying the 'ZOPA.' You were able to obtain maximum trade-in value for your luxury vehicle (not repaired), while the dealer knew that they would easily be able to repair the vehicle with the resources they already had and sell for a much greater value in the near-future... win-win! Well done!

Eric Worley

ewworley@tamu.edu

Christopher Huebel

Christopher Huebel

Sep 20, 2020 Sep 20 at 3:27pm

Hi Jeremy,

This is a great example of a win-win scenario in a non-typical fashion. Most would assume that you would be better off replacing the front bumper before even offering a trade-in. I am sure in the case of the car dealership, it was cheaper to replace the front bumper than to reduce the selling point of the vehicle. I'm really glad you actually did get a quote on repairs before trading it in. I am sure the dealership would have used this to their advantage in getting a lower bid on your trade-in. This is a great "real world" example of something that almost everyone experiences. I appreciate you sharing this post with us and I really hope that everyone reads this and gains the knowledge like I did from your post.

Best Regards,

Chris Huebel

Tom Cappucci

Tom Cappucci

Sep 10, 2020 Sep 10 at 2:36pm

What is your experience of making a win-win outcome in a competitive environment?

This past summer, I negotiated a win-win outcome between my wastewater treatment plant in Houston, and our upstream customer locomotive repair shop. Our influent samples at the plant had significantly higher than usual oil content present, which indicated the shop was putting more oil down the drain than usual. More oil in the water at the plant requires more resources from my team to extract the oil, increasing my operating costs. This also posed a potential compliance issue because our permit only allows us to discharge water with very low oil content. I investigated the source of the excessive oil upstream and found out the shops aging oil collection system had sprung numerous leaks, thus going down the drain to the plant. Often, the shop managers goals are at odds with the plant's goals. This is because the shop only cares about fixing locomotives and feels what they send to the plant is my problem to fix and not theirs. This time, at the meeting to discuss action with the shop managers, we reached a win-win agreement to split the cost of the oil pipe replacement at the shop. This was a win-win because the shop received a much-needed infrastructure upgrade, and downstream at the plant, our influent quality improved, thus meeting our permit requirements easier, with less operational cost. Both parties needs were met with the agreement, improving the relationship and building trust between our teams.

Daniel Day

Daniel Day

Sep 11, 2020 Sep 11 at 7:24pm

That's a great outcome, Tom!

I've been in similar situations before, and unfortunately I've found that more often than not, a finger-pointing standoff ensues. Like, the shop would say "Hey, if you have a problem with the system, you can pay for it." and the plant would say "Hey, that's your broken system, you need to get it fixed."

How did you avoid this situation? Was there something different you said or did, or some way you presented the issue (framing, perhaps?) that caused a shift in the way these things usually play out?

Tom Cappucci

Tom Cappucci

Sep 11, 2020 Sep 11 at 9:47pm

Daniel, as a matter of fact, my approach to the situation was a completely different tactic than I would normally take. To say my way of "framing" the issue in a different way initially is accurate. I approached the shop management by saying I was not there to accuse their employees for not following the process etc, that this time I was there to understand their frustrations with the process and to see where we could improve. I knew how much money it was costing me at the plant to operate longer to clean up the extra oil, so I kept that information in my back pocket. Once a problem section of pipe was clearly identified, and we went through the back and forth of how the shop couldn't afford to pay for the whole repair, I offered a 50/50 partnership to pay for the repair. The shop liked the idea of a equal partnership and agreed to the fix. The cost of 50% of the repair was less than what I was paying in extra operational costs at the plant, so it was a win-win.

Jeremy Meehleib

Jeremy Meehleib

Sep 13, 2020 Sep 13 at 2:31pm

Tom - What a great example of win-win. Sometimes, it's easier for someone to make the right decision by giving them an alternative reason to make that decision. As opposed to someone at the locomotive shop having to explain a capital expense they apparently had put off, they were given the OPPORTUNITY to take advantage of reducing their impending capital expense. It's always better for someone to provide solutions to opportunities than to just point out the problems. Sorry, I mean....Opportunities.

Jeremy

Jun Gao

Jun Gao

Sep 15, 2020 Sep 15 at 5:33pm

Tom,

Awesome job! You definitely oriented yourself toward a win-win negotiation, and considered the options of both parties' interests. I have seen many similar cases in the past. The service company normally ate the cost because they worried about losing their clients. A lot of time this type of information won't even be communicated to their customers. This is a good example everybody should learn - creating the opportunities to solve both parties problems to achieve the win-win outcome.

Jay Hembree

Jay Hembree

Sep 17, 2020 Sep 17 at 4:52pm

Howdy Tom,

I really appreciated your approach. It would have cost you more money and eventually compliance issues to let this go. Forcing the plant to do the repair would have strained the relationship and made future negotiations even harder. Fixing the collection system wasn't your job to do, but seeing the long term issues this could cause for the inter-company relationship and your plant's compliance, you made that best choice for a tangible and intangible benefit return; balancing possible future cost and compliance issues due to non repair. This keeps your plant's goals on track and helped the shop fix aging equipment. The savings in long term cost will offset the up front cost of repair and when issues come up in the future you have an ally now in the shop to work with. Very nicely done and a great real world example.

Jay

John Mullins

John Mullins

Sep 19, 2020 Sep 19 at 11:45pm

Tom,

Great job reaching a win win outcome in this situation as it had a huge Environmental Impact. Instead of reporting the excessive discharge to an authoritative agency which would result in massive fines and potentially slow down the repair process. You took it straight to the shop and provided them with the unfortunate test results from your facility along with the impact the leaks were causing as well as offering a partnership to repair the leaks. The tactics you used has formed a lasting relationship and one that will provide you a larger voice in future dealings with this business partner.

Daniel Day

Daniel Day

Sep 10, 2020 Sep 10 at 4:12pm

It may seem trivial, but the first thing that comes to mind for me, perhaps due to the time of writing this, is Fantasy Football. I'm an avid football fan, and I play in multiple fantasy leagues every year. For those who may be unaware, fantasy football is a game wherein players

"manage" a team of professional athletes, chosen in a draft at the beginning of the football season. Each player's performance each week is tallied and scored to accumulate points for the manager who has that player on his or her team, and teams are put head to head each week.

While the drafting of players is very important (you can't win your league at the draft, but you can lose it!), even more important is the deals and trades made with other managers throughout the season. Managers can trade players between teams, and this is a vital skill of a successful fantasy manager.

Creating value, just as we learned in the reading and lectures, is extremely important. Many inexperienced managers see trading as a competition to "get one over" on the other guy. But in my experience (on both sides of that "deal"), this only results in the rest of the league being very wary of trading with you. No one wants to work a deal with the guy they know is trying to take them for a ride. This is a clear example of a "fixed pie" negotiating mindset, where you are trying to "win" the trade deal.

Instead, successful fantasy managers know that the best strategy is one in which each party comes away from the trade feeling satisfied that they've upgraded their respective rosters. An example of this occurred last season:

A fellow manager in my league was discussing his team (Team A) with me, and told me that he was looking to add receiving depth to his bench, and wouldn't mind parting with one of his running backs to acquire it. I saw here an opportunity to create value for several of us, as I also happened to know that another manager (Team B) just had an injury at running back (his second) and was fretting over what to do about it. I was able to broker a three-way trade here, that saw me give up a middling receiver (Marvin Jones, Jr., for anyone who cares), for a middling running back (Sony Michel). I then flipped that running back to the other guy (who was sweating his situation a bit) for a very good receiver (Chris Godwin).

This three-way trade illustrates a way in which value was created for all parties. Team A added the receiving depth to his squad that he was looking for, and Team B got a stop-gap solution that he felt was better than adding someone from the waiver wire. Meanwhile, I, as the middle man, got a straight upgrade at an important position.

This situation also highlights the value of information regarding your opponents positions that was discussed in the text and in the lectures. If Team A and Team B had either been aware of the other's issues or concerns, they could have simply negotiated the same deal with one

another, and left me out completely. It was only because I was aware not only of my own position and needs, but also those of my competitors that I was able to orchestrate the win-win situation for them, and also come out ahead for myself.

Marc Farias

Marc Farias

Sep 12, 2020 Sep 12 at 8:19am

Howdy Dan! I am glad to see you were able to get a 3-way win-win-win trade deal in your league! Unfortunately, this scenario is a rare commodity in the leagues I have been in. Most of the time I see many lopsided trade offers that go nowhere or uneven trades that actually go through leaving many of the other team owners saying "what were you thinking!?". I'd be curious, in your FFB experience, what would you say a rough estimate would be of the times you have actually seen a legitimate "win-win" trade vs a "win-lose" trade?

Daniel Day

Daniel Day

Sep 12, 2020 Sep 12 at 10:50am

I totally agree with you, Marc. The vast majority of times the offers on the table are very skewed towards one team or the other. From what I've seen, its usually a case where someone identifies a need, and offers the absolute bare minimum for the absolute maximum value. In that case, the trade is usually stonewalled (as it should be). That makes the counter-offer less ideal because the side offering it feels slighted by the initial offer. Sometimes, the other owner is desperate, or just doesn't really know what they're doing, and the trade goes through, like you said. I'd say about 80% or more of the trade offers made in my leagues are just silly, one-sided scam attempts. This means that maybe only 10-15% of trades actually get done. Which is a shame. Lots of value to be had out there that people aren't able to claim, because they're too focused on trying to maximize their slice of the "pie".

John Schaub

John Schaub

Sep 12, 2020 Sep 12 at 1:57pm

Dan,

Refreshing post and one I can relate to as I also am a fantasy football fan. Your thoughts and trade methodology is far advanced even for me. I wish I had the foresight to look into trade scenarios like this. Currently I would like RB bench strength but am timid to make trades as I have trade biases in which I see the other teams as the enemy in which have no other means in under trade negotiations want to pull one over.

In most cases I come in with a fixed pie look. I need a RB and willing with departing with bench but lack the knowledge of how I can trade my top tier players to create higher weekly points and not get one pulled over on me.

You opened my eyes into ways that I can seek out other parties to help not only myself but create value for everyone. How long have you been playing? I have been playing for greater than 20 years but still need to learn the art of trading.

Daniel Day

Daniel Day

Sep 13, 2020 Sep 13 at 3:22pm

I've been playing fantasy football for about six or seven years now, and my best success has come through making smart trades and waiver pick-ups. I'm not a great drafter.

I think the key to making good trades is something the module this week talked about: building trust and being honest. Like I said in my original post, and you in your reply there, nobody wants to trade with some who they think is just trying to pull a fast one on them. You have to build trust through honest, mutually beneficial trades, and you can make your value on volume. If everyone else makes, say, one or two +value trades in a season, but you make five or six, even if your per-trade value is lower, you've increased your roster performance more than the other folks. I'm not saying make trades that don't benefit you, but even incremental value stacks up over the length of a season.

Joe Williams

Joe Williams

Sep 12, 2020 Sep 12 at 4:35pm

Daniel, I'm glad you chose Fantasy Football! This is something I can actually relate to! Reading your discussion point and talking about "creating value" and, "fixed pie" did help me comprehend the material allot more than what the reading material did for me. So a tremendous THANK YOU for this.

I really think fantasy football is a great example of Excessive Competition. Even though fantasy football started as early as 1962 (Britannica, <https://www.britannica.com/sports/fantasy-sport> (Links to an external site.)) you've had all these big companies see how to add financial value to their portfolios with it, and now the market is oversaturated with companies who are hosting the leagues causing the value of it to diminish over time. A quick search on Google and you get the following results: NFL, ESPN, CBS Sports, Yahoo, Premier League, FanDuel, DraftKings. All of these are fighting for your time and it has become a major turn off.

The draft time is a very good example of "Winner's Curse" as well. For anyone who has the smallest bit of experience, there is always a player who gets drafted WAY ahead of where they should be drafted. There will be a player who has the assumed value of being a 6-7th round pick, and yet there will be some team owner who is grabbing the player in the 2nd or 3rd rounds! Now he/she is "paying" way more than what the player really is worth.

Nice work Daniel once again. This helped bring on the material in an entirely new concept for me.

Daniel Day

Daniel Day

Sep 13, 2020 Sep 13 at 3:24pm

Hey, Joseph, thanks for the kind words! Glad we could find a good way to look at these concepts.

Kacie Fischer

Kacie Fischer

Sep 17, 2020 Sep 17 at 6:08pm

Daniel,

This is a great example! It really goes to show how many things in life can be boiled down to a "negotiation" of sorts. I appreciate the background about how the fantasy league works as well. I like how you pointed out the "guy that no one wants to trade with." This is so IMPORTANT. You first have to recognize that you're dealing with a human being, that your actions may deter any deals or partnerships in the future. Have you experienced a situation like this? If so, can you describe it, and what should have happened instead?

The example you gave for the threeway trade was certainly a win-win-win. As you pointed out, from this module's readings, understanding your counterpart's interests and business needs may serve as an opportunity that wouldn't otherwise be explored. You recognized that need and allowed each person to benefit from the trade. By creating this alternative option, you produced a mutual gain for each party involved. That screams win-win!

