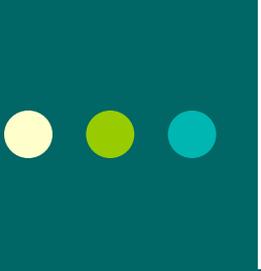




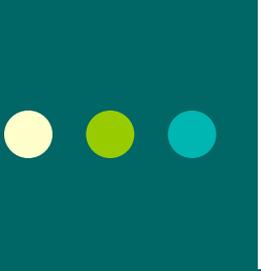
Building Leadership for Health

Leading Negotiations for Health



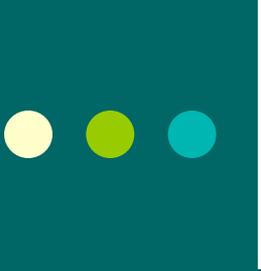
Notes for Course Leaders

- This is a toolkit for you to develop your own course
- The slides are intended as a basis for discussion
- Negotiating skills are needed by all leaders
 - You will find examples of negotiation in different modules of BLFH including the module on Leading People in Health
- You need to think of examples of negotiation in your health system and seek examples of good practice
- As background reading we suggest you read
 - “Getting to Yes: Negotiating Agreement without Giving In” by Roger Fisher, William L Ury, Bruce Patton - Business & Economics – 1992



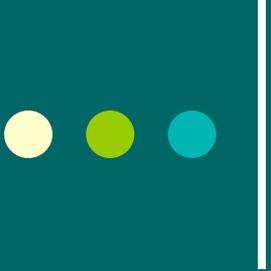
Leading Negotiations for Health: Agenda

- Introduction and Learning Objectives 30 minutes
- Negotiation for Health discussion 60 minutes
- Coffee 15 minutes
- Case study - 30 minutes
- Lunch 45 minutes
- Case study continues – 45 minutes
- Feedback from case study – 30 minutes
- Leading negotiations for health discussion -30 minutes
- Coffee 15 minutes
- Reflections learning logs and feedback– 30 minutes



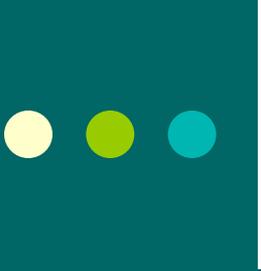
Introductions and Learning Objectives

- Introduce yourselves and describe
- Negotiating situations you have experienced
- Either in work or in your private life
- The group learning objective is to
 - Develop a shared understanding of negotiation and how to lead it to improve health
- What do you hope to learn from this day?



Negotiating for Health

- Different types of negotiating situations include:
 - Insurer /provider agreement on service and quality
 - Contracting out services e.g. laboratory
 - Agreement on activity and budget for PH agency
 - Compliance with PH regulations e.g.
 - Agreement with food producers on salt levels.
 - Partnership agreements with community groups.
 - Agreeing changes in working practice.
- List other sorts of negotiation for health



Characteristics of Negotiations in Health

- Health negotiations are different because
 - Often negotiators share common goals/ values
 - Often part of long term relationships
 - Often bound by contracting regulations
 - Open to public scrutiny must be seen to be fair
- Health negotiations require
 - Assertiveness in insisting on goals and values
 - Cooperation with those who share them

Styles of Negotiation

Assertive

Competing

Collaborating

Compromising

Avoiding

Accommodating

Unassertive

Uncooperative

Cooperative

What is your natural negotiating style?

Does this change with the type of negotiation?

Assertiveness in Negotiations

- Be clear about what you require and
- Say what you mean.
- Stick to your agenda.
- Do not be bullied or overawed.
- Avoid aggression to others.
- Keep lines of communication open.
- A member of your group talks too much in meetings not letting others get a word in.
- Role play how you would deal with this.
- For further reading try

http://hcd2.bupa.co.uk/fact_sheets/html/improving_assertiveness.html



Conflict or Cooperation



- When negotiating conflicting positions
 - Focus on the situation not personalities
 - Be friendly on a personal level, but
 - Keep work and social friendship separate
- When possible agree principles on which to base negotiation
 - Seek creative solutions that offer win/win
 - Cooperation is easier when you are clear about goals and values.
 - Cooperation can be given, trust must be earned

