Lean Negotiation

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Today

- Welcome
- A Quick Bio/A Quick Company Profile
- A Big Question
- Why Lean Negotiation is a Great Way to Make all Negotiations Better, Faster and/or More Cost-Effective
- How to Start Now!

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Welcome

Notice How Lean that Was!

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Terra Vanzant Stern, PhD – Lean Version

- Most Recent Book: Lean and Agile Project Management
- Former Chair of ASQ Lean Enterprise Division (LED)
- Executive Director of the Rocky Mountain Quality Conference
- Chair – North America – Lean 6 Society
- Credentials
- Principal of SSD Global Solutions

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Two Quick Things About What We Do (Because We are Lean)

and One Thing I’m Really Proud of About our Company.

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SSD Global Solutions, Inc.

- First, We Support our Accelerated Training Product called Leaner Six Sigma (LrSS©) or Simply Leaner
  - Quicker Certification for Students Seeking a that Path
  - Faster Application of the Methodology that Shows a Student How to Create and Document their ROI Statement
  - Easier Way to Embrace and Use the Concepts in Business as well as Personal Life

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- Second, We Recently Introduced a New Product: Lean and Agile Project Management
  - Which Offers a Faster Alternative to Project Management Certification
  - Or, Simply Helps Project Managers Make All Projects Better, Faster or More Cost Effective

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Most Proud

Full Scholarships to US Disabled Veterans Who Participate in Our Program

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BEFORE I ASK YOU THE REALLY BIG QUESTION

- My Revelation About Truth and Ethics
- My Original Desire to Become a Good Negotiator
- And How Things Miserably Back Fired

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The Big Question

Why Do Think Negotiations Fail?

We Only Have Time to Cover Four

- People Don’t Understand or Fear What We are Promoting (Product, Idea, Issue)
- We Don’t Understand Why They Don’t Understand How Awesome Our Product or Idea Truly Is (Aren’t They Listening)?
- Everyone Wants to Win or at Least Save Face
- Emotional Attachment on Either or Both Sides of the Issue

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But Clearly

Determining What the Push Back Might Be is Key to Forming a Negotiation Strategy

SWOT Analysis

- **Strengths**
- **Weakness**
- Opportunities
- Threats

SWOT Analysis - DISC

- **Strengths**
- **Weakness**
- Opportunities
- Threats

But in this Session I Wanted to Concentrate on Some Specifics

And Suggest Some Lean Tools You Can Use Immediately

So Our Tool Discussion Will Focus On

- How to Deal with Fear or Lack of Understanding
- How to Better Present Our Own Message
- How to Engage in Creative Collaboration
- How to Defuse Emotion

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Referencing the DMAIC

- Some of You are Intimate with this Model
- Okay if You Don’t – We’ve Leaned it Out! So You’ll Get the Gist
- For this Presentation:
  - Define
  - Measure
  - Analyze
  - Improve
  - Control

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Don’t Understand and/or Fear

We Often Fear What We Don’t Understand

Tool: Voices

Voices (One Tool in Define)

- VOC
- VOE
- VOP
- VOB

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Why Don’t They Get How Awesome This Is

- We Can Become Convinced that What We Want is What They Should Want
- They Will Be Wowed By Us
- A Word About Genius
- Tools
  - SWOT
  - Voices
  - New Tool: The Snap Shot (Where We Are Today) - Leveling

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Creative Collaboration:

Everyone Wants to Win or at Least Save Face

- Not Just in Traditional Asian Cultures
- We All Want a Deal – I'm the Winner
- Tools
  - SWOT
  - Voices
  - The Snap Shot (Measure Phase of the DMAIC Model)
  - New Tool: Analyze the Situation
    - Impact (Increase or Minimize)
    - Synergies
    - Variations (restore order)
    - Root Cause Analysis
      - Fishbone (solve a problem that they don't even know they have)

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Another Quick Tool

Creative Collaboration

Multi-voting

Emotional Attachment

- Hugh Problem
  - SWOT
  - Voices
  - Snapshot (as well as other tools from MEASURE in the DMAIC Model)
  - Fishbone (as well as other tools from ANALYZE in the DMAIC Model)
  - New Tools: CTQs, SIPOC
- CTQs
- SIPOC