Kacie

Daniel Day

Daniel Day

Sep 17, 2020 Sep 17 at 8:12pm

Sure, Kacie, this happens a lot, unfortunately. I've seen it most where a more experienced manager takes advantage of a less experienced one. Someone new comes into the league, and may not know the most about what types of things are valuable, may not be up on all the injury reports and things like that, and they really get scammed by a more experienced manager.

Problem is, this turns them off towards trading all together. And a league where no one is trading is just less fun, and less meaningful.

It's a short term gain for the manager who got the better deal, because their team is much improved, for the moment. But once a person gets that reputation, it's hard to get rid of.

I've also had people decline to return to a league due to feeling like they were run over by the more experienced players, and that doesn't make for a healthy game.

John Mullins

John Mullins

Sep 19, 2020 Sep 19 at 11:35pm

Daniel,

Thank you for using fantasy football as your example of win - win negotiations as it very easy to take the scenarios and understand at a detailed level. The three way trade scenario really allowed me to look past only two parties benefitting in a win win scenario and think of the bigger picture. In a business deal you and I may benefit from a negotiation that benefits our companies but sub contractors or 3rd parties could have the potential to see positive results as well.

Jun Gao

Jun Gao

Sep 11, 2020 Sep 11 at 10:29am

In our project, one of the most important parts can only be fabricated by a designated group in our Laboratory. This group also responds to the mission's critical tasks for the entire Laboratory. Due to COVID-19 pandemic, their workforce was significantly reduced and we needed compete with other programs for utilizing this limited resource. This group could not deliver the parts in time if they perform all characterization requirements as we required. After negotiation, we revisited our requirement, and identified that some measurements can be performed by other groups using different high-fidelity metrologies after we received the parts. Therefore, we slightly reduced their workload by relocating the parts of characterization to different groups. At the end, the parts were delivered to us in time and all significant features were characterized by other groups. My project schedule was not impacted. This was a win-win outcome for both parties.

Daniel Talamantez

Daniel Talamantez

Sep 11, 2020 Sep 11 at 5:46pm

Jun,

Reading your post resonates with me so much because I feel Covid has changed the landscape for how companies will do business moving forward. Most companies have each had their own hurdles, but given the opportunity, time, and resources many have found alternative means. In some cases, this has proven economically beneficial and has even created greater productivity. For instance, at my company they are noticing that employees are performing above the expected standard and moral is even greater than before. For some companies like retail, they have had to reevaluate their processes and in some cases are thriving much better in the new business world. Have you seen other beneficial changes at your company?

Jun Gao

Jun Gao

Sep 12, 2020 Sep 12 at 12:17pm

Howdy, Daniel:

Unfortunately, most of my feelings are pretty negative. Because most of people are working from home, it is pretty hard to get things done. We have to spent extra efforts on the communication and more time on waiting. For instance, I sent out a classified package two weeks ago, and scheduled a meeting to review these contents in the past week. I have to keep reschedule this meeting because I did not receive that package so far.

Daniel Talamantez

Daniel Talamantez

Sep 19, 2020 Sep 19 at 2:14pm

Jun,

Hopefully as this new way of working continues, your company will be able to find new innovative ways to increase speed of business and better long term outcomes. I feel it will take some time to figure out the pinch points and then address accordingly. Thanks for the reply.

Brandi Greenberg

Brandi Greenberg

Sep 13, 2020 Sep 13 at 10:33am

Jun,

I have seen a lot of changes in the way my company is doing business right now, that I would never have believed an option before COVID-19. My company no longer tends to rely on the "that is the way we have always done it" tactic, but moreover, the company has a willingness to find a way to get it done with what we have. I am not sure if we will ever return to the way things were before COVID-19, but do you see this strategy of working together to find new ways to accomplish our goals sticking around?

Jacquelyn Lopez-Barlow

Jacquelyn Lopez-Barlow

Sep 11, 2020 Sep 11 at 4:25pm

Yearly, I negotiate between the execution organizations (EO) and my federal sponsors. The goal is to find a win-win solution by balancing needs and wants, provides enough funding to execute scope, and meets program deliverables. Our mission defined by our contract but the execution is variable. There are five phases to completing this negotiation.

Negotiate with sponsors to ensure LANL receives the same or increased funding as agreed upon during annual budget summits.

I fund my base capability accounts first. For remaining funding, I work with EO to determine what scope will be performed and how. This step is the longest of the process while we work through needs and wants.

I integrate the negotiated plan with other programs to ensure LANL is not overcommitting, and my program is not acquiring additional risk. If integration is unsuccessful, I renegotiate with other programs and EO until it does.

I present the strategy to our sponsors and answer any questions. I take any feedback from our sponsors to my management and executing organizations. I renegotiate if needed, but usually, I do not need to unless something unexpected happens (ex. COVID-19).

I formalize the agreement after negotiations complete by amending the contract.

Daniel Day

Daniel Day

Sep 11, 2020 Sep 11 at 7:20pm

Hi, Jacquelyn.

I noticed in a couple of your steps that you may need to renegotiate certain terms if integration is unsuccessful, or if some unexpected hurdle comes up, like COVID.

I was wondering how this is usually received by the parties you have to renegotiate with. Is it the case that they understand your process and expect that you might need to return and renegotiate some aspects that were thought to be locked it? Or do you meet with significant resistance when you have to go back and say "Hey, I thought this would work for us, but it turns out it does not."?

I have been in the position of having to go back and re-work some aspects of a plan, and I really hate having to be the person to say "Wait. We have to go back over something we thought was already settled."

How do you manage this aspect?

Jacquelyn Lopez-Barlow

Jacquelyn Lopez-Barlow

Sep 12, 2020 Sep 12 at 9:46pm

Daniel,

Yes, I find negotiation to be an iterative process most of the time. I also do not like being the person who has to say, "we need to talk about this again" or "remember when we agreed to... well, it will not work out." For the most part, people are ok with renegotiating and having additional discussions. It is easier if I have an existing relationship with the managers I am communicating with rather than trying to build it during the process.

Before we start planning discussions (phase 1), I have a kick-off meeting with internal and external stakeholders to provide an overview of where we are executing the program and priority projects. During this meeting, I use it to present timelines for the negotiations and present the goals of the next year according to our contract. The kick-off meeting is helpful because it allows my counterparts to ask questions that they provide me with an idea of their interests and priorities are.

I have had instances where we thought the plan was locked in, then some new information comes in late, and we were forced to renegotiate during the last phase. Example- New information received was that a program manager did not account for other production happening in one area. He closed the contract with his sponsor, and it resulted in LANL being over-committed with the work planned in that coming year being the same amount that would take three years. This problem created stress, and we only had two weeks to renegotiate before I needed to submit my amended contract. The outcome was that we did renegotiate everything on time but I had to give up more production time than I liked but I did not have to pay for additional waste costs and saved my program money. This did turn out to a win-win overall in the end.

I managed the situation by communicating and being available to answer any questions. I developed a negotiation strategy and timeline so that all parties knew what to expect. The biggest thing I needed to remind myself of was not to take things personally and not to freak out. Every year there is something new that I learned because each negotiation is different.

Edited by Jacquelyn Lopez-Barlow on Sep 12 at 10:43pm

Daniel Day

Daniel Day

Sep 13, 2020 Sep 13 at 3:30pm

Thanks for that, Jacquelyn!

Marc Farias

Marc Farias

Sep 11, 2020 Sep 11 at 6:09pm

What is your experience of making a win-win outcome in a competitive environment?

My department is comprised of multiple teams that have similar roles but are responsible for different systems. As Sustainment Life Cycle Managers (SLCMs), we have tried to align with the way Product Lifecycle Managers (design engineers) structure their assignments but the ratio between the system and person are different (SLCMs have less people to cover all the systems). My team of 6 folks covers all 15 Mission Systems and our sister team covers all 15 Vehicle Systems with 6 members. Not all systems are weighted equally with respect to complexity and reliability, so I negotiated with the Vehicle Systems lead SLCM to balance the load, so our teams were evenly matched. For example, my team took all aircraft wiring (including Vehicle System wiring) while the Vehicle Systems team took the Helmet mounted display system, which was normally Mission Systems but is also related to pilot furnished equipment. We also negotiated to share the workload on common process management and help each other backfill when one team is shorthanded. These, among other agreements, are a win-win situation for our teams.

Eric Worley

Eric Worley

Sep 12, 2020 Sep 12 at 11:03am

Marc,

Thanks for your example. I particularly like yours. It demonstrates how an 'integrative approach' (win-win) and negotiation tactic doesn't apply only in a traditional cost savings or dollar amount gain situation. In your example, both your team and your counterpart's team's resources were explored and aligned in an amenable way to optimize outputs and 'share the workload.' The other intangible benefit to both of your groups is the cross-training exposure of working on systems that they may not have done before your successful negotiation. Your tactful approach will inevitably help position your talent pool for greater successes as they

develop in their careers because of the additional exposure and support you and your counterpart provided. Very well done!

Thanks Again,

Eric Worley

ewworley@tamu.edu

Jonathan Weiss

Jonathan Weiss

Sep 18, 2020 Sep 18 at 5:04pm

Marc,

Cool rundown. This is a great real-world example of achieving a win-win situation. Working on a maritime engineering project myself, we have a need for all engineering disciplines. It's always important to try to break up the work in an effective way. Typically, every member of a team has a special talent or ability. As a leader/manager, I think it's important to identify who is capable of what tasks, and delegate accordingly. By doing this, the work load is more even, and the product is most likely going to be delivered at a higher level of quality in a more efficient manner.

Joe Williams

Joe Williams

Sep 11, 2020 Sep 11 at 9:27pm

My experience in making a win-win outcome in a competitive environment happens on a daily basis at work.

I manage a represented workforce that is required to assemble a product in an industrial assembly line atmosphere. The challenge is that the represented workforce has no incentive to

perform consistently. Regardless of how they perform they still get paid the same. Then when a performance bonus is brought into play, it is equally distributed across the board. So someone who is a really hard worker, will get the same bonus as someone who performs sub standardly.

The daily challenge that presents itself is that my performance reviews are based off of how the represented workforce performs. Their performance is broken down into a minimum 3 areas of metrics. Schedule, Cost, and Efficiency are three areas that are discussed at 4 intervals throughout the shift each day.

So I had to analyze the team, find the areas of the lack of performance and what was driving it, and see how to “negotiate” for a “win-win” outcome.

What I found out after speaking to everyone individually was that the common denominator was that the represented workforce had inconsistent management leaders being placed in charge of them. Every manager has their own personal leadership style, so this left the workforce with constantly having to change their work-life and gave them no hope of any type of structure they could count on. It lead a mentality of “why should I do it your way, when there is going to be another manager in here next week wanting it to be done totally different?”.

So what I did, was bring this up to our Senior Management and let them know that we needed to keep our floor leadership in place for a minimum of 6 months. I also seen where a “culture” shift needed to take place that let the workforce build pride in their area. I did this by removing an invisible wall that had been placed up between the represented workforce and management personnel. This wall was based on lack of trust by both parties, and lack of care as well. As time went by the workforce began to see that I cared. I cared about them, I cared about their life with their families, and I cared about making sure the area where they worked was an enjoyable place to be with minimal stress. Eventually that invisible wall, was truly invisible or non existent. The culture in our area changed drastically to the point of where others are now requesting just to come to our area.

So this was a Win-Win outcome because the workforce gained management that they could trust. They gained a manager that they enjoy working for. They gained pride in their area which led to an increase in performance. Our company gained employee respect, the benefits of increased performance, as well as employee retention.

Marc Farias

Marc Farias

Sep 12, 2020 Sep 12 at 8:34am

Hey Joe, glad to here you have experienced a win-win situation in your production environment! When you brought the recommendation up to Senior Management, how was that received? Did they comply with not rotating leadership around as frequently? When you say the company gained employee retention, was it on the manager side or represented employee side or both?

Joe Williams

Joe Williams

Sep 12, 2020 Sep 12 at 1:16pm

It was received quiet well, right up until the point to where we got new senior management and a complete "shuffle" of the lower management took place. Then the represented workforce just stood there shaking their heads all over again as if it was a "see, told you so" scenario. The retention was on the represented side of the house. Several of our senior folks were gonna retire until they found out they got to stay with their current lower level manager.

Brandi Greenberg

Brandi Greenberg

Sep 12, 2020 Sep 12 at 1:12pm

A recent example of a win-win outcome in a competitive environment for me was just this month, I have a milestone deadline set by my customer, and I needed to have a piece of equipment delivered in enough time to have it shipped to the worksite. The company that I have purchased this item through in the past could not meet my timeline. By asking for details on why the lead time had changed, the manufacture did not have plans to make a "run" before my deadline. I asked more questions and found that a "run" required the purchase of five pieces of the equipment. I could afford to purchase all five, but I did not have room in my lab to store those items. When I relayed this information to the manufacturer, they offered to hold the pieces at their plant for me until I needed them shipped. This agreement will let me meet my timeline and even added value for me by getting someone else to store the equipment. By

being patient and asking questions, this negotiation was a win-win for me, my customer, and the manufacturer.

