

STRATEGIC NEGOTIATION WITH BUSINESS CASES FROM HARVARD UNIVERSITY



How to improve negotiations with customers, suppliers, employees and other commercial partners

ANALYSIS AND IMPROVEMENT OF THE NEGOTIATION CAPABILITIES

Negotiations with customers, suppliers, employees and other commercial partners get tougher day after day: sales managers negotiate daily prices and time of delivery, purchasing departments negotiate prices in order to buy goods, top management negotiates salaries with employees, directors handle difficult projects and their legal aspects when purchasing, merging or selling companies. It is possible to improve one's negotiation abilities significantly and in a matter of days, thanks to one-on-one and group exercises, as well as by comparing potential results with those actually reached; this all boils down to leading the negotiation process and approaching it in a structured way.

A significant improvement in the negotiation capabilities can be reached through a systematic development of skills and the use of case studies from leading business schools.

When costs are cut down, the offer has been improved and the customer segment has been clearly targeted, it is time to improve the negotiation skills and the capabilities that allow to capture the prices set.

FOR WHOM

- CEO, Owner
- Sales Directors
- Sales Managers
- Key Account Managers
- Purchase Directors, Purchase Managers
- Marketing Directors
- Product Managers, Marketing Managers
- Controllers
- Pricing Manager
- Consultants

CONTENTS

DEVELOPING THE RIGHT SET OF NEGOTIATION CAPABILITIES TO INCREASE OPERATING PROFITS SIGNIFICANTLY



Improving negotiation competencies in sales, purchasing and for complex projects (ex. acquisitions, litigation)



Rethinking and improving one's negotiation style



Establishing the basic elements of a successful negotiation



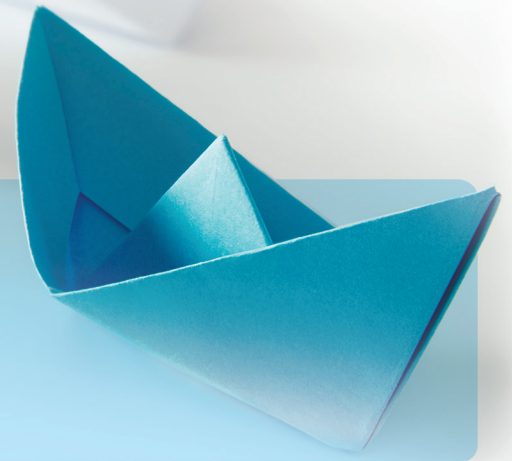
Learning to identify common mistakes in negotiation



Systematically develop and improve the negotiation capabilities



Finding creative options for mutual advantage, in order to meet the interests of both parties



OVERVIEW – DAY 1

THE FOUNDATIONS OF A NEGOTIATION



INTRODUCTION TO THE STRATEGIC NEGOTIATION PROCESS

1 Presentation - Introduction to strategic negotiation

Negotiation material and the relationship level ▶ Negotiation approaches

2 Business case - Going for profit or going for volume?

Profit driver: cost or volume? ▶ Negotiation styles ▶ Strengths and weaknesses ▶ Determining the dominant negotiation style ▶ Win/win negotiation – positive results for both parties

COFFEE BREAK



FUNDAMENTALS OF STRATEGIC NEGOTIATION

3 Business case presentation - Basic concepts in strategic negotiation

Classic methods and their drawbacks: cost-plus pricing, prices in line with competition, price based on value to the customer ▶ BATNA ▶ MEO ▶ Trade-off – conceding in exchange for something else ▶ Objectives ▶ Walking away from the negotiating table

4 Business case presentation - Academic research on strategic negotiation

Common mistakes in a negotiation ▶ Distinctive features of the professional negotiator ▶ Objectives

LUNCH BREAK (1:00 PM – 2:00 PM)



CASE STUDIES – MANAGING THE STRATEGIC NEGOTIATION

5 Harvard business case I: “Buying a car” - Negotiating a sale or a purchase

Briefing ▶ Negotiation in groups of two ▶ Analysis of the negotiation results ▶ Feedback on the quality of the negotiations conducted ▶ Group discussion

6 Harvard business case II: “New Recruits” - Negotiating a sale or a purchase

Briefing ▶ Negotiation in groups of two ▶ Analysis of the negotiation results ▶ Feedback on the quality of the negotiations conducted ▶ Group discussion



SUMMARY AND IMPLEMENTATION

7 Group discussion - Summary and implementation of the concepts learned so far

Case study on excellence in price setting - B2B and B2C ▶ Discussion on price-related problems ▶ Group work to systematize the problem solving of recurring issues ▶ What are the most significant factors learned in this workshop? ▶ How to implement these concepts?

