

# Putting it on the table

With commissioning comes the need for practice managers to ask for what they want – not to mention hold down good contract prices. Trainer ALISON MORRIS explains how you can up your negotiation game

Great idea or a recipe for disaster? Whatever your personal views about the picture emerging of GP commissioning, one thing is for sure – the spotlight is going to be on practices and their management more than ever before. Depending on your outlook, this may be a source of concern or be seen as an opportunity to steer a rewarding and successful path through the new landscape, for your practice and the patients it serves.

While there will be many priorities vying for attention, the even greater focus on budgets and cost means getting the best possible deal from providers and suppliers will be very high on the agenda. The pressure for some is already mounting. As a result, many primary care professionals are voicing concerns about the ability of their people – and in some cases themselves – to negotiate in a truly effective manner.

For some, the idea of engaging in such commercial activities is a very uncomfortable thought. However, the reality is, by learning to negotiate in a professional way that creates confidence to get the very best deal, you maximise the chance to bring major benefits to the people who are depending on you for a successful outcome.

There are opportunities at every stage of the negotiation process. Do you know what 'good' really looks like during the planning and preparation phases of a negotiation? Or when you reach the negotiating table itself? That's assuming there is a 'table' of course. Even greater challenges can emerge when the other party is intentionally or unintentionally kept at arm's length, with little chance of face-to-face meetings. Some may see this as a way to create a more transactional process which, if you are talking about a largely

commoditised market, may well be the most efficient and effective method for one or both parties.

However, applying similar tactics in more complex decisions rarely results in the best outcome. In addition, any attempt to exploit a perceived imbalance in power between parties is likely to be both short-sighted and flawed. The reality of the win/lose is often lose/lose.

There are many reasons for this, but usually it is because the 'losing' party is unwilling or, worse unable, to afford to provide the service the 'customer' wants, so neither party gets the outcome it truly desires. The buyer or purchaser may have achieved the best price at the point of negotiation, but whether they also secured the best value is much more open to question.

## CHANGING PURCHASING AND PROCUREMENT

The role of the procurement or purchasing professional is, of course, well-established in many parts of the NHS and, as the forthcoming changes unfold, some practices and GP commissioning groups will make best use of existing expertise available. Others will see an opportunity or need to bring in new personalities and build capability in new ways, developing the skills of their own key individuals where required.

Whoever takes on the role for building agreements with providers, it is essential they are able to apply commercial skills and practices appropriate to the culture and expectations of the NHS and wider public.

Part of this is giving suppliers the opportunity and information to really understand the needs of the practices within the commissioning group as early in the process as possible. This is essential to ensure the solution offered is appropriate and provides best value.



The more each potential provider understands about the issues facing the key participants in the decision, the stronger and more relevant the proposed solutions should be in meeting the requirement.

This is particularly evident in the area of supporting services or 'added value'. In many cases, the core offering may be very similar – and therefore encourage a focus on price alone. Yet the range of associated services available from an individual provider or supplier may well add exceptional value in meeting the commissioning goals and so tip the balance in favour of which solution to choose.

Such an opportunity may be missed if a rigid or remote purchasing process does not enable the provider to highlight such attributes – or if they fail to 'sell' them effectively – and the customer remains unaware of their existence.

### FACE-TO-FACE SKILLS

As a result, whether purchaser or provider, the key to successful negotiation is to understand how to plan to achieve a win/win outcome. This can be done by creating an environment in which both parties understand fully what is on offer and the constraints within which they have to operate.

How they use that planning, together with their own behavioural skill in the face-to-face meetings, will then dictate the level of success achieved.

A 'skilled negotiator success model' highlights the attitudes, processes and behaviours of the exceptional negotiator. These include:

- **Strategic objectives:** this places greater emphasis on the medium- and long-term, considers the

implications of alternatives and takes an 'in their shoes' approach to anticipating the other's position

- **Power:** a systematic approach to managing the power balance before and during negotiations
- **Preparation and planning:** exploration of a wide range of possible trades and linkages and, importantly, how they are to be negotiated
- **Face-to-face skills:** a surprisingly consultative style, based on understanding needs, maintaining clarity and building trust, while dealing firmly with aggressive or unreasonable behaviour by the other side.

There are a number of common myths about what makes a successful negotiator. For example, the conditional 'if you do this, I'll do that' form of trading is only one part of a much more complex set of skills.

Skilled negotiators are good listeners and ask twice as many questions as the average negotiator. And, contrary to popular belief, they are not 'poker-faced', but talk much more about their feelings or emotions, encouraging openness and creating a climate of trust.

Skilled negotiators avoid argument dilution. Our culture has taught us to present as many arguments as possible to support our case: not surprisingly, this is precisely what average people do in negotiation. The key to success is to use one strong argument. Only if it is undermined should a negotiator introduce a second reason to support their position.

One thing is clear: in this newly-emerging environment in which the relationship between purchaser and provider will continue to evolve, professional negotiating skills are essential to achieve the desired goals on both sides of the table. ■



Above | Alison Morris, business director at Huthwaite International