John Schaub

John Schaub

Sep 12, 2020 Sep 12 at 1:42pm

I often wondered what happen behind the "curtains" in material buying, parts procurement and sourcing different firms for assets. In the modifications world we are typically the Material Kitting Parts Listing (MKPL) creators and no little about what goes into the supply requisitioning and buyer performance action. Honestly this sound quite interesting. Is buyer negotiations part of your current roles and responsibilities or was this an outlier task? Do you find most people are in for a win-win or do they tend to come in with fixed pie leading to an escalation?

Brandi Greenberg

Brandi Greenberg

Sep 13, 2020 Sep 13 at 9:07am

John,

Purchasing equipment is something that I deal with throughout my project life cycle, from testing equipment, prototypes, and final designs. I can honestly say that 90% of the time, the purchasing process is more of a 1) I ask for a quote, 2) they tell me the price, and 3) I pay the invoice. There is no room for bargaining or price reductions, the other 10% of our negotiations are around what the lead times are, the deadlines, and these tend to be more of a win-win situation.

Damian Dalcour

Damian Dalcour

Sep 12, 2020 Sep 12 at 3:08pm

Brandi

I enjoyed your post. I have only had a chance to experience a win-win similar to yours once in my career. It came at a time where I didn't know what to do. I was all out of options. I had no idea how I was going to meet the pressing deadline. It was a relief to meet the timeline, the budget, and have someone to house the parts without a storage fee. I still have a working relationship with the company that made this possible. We have formed a partnership and assist each other whenever possible. They have helped us through many unforeseen situations. Thanks for sharing.

Brandi Greenberg

Brandi Greenberg

Sep 13, 2020 Sep 13 at 9:15am

Damian,

I can honestly say that a win-win makes everyone feel good about the deal, and it is right in my situation too. I like working with this local small business (18 employees in total). The owner of the company likes to deal directly with me since we have built mutual trust with one another over the years, and this trust helps us in these negotiations.

Jordan Caddick

Jordan Caddick

Sep 12, 2020 Sep 12 at 11:26pm

Brandi - it's nice to see an example of positive, 2 way communication between a manufacturer and customer. It sounds like you asked the right questions. I think it's also of note that you appear to have fostered a healthy working relationship with your supplier, otherwise they wouldn't have been willing to store the equipment at their cost and risk. I can't emphasize enough the value of building a relationship with subcontractors, suppliers, and manufacturers. I have been in situations where something as simple as taking out a subcontractor team for lunch has paid off years later when we did business with them on another project and needed

to negotiate a sizable change order to close the job out. The honest goodwill years prior set the stage for integrative negotiation in an industry that most often defaults to distributive negotiation (construction).

Brandi Greenberg

Brandi Greenberg

Sep 13, 2020 Sep 13 at 9:24am

Jordan,

Your assumptions are correct, we do have an excellent working relationship, and we have been building this trust for a couple of years now. Just recently, they were in fear of being furloughed because of COVID-19. The owner was very candid with me, and I was able to bring them on to do some consulting work under one of my projects. The tasking I was needing would end up being about nine months ahead of schedule, but I felt that if I could help them out with some work that it would reinforce our working relationship.

Jun Gao

Jun Gao

Sep 15, 2020 Sep 15 at 5:35pm

Brandi,

I almost put a similar case as my discussion. I was trying to procure equipment when I ran a project a few years ago. The price of that equipment went up, and our initial budget was not sufficient to cover it. Therefore, I had to negotiate with the company to reduce the price by reducing the purchasing of the accessories. At the end, we still could not reach a ZOPA. Since I knew several other groups were also interested in purchasing, I asked them if they wanted to purchase this equipment at the same time. Finally I got four requests. We were able to buy five pieces equipment from that company. The final price was even below our budget. That was a win-win outcome as well.

Brandi Greenberg

Brandi Greenberg

Sep 15, 2020 Sep 15 at 5:56pm

Jun,

That is some great thinking outside the box. Way to get a lower price that was budgeted when at one moment you thought it was going to be over budget! I have learned so much from these discussions. We have a great group here that have had great experiences and lesson learned.

Jonathan Weiss

Jonathan Weiss

Sep 18, 2020 Sep 18 at 5:14pm

Great example Brandi. I think in order to make good, win-win negotiations, we sometimes have to take on the role of being a detective. You identified an obvious issue and you knew the minimum standards that you found acceptable. Because the supplier wanted your business, they made you aware of what was required to make a "run". What's even greater is that you were able to get your equipment on time and still had them store the other four pieces. It was a win-win for sure, but I think you did more of the winning...nothing wrong with that!

Bill Osburn

Bill Osburn

Sep 12, 2020 Sep 12 at 1:19pm

TCMT-612:700-702

Module 3 Discussion

Bill Osburn

What is your experience of making a win-win outcome in a competitive environment?

Win-Win decisions are made in my life daily. The question gets asked what is for dinner daily. The negotiation starts and eventually a resolution is met, and we all get a tasty meal.

Professionally, just recently, a win-win outcome happened at my place of employment. I have been a technician for many years responsible for fixing whatever is broke and would expect the parts and publications required to do the job were available. When they were not, the TSSC (Training Systems Support Center) was blamed. Recently I negotiated with our managers and we came to a mutual agreement and I started a new job in which I work part time as a technician and part time in the TSSC as a Systems Engineer/Configuration Manager/Quality Assurance Manager. They call me the Swiss Army Knife. Since working with the TSSC, I have a better understanding of what goes on behind the scenes. I also bring my experience as a technician to the TSSC which helps the TSSC have a better understanding of what we require to do our jobs as technicians. Bringing my experience to the table upstairs and gaining knowledge from the TSSC has been a win-win situation and will only make everyone better. With several TSSC managers reaching retirement age in a few years, there is going to be someone in place to step into those duties full-time.

Joe Williams

Joe Williams

Sep 12, 2020 Sep 12 at 5:23pm

Congratulations on the outcome! It's awesome to hear that you were able to pitch the idea, and they bought it!

Is this something that can fall into the "Game Theory" area? Is this new role something that can end up creating value for the entire industry?

Did you find yourself having to negotiate on the details of it just so that they would say yes to it?

I see this as you “creating value” because you are providing a solution for them, as well as increasing your own value within the company. Now that you have a better understanding of what goes on behind the scenes. It sounds as if there was so much value out there waiting to be claimed. You were able to claim it, but make it look like you created it, which to me is brilliant!

Great work, and I think you did awesome on this.

Bill Osburn

Bill Osburn

Sep 13, 2020 Sep 13 at 8am

Howdy Joseph,

Thank you for your reply to my post and thank you for the congratulations. I knew that we were in trouble if some of these employees retired without someone having been trained to take their place ahead of time. Their jobs are really unique and it would have been very difficult for someone to come in off the street and do those jobs, plus the pay raise was beneficial to me.

I am not completely sure if it falls under "Game Theory". It is beneficial to our program and could be utilized in other programs as well but I am not really sure if would apply to the whole industry.

I am sure it created value for both of us and will pay off for each of us in the future. In my experience, sometimes you have to make an idea appear as if they came up with it but in this case I came up with the idea and benefitted from it.

Xiaomin Yang

Xiaomin Yang

Sep 13, 2020 Sep 13 at 9:44am

Bill,

Thank you for sharing your encouraging example which vividly illustrates the point of offering a service valuable to the company and strategically positioning yourself as an advantaged candidate for a foreseeable opportunity.

XY

Bill Osburn

Bill Osburn

Sep 13, 2020 Sep 13 at 6:54pm

Thank you Professor Yang. I appreciate your words and I am looking forward to more opportunities in the future.

John Schaub

John Schaub

Sep 12, 2020 Sep 12 at 1:34pm

What is your experience of making a win-win outcome in a competitive environment?

Work aside, parenting brings us the most opportunities to find ourselves negotiating with some of the best, our children! We find ourselves in daily negotiations as we travel down this parenting path. Recently our daughter has been pushing back on her nighttime routine of brushing teeth, washing hands, reading books, time in which to embark and most important of all, which pajamas to where. In the past, my wife or I have been able to make all decisions without any issues or stall tactics. Seeing this new side of our daughter caught me off guard and immediately activated some biases, after all I am the parent, right? Before I became enlightened by this course, I would come into this immediately with an escalation of commitment to be the lone winner. I learned quickly it was time to deescalate and look for other means to get her to bed cleaned up and on time. The two areas she was most fixated on was which pajamas to where and where to brush her teeth. While I wanted her in pant pajamas and brushing upstairs, she wanted Elsa gown and brushing downstairs. With the nighttime routine containing many parts I weighed each mentally and found our weights were different allowing a strategy for an on-time bedtime departure with a win-win for both. Due to

me weighing the pajamas and brushing with far lower values than hers and she weighing the time and which books to read allowed us to both find common ground and get to bed on time.

Setting aside biases and using a weight scale to prioritize made this negotiation a complete success.

Negotiation Best Practices and Lessons Learned:

Ask questions, ask questions and ask questions.

I was extremely blessed to have a great partner in this exercise that embodied cool and calm. Her attitude made me feel at home like we knew each other for years. Having this synergy allowed us to have a successful negotiation simulation. Our only barrier was the true academic barrier in video submission when we were complete. We had such a successful simulation that our time exceeded the time standard allowed of 10 minutes.

If I can offer anything, watch the clock and be more concise and to the point. I tend to be long winded and verbose, perhaps if I cut that down the task could have been captured better.

Edited by John Schaub on Sep 18 at 10:07am

Timothy Koontz

Timothy Koontz

Sep 12, 2020 Sep 12 at 10:46pm

Good evening John. Sometimes personal life dilemmas can have a more profound effect on our lives than work can. Dealing with children on matters like bedtime routines may seem minute, but will end up stressing you and your child's relationship. Stress at home and at work can be detrimental to a person's health. I have read where children are more willing to do their chores if they are allowed to make some of the decisions. Obviously, you can not allow them to make all of the decisions, or they will be staying up till midnight eating ice cream. Small compromises can maintain the parent's goal of getting the child to sleep at bedtime at the expense of doing the routine in a different order or buying a different color toothbrush. The win for the parent is the child getting a good night's sleep. The win for the child is the feeling of independence and being involved in determining the routine. Having an open mind in negotiations and actively

trying to identify what is important to the other party can make a negotiation where everyone wins.

Rosanna Popa Rangel

Rosanna Popa Rangel

Sep 13, 2020 Sep 13 at 11:59am

John,

Thank you for sharing this personal experience!

While I do not have any kids of my own, I teach small kids in my free time, and I've had some conversations like this. Because of what I teach has a "training" part of it, they get bored quickly and want to "play." So, for them to behave and do the training part correctly, I use playtime as leverage. "If you train properly, we'll get to play, and in fact, you can pick the game." Of course, this motivates them, I don't lose anything by playing with them, but I found that they learn and play this way, which is my goal with kids in my class.

Also, Elsa gowns are awesome!

Jacquelyn Lopez-Barlow

Jacquelyn Lopez-Barlow

Sep 13, 2020 Sep 13 at 8:04pm

John,

This is great! Parenting feels like a constant negotiation now that I think of it after reading your post. It reminded me of a time that my youngest (age 5) tried to negotiate with me. She wanted to have ice cream for lunch, and she started the negotiation. She told me she wanted to have ice cream for lunch and that she should get it because she already picked up the toys in her room. When I said no, because I'm the parent, she then proceeded to tell me how I was a pretty mommy and that if I let her, she would also help me water the plants. I still said no, but I would appreciate her help with the plants. I also told her she had to eat something healthy for lunch, not sweets. Her final argument was that ice cream was made from milk, and milk was healthy, so I should let her. I finally compromised after that and told her if she ate something healthy, she could have ice cream after. She agreed to a sandwich with cucumbers and vanilla ice cream for dessert.

Troy Philips

Troy Philips

Sep 24, 2020 Sep 24 at 9:28pm

As a parent I can relate to your story, I can also second your advice of asking questions during negotiations. I think asking questions opposed to assuming you know or understand what the other party is looking for can help lead to a better negotiation. On the other side I would add, be an active listener. Since you are asking those great questions, make sure you are taking the time to hear what the answers are.

