Win – Win Negotiations

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Presentation Topics

1. • Definition of Win-Win Negotiation
2. • PMD Institute
3. • Negotiating Activity
4. • Negotiating Rules
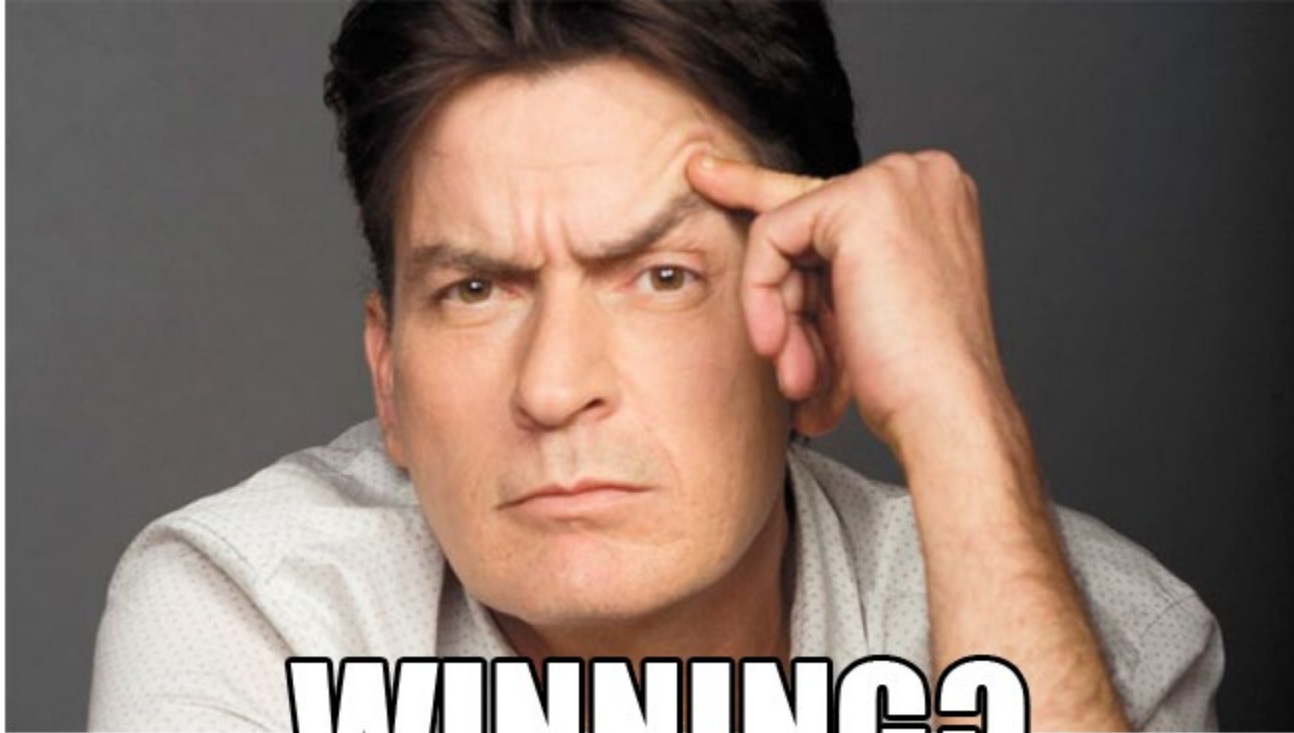5. • Volunteers to Negotiate
6. • Negotiating Deals
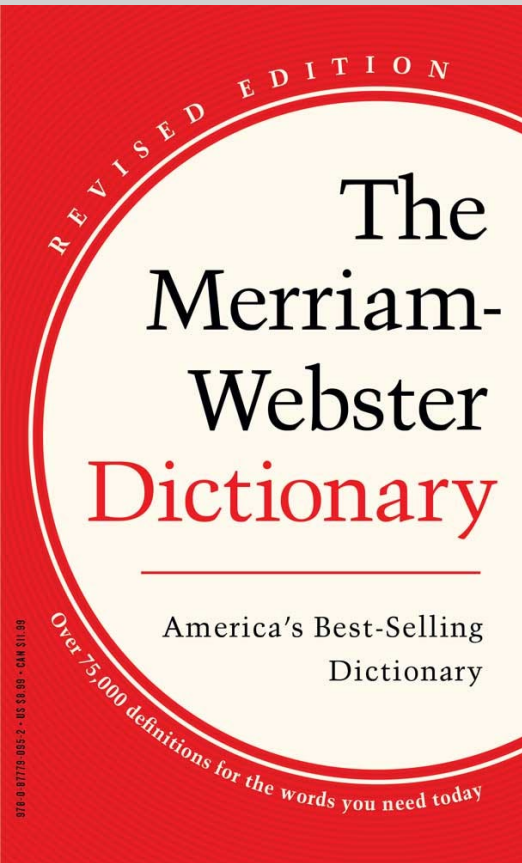7. • Negotiating Attitudes
8. • Other Tips
9. • Volunteer Results
10. • Final Thoughts