END OF WORKSHOP (5:00 PM)



OVERVIEW – DAY 2

PROFESSIONAL NEGOTIATION



NEGOTIATING ON INTERESTS OR POSITION

1 Presentation - Interest vs position

Negotiating on interest, avoiding position ▶ Integrative and distributive negotiation

2 Presentation and work group - BATNA, MEO and compromises

Determination of the BATNA of both parties ▶ MEO: creating alternative paths ▶ Compromises: determining the key concessions in the negotiation

COFFEE BREAK



NEGOTIATION PSYCHOLOGY

3 Presentation and business case - Psychological aspects of the process

More on win/win negotiation – positive results for both parties ▶ Communication in the negotiation ▶ The initial offer: thoughts on the level and its implications

4 Presentation - Communication in the negotiation

Communicating ▶ The initial offer: thoughts on the level and its implications

LUNCH BREAK (1:00 PM – 2:00 PM)



BUSINESS CASE IN STRATEGIC NEGOTIATION

5 Harvard business case III: “Carter Racing” - Negotiating a sale or a purchase

Briefing ▶ Negotiation in groups of two ▶ Analysis of the negotiation results ▶ Feedback on the quality of the negotiations conducted ▶ Group discussion

6 Harvard business case IV: “Texoil” - Negotiating a sale or a purchase

Briefing ▶ Negotiation in groups of two ▶ Analysis of the negotiation results ▶ Feedback on the quality of the negotiations conducted ▶ Group discussion

COFFEE BREAK



SUMMARY AND IMPLEMENTATION

7 Group discussion - Summary and implementation of the topics covered during the workshop

Discussion on questions from participants regarding price management ▶ Group work on creating solutions ▶ What are the key takeaways of the workshop ▶ How to implement these elements?

END OF WORKSHOP (5:00 PM)



Academic excellence and managerial experience, for years by the side of Global 50 companies from all over the world

WHY DO WE SUGGEST ATTENDING THIS WORKSHOP?

Pricing is the most important lever that managers have to generate profit, but it is sometimes interpreted as set by external forces – like competition and production costs. Even though those forces should be taken into account during the pricing decision-making, it is also important to look at the Value our offer generates for customers. Leading companies in any industry, even in presence of commoditized products (chemical industry, raw materials, etc.), enjoy above-average profits thanks to the right implementation of strategies built upon value-based pricing; what these

leaders do, is to set prices based on the value that customers obtain from their product or service. These strategies are particularly important during periods of economic uncertainty, when customers – especially in B2B realities – increase their demand for discounts, putting the company's profitability under a lot of pressure. What emerges from our experience is not only that it is possible to counteract these demands, but also that this can be done in a cost-effective way; this stems from the ability to calculate the value of the company's offering and leverage its uniqueness.

HINTERHUBER & PARTNERS

HINTERHUBER & PARTNERS (www.hinterhuber.com) is a premier consulting company specialized in Strategy, Pricing and Leadership. It stands for the combination of academic excellence and real world business experience to deliver a lasting impact in client results and capabilities. Kennedy Information, a Bloomberg business, ranks Hinterhuber & Partners among the top consulting companies globally in pricing strategy consulting. HINTERHUBER & PARTNERS has successfully completed projects concerning

strategy, pricing and leadership for numerous companies in Germany, Italy, Switzerland, Austria, United States of America, China, and it regularly takes part in international conferences. For pricing, it participates to conferences like: Management Circle AG (Germany), Business Circle AG (Austria), Management Center Innsbruck (Austria), Strategic Account Management Association (USA), Marcus Evans (USA) and Professional Pricing Society (USA).



ABOUT THE WORKSHOP FACILITATORS:

DR. EVANDRO POLLONO, MANAGING DIRECTOR AT HINTERHUBER & PARTNERS

Dr. Evandro Pollono has been visiting lecturer at Alcalá University (Spain), he is co-author of the article "Value-based pricing: The driver to increased short-term profits", published by Finance and Management; he is also a contributor of the book "Pricing and the Sales Force". Evandro Pollono deals

with companies operating in diverse industries, supports them in their strategic development and foster their growth and differentiation through seminars in the field of Pricing. He is also involved in startups, with projects encompassing different industries, with the common denominator of digital technologies.



ROLANDS PUPKEVIČS, SR. CONSULTANT FOR DATA & ANALYTICS

Rolands Pupkevičs is Senior Consultant of HINTERHUBER & PARTNERS specialized in data and analytics. He holds a Bachelor degree in Economics from Stockholm School of Economics in Riga and CFA designation from CFA Institute. He has more than 15 years of experience in investments, finance and data analytics. Recently, he has

worked on multiple consulting projects on pricing for large and medium-sized companies, including Bosch, Exxelia, and Veritas Petroleum Services (VPS). His main responsibility is to develop ad-hoc analytics and derive financial insights for the client.

REGISTRATION

To register please send an e-mail with the date desired, the name and number of participants to evandro.pollono@hinterhuber.com. You will receive a confirmation and a pro-forma invoice, depending on spots availability. The participation fee for the two-day workshop is all-inclusive, including material e soft-drinks, for 2 450 € per participant. From the second participant of the same company (i.e. same billing address), a 15% discount is applied. Up to two weeks before, it is possible to cancel from the seminar free of charge. After this the full

amount is due. The cancellation request must be sent in written form via e-mail. In case of cancellation from Hinterhuber & Partners, the full amount will be refunded. We are committed to make the seminar as interactive as possible, therefore we try to limit the number of participants to 12 at any event. If interested in dates different from the ones proposed, please contact us directly to find out future dates or plan an ad-hoc seminar. All prices are to be intended VAT excluded.