Damian Dalcour

Damian Dalcour

Sep 12, 2020 Sep 12 at 2:16pm

Win-Win negotiations have always been my primary goal in competitive environments—a dialogue to reach an agreement that resolves the difference between two or more parties. I aim towards a resolution that allows gain for both sides. Working for Christian Helpers for Humanity, the purchase of a software program was necessary. Organizing all business information in an accessible and user-friendly manner can lead to an increase in productivity. This would minimize errors in business operations and reduce manual efforts. I sought out vendors for prices of software that would meet the needs of the company. Several vendors responded with a wide range of prices. I had a budget of only \$5,000. The most reasonable vendor quoted the price of \$8,000. After having another conversation with this particular vendor, he quoted me \$6,000. I needed the software for project implementation, but anything beyond \$5,000 would stretch the company's finance beyond its comfort zone. In a hope to reach a win-win negotiation on the common ground with the other party, a negotiation would settle for the \$5,000 to \$6,000 bracket. As the deal threatened to collapse, an agreement was made. The vendor agreed to the \$5000 in exchange for dinner at The Capital Grille for the five vendors on his team every time Christian Helpers obtained \$50,000. It was a win-win for both of us.

Jacquelyn Lopez-Barlow

Jacquelyn Lopez-Barlow

Sep 12, 2020 Sep 12 at 11:03pm

Damian,

I like your example because it shows how thinking outside the box and looking for other ways to find value are beneficial to meeting your goals. How long did it take you to negotiate this deal?

Xiaomin Yang

Xiaomin Yang

Sep 15, 2020 Sep 15 at 12:16pm

Damian,

Very good example! Not only get a need but also create an opportunity to main good relationship. Brilliant.

XY

Timothy Koontz

Timothy Koontz

Sep 12, 2020 Sep 12 at 7:30pm

Good day Fellow Leaders. My experience in negotiation with a win-win outcome was when I sold my house. The house had grown too big, and the decision was made to sell. The market was not the greatest along with other factors such as price, location, and size of the house kept potential customers at bay. The location was not a bad location, but it was isolated from the coveted communities. The isolation gave the neighborhood a small-town feel, which made the drive home from work enjoyable. After being on the market for an uncomfortably long time, I decided to paint the interior walls a neutral color. I knew that I would never see the money that I spent on the painting project. After the painting project was completed, the house was taken off the market and relisted. This would re categorize the house to the "Newly Listed" category in the sales listing. A potential buyer came to look at the newly painted house and placed a bid. To my surprise, the buyer's agent told my agent that they were lucky to find the house. The agent believed that the house was newly listed and would not stay on the market long for the asking price. I was to the point where I would have taken less for the house, but the buyers agreed to the asking price. There was a \$250 HOA verification letter that the buyers requested, along with an offer to buy the refrigerator. I did not need the refrigerator, and I did not want to pay \$250 for a reference letter. I made an agreement with the buyer to sell them the refrigerator for \$250. The buyers and I made similar negotiations, such as me coordinating with the builder to establish the warranty for the foundation in exchange for buying the house as is and not renegotiating the price. The buyers purchased the house for a good price, and I was able to move to a smaller, more cost-efficient home.

Bill Osburn

Bill Osburn

Sep 13, 2020 Sep 13 at 7:33am

Howdy Timothy,

Selling a house can be a stressful situation at times. I think buyers get turned off by a house that has been on the market a while because they assume "something has got to be wrong with it". When I sell, I am going to need to paint the inside as well.

The example you gave about the HOA verification letter was a great example. They probably didn't even realize they were actually paying for the letter. In the end you both got what you needed. Negotiating the foundation warranty was another great example. They will not have

to worry about the foundation and you do not have to worry about possibly other issues being found at your expense. Win-win for all and you got your asking price for the house.

Sometimes making concessions when in a negotiation builds trust which allows both sides to come to a resolution that benefits all party's.

Megan Wallace

Megan Wallace

Sep 16, 2020 Sep 16 at 10:56am

Howdy Timothy,

Having only bought and never sold a house, I can only imagine the level of stress you were facing in trying to negotiate terms in accordance with the market. In hindsight, I wish I'd taken a more active approach through my buying process, as opposed to just making a single offer and accepting the counter. Hopefully, if I do get to the point of selling, I'll be able to take on the process more like you did, where I make sure to get precisely what I want in the end!

Rosanna Popa Rangel

Rosanna Popa Rangel

Sep 12, 2020 Sep 12 at 7:38pm

What is your experience of making a win-win outcome in a competitive environment?

My experience tells me that you have to be an active listener, understand what the other party is trying to say, try to catch which parts are essential, and which parts can be negotiable to your favor.

In Module 3 Assignment, I was Party B. Therefore, I was the salesperson, I need this client to buy from me, and tell other people to buy from me; that's why I needed to build trust, I needed to bend my prices to a place where he feels comfortable but at the same time that it doesn't scare him away. It is easy to fall on the Anchor bias, as well as the Self Serving bias. We need to understand that you have to give, as a salesperson, to make an impression of willingness to satisfy the other party's' needs, especially in a first negotiation, because with the right trust and reputation, this can generate multiple businesses with the same client and with new clients.

You have to demand what you need, and collaboration is always good because I still needed to invest in the Engineering labor to develop the technology that my client wanted, so why not work together, he'll get a special price, and my company will grow to be able to offer the inspections below 2000 ft to other clients as well.

A win-win situation needs to be our goal in everything we do, and everything is a negotiation, even with ourselves. We need to have empathy and see the big picture, not just our needs and limitations but also be willing to give, to be able to receive, and especially in this industry where a lot of relationships are built by word-of-mouth.

Bill Osburn

Bill Osburn

Sep 13, 2020 Sep 13 at 7:45am

Howdy Rosanna,

Listening is probably the most important aspect of any negotiation. If you are not listening to the concerns of the other party involved a win-win outcome will never be achieved.

As you mentioned Trust is also a main ingredient of a positive negotiation. Without trust an agreement will never be met that is a win-win for both party's. As you stated building trust will also help with future negotiations.

In the long run this negotiation is about the future and what you will be able to offer in the future to other clients as well as you have stated. I believe that a lot of negotiations do not take

into consideration future ramifications and are just focused on what is in front of them at the moment.

Negotiations should always be give and take. We must be willing to give up something beneficial to the other party to get what we are wanting from the negotiation.

Rosanna Popa Rangel

Rosanna Popa Rangel

Sep 13, 2020 Sep 13 at 11:49am

Thank you for your comment Bill,

I do agree with everything you mentioned. I usually like to understand the other party's requirements before making an offer or accepting what they bring to the table. It is hard for me to be in a confrontational situation. Still, this project has helped me understand that negotiations are not a three-headed monster but instead part of our day to day operations, even without us fully aware that negotiation is happening. As a buyer in my company, it is easier for me to demand a better price, better lead times, and better service. Putting myself on their shoes in this project showed me that is not always easy for them, and that both parties need to make a sacrifice, small or big, to find that middle ground.

Tom Cappucci

Tom Cappucci

Sep 14, 2020 Sep 14 at 4:27pm

Rosanna,

It sounds like you had some great learnings from the module 3 assignment. My partner and I had similar learnings on the anchoring bias, and the desire to meet a win-win outcome to benefit both parties in the long run. We had similar learnings as you on the R&D for the technology, where we enter into a mutual partnership to meet each others needs. As the sales person for OceanTech, did you feel you had any endowment bias on the dollar value of the

corrosion detection equipment, where the product may have been overvalued? Or were you and your partner more agreeable on price after deciding to enter into a mutual partnership for product development? Curious on what tactics you and your partner used to mitigate conflict escalation bias and bridge the gap on price.

Rosanna Popa Rangel

Rosanna Popa Rangel

Sep 19, 2020 Sep 19 at 3:42pm

Hi Tom,

No, I didn't feel the endowment bias, on the contrary. I felt a little shy and more willing to create a long time partnership, starting with this initial collaborative project. My main focus wasn't the money, it was one of my negotiation items but I focused more on the other aspects I was negotiating, to make the buyer feel like they could trust me and at the same time that I care for the final product which would benefit both companies. I tried to push the price towards my profit margins, I understood this could be a deal breaker and I wasn't sure about what the other party was willing to pay. We communicated a lot, throughout our conversation, we both said what we wanted out of the business deal, and neither of us has a fixed pie, or self serving bias, we didn't anchor any option. I feel like it went really well on both ends, I could've maybe pushed a little higher price but I decided not to.

Thanks for your questions,

Rosanna

John Mullins

John Mullins

Sep 20, 2020 Sep 20 at 12:01am

Rosanna,

Great job pointing out the Anchor and Self Serving bias then following up with understanding. In negotiations I am guilty of looking out for my needs with these two biases anchoring and self serving being very obvious, thus forgetting that there is someone across from me that has their own needs. I think that having a good business partner on the other side of the table that understands your business needs and what it looks like for your success makes it easier for you in turn to look out for them as well.

Jordan Caddick

Jordan Caddick

Sep 12, 2020 Sep 12 at 11:13pm

Earlier this year, I accepted a position with more responsibility and negotiated a commensurate salary increase. My challenge was to ensure a win-win situation when arriving upon a compensation package while working with a group leader who wanted to hire me for the best value possible. In retrospect, I realized that I practiced some of the techniques taught in this module! The first thing I did was set a BATNA – a lower bound that would not have been worth taking on the additional responsibility. I prepared and wrote something similar to a term sheet that included questions to ask of my negotiating partner, items that mattered to me, and the importance of those items. By asking questions of my new group leader, I was able to determine that the HR department set the offer amount, not her. My group leader was actually supportive of getting as high a salary as I could negotiate! She became my advocate when approaching HR for a higher salary. In the end, my desired salary was not achieved, however an acceptable salary was agreed upon. I was able to create a “bigger pie” by negotiating a verbal agreement that consideration would be given to funding the METM program in lieu of my desired salary.

Brandi Greenberg

Brandi Greenberg

Sep 13, 2020 Sep 13 at 10:11am

Jordan,

It sounds like it was a win-win for you and your new group leader. I have used a BATNA in the past also, without knowing that I was, along with a pros and cons worksheet to work out what my desired salary should be. It was not until a little later in life that I realized some of my

benefits were more important to me than the actual wage. I see that the METM program was worth bargaining for in these negotiations, but did you look at the value of your benefits? A lot of times, these get overlooked and can make up a nice monetary increase in your salary.

Jordan Caddick

Jordan Caddick

Sep 13, 2020 Sep 13 at 10:44pm

Good point regarding benefits Brandi. Fortunately, Los Alamos National Laboratory has fantastic benefits across the board. With other companies, I've had to negotiate for a better benefits package. Wasn't even a consideration with LANL.

Edited by Jordan Caddick on Sep 13 at 10:44pm

Rosanna Popa Rangel

Rosanna Popa Rangel

Sep 13, 2020 Sep 13 at 11:54am

Jordan,

First of all, congratulations! I understand how these negotiations can be because you know your worth, and you see the number of responsibilities that will come your way once you enter this position. I think the way you used your BATNA and how you understood that it wasn't your group leader who was setting these amounts helped you bond with her because you are on the same team. You felt that support, which can translate to a better relationship during daily activities that demand her cooperation. By creating a bigger pie, you made a win-win situation in which you're seeing the benefits now.

Again, congratulations!.

John Mullins

John Mullins

Sep 20, 2020 Sep 20 at 12:16am

Jordan,

Great job using the BATNA, setting your value and winning the negotiation to achieve a package better than what was first offer. I was wondering when reading through the BATNA if it truly worked. During the process did you was there ever a point you considered walking away or was this a pretty smooth process?

John Mullins

John Mullins

Sep 13, 2020 Sep 13 at 1:02pm

What is your experience of making a win-win outcome in a competitive environment?

A recent experience of making a win-win outcome was creating a living will and appointing guardianship of our daughter if my wife and I both passed. This process in theory should have been a seamless process, one of our brothers would get custody. Both of our brothers have displayed several behaviors and/or characteristics that eliminated them as potential options. Our parents are all up there in age and would not be capable to raise her in the manner we choose. The negotiations were brutal as we argued and fought for several weeks, then with all the factors from both families it created a competitive environment. What we did was separately identify 5 names and values that were important to us, then come back together to decide a resolution. In the end we both agreed to send her to my childhood friend and his wife who have a 4-year-old boy that she would get to grow up with.

Jacquelyn Lopez-Barlow

Jacquelyn Lopez-Barlow

Sep 13, 2020 Sep 13 at 7:49pm

John,

Thank you for sharing how you were able to find the right solution to a personal dilemma. Your example proves that we need to use good decision-making skills not just in business, or buying a car, but in helping make decisions such as yours. You both really analyzed your alternatives

and took a systematic approach to improve the negotiation atmosphere. For such an important decision a win-win negotiation is the only option and I applaud you and your wife.

John Mullins

John Mullins

Sep 20, 2020 Sep 20 at 12:27am

Jacquelyn,

I wish the process was as smooth and simple as the words you used, but you are correct a win-win outcome was the only option. One of the conversations we had after our final decision was made for our daughter to live with my childhood friend and family, could you concede and just allow the other person to make the decision. Because our daughter is so important to both of us we agreed and said NO. Total unity on the family chosen is the only way either of us could be comfortable with the decision.

