



# Negotiating the network

L&D sits in the centre of a network of interests and good negotiation skills are needed for success, says **Simon Horton**

**T**hese are not easy times for the L&D world. There is less budget than ever, which means those interventions that do take place are less likely to be successful. And this, in turn, lowers the credibility of the department, which is never especially high in the first place, further. A vicious circle ensues.

The key to resolving this is for L&D to realise that it operates within a complex network, that

it must manage this network in a collaborative and mutually beneficial manner, and that good negotiation skills will make it work effectively.

## The centre of the network

L&D does not work in isolation. It sits at the centre of a complex web of business departments and change agents, internal or external, and it is charged with making this web work effectively.

Each department, each team, is a node on this network and the L&D function needs to work



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with them to understand their business goals and what skills they need to be able to achieve them in the best way. Half of the L&D equation is understanding exactly how a measured increase in a particular skill will translate to bottom-line financial terms.

The other half of the equation derives from the other side of the web – all of those trainers, coaches or other change agents that can help improve those skills. How will a pound spent in any particular way have the greatest impact on the skill (and therefore the business goals)?

Sitting in the middle of all this, solving, co-ordinating, driving and optimising, is the L&D team.

### Win-win collaboration is essential

Like any self-assembling group, it will only be successful if the needs of all the parties are met.

If the different departments do not notice any benefit from working with L&D, it is bye-bye L&D. As a function, it only exists to help the business achieve its goals more effectively. If this isn't happening, it doesn't have a place. (Of course, the corollary is true as well: if it can demonstrably show its impact on the business objectives, as a department it will flourish.)

But similarly, on the other side of the web: if the change agent doesn't think it's worthwhile for him to stay, he will simply go elsewhere. Or he will put his juniors on the job, or he will cut corners, or he will find some way to even things up. He needs to be incentivised.

And the great challenge is, of course, that often the different interests of all these nodes on this very complex web are mutually exclusive.

### Good negotiation skills save the day

Or at least they are *apparently* mutually exclusive. And isn't that exactly what negotiators do – find



sustainable solutions to complex problems of conflicting interests? It is the art of the deal. Build the arrangement in such a way that all parties are incentivised and the deal will go through. There is always a solution; we just need to enrol people.

The good negotiator, through creative problem-solving, commercial nous and effective communication, finds a way for all parties to achieve their win. The win for the change agent results in a win for the business and, therefore, a win for L&D. Everyone is happy.

And happiest of everyone, smiling in the centre of it all, is our successful L&D team.

### **The art of the deal**

So the L&D function needs to see itself differently, as the co-ordinator of a complex network of interests. It can make this web work but, to do so, it needs the skills of the dealmaker. And if it can do this, everyone will win, most of all L&D.

So what exactly is the art of the deal? How do the likes of Richard Branson, Donald Trump and Henry Kravis persuade so many parties to join



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them in their ventures? There is actually a technique.

Let us say you are trying to build a new skyscraper in the centre of a large city. You will have to persuade many people that it is a good thing, most of whom are against it or, at best, impartial. You will have to persuade a whole raft of financiers that they will see a return on their money. You will have to persuade local (and maybe even national) governments to give permission and lift various regulations and bylaws to allow it. You will have to persuade the local communities that all the disruption will be a good thing in the long run. You will have to persuade contractors to build it at a commercially-viable price and tenants to, eventually, occupy it. That can be pretty complicated, to say the least.

But there is a technique and that is to work backwards.

You start with the end in mind: what is your ultimate objective? And then you ask the question *who is the key person we have to get on board to achieve it?* And then, thirdly, you ask *what do we have to do to get them on board?*

Now, whatever the answers to these questions, you can't always deliver them yourself so you will have to enrol another party so, again, you ask the questions *who do we need to get on board to deliver this?* and *what do we need to do to get them on board?*

You can see this is an iterative process and you keep working backwards until you have a coherent strategy to build the skyscraper, push through the merger or transform your business.

### **L&D as dealmaker**

So how does this work with the L&D function? Well, let's go through the process.