Definition of Win-Win Negotiation

https://505sanchez.com

be successful or victorious in a contest or conflict

Definition of Win-Win

Win-Win

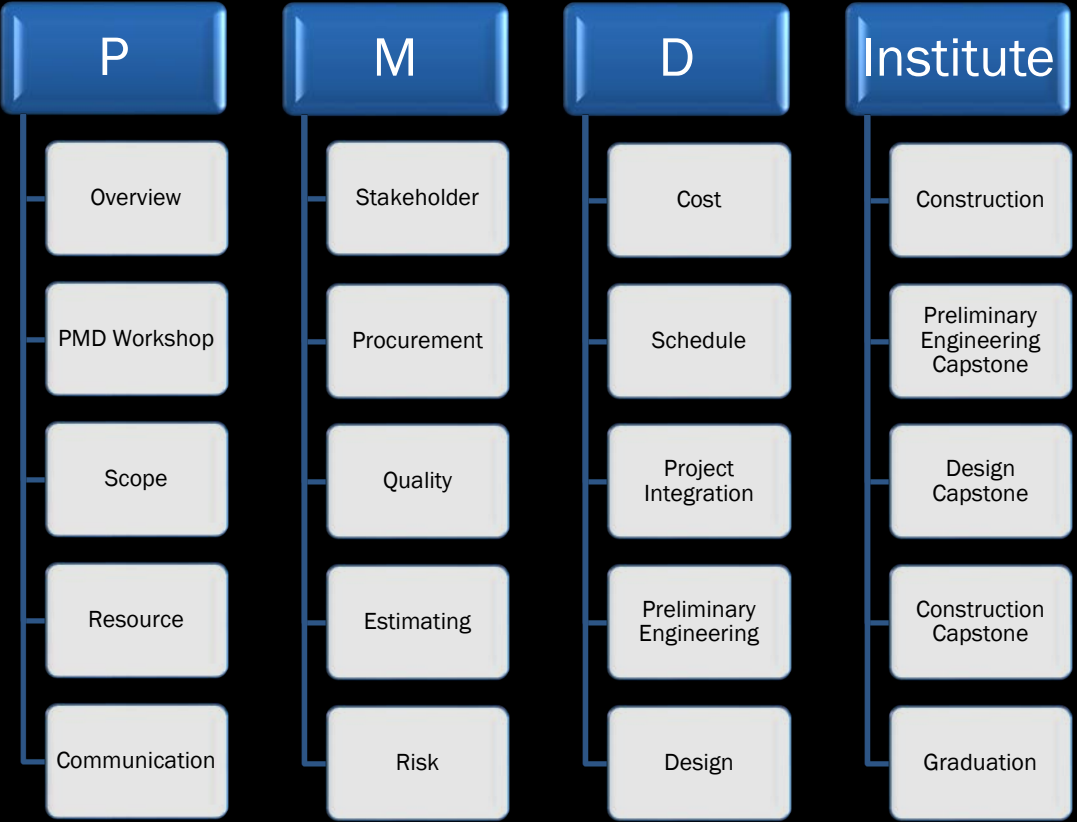Win-Lose

Lose-Win

Lose-Lose

Quality work for
a fair price

Clear expectations
and reasonable profit

PMD Institute

Project Manager Development (PMD) Institute

Project Initiation

Project Planning

Project Execution

Monitoring & Controlling

Project Closure

P	M	D	Institute
Overview	Stakeholder	Cost	Construction
PMD Workshop	Procurement	Schedule	Preliminary Engineering Capstone
Scope	Quality	Project Integration	Design Capstone
Resource	Estimating	Preliminary Engineering	Construction Capstone
Communication	Risk	Design	Graduation

- **Negotiation Activity**
  - o Win-Win Negotiation

- **Invoice Ledger for Transportation Projects**

- **Contract Management Best Practices**
  - o PM Role in WA Negotiations
  - o PM Role in WA Invoicing
  - o PM Role in Provider Evaluation

Negotiating Activity

Model T

Model T Add-ons

- Leather Seats

- Navigation Package

- Sunroof

- Sound System

- Tinted Windows

- Safety Package (Emergency Breaking, Lane Assist, Dynamic Cruise Control)