Sarah Terrill

Sarah Terrill

Sep 16, 2020 Sep 16 at 1:21am

John, I, too, have found the negotiation techniques in our book really useful in relationship/marriage "negotiations"! The ability to come to the table with known BATNA and to actively listen to the other side's issues is one of the best methods I've used. Sometimes with conflict escalation, it's the best way to find a solution. My partner and I used to have a phrase we'd use that was basically code for "stop, let's reevaluate". I had never thought of it that way until I read your post!

John Mullins

John Mullins

Sep 20, 2020 Sep 20 at 12:30am

Sarah,

Your nailed it that the techniques in the bood have beneficial in relationships. Even though we all know that there is give and take and that both sides need to win, something about when you read it and different strategies make it click.

Tyler Gilbreath

Tyler Gilbreath

Sep 20, 2020 Sep 20 at 9:24am

John, my wife and I have spoken on the subject of putting a living will together. We have 2 daughters, the oldest is 2 and the youngest is 3 months. We have only spoken briefly, but I know when the day comes to put pen to paper it will not be an easy task. Both our parents are in decent health and lord our girls very much. I will have to keep in mind what tactics you used to complete this daunting task. Thank you for sharing such a personal example.

Tyler

Troy Philips

Troy Philips

Sep 24, 2020 Sep 24 at 9:41pm

John,

Thanks for sharing! I think this is a great example of some real life negotiating. I know many of us focused on the business aspect of negotiating, you brought to light some real, life altering choices people face every day. It was also cool to see yall come up with a system of selection and where able to come to a win-win agreement.

Jonathan Weiss

Jonathan Weiss

Sep 15, 2020 Sep 15 at 5:44pm

I was in the market for a very specific boat. There weren't many of them, and they often did not come on the market, and those that did, typically were not well taken care of. Through word of mouth, I learned that an owner of one of these boats may consider selling if approached. I got in touch with the individual. He explained to me that he would sell it for the price. His initial price was way above market value, and was more than I was willing to spend. The boat was in perfect condition, and was exactly what I wanted. Not to mention, the owner spent a lot of money on the boat. I made an offer that was in line with the market value. His counter offer came down quite a bit and split the difference. We agreed at this price, which I truly feel was a win-win for everyone. He was selling his boat for a good price at a time that he wasn't forced to sell. I paid a little above market value, but I got a boat that was relatively rare and in near perfect condition, which to me justified paying slightly more.

Joseph Ramirez

Joseph Ramirez

Sep 15, 2020 Sep 15 at 10:08pm

Jonathan,

It sounds like the owner may have shown endowment bias that caused him to set the initial price above market value. It also sounds like you did a great job utilizing a systematic approach to negotiating by researching the market value and analyzing the situation and knowing this was a rare but perfect condition boat.

I also understand the many underlying issues that can come with used boats and how expensive maintenance can be. So, paying a good amount for a boat in perfect condition is typically worth it.

Amy Hollabaugh

Amy Hollabaugh

Sep 15, 2020 Sep 15 at 9:31pm

I recently negotiated a promotion and raise that became a win-win outcome for me and my team leaders. My team leaders were asking me to perform duties outside my current job description. I pointed out that they were expecting more out of me and not paying me for my efforts. I suggested that in order for me to continue to perform these extra duties that I should get a raise and promotion. Through our various negotiations I felt comfortable being honest with my team leaders in sharing how much I thought I was worth and how much more responsibilities I thought that I could handle. I felt like my team leaders were being open and honest with me about their expectations and what they could offer me. We eventually came to an agreement and they offered me a promotion and raise along with more responsibilities. In the end I felt like we both treated each other fairly and it was a win-win outcome in the end.

Sarah Terrill

Sarah Terrill

Sep 16, 2020 Sep 16 at 1:16am

Amy, I haven't had many chances to practice this type of negotiation, so I am curious about what lessons-learned you would offer? Did you receive the expected responsibilities in writing at the end? I have always worried about both parties coming away with different memories of what was agreed upon. Were you able to get them into a meeting together to hash out details? Was this through email (and all those concerns about data trail)? I have always just applied to a position that's higher, I have not had to negotiate for one.

Amy Hollabaugh

Amy Hollabaugh

Sep 19, 2020 Sep 19 at 1:37pm

Sarah,

I think the biggest lesson-learned was to be honest with myself and my team leaders. I knew I brought value and I had happy customers and I used that to my advantage. I also had very open communication with my team leaders of things I want to do in the future and I needed to position myself to be ready for what I want. I also used getting my Master's as leverage. If they supported me in me getting my master's they also need to help get into a better position so I

wouldn't be over educated and underemployed. I did all of my negotiation face to face and it worked out.

Tyler Gilbreath

Tyler Gilbreath

Sep 20, 2020 Sep 20 at 9:30am

Amy, I'm glad you were able to negotiate a win-win solution with your team leaders. I have been in a similar situation where the work and responsibilities I was managing were above my current job scope. I proceeded to speak with my direct manager regarding what I was currently managing and the success I had been having. When it came time to finally discuss numbers, I wasn't asking for much more than I was currently making. My only ask was that I be compensated with a salary fair and equal to what my engineering counterparts were making. I do not have an engineering degree but I was completing work equal to their level of experience but my compensation was not on par.

In the end, I was able to negotiate a new promotion but the salary still did not match my new level of responsibility. I decided that I would learn as much from that opportunity while I began looking for new opportunities outside my current company.

Tyler

Joseph Ramirez

Joseph Ramirez

Sep 15, 2020 Sep 15 at 9:45pm

Two years ago, I was in the interview process with my current employer. The person interviewing me would become my manager and he was very willing to negotiate on salary, location (remote job), and even the relocation fee. I had conducted research on the different salaries at the company so I had a desired outcome but also an acceptable range. I understood that I was replacing a former employee who had been with the company for 5 years so I knew I had some room to negotiate a salary. The company was able to pay less than the former employee but I also get the pay increase I was looking for, which was the desired outcome. Along with negotiating salary, there was a decision on which location I would be based out of

since this would be a remote job. This was a win-win situation also because my first option would be to move to Dallas and this was their preferred choice of the 3 locations they listed. Also knowing that they would pay a certain amount for relocation fees, I was able to get the company to cover the U-Haul truck I rented so this was a bonus.

Logan Presnall

Logan Presnall

Sep 20, 2020 Sep 20 at 4:30pm

Joseph,

I was in a very similar situation with a very different outcome. When I interviewed for my previous position, they came to the table with a relocation package and all numbers set in stone, they knew that I was very excited about the position and opportunity to move back to Texas, because they knew all of this the deal was more "take it or leave it". I walked away with the position I wanted but felt jaded and defeated because I wasn't able to negotiate anything. Glad the outcome and experience was different for you.

-Logan

Sarah Terrill

Sarah Terrill

Sep 16, 2020 Sep 16 at 1:10am

When I learned about the Texas A&M METM program I recognized the great opportunity it offered me for career advancement. I knew that I would need to enlist the assistance of my employer. I figured out my BATNA (coverage of tuition, I cover travel, no work time allotted for study, 4 years employment commitment), and the relative importance of each issue (in order: Tuition, Commitment, Travel, Study Time). I took the presentation to my supervisor showing the benefits to the division of the METM program. Once an agreement was reached that the degree program would benefit the division, I asked for the creation of a program that would pay tuition up front and a specific 2-for-1 commitment to the company following the degree. The final agreement was reimbursement of tuition at the end of each semester reliant on grades (I would need to carry the cost upfront), reimbursement commitment is by fiscal year

not by year or semester, and employment commitment is a 2-for-1 but only by semester (so I only own 1 year in the end). Both sides came away with wins and neither feels as if they are carrying the heavier risk.

Megan Wallace

Megan Wallace

Sep 16, 2020 Sep 16 at 10:51am

Sarah,

What a fantastic way to work out an arrangement with your employer! Seems like this was actually multiple negotiations to attain one goal, the first being the initial convincing required to show that this program could benefit the department, and the second being to hash out the details of what each party will provide. I think it's important to realize that sometimes one discussion isn't enough to come to a decision like this. While the initial cost upfront may be rough, I'm glad to see that there are companies out there willing and interested in helping their employees develop additional skills through education.

Matthew Hudson

Matthew Hudson

Sep 16, 2020 Sep 16 at 5:49pm

When I finally decided to join this program I had the opposite negotiation with my company. To create a win-win outcome, I didn't want the company to pay for the degree, which would leave me open to employment with any company. This was counter intuitive which confused everyone. They wanted to pay for my schooling to take away the burden of the cost. If I had agreed to their arrangement then I would be required to work for the company additional three years and if I left before the end of the third, I would repay 33% of the cost for each year I didn't stay and pay it back in 30 days. By paying for this myself, I am open to seeking other employment, should it arise. Granted, we didn't expect Covid-19 and the market to drop. But I am not tied to my employer, should I want to leave in the next 5 years. My industry, and company, has already been suffering for more than six years. Plus, Texas A&M University is only 10 miles from my house!

Sarah Terrill

Sarah Terrill

Sep 17, 2020 Sep 17 at 10:04pm

Matthew - I really debated with the employment commitment, but the cost was really one I couldn't shoulder alone. With the outcome I do run a risk of my work deciding at some point in the future that they won't cover the upcoming semester(s), but with that comes the requirement to only devote an additional year to them at the end. I am luckier than most, too, in that my employer is really solid even in these times and they are a great company to have on your CV. I decided that one year gives both of us time to figure out what the future looks like and then I can move on after that if that's better for me.

John Mullins

John Mullins

Sep 20, 2020 Sep 20 at 12:34am

Sarah,

Great job getting your employer to not only reimburse you for the METM degree, but opening the door for others. What were the key principles that you pointed out in your presentation for benefiting your employer by obtaining this degree?

Megan Wallace

Megan Wallace

Sep 16, 2020 Sep 16 at 10:46am

My best example of a win-win outcome would be in negotiating details to be a cosplay guest at a comic convention. It's not as competitive as a career-level negotiation, but the unspoken competition between creators can make for a higher-stress environment than most hobbies should cause. Fortunately, I was able to work with the showrunner to come to a mutually beneficial arrangement for my attendance at their event. At events like this, individuals with a

product to sell typically have to purchase the booth space as a vendor, each attendee has to pay to get in, etc.

In the end, I received a complimentary booth to display my work and wares, tickets to the event for myself and a friend to help "handle" (A lot of my work results in armor that limits movement, so having an extra set of hands is helpful!), and meal vouchers for the weekend. In return, I provided promotion leading up to the event and made two different panel presentations on mutually agreed-upon topics. While these types of presentations aren't my strong suit, it was an even tradeoff for the hospitality I was shown as a guest.

Richard Pearson

Richard Pearson

Sep 20, 2020 Sep 20 at 3:07pm

Megan,

My wife has done some freelance types of work with various "cons" as well as with other individuals as a side hustle of sorts. It was interesting, she would comment on how some of the organizers would comment back on how they aren't used to having to negotiate with most people. Usually, people will just accept what they first offer, such as \$100 or whatever, but she would always come back and ask for more and demonstrate how she should provide some additional value beyond what she was looking to do. This would normally end up creating a relationship that could be utilized down the road for other events and functions that benefited not only the organizer but my wife herself!

Edited by Richard Pearson on Sep 20 at 3:08pm

Zachary Smith

Zachary Smith

Sep 26, 2020 Sep 26 at 3:19pm

Really cool and unique example, Megan. I've never been to a comic con event but it's definitely on my list of things to do. Given the size of these events, it makes sense that there are scenarios where negotiations can take place with the vendors and those facilitating all of the other aspects of the event. It sounds like you had a great understanding of the value you could bring

to the event and were able to convey that to the showrunner based on the outcome. It sounds like the outcome was definitely a win-win for both parties!

Ronnie Hurst

Ronnie Hurst

Sep 16, 2020 Sep 16 at 11:59am

My organization enters into or renews multi-year agreements with dozens of customer sites each year and I have fortunately been able to be apart of a lot of those negotiations over the last several years. The nature of these agreements is built around creating mutual value and is guided by specific agreed-upon key performance indicators. As such, if either company underperforms or does not deliver to the expectations laid out in the agreement, the renewal discussion becomes more centered around bottom-line costs. Essentially this is a representation of the deterioration of trust throughout the agreement.

Recently we entered into a renewal negotiation with a major global oil refiner in which the agreement was set to expire at the end of 2020. The customer had several sites with performance ranging from stellar to way below expectations. Due to the recent market conditions and the shared responsibility of underperformance, the discussion for the renewal went immediately to hard cost reductions. The agreement already had very thin margins so we were unable to move off of the original price point. What the customer did not know, is that we were ready to ask for a price increase due to inflation, etc. The customer was also testing the waters with our competition to gain additional leverage in driving hard cost savings.

After spending more time sharing information about each companies goals over the next few years, we were able to discover that the customer was going to have to upgrade several hundred pieces of equipment to keep up with local emission and regulatory requirements for their processes. We came back to the table and built-in huge discounts for upgrades and the potential to build credits back against the agreement cost if we were awarded the work for the upgrades. The negotiation direction changed quickly to a progressive discussion about how each company can add value and was signed and executed in just a few short weeks of legal review.

