

THE WORLD HAS CHANGED WIN-WIN PURCHASING NEGOTIATION



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The IMPOSSIBLE Happened! A Worldwide Shutdown 2021 ; this CHANGES EVERYTHING in Negotiations as a NEW NORMAL will emerge!

A Worldwide Recession, Business Model Change, Work from Home, Communication Delays, Reduced Investments, Compulsory Health Screening, IT Dependence, etc.

The more 'adept' companies will achieve Profits Faster. We MUST expect Supply Chain Disruptions, Vendor Financial Meltdown, Lack of Materials, Slow Operations, Unpredictable Demands and a myriad of NEW CHALLENGES, NEVER EXPECTED!

A NEGOTIATION RESET means our Strategic and Tactical Operations and Change in Negotiation Mindset on Supplier Consolidation, Difficult Stakeholders, Problem Solving for OTD, Cost Reduction and Self-Confidence – It requires a Paradigm Shift!

SCOTS LEARNING OBJECTIVE

Scots Skill ONE

Vendor Bargaining Power Analysis – Prioritise Negotiations with Order/Cash Flow Limitations!

Scots Skill TWO

Develop Negotiation Worksheet – Before and After Post-Covid 19 (Achieve More with Less)!

Scots Skill THREE

'Read' Supplier Sales Personality – Winning Supplier Over with Right Purchasing Approach!!!

Scots Skill FOUR

Customise Negotiation Criterias – Unique and Creative to GIVE and STILL WIN!

Scots Skill FIVE

TEN Practical, Easy to Use Negotiation Strategies

Scots Skill SIX

Vendor Performance Review and Corrective Action – Develop New Working Relationship!

WHO SHOULD ATTEND?

Purchasing, Procurement, Supply Chain, Logistics, Warehouse, Transport, Material, Shipping, Project – Managers, Executives Buyers, and People involved in Purchasing Negotiation



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The World Has Changed – Contract Re-Negotiation Strategies
for OTD and Cost Down



PART A – WIN-WIN PURCHASING NEGOTIATION POST - COVID 19

1. Purchasing Post-Covid 19 Problems –
Delayed/Limited Materials, Cash Flow,
Order Cancellation, Insolvency, etc.

2. 'NEW NORMAL' Negotiations –
New Priorities, Vendor Support, Fluctuating Orders
and Bargaining Power

PART B – POST-COVID 19 NEGOTIATION PREPARATION

1. COMPANY vs VENDOR BARGAINING POSITION ANALYSIS

- A. Purchasing Power Analysis** – Purchasing Volume, Payment Terms and Vendor Business Value/Profit
- B. 'New Normal Purchasing'** – Rapid Response Team, Operational Flexibility and Stabilising Operations

C. Scots Skill ONE – Vendor Bargaining Power Analysis –
Prioritise Negotiations with Order/Cash Flow Limitations!

2. PURCHASING FOCUS POST-COVID 19 – ON-TIME DELIVERY vs COST DOWN

- A. 'New Normal Focus' Cost-Down to OTD** – Bargaining Power, Limited Vendors, Low Volume and Credit Terms
- B. Achieve 'High Cost Down' Strategy** – Vendor Consolidation, Cash Flow Support and Low Profits/High Volume

C. Scots Skill TWO – Develop Negotiation Worksheet –
Before/After Post-Covid 19 (Achieve More with Less)!

PART C – POST-COVID 19 NEGOTIATION DISCUSSION

3. PROFESSIONAL NEGOTIATION STYLE and IMPACT

- A. Project Purchaser Confidence** – Body Language, Supplier Knowledge and Bargaining Position
- B. Face-to-Face Discussion Dynamics** – Introduction, Opening and Manage Differences with Supplier

C. Scots Skill THREE – 'Read' Vendor Sales Personality –
Winning Supplier Over with Right Purchasing Approach!!!

PART D – POST-COVID 19 NEGOTIATION RESULTS

4. NEGOTIATION 'GAP' and STRATEGIC PURCHASING IMPACT

- A. Link Objectives to Negotiations** – Major/Minor Win Points, Min/Max Positions and Negotiation Compromise
- B. Winning Supplier Key Decision Influencers** – Present Win-Win-Win Points and Be Solution Oriented

C. Scots Skill FOUR – Customise Negotiation Criteria –
Unique and Creative to GIVE and STILL WIN!

5. 'STREET SMART' NEGOTIATION STRATEGIES

A. Manage Negative Supplier Reactions

- Getting More for Less
- Supplier Payment Pressure
- Fence Sitters
- Supplier Walk-Out
- Win 'without' Losing
- Control Emotions

- Backed to a Corner
- High Tension Environment
- Convert Confrontation

B. Scots Skill FIVE – TEN Practical, Easy to Use Negotiation Strategies

- Lowest Price
- 50/50 Compromise
- Limited Authority
- Cost Assessment
- Good Guy Bad Guy
- Trading Concessions

- Compare & Challenge
- Salami Slices
- Defer/Delay
- Standard Practice

PART E – POST-COVID 19 NEGOTIATION CONFIRMATION

6. VENDOR COMMITMENT – ON-TIME DELIVERY and COST DOWN

- A. Summarise Negotiation Agreement** – Confirm Targets and Critical Supplier Performance Expectations!
- B. Post-Negotiation DELIVERY FOLLOW-UP and Payment** –
Never Give Vendor Reasons for Late/Non-Delivery!

C. Scots Skill SIX – Vendor Performance Review and
Corrective Action – Develop New Working Relationship!