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SIPOC

- S
- I
- P
- O
- C

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SIPOC

- Suppliers
- Input
- Process
- Output
- Customer

SIPOC

SIPOC

- Suppliers
- Input
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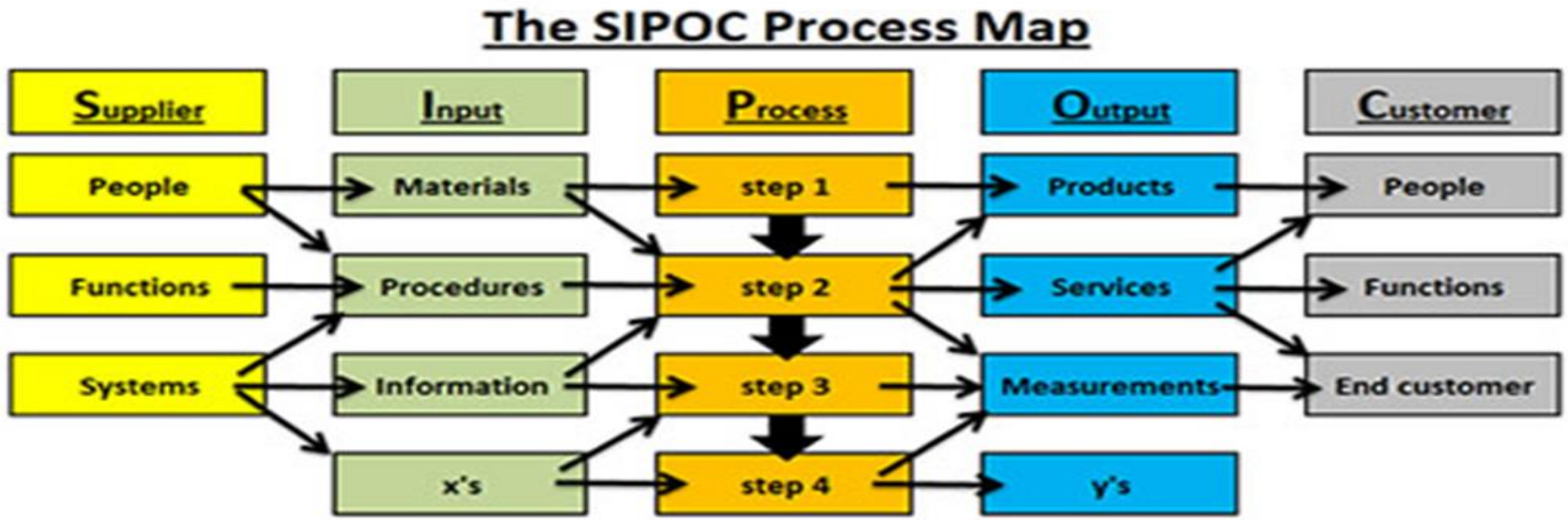

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Payroll Department

- Suppliers
- Input
- Process
- Output
- Customer

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City Council (Exercise)

- Suppliers
- Input
- Process
- Output
- Customer

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SIPOC Diagram Example

Suppliers	Inputs	Process (Billing Process Example)	Outputs	Customers
• ? • ? • ?	• Billing Department Staff • Customer Database • Shipping Info • Order Info	Start Step 1 → Step 2 → Step 3 → Step 4 → Step 5 → Step 6 → Step 7 → Step 8	• Delivered Invoice	• ? • ? • ?

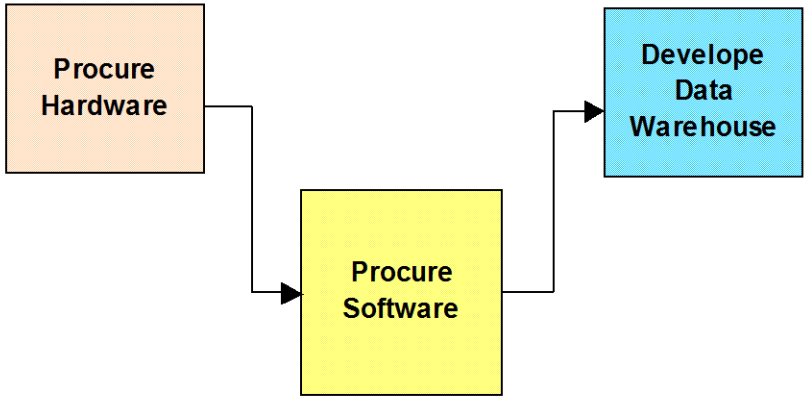
	Input Metrics	Process Metrics	Output Metrics	
• Staff Expertise • System Up-Time	• System Responsiveness • Accuracy of Order Info • Accuracy of Shipping Info • Accuracy of Database Info	• Rework Percentage at Each Step	• Invoice Accuracy	Quality
	• Time to Receive Order Info • Time to Receive Shipping Info	• Number of Process Steps • Time to Complete Invoice • Time to Deliver Invoice • Delay Time Between Steps	• Invoice Cycle Time	Cycle Time
	• Number of Billing Staff • Invoices Processed/Month and Variability	• Number of Process Steps	• Cost per Invoice	Cost

Matrix Comparison- SIPOC Diagrams

	SIPOC #1	SIPOC #2	SIPOC #3	SIPOC #4
Supplier	X	X	X	
Inputs	X	X	X	X
Processes As Text	X			X
Process Flow Charted		X	X	
Outputs	X	X	X	X
Customers	X	X	X	
Enablers		X	X	
Input Metrics			X	
Process Metrics			X	
Output Metrics			X	
Metrics by Type			X	
Multi Process Capable				X

Example: Process Map in Process

Suppliers	Input	Process	Output	Customers
		Process description:		
		Developing a Data Warehouse		
Project Manager	Flat Files		Data Warehouse	Senior Management
Vendors	Project Description		Data Extracts	Business Owners
IT Staff	RFP Goal		Data Cubes	Report Consumers
Source Systems	Requirements		Reports	Senior IT Management
Project Manager	Project Description		Infrastructure	IT Staff
Hardware Vendors	RFP Goal		Reporting Software	
Project Manager	Requirements			
Software Vendors				
IT Consultants				
Source Systems				
	Metrics	Metrics	Metrics	
	Time to Load	# of Steps	Data Integrity	
	Terabytes Loaded	# of Automated Steps	Report Usage	
	Cost Goals/Restraints	Time to Complete Process	Cost of Package	
	Time to Load	Time to Complete Process	Cost of Hardware	
	Terabytes Loaded	# of Steps	Cost of Maintenance	
			Cost of Packaged Software	
		# of Automated Steps		
		Time to Complete Process	Data Integrity	
			Report Usage	
			Cost of Package	
			Cost of Staff	



Information

- WWW.SSDGlobal.net
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- Access Today's Materials
  - Go to the Tab that Says Leaner
  - Go to the Bottom of the Public Workshop Page
    - Materials for Lean Negotiation Workshop

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