

GUIDELINES FOR USING THE NEGOTIATING PLANNING SHEET

Short Description: Type of negotiation, such as new opportunity, contract renewal, internal resource, scope, budget, schedule, etc. The Tactical Planning sheet is not static but evolves through Prepare, Exchange Information, Bargain and Conclude stages of negotiations. What is the business imperative?

History of relationship: What is the situation: competitive, collaborative, other (📖 4-5 to 4-7)? Years, key players, reputations, trust level, experience on last contact. Current status of relationship: New relationship? Building on existing relationship? Fixing a broken relationship?

📖 page #	Ours	Theirs
Interests 📖 3-8 to 3-13	<i>Why</i> you want this MDO. Your interests are your underlying motivations, concerns and objective needs. MDO is your ideal way for the other party to address your interests.	What does the other party care about and why? Take clues from discussion with them about what is important to them. Beware of red herrings (purposefully misleading clues). Make an educated guess as to why they are asking for their demands. Go beyond the obvious desire to reduce costs or increase revenue.
MDO 📖 4-13 to 4-16 6-2 to 6-4	Most Desired Outcome (MDO) should include everything you want and can defend. Includes "must haves" and should include all variables: resources, scope, schedule, price/budget, volume, people, T&Cs, etc. Your opening offer is the presentation of your MDO and may be delivered directly, vaguely, or with economically equivalent options. Be bold, assertive, excited, and confident.	What the other party says they want (not why they want it). Make an educated guess while planning based on how they will ideally want to satisfy their own interests. Fill in as you learn more from them.
Goal 📖 4-13 to 4-16 6-2 to 6-4	A likely reached outcome that addresses all parties' interests.	Make an educated guess at what the other party realistically expects to achieve, and fill in information as you learn more.
LAA 📖 4-13 to 4-16 6-2 to 6-4	Least Acceptable Agreement. The minimum you can accept. Don't think "bottom line" which is usually single issue. Never share your LAA with the other side. If you can get LAA or better, it is better than going to BATNA. Your "Must Haves" are always included in your LAA.	Make an educated guess at what the other party must have before walking away. Look at the cost of switching suppliers, getting new business, delays to operations or plants, upset stakeholders, timing issues, etc. to determine what they must get. Their "Must Haves" would be included in their LAA.
BATNA(s) 📖 4-13 to 4-16 6-2 to 6-4	Best Alternative to a Negotiated Agreement. What are the contingency plans if an agreement can't be reached – Plan B, Plan C? Think short term and long term. Constantly re-evaluate how to improve BATNAs. Consider extensions to previous agreement, moving resources off this project, investing resources in other opportunities, other suppliers/sources, etc.	Consider possible and probable BATNAs the other party may have. Assess their willingness and ability to implement their BATNAs. Ask, "Can I beat their BATNAs?"
Known Facts 📖 5-10 to 5-11	What are the relevant facts that you know to be true and that impact negotiations? Don't assume that what was true last time is still true unless you have verified it.	What does the other party know at this point that could positively or negatively impact negotiations?
Assumptions 📖 5-10 to 5-11	List important factors that you believe to be true, but aren't sure. Test these assumptions in Exchange stage (with prepared probes), and if needed, again in Bargaining stage.	What assumptions might the other party make that you should explicitly confirm, or that are incorrect, and you need to explore and refute? Be sure to correct any misconceptions.
Don't Knows 📖 5-10 to 5-11	List important factors that you need to know to better develop your approach, positions, or understanding of interests. You want to move as many of these unknowns to known facts before making or responding to offers – that is, before entering the Bargaining stage.	What the other party is likely to ask about – consider difficult questions coming your way. Also include what you want them to know that they may not already know.

📖 page #	Yours	Theirs
Probes 📖 6-21 to 6-26	Succinct but open-ended questions that test assumptions, seek answers to don't-knows, and verify trustworthiness & competency. Use Probes to inform positions, interests, concessions and opportunities for mutual gain. And listen to the answers!	Anticipate the other party's questions. Plan your answers. And when the time comes, listen actively – clarify and don't just answer them; explore with sincere curiosity what is behind their questions.
Must Haves	Non-negotiables should be included in your opening offer. Don't misstate non-negotiables if they would be negotiable under the right circumstances. Must-Haves need to be included in your MDO, Goal and LAA.	What are the other party's must haves? Test your assumptions of what they must have with Probes. Probe to find out why these items are not negotiable. Probe beyond simple answers like "it's our policy."
Trades 📖 6-16	These concessions tend to have equal cost/value relationships for both parties (volume, price, payment term, etc.). List concessions you could make as you move off of opening offer. Give concessions weights and values as appropriate.	What concessions could the other party make? Theoretically they will have the same list of items as you but with different cost/values.
Options for Mutual Gain 📖 6-31	Creative trades have a low cost to you and high value to the other party and address their interests. Link creative trades to address the other party's interests. Don't give these away – trade for value!	What items have a low cost to the other party but high value to you and address your interests? Ask for these in return for what you want.
Stakeholders & their Interests 📖 4-5	Who at your organization (a person or department) has a stake in the results of this negotiation or should give input? Do you need approvals from Legal, Marketing, Finance or Engineering? Is production or warehousing impacted? Who has information or contacts you may need? Are their external constituencies to be considered?	From whom must the other party get approval or buy-in? Who else in their organization cares about this agreement or can impact it in any way? This could be a person or department (e.g., legal, finance, procurement, safety, operations). And what external constituencies are they worried about?
Standards of Fairness 📖 6-33 to 6-39	Legitimate and objective sources that support your positions (e.g., policies, indexes, survey/study results). Do you accept/use the same or different standards of fairness as the other party? Can you use their standards to make your argument, or should you persuade them to use your standards?	What standards of fairness is the other party likely to use to support their positions? Can you use their standards to support your position? Are you prepared to refute them if needed?
Objections 📖 6-14	Your objections to the other party's demands (e.g., re personnel, T&Cs, rebates, scope, schedule, budget). Use these objections to challenge their first offer and support the value of your trades.	Anticipate the other party's objections to your demands. To what will they say No? What other obstacles do you foresee? Prepare for their objections and other obstacles.

Consider conducting a Strengths, Weakness, Opportunities, and Threats (SWOT) analysis for high-stakes or more strategic negotiations before filling out the Tactical Planning Sheet.

Assess Roadblocks: Based on the above tactical plan, assess what internal weaknesses and external threats are possible obstacles to getting your MDO, or closing on this agreement in a mutually beneficial way.

Assess Leverage: Based on the above items, what are your internal strengths and external opportunities? Consider market pressures, capacity, champions and other factors that work in your favor.