

An effective negotiation process template with real examples is provided!

Negotiations - Prepare to Win - an Analytical Approach

by Gregory Taylor

Order the complete book from the publisher

Booklocker.com

http://www.booklocker.com/p/books/9036.html?s=pdf
or from your favorite neighborhood
or online bookstore.

NEGOTIATIONS-PREPARE TO WIN-AN ANALYTICAL APPROACH

PROVEN STRATEGIES AND PROCESSES
BASED ON MATH AND RESULTS



1st EDITION

Negotiations – Prepare to Win – an Analytical Approach

A Comprehensive Book Providing an End to End Negotiations Process

Focusing on Preparation as The Key to Success

Gregory Taylor

Copyright © 2017 Gregory Taylor

ISBN: 978-1-63491-952-4

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, recording or otherwise, without the prior written permission of the author.

Published by BookLocker.com, Inc., St. Petersburg, Florida, U.S.A.

Printed on acid-free paper.

BookLocker.com, Inc. 2017

First Edition

DISCLAIMER

This book details the author's personal experiences with and opinions about business negotiation.

The author and publisher are providing this book and its contents on an "as is" basis and make no representations or warranties of any kind with respect to this book or its contents. The author and publisher disclaim all such representations and warranties, including for example warranties of merchantability and financial advice for a particular purpose.

Except as specifically stated in this book, neither the author or publisher, nor any authors, contributors, or other representatives will be liable for damages arising out of or in connection with the use of this book. This is a comprehensive limitation of liability that applies to all damages of any kind, including (without limitation) compensatory; direct, indirect or consequential damages; loss of income or profit; loss of or damage to property and claims of third parties.

This book provides content related to the topic of business negotiation. As such, use of this book implies your acceptance of this disclaimer.

Acknowledgements

Thank you to Doug Kieso for his helpful input on this book.

Many thanks to Don Kieso who provided extensive, detailed, and extremely valuable input.

A special thank you to my wife, Martha Gass, who not only provided me input and advice on this book, but also gave me unwavering encouragement and support during the journey of creating the book.

Table of Contents

INTRODUCTION	1
CHAPTER ONE - MACRO PRINCIPLES	3
REPUTATION BEYOND REPROACH	3
Honesty/Accuracy	4
REPUTATION AND HONESTY SUMMARY	5
CHAPTER TWO - MORE MACRO PRINCIPLES	7
GET LEGAL INVOLVED FOR UMBRELLA PURCHASING AGREEMENTS	7
QUALITY RELATED CLAUSES	7
RELIANCE ON VENDOR'S COMPETENCIES	7
VENDOR'S SUPPLY CHAIN MANAGEMENT	8
REIMBURSEMENT FOR REJECTS	8
INTERNAL REWORK, FIELD FAILURE, AND RECALL EXPENSES	8
Business Related Clauses—	
EXTRA FEES/CHARGES NOT RELATED TO COMPONENT UNIT COST	8
PRICING ON COMPONENTS NOT INCLUDED IN AGREEMENT	9
Planning/Forecasting	10
Expedited Freight	10
EXIT AND TERMINATION	
LEGAL DISCLAIMER AND LEGAL CLAUSES SUMMARY	11
CHAPTER THREE - STILL MORE MACRO PRINCIPLES	13
Body Language	13
NEGATIVE EVALUATION	13
Positive Evaluation	14
Dominance	15
HIGH SOCIAL INVOLVEMENT	17
LOW SOCIAL INVOLVEMENT	17
Deception/Exaggeration	19
Indecision	20
Honesty/Truthfulness	
Body Language Summary	21
CHAPTER FOUR - SPECIFIC TYPES OF LEVERAGE POINTS	23
LOWER UNIT STANDARD COST DRIVEN BY YOUR INCREASED VOLUME LEVERAGE POINT	23
Additional Business Caused by Vendor Consolidation Leverage Point	28
Vendor Consolidation Auction Scenario	28