Stages of Negotiation

- You need to think through the whole process
 - Preparation
 - Exploration
 - Bargaining
 - Positions
 - Principles
 - Closing the deal
 - Making it stick
- First consider your approach and strategy



Preparation



- Understand your objectives
 - What are your basic goals and values
 - Who is on your side, can you form a coalition
 - Optimal outcomes and walk away limits
 - What are your alternatives
- Understand the other parties objectives
 - Basic goals and values and their underlying interests
 - What power and legitimacy do they have
 - What will they want to achieve what are their alternatives
- Research the position and identify issues to explore
- Keep it real: clarify your practical alternatives
- Establish a realistic but clear timescale for negotiation

Exploration and Exchange



- Issues you wish to find out from others
 - Do you share basic goals and values
 - Are you speaking in the same terms (conditions)
 - What is of particular value to others
 - What can each side offer to the solution
- Evidence all sides can accept
- Issues you are prepared to share
- Exploration can set up
 - Bargaining on Positions with Offer/Counter or
 - Bargaining based on Principles for Creative solutions

Bargaining on Positions

Proposing / Counter Proposing

- En garde: try to get others to open
 - Lunge – bold first offer to close out negotiation
 - Feint - sounds like an offer but it is not
- Riposte
 - Dodge - counter offer ignores opening
 - Parry – deliberately misinterprets opening
- Cut and thrust
 - Start with larger movements
 - End with smaller ones



Beware of the Bull: Scams and Tips



- We never negotiate!
 - Why are they here?
- This is our final offer
 - At this stage
- ½ our usual price!
 - Oldest trick in the book
- Getting angry
 - Don't respond
- Loss leaders
 - Lead to losses
- Keep your options open
 - It isn't agreed till its signed
- Don't get squeezed for time
 - Agree a schedule
- Give and take
 - But wait for them to give
- Ask "What if?"
 - Explore and invent
- Know when to walk away
 - This is always an option

Bargaining with Principles

Creating Options for Win/Win

- Emphasise shared goals and values
- Agree principles on which to negotiate
- Focus on joint problem solving
- Search for innovative solutions
- Set up a partnership agreement
- Focus on what is fair but
- Protect your interests



Closing the Deal

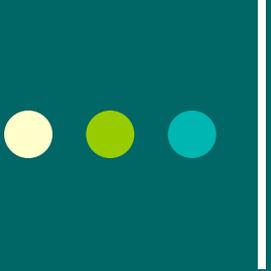


- Recognise when the time is right
- And close the deal
- Recapitulate to confirm the agreement
 - Beware last minute reinterpretations
- Tie up the details in a written statement
- Celebrate success for all parties involved
- Present this as agreement on principles

● ● ● | Making it Stick

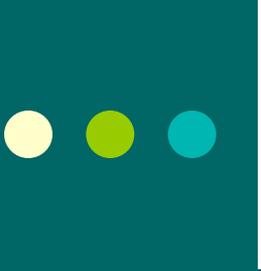
- Clear legal basis for contract
- Procedures for monitoring
- Good communications at every stage
- Open process for resolving problems
- Clarity when agreement breaks down
- You don't just negotiate a contract
- Negotiation is part of contract operations





Case Study in Health Negotiation

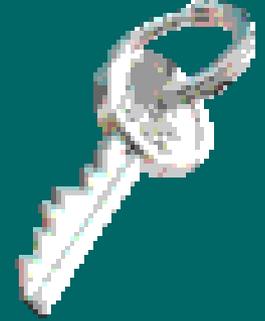
- Two negotiating teams of three people
- Plus two independent observers
- You will be given separate negotiating briefs
- Each contain information on position and principles
- You can share information but do not show your brief
- You have one hour to
 - Prepare your positions
 - Negotiate
 - Document your outcome – on a flip chart



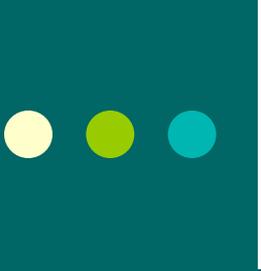
Negotiation for Health Case Study Contracting out PH Laboratories