Tim Parker

Tim Parker

Sep 20, 2020 Sep 20 at 5:46pm

Ronnie,

The building discounts for upgrades and build credits for doing the upgrades definitely is a good sign of the win-win scenario. It got them off the sticking point and able to move forward in the conversation. Has there already been any work awarded to your company to do the upgrades? Is there a timeline to do upgrades as well?

Ronnie Hurst

Ronnie Hurst

Sep 20, 2020 Sep 20 at 8:47pm

Tim -

This is a large customer of ours and we have RFQs and quotes passing back and forth at all times somewhere globally. In this particular agreement we were setting the structure up for future work that the customer would do. Outside of verbally being awarded the new agreement, we likely will not see any of the upgrade work I mentioned above for 2-3 years most likely. May move depending on market demand.

Thanks for the reply!

Ronnie

Matthew Hudson

Matthew Hudson

Sep 16, 2020 Sep 16 at 5:15pm

In regards to making our negotiation simulation a win-win, in theory, it was easy. I thought about all the possible questions and ranges and knew that I would be able to create a win-win situation. In reality it was much harder than I expected! I thought, "If they can't give me the depth I need, I can circle back based on another area and lower my number so he could raise my depth." I also thought that I would hold back the Joint Venture until the end so if it didn't go well, we could discuss the JV and then use that to help ease the values that we each need to create a win-win. My partner offered to create the JV in the early part of the negotiation in order to show that he was willing to make it a win-win for both of us. I didn't expect it so then I had to think quickly on how else can I make a win-win on several other items. The preliminary meetings with the partner allowed us to create an open line of communication and created a certain level of trust leading to a better outcome.

It is easy to have the conversation in your head with what you think they will offer and what they might accept prior to the meeting. It is a different situation when you are sitting there.

Edited by Matthew Hudson on Sep 16 at 5:35pm

Ken Wagner

Ken Wagner

Sep 16, 2020 Sep 16 at 6:28pm

I am not sure if I have very much experience with win-win negotiations. The closest I can come up with is when I was in the military. The higher-ups would always want things done and fast, or quickly change an entire process. I would then be there to fight back against this if it was not in the best interest for those under me. While it could be win-win if we both got what we wanted, it was way more hostile than win-win. The simulation is my first real experience.

Overall, I believe the win-win simulation went well. I do have some sticking points that came in due to my own biases that I was unable to let go of. Even after watching the lectures and studying how win-win negotiations work; I still went into the simulation as if I needed to win and how is this person going to screw me. I began by going more negotiation style where I was shooting high and expecting to have to find a middle price that was favorable to me. So we can say I started off aggressive. My partner stayed on point and helped me move towards more of a discussion of our mutual goals instead of my bullet point approach. Once I came to, I realized we were actually both on the same side and just trying to come up with a favorable agreement to meet our mutual goal. This allowed the terms to fall right into place. We did not have any

conflicts in the negotiation. Some issues I had was when we were negotiating some things, when she countered with a number, if it was in my range I accepted even at the lower or higher end. When all of the agreements came out, I took some “loses” and some “wins” but came out feeling like I still got what I wanted.

When looking over this type of negotiation, I became curious on why this is not the standard type of negotiation you see. Obviously when you think of how the media portrays it, there is no drama so people have zero interest in it. When you are a company that can think of relationships as transactional, then win-win negotiations seem pointless. Companies who believe they have an upper hand will then try to exert that position. Sometimes this pays off and sometimes this fails. With a win-win approach, you are signaling that you value a continued working relationship with this company and their needs are just as important as your own. It is the developing friendships in the business world.

Edited by Ken Wagner on Sep 16 at 6:31pm

Ronnie Hurst

Ronnie Hurst

Sep 17, 2020 Sep 17 at 6:46pm

Ken -

We come across negotiations in our personal life all the time. Admittedly for myself, I did not always recognize them as such. Have you ever made a major purchase like a car, house, or boat? How did that go? We also make subtle negotiations with our friends, family, and significant others all the time. I remember recently where a group of friends and I were trying to decide where to take a group vacation and it quickly became a pretty complex discussion!

Ronnie Hurst

Brandi Greenberg

Brandi Greenberg

Sep 16, 2020 Sep 16 at 7:59pm

For the simulation negotiation, there was back and forth with each being able to push back on items that were more important. Solutions were offered that benefited both GOMOil and Ocean Tech, and we could come to terms in a Win-Win for both companies. During the negotiation, I felt like I got too wrapped up in the term sheet and trying to follow it as a logical progression of the discussion. If we talked about a point out of order, I stumbled because I was not ready for that point yet. I feel like this simulation was easy for me to remain impartial and not bring in biases, but I feel like there was a lot of anchoring bias; someone had to start the talks on units and prices, which set the tone for the rest of the topic. We were able to develop some good results for both GOMOil and Ocean Tech. We were actively listening, and all of the negotiations remained friendly.

Mitchel Garrish

Mitchel Garrish

Sep 20, 2020 Sep 20 at 9:19am

Howdy Brandi,

Yes, I agree with following the term sheet. I felt satisfied with my performance during the negotiation. However, I did not stray far from my self imposed terms. I anchored myself to my own expectation range.

Robert Carrano

Robert Carrano

Sep 20, 2020 Sep 20 at 11:22pm

Good Evening Brandi,

Like you, I also focused pretty heavily on the term sheet. It's funny, I ended up going out of order and it also caught me off guard. It shows you really have to be properly prepared when heading into negotiations. I will say that I met a lot of my desired and expected outcomes that were on the term sheet. I found that it helped me give up some more flexibility on my end, which created value on my partner's end. I've come to learn that negotiation is an art, which

requires a lot of practice and skill. We ran through our simulation several times and the results were fairly similar each time, but it was easy to see one shortfall on any of our terms could have resulted in a different outcome.

Respectfully,

Rob Carrano

Jay Hembree

Jay Hembree

Sep 17, 2020 Sep 17 at 12:50pm

I have been a part of a few negotiations in my career as part of a union contract negotiation team. These are a contentious and competitive environment where it is difficult to come out in a true win-win. Staying calm, using complimentary words, probing with questions, and letting go of biases help increase the chances of a compromise. It can become more difficult when the team you are negotiating with is from your own company and see you as an adversary. I watched a skilled negotiator use the angle that the company must be successful for any of us to still be employed. "We all want jobs 10, 20, or 20 years from now". He also stated the other point that the skilled workforce must be paid a good and proper wage with benefits to feel appreciated and part of the company. Using this mutual appreciation, the conversation turned. Certain things are in each group's best interest, you can find larger than expected compromises if you are willing to speak respectfully and look.

In this week's exercise I learned that I will often go back to ideas (bias) I had of how it should go and must be willing to use my BATNA to compromise and look for both parties' interests. A true win-win is more than being polite and asking questions, its about finding what is important to the other party and giving some when you can. This opened negotiation to secure the items I needed most for my company.

(2 likes)

Ronnie Hurst

Ronnie Hurst

Sep 17, 2020 Sep 17 at 6:52pm

Jay -

I've been involved with labor discussions as well and your experience is parallel to mine with regards to the environment and tone of the negotiation. I find it entertaining how similar the big sports union negotiations in the 90's are to routine labor union chapter renewals are. I have experienced two strikes in my short career and they quickly become lose-lose. It's as if both sides are willing to suffer as long as the other side is.

I like your example of how the negotiation shifted and, in the discussions I have been close to, a very similar realization took place. I am positive that there is a rich history of negotiations in the past that I am missing that may help explain why both sides show up each time with such disdain. Yet strikes are not very common so both sides eventually meet there.

Ronnie

Kacie Fischer

Kacie Fischer

Sep 19, 2020 Sep 19 at 12:06pm

Jay,

Great example! You brought up a going point that I'd like to expound upon. I believe it is so important to look at a situation as unbiased and as neutral as possible. Seeing the big picture from each person/party's perspective can really improve any negotiation process that you may encounter. That way, you recognize how the other person feels in the situation and what exactly they are looking for, which may actually surprise you; something as small as feeling appreciated. It may seem like such a small and insignificant point, but recognizing there is a give and take with every position, and that each position is equally important to the business as a whole. I like how you stated, "Certain things are in each group's best interest, you can find larger than expected compromises if you are willing to speak respectfully and look." This is a

great statement about how making a win-win in a negotiation can be as simple as taking the time to understand the people you are communicating with.

Thank you for sharing your negotiation experience. I will be sure to connect with my negotiation partner in a way that opens communications to hopefully develop trust and understanding of each parties' intended goal.

Kacie

Zachary Smith

Zachary Smith

Sep 26, 2020 Sep 26 at 3:08pm

Great example, Jay. I find that the contentious/competitive negotiations happen more often than not within my own company than with the external parties with which we do business. My company is pretty large and we have a "resource sharing" approach to fulfill the needs in our projects. Our own business units often find themselves having to negotiate with the resource-shared groups and the other business units wanting to utilize them. When there isn't a need or consideration to "save face" because we're dealing internally rather than with our customers, the discussions can sometimes get ugly - I believe top notch negotiation skills are essential to overcome these internal interactions.

Mitchel Garrish

Mitchel Garrish

Sep 18, 2020 Sep 18 at 11:09am

When I was a project coordinator, I was facing severe delays with a project. I could not make any improvements to the critical path to make up the lost time. Simultaneously, the client came to me and requested a design change to an essential project component. The client wanted this design change to be completed for a set amount of money, which was essentially the break-even point for the design change. I was able to work out an agreement that allowed additional time to be added to the schedule to accommodate the design change. The client felt as if they had won because they received their desired price point, and I had won because my project was completed on time as per the new agreement.

Amy Hollabaugh

Amy Hollabaugh

Sep 19, 2020 Sep 19 at 12:57pm

Mitchel,

I too have had to deal with clients bringing up design changes that affect the the cost and schedule. I think a lot of the times we all have to weigh the options maintaining a good rapport with the clients and our own personal feelings of how this may effect the company's reputation. I find maintaining a good rapport with clients is more fulfilling because they become return clients and when you engage in a new project you are more prepared then you were before and can adjust cost and schedule accordingly so everyone comes away from the project happy.

Tanner Welch

Tanner Welch

Sep 19, 2020 Sep 19 at 3pm

Mitchel.

I would definitely consider that a win-win.

What type of conversations did you need to have with your management after the client had requested the design change? Was your management onboard and supportive?

Taylor Anderson

Taylor Anderson

Sep 20, 2020 Sep 20 at 10:01pm

Mitchel,

Such a great example and I like the project comparison since we are in Project Management right now as well. I like how you were able to "save" your schedule by being able to ultimately give the customer what they are needing even after the team was going to originally miss deadlines. Sounds like it was a real win for your team and the customer.

Tyler Gilbreath

Tyler Gilbreath

Sep 18, 2020 Sep 18 at 9:46pm

What is your experience of making a win-win outcome in a competitive environment?

In my experience as a front-line manager, many of my interactions with my team members involve negotiations. Negotiations with my team members have the best probability of success when I understand how the outcome of the negotiation will impact them.

One example of a win-win negotiation I held with a team member took place when I was going to be short-staffed a Cheeto's fryer operator for the next shift. From my standing, if I could not find a replacement fryer operator the line would then incur 4 hours of downtime between the shifts. After I was unable to contact a fryer operator from a different shift and day to cover the upcoming shift, my only option was to speak with the current operator on the possibility of staying to cover the next shift. When I approached the current fryer operator with the situation and the steps I took to resolve the shortage, I proceeded to consult the operator on what it would take to have him stay and cover the upcoming shift. The operator's only request was that we provide him a meal during his next break. This was an easy solution to my problem to implement and secure a fryer operator for the next shift.

Not all negotiations can resolve as easy as my previous example, but including the impacted party in the negotiation helps them feel equally invested in resolving the problem.

Harshvardhan Tirpude

Harshvardhan Tirpude

Sep 20, 2020 Sep 20 at 3:25am

Thanks Tyler for sharing your negotiation experience. I would like to know what if the operator has asked some money instead of a meal how would you have negotiated? Was there any alternative which you would have agreed instead of a meal, like a half-day off or anything else?

-Harshvardhan

Tyler Gilbreath

Tyler Gilbreath

Sep 20, 2020 Sep 20 at 7:20pm

Harshvardhan,

Offering money is something that required senior leadership approval and HR alignment to the situation. As I was working the night shift at the time, I did not have that as an alternative to negotiate. I was however able to also offer the next day off or unscheduled the operator. They could take the day off without any penalty from the attendance policy. This was generally my "last resort" because it would then require me to schedule an additional operator to cover his next shift. In the end, what was important to my manager at the time was that I minimize downtime and keep the operation running.

Tyler

Harshvardhan Tirpude

Harshvardhan Tirpude

Sep 21, 2020 Sep 21 at 11:15pm

Thank you Tyler, for your inputs.

