
PROGRAM & COURSE GOALS

This 5-Course program will help you to:

- Share supply chain experiences and best practices within your organization.
- Examine best practices of other organizations to assess their applicability to your organization's supply chain.

By the end of this Negotiation & Supplier Management course, you will be able to:

- Plan and conduct a mutually beneficial negotiation.
- Demonstrate an understanding of how to appropriately use and plan for distributive bargaining and integrative negotiation in your work.
- Demonstrate an understanding of how to identify strategic suppliers and work with them to develop close, collaborative, and innovative relationships.

PROTOTYPE MODULE GOAL & OBJECTIVES

This module will help you to identify components of a complete negotiation plan and evaluate the effect of planning on a negotiation.

By the end of the module, you will be able to:

- LO1: Recognize the components of a complete negotiation plan. (Remember)
- LO2: Identify roles of each component in a complete negotiation plan. (Understand)
- LO3: Identify relationships between different components in a complete negotiation plan. (Analyze)
- LO4: Identify the BATNA, target, opening offer, resistance point, and bargaining mix in a negotiation. (Apply)
- LO5: Evaluate planning made for past negotiation situations, postulating where inclusion or exclusion of plan components affected the negotiation and its outcome. (Evaluate)

PROTOTYPE MODULE ASSESSMENTS

LO1: Recognize the components of a complete negotiation plan.

Sample Quiz Question

In entering a negotiation for a new house, you calculate you will have \$300,000 to spend, between loans and proceeds from the sale of your current house. The house you want to buy is priced at \$280,000, but the inspector estimates that there will be about \$30,000 worth of repairs to be made. You decide that you can't pay more than \$275,000 and then only if the seller agrees to make some of the repairs as part of the deal. You will offer \$268,000 to start; you would be pleased if you could buy the house for \$270,000. If nothing else, you haven't sold your house yet, and can continue living there until you find a better deal.

Your opening offer in the above scenario is _____.

1. \$300,000
2. \$275,000
3. \$270,000
4. \$268,000

Feedback: Correct! The opening offer is the first deal you offer the other party. In this scenario, it was \$268,000.

PROTOTYPE MODULE ASSESSMENTS

LO2: Identify roles of each component in a complete negotiation plan.

Sample Quiz Question

The bargaining mix in a negotiation is ____.

1. The value between the two party's resistance points.
2. The confusion resulting from poor planning.
3. A collection of negotiable points.
4. What happens when neither party gets what they want.

Feedback:

1. Incorrect. The value between two party's resistance points is the Bargaining range, not the bargaining mix.
2. Incorrect. You did not identify the correct role of a bargaining mix in a negotiation.
3. Correct! The bargaining mix is the collection of negotiable points that could add or detract value from the final agreement.
4. Incorrect. You did not identify the correct role of a bargaining mix in a negotiation.

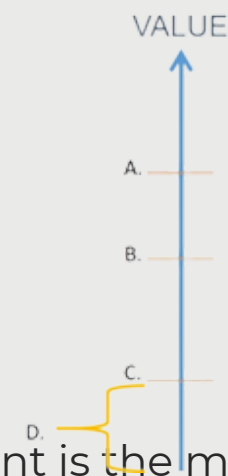
PROTOTYPE MODULE ASSESSMENTS

LO3: Identify relationships between different components in a complete negotiation plan

Sample Quiz Question

The illustration below was used in the lecture to show the relationship between various components of a negotiation plan in terms of the value you hope to gain from a negotiation agreement. Match the items labelled A, B, C, and D in the illustration with the components in a negotiation plan.

- Resistance Point
- Target Deal
- Bargaining Mix
- Bargaining Range
- Opening Offer
- BATNA



Feedback: The Resistance point is the minimum value that you will accept in the negotiation – the point at which you will no longer negotiate because you require more value than is being offered (C). If you can't get minimum value from the negotiation, then you will walk away and use your BATNA (D). The Target Deal represents the value you aim to gain from the negotiation (B), and the Opening Offer is the value you first present to the other party (A).

PROTOTYPE MODULE ASSESSMENTS

LO2: Identify roles of each component in a complete negotiation plan.

LO4: Identify the BATNA, target, opening offer, resistance point, and bargaining mix in a negotiation.

LO5: Evaluate planning made for past negotiation situations, postulating where inclusion or exclusion of plan components affected the negotiation and its outcome.

Sample Discussion Question

Describe a business negotiation in which you were involved in the recent past, identifying the BATNA, resistance point, target deal, and opening offer used, and listing any items in the bargaining mix. Discuss ways in which planning (or lack of planning) affected the negotiation and its outcome. Given what you have learned in this section, is there anything you would change in your preparation for similar, future negotiations?

PROTOTYPE MODULE ASSESSMENTS

Scoring Rubric 1 for Sample Discussion Question

Criteria	Score		Comments	Total Score
	1	0		
Identify BATNA	Accurately and appropriately identified relevant concepts/components.	No identification made or attempted.		/1
Identify Resistance point	Accurately and appropriately identified relevant concepts/component.	No identification made or attempted.		/1
Identify target deal	Accurately and appropriately identified relevant concepts/components.	No identification made or attempted.		/1
Identify opening offer	Accurately and appropriately identified relevant concepts/components.	No identification made or attempted.		/1

PROTOTYPE MODULE ASSESSMENTS

Scoring Rubric 2 for Sample Discussion Question

Criteria	Score			Comments	Total Score
	2	1	0		
List items in bargaining mix	Comprehensive, well-thought out list given; clear grasp of concepts.	Incomplete, vague or confusing list; questionable grasp of concepts.	No list identified or attempted.		/2
Discuss how planning affected negotiation and outcome	Comprehensive, well-thought out analysis covering all components; clear evidence provided.	Incomplete, vague or confusing analysis; lacks evidence on most or all components.	No analysis conducted or attempted.		/2
Suggestions for planning improvements	Detailed, plausible suggestions based on a comprehensive, well-thought out evaluation and clear evidence.	Incomplete, vague, or confusing suggestions with little or no evaluation or evidence provided.	No suggestions or evaluation attempted.		/2