

Contract Negotiation Workshops September 2023

Key Takeaways

1. Background

During September 2023 MDClew Consulting delivered 3 workshops to VODG members (Manchester, London and virtual) with the following objectives:

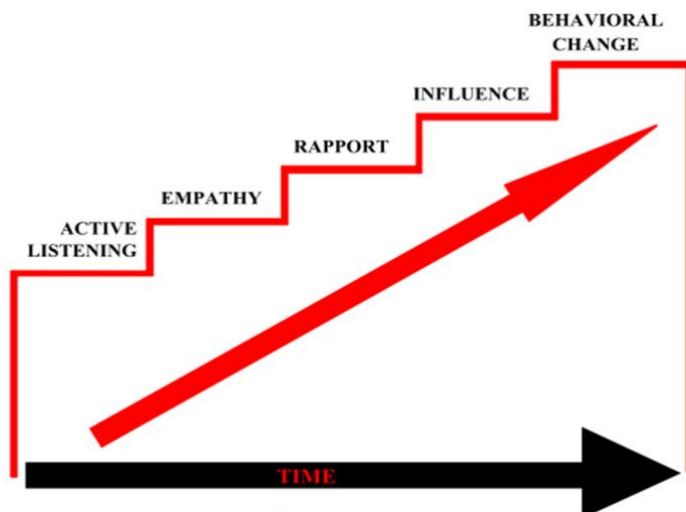
- Understand relevance of crisis negotiating skills and how these can be applied to your role.
- Examine factors that affect 'influence' and how to use them.
- Introduce the 3 P Model (Prepare, Perform and Protect) for Contract Negotiating and learn how to apply.

2. Summary

Mindset – The frustration from members was at times 'palpable' as was the sense of lacking control/influence with commissioners. A mindset shift is key to try and focus on potential opportunities rather than challenges. The network you have is strong and supportive and use this to strengthen your position. Also remember that as leaders if your 'head drops' then so will your teams.





Crisis Negotiating 'synergy' – The cross over between crisis and contract negotiating was explained and had resonance. Both involve 'high stakes' conversations often dealing with demands/deadlines with limited (if any) control.

Behavioural Stairway – Delegates were walked through the model and taught the importance of using 'active listening' as a foundation for everything else. Be curious and use 'tactical empathy' to seek to really understand what is driving the other sides behaviour before seeking to respond (not react!).



Principles of Persuasion – Understand where you can apply and where you're vulnerable to each principle.

CIALDINI'S PERSUASION TECHNIQUES

 <p>Authority People are more likely to get influenced by authority figures.</p>	 <p>Consistency Once people commit to something, they have a hard time letting go.</p>	 <p>Consensus If the majority of people agree with something then it must be true.</p>
 <p>Liking People are more likely to appreciate something that they can relate to.</p>	 <p>Reciprocity Gaining a small benefit or gift, creates the need to reciprocate.</p>	 <p>Scarcity Limited offers, promotions or discounts tend to increase the need or desire for a product or service.</p>

3. The 3 P Model (Prepare, Perform and Protect)

Contract Negotiating needs to be considered as a 'way of working' rather than something to solely consider at times of review/renewal. Moving 'upstream' is critical to identify the key decision makers and use influencing skills.

Prepare:

- Get upstream and understand commissioners' pressures and their timescales/forums for decisions.
- Identify and seek engagement/influence opportunities with key stakeholders.
- Practice influencing skills – role play.
- Do your research - know their weakness and your strengths (USP).
- Be mindful of informal networks and potential vulnerabilities you may have (who is communicating with the commissioners?)
- Know your boundaries and your Best Alternative to Negotiated Agreement.
- What criteria must be met?
- What alternatives are there?

Perform

- Pick and prepare your negotiating team and keep this tight.
- Be interest orientated rather than position focussed.
- Politely and supportively highlight their vulnerabilities in this arena.
- Ensure you understand clearly and unequivocally the full contract scope and beware of creep.
- Try to have options enabling them to have some choice.
- Calm and professional and don't react.
- Maintain an accurate and up to date 'Position Paper' running log of the contract negotiating what has been agreed/when and by who.
- Consider longer term about the importance of the relationship and its potential value.

Protect

- Not time for celebration – beginning not the end.
- Review - scope, deliverables, warranties, performance, and liabilities.
- Ensure plans to deliver, update, engage and build confidence (use the Cialdini principles to embed).
- Take time to strengthen the relationship by building rapport to grow influence.
- Seize opportunities for storytelling.
- Capture learning.
- Key timescales moving forward have running log and be prepared.
- Horizon scanning for Commissioner 'worries' – what's troubling them that you can get ahead of?

Hope you find this useful and please feel free to come back with questions or feedback.

Wish you all well.

Martin Cleworth

M: 07885 678519

E: MDClew@outlook.com

Web: www.mdclewconsulting.com