-Harshvardhan

Kaleigh Philips

Kaleigh Philips

Sep 19, 2020 Sep 19 at 11:44am

When I first saw this prompt I couldn't think of a single example, and I struggled for a bit. After reading the material, I realize we are constantly in competitive environments and given the opportunity to make a win-win outcome. Recently at work, we were dealing with our team wanting to make changes to a reporting view while another team was pushing to keep the view as is. Throughout a positive negotiation session, we were able to create a win-win outcome by keeping the main aspects of the view to not disrupt their current processes built off the view, while also including new metrics in a creative way to give us access to data not previously released. We also were able to agree to revisit the conversation after a set amount of time, to see if there were additional wins we might realize after having the new data available for consumption for some time.

Amy Hollabaugh

Amy Hollabaugh

Sep 19, 2020 Sep 19 at 1:31pm

Kaleigh,

It was also a struggle for me to come up with a win-win negotiation. I think we are all part of a win-win negotiation on daily basis, it just might not present itself as being "competitive". Everyday we are making decisions that require a little give and take amongst our co-workers, friends and family. Even something as simple as going out to dinner (pre-COVID) you have to negotiate the place and time and even if you want to invite others to join. My point is, I think the word negotiation can get a bad rap where only one person comes away with a win, and I think the win-win simulation taught me that negotiation doesn't always have to mean that there is going to be a lose-win and negotiation really is a discussion.

Tanner Welch

Tanner Welch

Sep 19, 2020 Sep 19 at 2:57pm

Kaleigh,

I have very similar experiences on how much consternation a simple change in a report format may cause. It's great that y'all were able to have a conversation prior to the roll out of the new report format. Is this a standard practice within your company?

Harshvardhan Tirpude

Harshvardhan Tirpude

Sep 20, 2020 Sep 20 at 3:41am

Hi Kaleigh,

Thanks for sharing your experience. As per my understanding, this could have been a win-lose negotiation kind of scenario between the two teams if it was not negotiated/discussed properly. Can you share any learning or pointers which helped in making this from a win-lose to a win-win situation?

-Harshvardhan

Jordan Caddick

Jordan Caddick

Sep 19, 2020 Sep 19 at 2:23pm

Regarding the negotiation simulation lessons learned: first of all, my partner and I had an informal discussion after the negotiation session to get some candid feedback. I would

encourage everyone to do this if time and schedule allows as the feedback I received from my partner was very helpful. Asking questions to understand before you begin negotiating, or stopping to ask questions when things become a little unclear as to what the best outcome should be was very helpful for both of us and resulted in an result that worked well for GOMOil and OceanTech.

Travis Metz

Travis Metz

Sep 20, 2020 Sep 20 at 10:25am

Jordan,

Brilliant idea to utilize the simulation as the talking point here, that never even honestly crossed my mind. Did you find that asking questions prior to negotiating set any biases in place unintentionally or drove the negotiation in a particular direction?

Travis

Tanner Welch

Tanner Welch

Sep 19, 2020 Sep 19 at 2:44pm

During a previous drilling contract, the operator required the installation of managed pressure drilling equipment onboard the asset that I was assisting in managing. The operator agreed to pay for all surface pipework installation, as well as the leasing of the surface and marine riser mounted equipment. The marine riser mounted equipment's flanges did not match the our marine riser's flanges; thus, we needed to construct riser crossover spools. The client agreed to pay for the construction of the spools; however, they insisted that they keep ownership of the spools upon completion of the drilling contract. We identified that it would be great benefit to our company if we retained the spools and not our client as then we could market the drilling rig as managed pressure drilling ready. We approached the client and proposed that we would supply a sacrificial joint of marine riser to be the basis of the crossover fabrication, if we were

able to retain ownership of the crossovers. The client agreed and upon completion of the drilling contract, the crossovers remained onboard as part of the vessel's equipment compliment.

By donating the riser joint, we were able to decrease the client's financial investment and gain ownership of two valuable pieces of equipment.

Edited by Tanner Welch on Sep 19 at 2:54pm

Mariano Paoli

Mariano Paoli

Sep 20, 2020 Sep 20 at 12:37pm

Tanner,

That's a great example. I feel like your company got a better long term result in that negotiation. From your company's perspective, it seems like the project manager was able to see the long term company benefit during the deal. I have encountered that, at times, project managers seem to solely focus on their project metrics and fail to see the bigger picture. Ensuring a win-win situation helped your company develop a much stronger relationship with your client in addition to the two valuable pieces of equipment.

Harshvardhan Tirpude

Harshvardhan Tirpude

Sep 20, 2020 Sep 20 at 2:15am

What is your experience of making a win-win outcome in a competitive environment?

I work in one of the service provider company, recently one of the other service provider company was hiring a lot of engineers at onsite, as due to COVID 19 lockdowns at offshore no employees of that company was not able to go to offices and the client was looking for progress as none was made in past days.

A lot of my colleagues resigned during this time and was joining the other provider company. With this situation and less skilled employees left, our organization leader started approaching employees and started negotiating on individual employee concerns. My manager also approached me thinking I would leave as I was not happy with my last year's salary increment and I am alone in the project who works on some new technology. Taking the advantage of the situation I negotiated on my salary keeping batna what other company is paying others and also with that I asked for a promotion. After a long discussion, my manager approved both conditions and was successful in retaining me. I was happy that I got the increment + promotion and the manager was happy that I was retained for a critical project, overall, it was a win-win outcome for both of us.

Edited by Harshvardhan Tirpude on Sep 20 at 2:58am

Mitchel Garrish

Mitchel Garrish

Sep 20, 2020 Sep 20 at 9:07am

Howdy Harshvardhan,

Congratulations on the promotion. Knowing your BATNA during a salary negotiation is essential, and from my experience, not necessarily typical. When negotiating for my first job after college, I was lucky enough to have a mentor who advised me on salary negotiations. I found out later that other new hires did not fair as well as I did in their negotiations or lack of negotiating for a better salary range.

Mariano Paoli

Mariano Paoli

Sep 20, 2020 Sep 20 at 12:08pm

Harshvardhan,

First of all, congrats on getting a raise and promotion. I am glad that your manager was reasonable and listened to your expectations. At the same time, you must have addressed it with the right attitude and been reasonable with your demands. Sometimes we let our biases get the best of us and possibly overvalue what our salaries should be. Your example shows that

your research of other company salaries gave you the upper hand in the negotiation and perhaps kept your bias in check.

Thanks for sharing.

Travis Metz

Travis Metz

Sep 20, 2020 Sep 20 at 9:46am

Travis Metz

TCMT 612

Module 3 Prompt

I cannot provide too extensive of an answer here as my experience for competitive business decision making does not yet exist. My particular kind of engineering is very disconnected from this aspect of business, and even more so in my current position. I have seen, however, in year's past when I was working in offshore drilling, the outcome from rig contract negotiations. In each instance, a somewhat lower day-rate for the rig was accepted for additional years of total contract length. This is the closest I can come to seeing a win-win outcome, in that the operator oil company was spending less per day to contract the rig but the contract duration was extended. On the drilling side, the rig was able to remain profitable while having the stability of a longer-term contract.

TCMT 612 M3 Prompt.docx

Grant Shirley

Grant Shirley

Sep 20, 2020 Sep 20 at 9:50pm

Hi Travis,

I was also struggling to recall a time that I worked on a win-win negotiation. As a Quality Manager, these types of opportunities don't come around often but I try to get exposure to them whenever I can. You have a good example of a win-win scenario in your current field. What is your current position?

Best,

Grant

Travis Metz

Travis Metz

Sep 22, 2020 Sep 22 at 12:56am

Hi Grant,

Currently I'm working on the US West Coast on an ATB (Articulated Tug and Barge) as a Chief Engineer. The offshore drilling part of my career totals about 7 years, but as that industry goes, the up-down swings became too severe to remain there for job stability's sake.

I've seen in other parts of the maritime world, particularly commercial fishing, QC is a major factor - they were forever interacting with other departments aboard the vessel to ensure the best quality product was attained. It may not have been on as elaborate a scale as presented otherwise, but win-win compromises had to be reached by upper managers on that vessel multiple times weekly, often with Quality Control as an involved focal point.

Whereabouts are you a Quality Manager?

Regards,

Travis

Mariano Paoli

Mariano Paoli

Sep 20, 2020 Sep 20 at 11:55am

In my experience, a win-win outcome during a negotiation depends on multiple factors. Some of these factors we can control, and some are out of our reach. I feel like one of the most important aspects during a negotiation is earning the trust of one another. I have seen this at my job with one of our long time clients. They trust us to do the job correctly and to deliver what they want. For this reason, even during the highly competitive environment set by the pandemic, this client awarded my company with multiple projects without considering lower prices from competitors. My company received financial compensation and stability during a harsh economic climate; thus, yielding a lower amount of layoffs. In return, our client received high-quality work, a low turnover of project team personnel, and benefits in the overall cost due to the synergies between the multiple projects.

Trust takes work and patience. My company benefited by maintaining a long relationship with a client. Earning trust becomes a more difficult task when the two parties are not familiar with one another.

Ken Wagner

Ken Wagner

Sep 20, 2020 Sep 20 at 6:18pm

This posts points out a win-win scenario that tends to be overlooked. While the initial win-win contract created a great outcome. The long term benefits were probably more of a win to what was given up in the initial contract. The trust developed during this as well as maintaining that trust has created the company to thrive as well as allow the other company to do well. I am glad that a win-win negotiation turned into keeping your company stable under unforeseen circumstances.

Troy Philips

Troy Philips

Sep 20, 2020 Sep 20 at 2:38pm

What is your experience of making a win-win outcome in a competitive environment?

Since I am in a position that sells products, I deal with win-win negotiations often. When I go into a negation with a customer about purchasing new software licenses, I try to remove any biases before starting conversation. In fact, I go into every conversation with the mindset, "how would I feel if I was on the other end of this deal?" When I have my mind set around this thought process, it's easy for come to a win-win outcome even when it may seem at the beginning that it won't work out. Not only does this help with making present deals smoother, it also shows the customer a willingness to come to an agreement that will benefit both my company and theirs.

(2 likes)

Joseph Ramirez

Joseph Ramirez

Sep 20, 2020 Sep 20 at 4:27pm

Troy,

You mentioned being on the other end of the deal, and I have seen where this is often missed by sales before going into a deal. I work from time to time in conjunction with the sales engineers and our customers and I witness these negotiations go very well when the customer's needs are put first. Many times, sales will try to push a certain deal on the customer because they think it was what the customer needs and sometimes this works out but the success rate in a deal is higher when there is no bias shown by the sales team. This is usually a self-serving bias where sales might push products or accessories on a customer before exploring the customer's actual interests or problems.

Marc Farias

Marc Farias

Sep 20, 2020 Sep 20 at 8:37pm

Troy - It was a pleasure negotiating with you! You were excellent at disarming any bias or reservations that I had during the process. I am glad you agree that it was a win-win situation for both of us. If I had to offer any advice, it would be to keep an eye on the time to keep it from running long which prevents retakes or editing.

Look forward to working with you again in the future!

-Marc

Kassie Mobley

Kassie Mobley

Sep 20, 2020 Sep 20 at 11:41pm

Troy,

Thank you for sharing what your mindset when entering deals. I had not thought of that perspective but I will use it if I am ever in the position of negotiating. The comment you made on showing willingness is so true and it reminded me of the negotiations we did for Module 3 assignment. My negotiating partner was great about having an attitude of willingness and it made the negotiating process smooth even in difficult parts of the conversation. I really appreciated his negotiating abilities.

Christopher Huebel

Christopher Huebel

Sep 20, 2020 Sep 20 at 2:49pm

To be completely transparent, my experience with negotiations (in any environment) was slim to none. However, when it came to my current position within the company, the compensation aspect of the position was up for some negotiation. At my previous position, I was paid hourly

and overtime (1.5 x base rate) on a shift workers schedule, also known as the DuPont Schedule. The new position was paid salary, no overtime, and required a 9-80's schedule which would have resulted in a loss of gross income. The new position was also a promotion. The offered salary (when broken down to an hourly pay rate) was roughly a 10% raise but unfortunately was enough to overcome the loss of built in overtime in my shift schedule. I negotiated with HR for roughly 2 weeks before arriving at a 12% raise and 1 extra week of paid vacation. I felt like this was more than adequate to satisfy my wants. Had the company not wanted to negotiate, I would have still taken the smaller raise and promotion. However, I am thankful that I was able to negotiate and my company was so receptive.

Richard Pearson

Richard Pearson

Sep 20, 2020 Sep 20 at 3:01pm

Christopher,

You never gain 100% of the money you never ask for! I have always found it weird how people don't ask for more money when it may be on the table, but at the same time, I definitely see how it could be awkward. I was in a negotiating position once where a company wanted me to join then, but it just wasn't something I thought would work out for me in the end. When they sent an offer, I countered with a (what I thought) ridiculous offer in terms of salary, and they said "Yes". I was honestly taken back and almost made the switch because of that!. Did you have to frame your salary increase as a win for HR as well?