Gregory Taylor

CONCLUSION	89
CHAPTER SEVEN - MACRO PRINCIPLE – SUSTAINING A COST REDUCTION EFFORT	85
Making the Deal and Documentation Phase	81
BACK AND FORTH PHASE	78
OPENING PHASE	77
CHAPTER SIX - MACRO PRINCIPLE – CONDUCTING THE NEGOTIATION	77
GETTING ORGANIZED AND PRE-MEETING SUMMARY	76
CHAPTER FIVE - MACRO PRINCIPLE – GETTING ORGANIZED AND PRE-MEETIN	IG69
LEVERAGE POINTS SUMMARY	67
LACK OF NEED LEVERAGE POINT	
CORPORATE/COMPANY COST REDUCTION INITIATIVE LEVERAGE POINT	
CHANGE IN VENDOR'S MANAGEMENT / SALESPERSON LEVERAGE POINT	62
LONG-TERM DEAL – GUARANTEE TO QUOTE LEVERAGE POINTS	61
BLANK SHEET APPROACH LEVERAGE POINT	
VENDOR INSTALLS MORE EFFICIENT EQUIPMENT/MACHINERY LEVERAGE POINT	
VENDOR MOVES OPERATIONS TO LOW COST COUNTRY LOCATION LEVERAGE POINT	
FOREIGN EXCHANGE RATES LEVERAGE POINT	
COST OF RAW MATERIALS DECREASE LEVERAGE POINT	
RAW MATERIALS COSTS ADJUSTMENTS LEVERAGE POINT	
COMPONENT QUALITY ISSUE RESULTING IN SIGNIFICANT COSTS LEVERAGE POINT	
Vendor Consolidation Bid Scenario	

INTRODUCTION

Negotiations - Prepare to Win - an Analytical Approach, picks-up where Good for You Great for Me written by Lawrence Susskind ends. Mr. Susskind's very successful book on negotiations introduces the useful concept of the "trading zone". He defines the trading zone as a point in the negotiation when both parties have reason to be optimistic there is a potential deal to be made. Susskind stresses to get into the trading zone as quickly as possible when negotiating with suppliers. But, Good for You Great for Me does not show the reader how to calculate what the trading zone values should be. Given different business climates, business volumes, cost of materials, exchange rates, etc., what is a reasonable negotiation result expectation? I show the reader how to take multiple variables, how to use analysis to determine what the trading zone values should be, and then how to incorporate the findings into a proven negotiations process. Good for You Great for Me also discusses the need of getting well prepared for a negotiation, but commits only a few pages on the subject matter. In contrast, the primary focus of this book is to provide the reader a process and analytical techniques on how to get prepared for a negotiation. Because, in my opinion preparation is the key to achieving negotiations success.

Every negotiation cannot have a win-win outcome for both participating parties. Sometimes you must come out on top and the other party will have to lose. Sometimes the cards will be stacked against you and you must figure out a way to minimize your damages. I provide a framework that when followed will assist you in producing outstanding negotiation results for you and your organization. The contents of Negotiations - Prepare to Win - an Analytical Approach are an accumulation of knowledge, techniques, strategy, and experiences gained over my 20-year career of conducting negotiations from the purchasing perspective. This whole book was written in a frame of mind to provide assistance to the purchasing

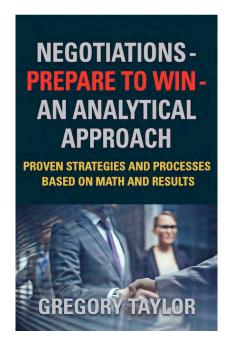
Gregory Taylor

function of an organization. The salesperson who studies the book and turns the information 180 degrees to serve their purpose will find the book a great tool also.

In the first three chapters I outline the macro principles of needing a culture of good business ethics, getting input from the legal department, and reading and using body language that apply to all types of negotiations. For each Macro Principle, I provide examples and details on how to implement, use, and/or leverage the subject matter for your benefit.

In chapter four I examine twenty-five different types of leverage points to be used during negotiations. For each leverage point I provide techniques, strategies, and real world examples that I acquired during my career. From the use of these tools I helped my company produce yearly standard cost reductions on purchased components from 2006 to the writing of this book in 2016, and during my last year of work we achieved our greatest cost reductions in the history of the company.

In the last three chapters I discuss the additional macro subjects of getting organized and creating the Negotiations Workup Report, holding a pre-negotiation meeting, conducting the negotiation, and creating a process for sustaining a long-term cost reduction effort.



An effective negotiation process template with real examples is provided!

Negotiations - Prepare to Win - an Analytical Approach

by Gregory Taylor

Order the complete book from the publisher

Booklocker.com

http://www.booklocker.com/p/books/9036.html?s=pdf
or from your favorite neighborhood
or online bookstore.