

The classic negotiation exercise that is as realistic as they come! In this exercise, buyers and sellers are not autonomous - they must report back to senior management and the goal posts keep changing!

The aim of the exercise is to practise some negotiation skills and achieve a win-win outcome.

Key skills:

- Sales negotiation
- Account management
- Sales process
- Handling objections



Summary

Based on real life events, this activity incorporates negotiations between buyers and sellers but also the internal negotiations with their respective directors.

Scenario

3D is a negotiation between two mythical companies, **Pearson & Lea Retail Stores** and **Global Computers**. Pearson & Lea is a retail chain not unlike Marks & Spencer plc, selling food, clothes and fashion goods. The group has 1509 existing stores throughout the country and although hit by a recession they survived, albeit with some concern about current profitability.

As a company they have been slow to take advantage of Information Technology (IT) but with the appointment of a new Chief Executive they have begun to rectify this. Last year the company installed some new computerised tills - known as EPOS (Electronic Point of Sale) terminals into their existing stores. They did this cautiously not buying too many at a time and therefore not making the most of the bulk discounts available. Now they are involved in a major expansion and need more tills.

Global Computers has completed the first stage of their sales of EPOS to Pearson & Lea Retail though they have been frustrated by Pearson's caution. They now have an opportunity for some good deals but if they push too hard they could lose the contract altogether. Pearson feel under pressure but if they can realise their strong position they can do a really good deal.

Negotiations take place over five rounds with Buying and Selling teams meeting up with their respective Directors between rounds. This allows the negotiation meeting to be reviewed, any new information issued and plans made for the next negotiation period.

What to do

- 1 Divide participants into Buyers and Sellers.
- 2 Appoint Sales Directors and Buying Directors for each group and set the groups apart.
- 3 Issue all Briefs and allow time for study. Teams need 15-20 minutes to establish their initial goals.
- 4 Round 1 negotiation takes place with buyers and sellers meeting for the first time. Directors get further information which cannot be transmitted to their teams until the end of the round.
- 5 Buyers and sellers meet with their respective Directors and get the latest information and developments.
- 6 Round 2 takes place while Directors receive more news which will affect the negotiation (new production schedules, competitor activity, new products)
- 7 After the five rounds teams are given a Contract to sign. Have they reached agreement?
- 8 Conduct the debrief analysing what happened and what strategies worked and which did not.

Users' Comments

"Negotiation is a bit of a game! Things change, and you need to plan your response. Open communication is the other real key, along with aiming for a mutually beneficial outcome."

"Very realistic, active and thought provoking. Easy to get delegates into role (they don't notice!) People keep falling flat on their faces over promising before new information arrives!"

Timing: This business game runs for 4 hours + debrief.

Numbers: 12 to 24 participants (in two or four teams) for each business game.

Who: Staff at any level.

PC required: None.

Licence Free: When you buy this training material, there are no restrictions on the number of times you can use it.

Cost to buy: You can buy this business game (including a trainer's manual and use it yourself for £395 + VAT (if applicable) and delivery.

We will also run this game for you, please contact us for details.

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