- 4-wheel drive

- Self-Driving Feature

Model TxC

Includes ALL Ad-ons

Negotiating Activity

Reward	
Dinner at Favorite Restaurant	$100
Trip to South Padre	$500
Ski Trip to Colorado	$1,000
Trip to Hawaii	$2,000
Trip to Europe	$5,000

Negotiating Rules

Negotiating Rules

1. Schedule a 25 Minute Meeting with your Partner

2. Negotiate the Purchase of a Vehicle with your Partner

   a. There are no rules to what you share or negotiate
   b. You DO NOT have to buy a vehicle

3. Report the results

Volunteers to Negotiate

The Rest of the Story

Negotiation Activity Budget and Commission

Negotiation Activity Budget and Commission

Vehicle	Price	Commission
Model T	$15,000	$100
Model TX (includes ALL Add-ons)	$20,000	$1,000
Add-ons:		
Leather Seats	$1,000	$1,000
Navigation Package	$500	$500
Sunroof	$1,000	$1,000
Sound System	$500	$500
Tinted Windows	$500	$500
Safety Package (Emergency Breaking, Lane Assist, Dynamic Cruise Control)	$2,000	$2,000
4-wheel drive	$2,000	$2,000
Self-Driving Feature	$2,000	$2,000

Win – Win Score

Win – Win Score = Buyer Savings + Seller Commission - Difference

Buyer	Seller	Difference	Win-Win Score
$2,000	$4,100	$2,100	$4,000

Negotiating Deals

Package Deal

Vehicle	Price	Commission		Price Paid		Budget
Model T					$20,000	$21,000
Model TX	$20,000	$1,000		Results		Reward
Add-Ons				Buyer		$1,000
Leather Seats				Seller		$1,000
Navigation Package				Reward		Cost
Sunroof				Dinner at Favorite Restaurant		$100
Sound System				Trip to South Padre Island		$500
Tinted Windows				Ski Trip to Colorado		$1,000
Safety Package (Emergency Breaking, Lane Assist, Dynamic Cruise Control)				Trip to Hawaii		$2,000
4-wheel drive				Trip to Europe		$5,000
Self-Driving Feature						
	$20,000	$1,000				

Package Deal

Buyer	Seller	Difference	Win-Win Score
$1,000	$1,000	$0	$2,000

Get Exactly What You Need and Remove Uncertainties

Vehicle	Price	Commission
Model T	$15,000	$100
Model TX		
Add-Ons		
Leather Seats		
Navigation Package	$500	$500
Sunroof	$1,000	$1,000
Sound System		
Tinted Windows		
Safety Package (Emergency Breaking, Lane Assist, Dynamic Cruise Control)	$2,000	$2,000
4-wheel drive		
Self-Driving Feature		
	$18,500	$3,600

Price Paid		Budget
	$18,500	$21,000
Results		Reward
Buyer		$2,500
Seller		$3,600
Reward		Cost
Dinner at Favorite Restaurant		$100
Trip to South Padre Island		$500
Ski Trip to Colorado		$1,000
Trip to Hawaii		$2,000
Trip to Europe		$5,000

Get Exactly What You Need and Remove Uncertainties

Buyer	Seller	Difference	Win-Win Score
$2,500	$3,600	$1,100	$5,000

All Cards on the Table

Vehicle	Price	Commission		Price Paid		Budget
Model T	$15,000	$100			$18,000	$21,000
Model TX				**Results**		**Reward**
Add-Ons				Buyer		$3,000
Leather Seats				Seller		$3,100
Navigation Package				**Reward**		**Cost**
Sunroof				Dinner at Favorite Restaurant		$100
Sound System				Trip to South Padre Island		$500
Tinted Windows				Ski Trip to Colorado		$1,000
Safety Package (Emergency Breaking, Lane Assist, Dynamic Cruise Control)	$2,000	$2,000		Trip to Hawaii		$2,000
4-wheel drive	$2,000	$2,000		Trip to Europe		$5,000
Self-Driving Feature	$2,000	$2,000				
	$21,000	$6,100				

All Cards on the Table

Buyer	Seller	Difference	Win-Win Score
$3,000	$3,100	$100	$6,000

Negotiating Attitudes

Negotiating Attitudes

Same Deal. Different Attitudes

Vehicle	Price	Commission
Model T		
Model TX	$20,000	$1,000
Add-Ons		
Leather Seats		
Navigation Package		
Sunroof		
Sound System		
Tinted Windows		
Safety Package (Emergency Breaking, Lane Assist, Dynamic Cruise Control)		
4-wheel drive		
Self-Driving Feature		
	$20,000	$1,000