Kaleigh Philips

Kaleigh Philips

Sep 24, 2020 Sep 24 at 9:32pm

Howdy Christopher,

Congrats on getting the promotion and pay raise! I too struggled to think of experiences with negotiations and honestly didn't even think about the hiring process. During my last promotion there were multiple changes presented that left room for negotiation and honestly wish I had

taken this class before that! I will definitely be using principles learned here in my next salary/benefits negotiations.

Thank you for your contribution!

Richard Pearson

Richard Pearson

Sep 20, 2020 Sep 20 at 2:56pm

I believe the best way to create a win-win situation all starts with your mindset of WANTING to create a win-win solution when negotiating. I have been involved in some work in the past, in particular working with a troublesome vendor, where our goal was to get as much back as possible and we would not give in terms or price or timeline. I have also been involved in some negotiations where we want to have an easy negotiation and we want to create a situation that betters everyone involved. I believe going into the talks with that mindset and being open and honest with them about what you need to make it work and how you are willing to give to make it work for them is Step 1 in creating that win-win outcome.

Logan Presnall

Logan Presnall

Sep 20, 2020 Sep 20 at 4:23pm

Richard,

I completely agree with you that you have to go into the meeting wanting to create a win-win solution. If I walk into a meeting and the customer has the "I'm going to win this" attitude, it immediately puts me on the defensive and I tend to shut down anything that they suggest. That is also on me for going on the defensive and not trying to steer the conversation more to a "win-win" situation, something I am now aware of and working on when I go into meetings.

-Logan

Carolyn Perez

Carolyn Perez

Sep 20, 2020 Sep 20 at 11pm

Richard,

Great point. I have very little experience in workplace negotiations, but when I think of how I negotiate in everyday life, your mindset is extremely important. Going into a negotiation with the win-lose mentality of not giving an inch to the other party elicits a reaction that like Logan mentioned that can be defensive which can derail meeting and lead to unacceptable outcomes.

Logan Presnall

Logan Presnall

Sep 20, 2020 Sep 20 at 3:56pm

I only have a little experience in creating a "win-win" outcome in a competitive environment. Being that I am the lead for an IA team, my job is pretty black or white, you are either in security compliance or you aren't. That being said we have had to create deals with customers where they secure their products, within reason and still allow them to function. I have to send them the security requirements, they reply stating that they can't meet these needs and then we have a meeting to come to terms with they believe is acceptable. During these meetings, its normally a pretty easy process to explain to them why they have to meet requirement xyz, they try to explain why they can't meet it, and then we work to partially meet the requirement with a stipulation that they will work to become fully compliant within a certain time frame. I've found that as long as you are respectful, knowledgeable, and willing to work with the customer they will normally try to meet your needs as best they can.

Edited by Logan Presnall on Sep 20 at 4:07pm

Tim Parker

Tim Parker

Sep 20, 2020 Sep 20 at 5:37pm

But, is what are describing a true win-win or is it coming from a compliance state? When reading your description, I feel it's still a one side, we won't do this, but we are generous enough to overlook the compliance for a time being.

Is there maybe opportunity to embed a consultant within a company to guide them into compliance? This would result in more revenue, and a teamwork situation versus a directive.

Taylor Anderson

Taylor Anderson

Sep 20, 2020 Sep 20 at 9:57pm

Logan,

I also work in an environment where most of the large business negotiations that I am involved with in my position are usually black and white. Mine differs where instead of asking the customer to perform something, I am coming from the other end and usually communicating what we can meet and what we cannot. I am the customer in your situation and find it hard to have a "win-win" situation when it is not much a negotiation because of how black and white things are.

Tim Parker

Tim Parker

Sep 20, 2020 Sep 20 at 5:33pm

The biggest experience I have in win-win negotiation was when my division was adding a new vendor. The technology we were looking to add is something that we had not previously done before, and there were a few sticking points. The part I was privy to, was regarding raw data access to their systems. Their initial contract was that my division would not get access to the raw data, only using their created tools. Through the negotiation process, we were able to come to terms to get full data access and the vendor was able to get in collaboration with our

data analyst group to help them create new machine learning algorithms for their data that reduced the amount of time they spent trying to mine the information.

Ken Wagner

Ken Wagner

Sep 20, 2020 Sep 20 at 5:53pm

Was the raw data just based on your division? If so I can see why that was a sticking point. That negotiation reminded me of the video with the eggs. It seems like they wanted the data to do the new machine learning tasks but when they realize that their new partner (your division) had an asset that could improve their business practices. This is the perfect example of everyone getting what they want.

Kassie Mobley

Kassie Mobley

Sep 20, 2020 Sep 20 at 11:35pm

Tim,

Thank you for this example. It would be interesting to hear more on how the negotiation was settled as far as being allowed access to data. I am not familiar with what exactly you do but I know the importance of data accessibility as well as how quickly it can be accessed. It is great that this negotiation worked out to be a win-win.

Zachary Smith

Zachary Smith

Sep 20, 2020 Sep 20 at 5:40pm

Earlier this year, a three year engineering services contract my company had with one of our clients was approaching the renewal date. As we were reviewing the contract and the potential to renew with the client, they mentioned an area of our performance they weren't happy with

was the low ratio of our services hours from our high value engineering center(HVEC) in Mumbai. Using more hours from Mumbai drives our overall price down. We took a closer look to understand the reasoning behind us not hitting the target ratio they had in mind and it turned out the majority of the type of work we received from the client was front end loading (FEL) work (which requires higher support in Houston) rather than detailed design work which predominantly is performed by our HVEC. We explained the reasoning behind this and mentioned receiving more detailed design work would result in us having a higher HVEC ratio. We suggested implementing a key performance indicator (KPI) in the new contract that aligns with the allocated FEL and detailed design work with a target HVEC %. The client liked this idea, implemented it in the contract, and we have now seen an increase in work from the client since we renewed the contract and their overall price/hour for the work is lower than it has been in over a decade.

Grant Shirley

Grant Shirley

Sep 20, 2020 Sep 20 at 9:46pm

Hi Zach,

This is a great example of a win-win deal that resulted in positive results for both parties. It's great that you were able to implement a KPI within the new contract that led to increased work, with a lower overall price per hour for the work. Thanks for sharing!

Grant Shirley

Grant Shirley

Sep 20, 2020 Sep 20 at 9:44pm

I recently negotiated a deal concerning high dollar metrology scanner arms for my company. Negotiations for two arms at our California location had already begun prior to my participation but a business case was made to purchase up to four arms total for three different facilities in California, Texas, and Minnesota. I was brought in to handle the final negotiations with an allocated budget of ~\$200K. Four arms should cost upwards of ~\$260K. I was able to orient the prior negotiations to a win-win outcome with the seller. It was close to the close of their fiscal year and they needed to sell at least three arms to surpass their goal. I offered the potential for four arms with a substantial discount and the promise of issuing a purchase order before the

fiscal year close. Additionally, I worked to sweeten the deal by partnering with the seller to offer on-site demos and tours of their arms in a manufacturing environment. This deal was a win-win for both parties because we closed earlier than expected, the seller now has sales and marketing opportunities at our shop, and the four arms totaled less than \$200K.

Jeremy Smith

Jeremy Smith

Sep 20, 2020 Sep 20 at 11:55pm

Grant,

It really sounds like you were thinking outside-the-box to make that deal go through. I have no doubt that your willingness to listen and understand the parameters that the seller had greatly enhanced the negotiation. The thoughts of offering value in a non-monetary capacity is an epic win-win type of thinking.

Taylor Anderson

Taylor Anderson

Sep 20, 2020 Sep 20 at 9:53pm

I do not have a lot of experience with having major business negotiations in the workplace. They are mostly small negotiations with the manufacturing shop or other functions that I work daily with. In these negotiations though I have found that I typically follow a win-win approach without having the termsheet with my outcomes listed on it. I find that it is easier to "win" by getting my desired outcomes on high priority items if I focus on the other parties' interests and allow them to "win" by focusing on their priorities as well. If there is an item that is of low importance to me, but high importance to the other I find that I will be more lenient on those times and not negotiate as much so that they get a "win" as well. I have found that this also saves the overall morale of the negotiation versus both parties haggling each other for each item even though it is of low importance to them. In the negotiation simulation, I did find the term sheet extremely beneficial and will use in the future. It assisted in me getting my full thoughts and expectations on paper and be able to easlity negotiate what is important to me and not have regrets after because I gave in on a high importance item and walked away with an unacceptable outcome.

Carolyn Perez

Carolyn Perez

Sep 20, 2020 Sep 20 at 10:39pm

Taylor,

I also have little experience in major business negotiations, but would agree that the term sheet is extremely beneficial and I will also be using it in the future. Using the term sheet to understand specifically what the other party values and which items they are willing to truly negotiate on can lead to a more productive negotiation and probably more win-win outcomes.

Carolyn Perez

Carolyn Perez

Sep 20, 2020 Sep 20 at 10:34pm

Having done very little negotiating in my short time in the work force, the most recent experience, I recall that had a win-win outcome in a competitive environment, would be recently when I have been negotiating with the suppliers and Lockheed Martin on our supplier statement of work or SSOW. Though not negotiating every point on the document, as the Items Analyst, I work with the supplier to get the background of why they want to add certain things in or take others out of the contract. Given that information and my knowledge of the workload itself, I am asked by the individuals formalizing the document if I agree or disagree, or would like to offer an alternative to their "add-ins". Learning the history of the issues and well as asking questions to understand why they made certain changes allowed me to make an informed decision on whether or not to accept their changes.

Robert Carrano

Robert Carrano

Sep 20, 2020 Sep 20 at 11:14pm

Good Evening Carolyn,

You expressing interest in your supplier creates value on their end. It shows you're willing to accommodate their requests as long as they are reasonable and logical. It definitely sounds like a win-win then, as that will be remembered by them and most likely go a long way. I wouldn't be surprised to find out that they request to work with you on future SSOWs. You've established a trust despite being in a competitive environment.

Respectfully,

Rob Carrano

Robert Carrano

Robert Carrano

Sep 20, 2020 Sep 20 at 11:08pm

Going back to the beginning of my career, I did not have a win-win mindset. While, I wasn't cut throat, it was definitely more about me rather than the mission or my coworkers. As I've promoted through the ranks and gathered more experience over the years, I have realized a win-win outcome in a competitive environment can be beneficial. It creates value for the people, organization, and your mission's purpose. I have used a win-win outcome to establish trust amongst different work centers and the tasks we encounter daily. I've seen better quality work get accomplished at a faster pace as a result of this method. Showing that you care not just about your interests, but interests of the other party has proved to go along way. Thinking back, I wish this was something that was introduced to me earlier in life.

Jeremy Smith

Jeremy Smith

Sep 20, 2020 Sep 20 at 11:51pm

Robert,

This is a great incite! It sounds like you have stumbled across one of the keys to building trust in relationships. I think that if you are able to approach people with the mindset of "let's make a new friend" vs "let's win", it goes a long way into gaining the social capital that is so vital to our businesses.

Kassie Mobley

Kassie Mobley

Sep 20, 2020 Sep 20 at 11:31pm

In my experience being fully prepared with notes, objectives, bottom lines and knowing the “why” behind what is needed have helped me in creating win-win outcomes. I am better and more capable of working effectively and holding my ground when I am knowledgeable and confident in the task at hand. If I do not prepare, it is more likely I will play the “pleasing role” in a negotiation or work group setting. Additionally, building relationships has been one of the most important factors for me in creating win-win outcomes. Even when there is competition, being able to maintain a trusting professional relationship helps especially when conversations get difficult or unplanned events occur and it is imperative to be able to work together.

Zachary Smith

Zachary Smith

Sep 26, 2020 Sep 26 at 3:28pm

You're spot on with preparedness being crucial to win-win scenarios. One of the things I realized I need to be better about is doing all I can to understand my counterpart's interests. It's one thing to come prepared based on the information I have regarding my interests and how I want to achieve those but I think doing the research to understand your counterpart's interests will really help one have a better understanding of how my side can balance with theirs to really know where the optimal win-win situation lies.

Jeremy Smith

Jeremy Smith

Sep 20, 2020 Sep 20 at 11:47pm

I have had on several occasions been able to come up with a win-win situation at one of my previous jobs where I was able to help broker a deal that may not have happened. I had gone to a customer meeting to take a look at some equipment that was to be tendered for a project. When the sales team and I entered the room and started to show the products based on what

we were told they wanted, we were promptly told to leave. Instead of leaving, I said let's wait a minute, and asked the customer to reiterate their needs all the while asking questions to get more specific. When I realized that we had been given bad information originally, I pulled up a new presentation of different equipment I had just happened to have with me and walked the customer through it. We were able to build trust in a short amount of time as I heard their side and worked with them to negotiate on different pieces of equipment. Later the sales team said that my quick reactions saved the deal and resulted in a sale. The customer got the equipment they were expecting and we got a contract that was almost lost.