

## Expectations & Negotiation

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## Negotiation

You can't get what you don't ask for.

The client and the consultant have an exchange:

- The client gets something (statistical analysis?)
- The consultant gets something (money?)

Negotiation establishes the exchange, and we want a win-win scenario.

We will be following Ch. 6 of Derr (2000). Let's start with Video 5.

## Dr. Derr Negotiates

What did Dr. Derr negotiate?

Not many conclusions, but issues and boundaries were raised.

- Roles
- Communication
- Cost
- Confidentiality and ownership
- Time constraints

## You must negotiate

Consulting is an exchange, and participants will be unhappy if they don't like the terms.

You want a win-win scenario: both parties feel that they have received fair value.

You must negotiate the terms so that they are clear and acceptable to all.

## Negotiate what?

- What is your role?
- What are the roles of others?
- How will you communicate?
- What are the deliverables?
- What are the deadlines?
- How will you be compensated?
- What are acceptable statistical practices?
- Who has ownership rights?
- What are security and confidentiality considerations?
- When are you finished?

## Oops.

A physician at a medical center needs some analysis, and you're a statistician.  
You meet with a "go-between".  
Go-between doesn't really know what the doctor wants, and you have to guess.  
You wind up doing lots of unnecessary analysis, and may still not have answer the doctor's questions.  
You wind up billing only half the time you spent.

What didn't you negotiate?

## Oops, I did it again

You work in an academic consulting unit.  
A professor's experiment goes bad for no fault of his own; it cannot be repeated.  
You are asked to do some analysis to salvage the project.  
You write the analysis section of the manuscript.  
You hoped to be a co-author, but just wind up with hourly billing.

What didn't you negotiate?

## Not another one!

You are an independent consultant.  
You get a contract with the state to develop a forecasting method and implement it in software.  
Contract has a deadline and fixed price.  
Contract states that you may publish with permission of state.  
But ...  
State requires out of date computing language.  
Coding and debugging take much longer than expected.  
State refuses to give permission to publish.  
You work with them a few more times but eventually stop out of frustration.

What didn't you negotiate?

## Negotiating styles

### Low context

1. Start negotiating immediately.
2. Obtains meaning from discussion.
3. Will haggle over most issues, including important ones.
4. Speaks frankly and directly.
5. Will innovate; not tied to conventions.

Mis-match in style can be difficult!

### High context

1. Establish personal relationship first.
2. Draws from surroundings, non-verbal cues, hinted nuances.
3. Avoids haggling; states position and keeps to it.
4. Uses indirect communication; avoids offending or embarrassing others.
5. Follows conventions.

## Positions

OK, you know what needs to be settled, and you've figured out how to talk to the client.

What positions do you and the client have?

- What do you need?
- What do they need?
- How flexible are the positions?

Dr. Derr had to be involved in questionnaire design. Mr. Johnson had to maintain confidentiality. Some other items were negotiable.

## May not be negotiable if ...

The more people and levels of bureaucracy involved, the more difficult it is to negotiate and modify positions. (I'll have to ask my boss.)

The more people feel bound by convention, the harder it is to negotiate. (We've always done it that way.)

The more a position is defined by belief or principle, the harder it is to negotiate. (I won't use an inappropriate method even if it does provide significance.)

## Fair exchange

Consultants and clients exchange

Tangible benefits: fees, salary support, authorship, reports, analyses, designs, etc.

Intangible benefits: good will, opportunities to learn, promise of benefit in the future.

Win-win situation if all parties believe the sum of exchanges of benefits is fair. But ...

Everybody values things differently, and how do you trade tangible things for intangible things?

## It's not easy

Even tangible things, like my time for your money, can be tough.

It's very easy to underestimate how long a project will take, and you will probably wind up eating the overtime.

But how do you trade money for having to work with someone you find terribly annoying?

Or how do you count volunteering time to build good will with potential clients?

How much do they have to pay you to do the same things over and over again?

## Win-win

The game is afoot!

You know what you need to settle.

You know how to talk to the client.

You've discovered his or her position on items of interest and how flexible you and they are.

You've decided in your mind what a fair trade would be.

Now work through the items to find a place where everyone gains.

## Remember

- Negotiate the terms of your employment (involvement) early.
- It's OK to stand up for yourself.
- It's OK to stand up for ideas you believe are correct.
- It's OK to decline to work on a project.
- It's OK to invest in good will or volunteer work (but don't be a sucker, value the intangible realistically).
- Don't sell yourself or statistics short.

## Summary

- Negotiate early on
- Identify a style that works with client
- Identify positions and negotiable items
- Determine a fair exchange (for yourself)
- Work towards a win-win.