

Negotiating performance-based contracts

Challenge

An international agency involved in the procurement of military hardware believed that its procurement team was overly restricted by political constraints and the dominant market position of their supplying partners.

While management believed that better conditions could be achieved, it was thought that the purchasers and procurement agents were allowing terms to be dictated to them by their suppliers rather than actively pursuing more advantageous agreements. The challenge was to empower the agency's staff by raising their awareness of the inherent strength of the purchasers' positions and to provide them with the tools, skills and techniques necessary to negotiate assertively.



Training Targets

- ⊕ To help facilitate a transition from a culture of passive order placement to one of actively seeking out the most advantageous agreements.

Training Solution

A combination of negotiation theory (building agreement, mutual gain, creating and claiming value etc.) and a series of agency-specific role plays facilitated the development of the assertive behavior necessary to pursue a search for agreements with mutual gain.

The program consisted of two 2-day intensive workshops several months apart. The period between the sessions allowed the participants to apply and evaluate the techniques introduced in the first block before further honing their skills.