

EXECUTIVE SKILLS

Consider All of the Players in Healthcare Negotiation

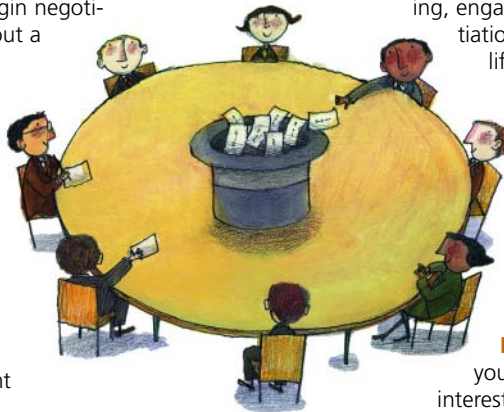
As a healthcare executive, you know that healthcare negotiation is more than provider and payor battling over costs, coverage, and reimbursement rates. Negotiations involve simultaneous discussions between numerous stakeholders. Even players not physically present at the negotiating table—including employers, employees, and pharmaceutical companies—can influence the credibility, leverage, and outcome of your negotiations. Use the following strategies from management consulting firm CFAR to ensure that you take all of the players into account:

Prepare early and often. The time to begin negotiating is not at the table. Don't go in without a good grasp of the entire picture. To gain additional perspectives and get buy-in on issues, hold meetings with key stakeholders ahead of time.

Think in three dimensions. Complex negotiations have multiple players and multiple dynamics. Don't be short-sighted by thinking in two dimensions—in other words, considering only the interests of one player against another. Look beyond the table and think about the issues and perspectives of absent stakeholders.

Take an outside-in perspective. Some solutions look great on paper but won't work in the real world. Don't negotiate in a vacuum. Consider how your agreement will be received by stakeholders on the street such as community members, journalists, and regulators.

Play your part—and others. It is often easier to understand issues in action rather than in theory. To increase your understand-



ing, engage in "negotiation theater." Hold mock negotiations with colleagues to make issues come to life and get a better insight into the perspectives of all negotiation players.

Build relationships away from the table. Strategic alliances and third-party affirmation can help at the negotiating table. To gain leverage and reach desired outcomes, cultivate relationships with other stakeholders outside of the negotiation context.

Package issues. Line-item negotiating causes you to think only about your side's particular interests. Instead of isolating issues, negotiate packages of issues, trading off concessions on one for gains on another. This strategy creates flexibility and produces mutually beneficial scenarios.

Look at the long term. If one person "wins" in a negotiation, there must be a loser as well—an outcome that fosters animosity. In this case, the invisible player at the negotiating table is your future working relationship with other players. Set the stage for ongoing success by creating situations where multiple parties benefit.

Source: Mario Moussa, principal, and Jennifer Tomasik, associate, CFAR—Center for Applied Research, Philadelphia and Cambridge, MA; (215) 320-3200; (617) 576-1166; info@cfar.com; www.cfar.com.

5. Right Supervision and Evaluation

Describe an optimal outcome or output, and identify the measurements you will use to determine if the delegated task was completed successfully. Since you need assurance that the task is on track, ask the employee to give you updates according to an agreed-upon schedule. Finally, determine in advance how you will thank and reward the staff person for successfully completing the delegated task.

Source: Marie Jay Maningo-Salinas, R.N., director, Blood and Marrow Transplant, Northside Hospital, Atlanta; (404) 816-7813; jmsalinas@comcast.net.

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