Price Paid		Budget
	$19,500	$21,000
Results		Reward
Buyer		$1,500
Seller		$500
Reward		Cost
Dinner at Favorite Restaurant		$100
Trip to South Padre Island		$500
Ski Trip to Colorado		$1,000
Trip to Hawaii		$2,000
Trip to Europe		$5,000

Same Deal. Different Attitudes

Buyer	Seller	Difference	Win-Win Score
$1,500	$500	$1,000	$1,000

Leave Room to Negotiate

Vehicle	Price	Commission
Model T	$15,000	$100
Model TX		
Add-Ons		
Leather Seats	$1,000	$1,000
Navigation Package	$500	$500
Sunroof		
Sound System	$500	$500
Tinted Windows	$500	$500
Safety Package (Emergency Breaking, Lane Assist, Dynamic Cruise Control)		
4-wheel drive		
Self-Driving Feature		
	$17,500	$2,600

Price Paid		Budget
	N/A	$21,000
Results		Reward
Buyer		N/A
Seller		N/A
Reward		Cost
Dinner at Favorite Restaurant		$100
Trip to South Padre Island		$500
Ski Trip to Colorado		$1,000
Trip to Hawaii		$2,000
Trip to Europe		$5,000

Leave Room to Negotiate

Buyer	Seller	Difference	Win-Win Score
N/A	N/A	N/A	N/A

Going Out of Business Sale

Vehicle	Price	Commission		Price Paid	Budget
Model T				$18,500	$21,000
Model TX	$20,000	$1,000		Results	Reward
Add-Ons				Buyer	$2,500
Leather Seats				Seller	($500)
Navigation Package				Reward	Cost
Sunroof				Dinner at Favorite Restaurant	$100
Sound System				Trip to South Padre Island	$500
Tinted Windows				Ski Trip to Colorado	$1,000
Safety Package (Emergency Breaking, Lane Assist, Dynamic Cruise Control)				Trip to Hawaii	$2,000
4-wheel drive				Trip to Europe	$5,000
Self-Driving Feature					
	$20,000	$1,000			

Going Out of Business Sale

Buyer	Seller	Difference	Win-Win Score
$2,500	-($500)	$3,000	-($1,000)

Other Tips

Get the Deal in Writing

Vehicle	Price	Commission
Model T	$15,000	$100
Model TX		
Add-Ons		
Leather Seats		
Navigation Package		
Sunroof		
Sound System		
Tinted Windows		
Safety Package (Emergency Breaking, Lane Assist, Dynamic Cruise Control)		
4-wheel drive		
Self-Driving Feature	$2,000	$2,000
	$17,000	$2,100

Price Paid		Budget
	$17,000	$21,000
Results		Reward
Buyer		$4,000
Seller		$2,100
Reward		Cost
Dinner at Favorite Restaurant		$100
Trip to South Padre Island		$500
Ski Trip to Colorado		$1,000
Trip to Hawaii		$2,000
Trip to Europe		$5,000

Get the Deal in Writing

Buyer	Seller	Difference	Win-Win Score
$4,000	$2,100	$1,900	$4,200

Pareto Principle. Focus on the Top 20% to achieve 80% of your results

Vehicle	Price	Commission
Model T	$15,000	$100
Model TX		
Add-Ons		
Leather Seats		
Navigation Package		
Sunroof		
Sound System		
Tinted Windows		
Safety Package (Emergency Breaking, Lane Assist, Dynamic Cruise Control)	$2,000	$2,000
4-wheel drive	$2,000	$2,000
Self-Driving Feature	$2,000	$2,000
	$21,000	$6,100

Price Paid		Budget
	$18,000	$21,000
Results		Reward
Buyer		$3,000
Seller		$3,100
Reward		Cost
Dinner at Favorite Restaurant		$100
Trip to South Padre Island		$500
Ski Trip to Colorado		$1,000
Trip to Hawaii		$2,000
Trip to Europe		$5,000

Pareto Principle. Focus on the Top 20% to achieve 80% of your results

Buyer	Seller	Difference	Win-Win Score
$3,000	$3,100	$100	$6,000

Get the Details Right

- Scope Language

- Rates and Personnel

- Other Direct Expenses

- Table of Deliverables

- Schedules

Volunteer Results

Final Thoughts

- Have a Goal

- Remove All Uncertainty

- Get Only What You Need

- Leave Room to Negotiate

- Focus on Big Stuff

- Get Required Stuff Right

- Have Right Frame of Mind

Q & A

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