

Alternative Pricing Negotiating Skit

Moderator: Lee James

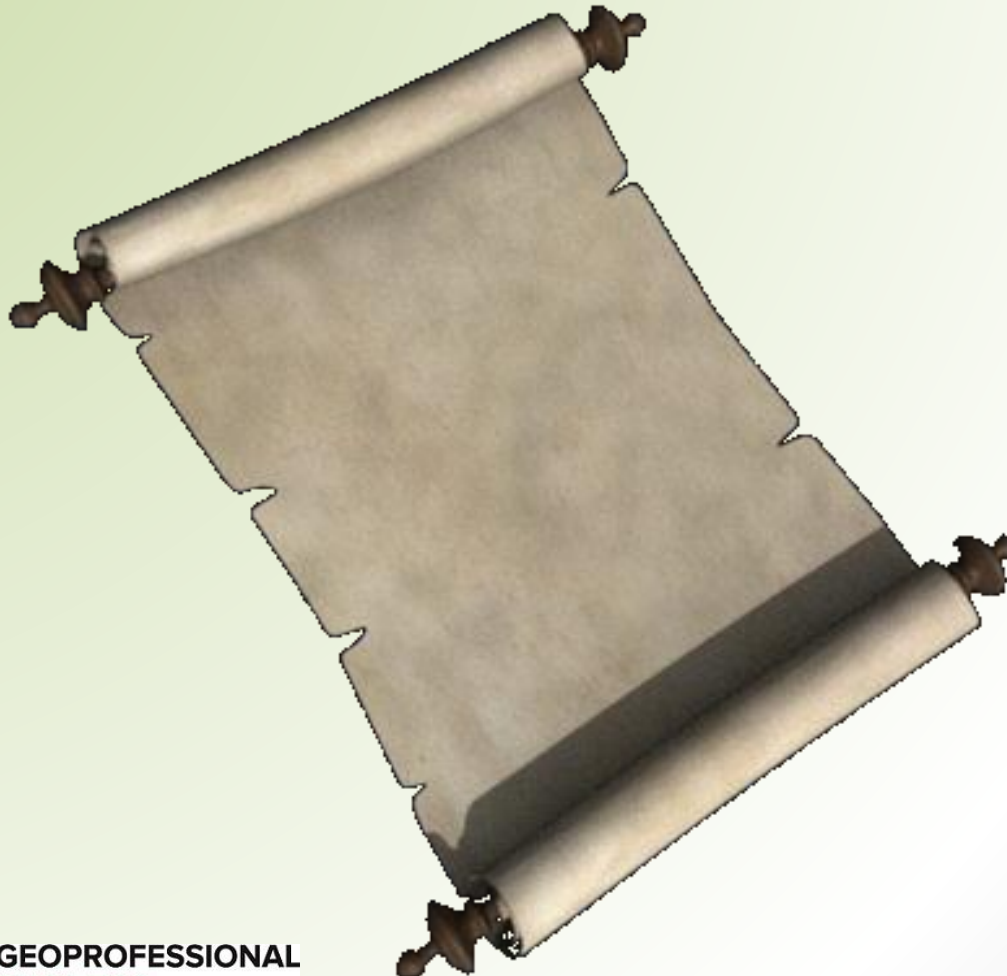
Client: Pat Klima and Gary Torosian

Engineer: Steve Noble & Ted Lewis

Context

- Repeat client has required T & M NTE
- Engineer has experienced write-offs
- Engineer's management wants change in contracting to better work for them and client
- Negotiations meeting results in the following discussions by client and engineer

10 Tenets & Tactics Used





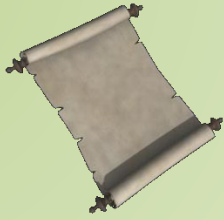
Tenet # 1 Tactics

ask or you shall not receive



***Many questions asked by
both***

***Open ended questions kept
conversations moving***

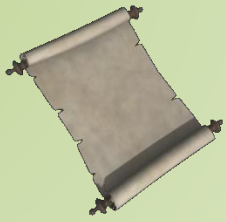


Tenet # 2 Tactics

never stop negotiating and
searching for alternatives



*Engineer kept providing
options and getting
client to engage*



Tenet # 3 Tactics

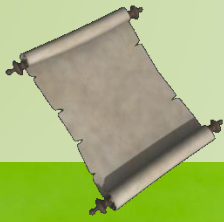
ask



instead of making statements

Many questions asked in manner that were as effective as statements

Open ended approach engaged reluctant client



Tenet # 4 Tactics

be prepared to give up something...
...but slowly

*Engineer was persistent, but positive
and slowly moved off change being
done NOW.*