- Zim Regional Public Health Authority is seeking to contract out its laboratory services to
- Zim University Hospital- who won the contract
- Last minute changes to the specification cause problems.
 - Changes to the test volumes and hence costs
 - Changes to the timing of delivery of samples
- A meeting is called to try to negotiate a solution

Key Case Study Tips



- Make sure you understand the problem
 - This requires information from all your team
 - And information from the other side
- Explore opportunities to solve the problem
 - Before you negotiate details
 - Can you find a win – win solution for health?
- Negotiating is about listening and responding



Negotiation Case study: notes for course leaders

- Briefing notes give different bits of information to participants
- They need to share information to prepare for negotiation
- In order to establish principles for negotiation
- There is also lots of information about positional power
- There is also information which is unhelpful
- They should decide the timetable – i.e. how much time to prepare, explore and to negotiate – this will be crucial
- Negotiating briefs can be found here
 - Zim PH - [Director](#), [Finance](#), [Laboratory](#),
 - Zim University Hospital – [Director](#), [Laboratory](#), [Finance](#)
 - [Observers](#) (all the above plus observer briefs)

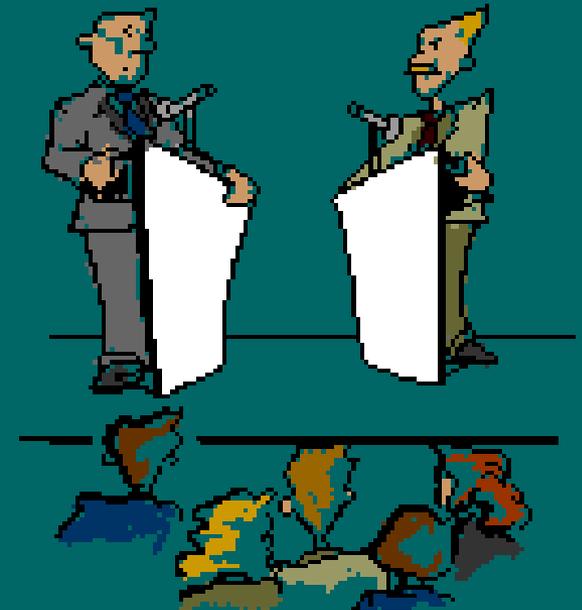
Negotiation Exercise: Feedback

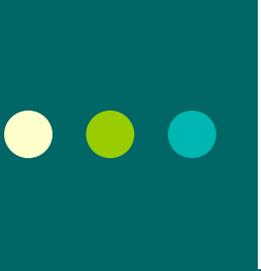
○ Negotiators

- Present the agreement
- How did you feel this went?
- Did you feel you won or lost?

○ Observers

- How did the process go?
- Did they use all the information?
- Did they use positional power or principles?
- Was this a good agreement for health?





Leading Negotiations for Health Position or Principle?

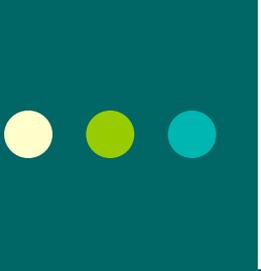
- “Getting to Yes”* suggests that principles are always a better basis for negotiation than position.
- But many other books and courses train private sector managers in using positional power.
- What guidance would you give as a health leader on approaches to negotiation for health?
- How would you ensure guidance was followed?
 - “Getting to Yes: Negotiating Agreement without Giving In” by Roger Fisher, William L Ury, Bruce Patton - Business & Economics - 1992

● ● ● | Reflections and Feedback

- Please discuss and write down
 - What you have learnt that you found helpful
 - What you will do differently as a result of today
 - What you will improve when you give this course



● Thank you



Module contributed by Graham Lister

- As the health partner of the largest consulting group in the UK I was constantly engaged in contract negotiations.
- My team advised on contracting out NHS services, prepared specifications and trained NHS staff in negotiation.
- We helped design the contracting system between NHS purchasers and providers and ran training programmes.
- We were also engaged in some of the first Public - Private Finance deals in the NHS and provided training to both.
- As board member of a UK health agency we negotiated Public Service Agreements (targets and budgets).
- I have been involved in contracting out laboratory services both in the UK and in other countries, the case study is a fictional version of real experience.