*Client did many maneuvers to avoid
changing from T & M NTE*

GOLF CLUB BY DIEGO CERVO WWW.CRESTOCK.COM



Tenet # 5 Tactics

control your emotions

Both parties kept all flowing positively, even when what some may think unreasonable positions

Deflected negative comments by sticking to the problem; instead of focusing on the people



Tenet # 6 Tactics

do not set firm deadlines

Engineer was flexible as to when this should occur

Client appeared reluctant to ever let this occur

Even though engineer wanted today instead of later; no indication to client of such deadline



Tenet # 7 Tactics

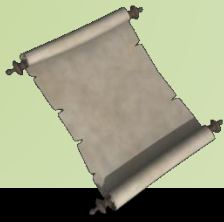
be prepared and able
to walk away

Both parties had this option

*At the end of this meeting,
engineer did walk away with less
achieved than desired*

*Walk away point was not
negative.*

Living for another day

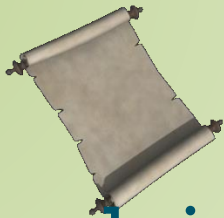


Tenet # 8 Tactics

silence is
golden

*Client used this approach
throughout*

*Open ended questions and
silence pulled client into further
discussions*



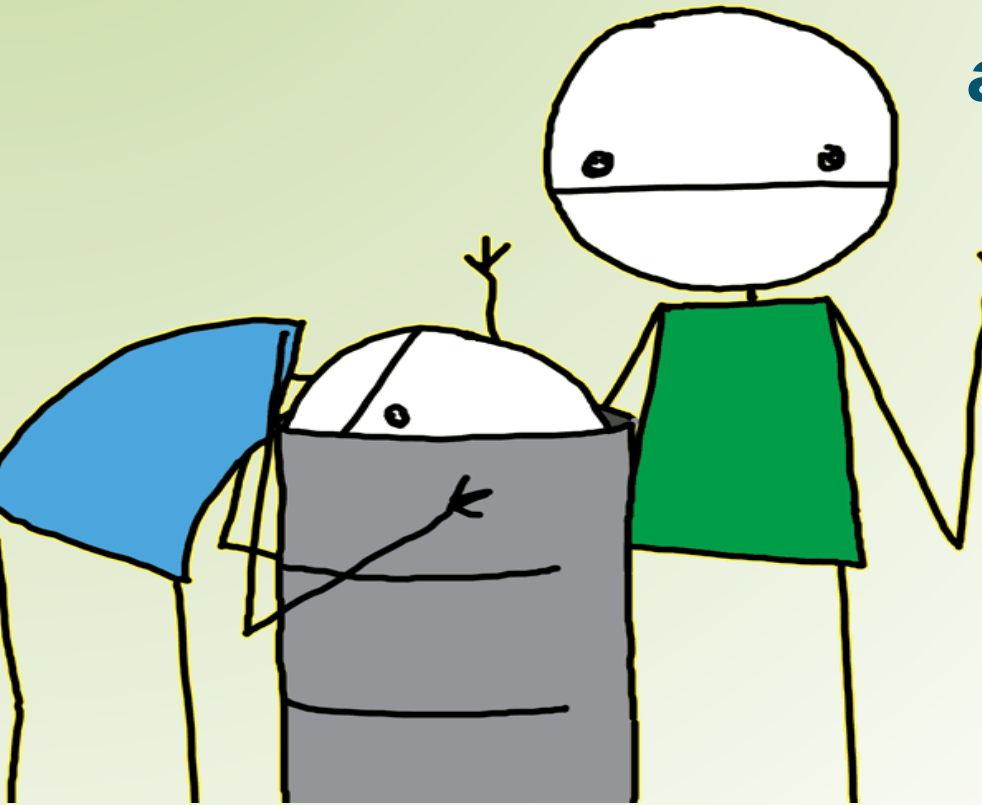
Tenet # 9 Tactics

dumb is smart &
smart is dumb

*Client used this in
an excellent manner*

*Engineer was
careful to fully
explain and
educate; and in
humble/less than
manner*

*No one tried to
impress other party*





Tenet # 10 Tactics

Everything is negotiable



**Let's
Talk!**

*Engineer believed this
and fully engaged
client*

*Client, at times,
implied this was not
negotiable. This
appeared to not impact
engineers' resolve*

Conclusion

Develop your negotiating skills

- If you are not comfortable now:
 - ❖ Do with others in your firm who are
- Share “lessons learned”
- Develop internal recognition for successes
- You will obtain more of what you deserve and your clients will love you for doing so.
- Deeper professional & personal relationships
- Practice/Practice/Practice

Questions

- Thoughts / Concerns
- Practice vs. Theory
- How can you do this?
- How can you get your people to do?
- All successes will result in \$ for \$ increase in your bottom line!
- CD of Negotiating Ten Tenets is available.