What is your end goal? It has to be help the business achieve its stated aims so the very first thing to do is to make sure you have a good idea of what they are. In particular, the goal is to help the business achieve its stated aims by increasing the workforce's skills and knowledge through a successful suite of interventions of training, coaching or otherwise.



To get this programme through, and we haven't yet defined the specifics of it, who do you need to get on board? That, of course, will vary for each business and you will need to have a good understanding of your organisational politics. But, for argument's sake, let us say it is the finance director; after all he holds the wallet and will be the one to dole out any money required. More objectively, he should be the arbiter of where resources go to best help achieve the business aims and you want to persuade him that some of those resources should go to you.

The next question is about exactly that: how do we persuade him? Persuasion always has two dimensions – the logical and the personal – and we will focus on the latter. We will put aside the trips to Vegas and stories about what happened in Vegas and, instead, focus on how to build your case. That said, ignore the personal element of persuasion at your peril.

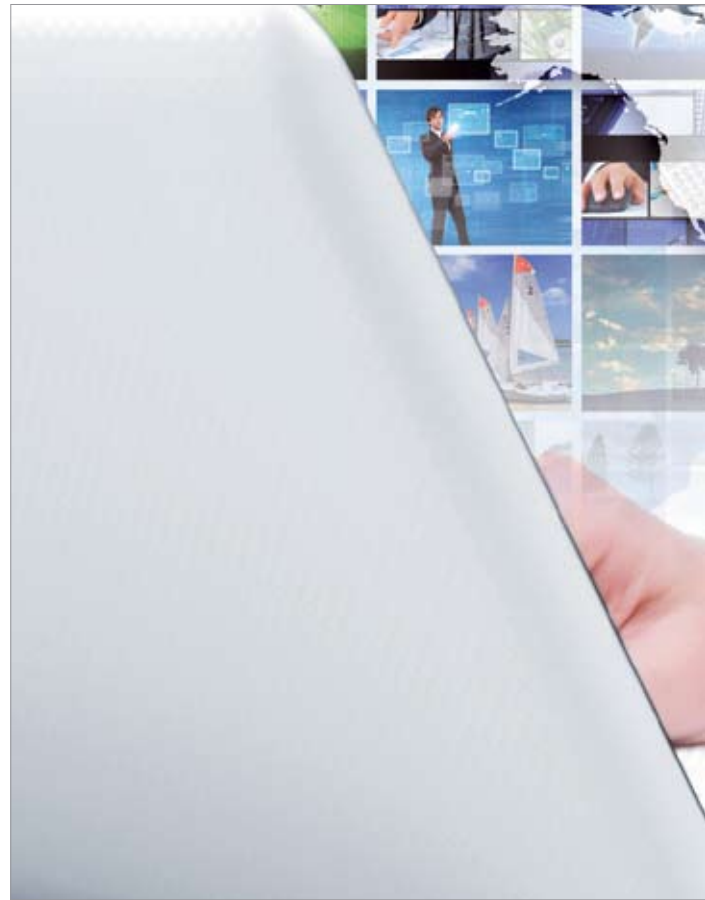
To get your FD on board, you need to sit down with him and work with him to build a model of how all the various activities in the business work towards achieving the business goals – a model that has metrics. The FD should have a good grasp of this and he probably despairs of everyone else in the company who 'just doesn't get it' so, if you do work with him to 'get it', your credibility score will be boosted right away.

With him, you identify, as specifically as possible, where the best interventions would be targeted and what measures would show a successful return. Then you agree a *conditional* deal that, if you can deliver an improvement on this measure, he gives you the funding for the project. Note that you are not asking for a training budget. This is a very important point. L&D is frequently viewed with scepticism and training programmes are considered a waste of time, but nobody can argue with an improvement in a critical KPI.

Of course, I have simplified the process. In this collaborative network, you will probably work with all departments in this way. To identify the critical KPI, you will probably sit down with the heads

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of various departments too. You will sit alongside the teams as they work. You will really get to understand their pain. As with any sales, if you want to get buy-in, you have to help them with that pain. Selling them a training programme is not going to work, solving their problems will.

### **Keep working backwards**

So now we have one part of the deal in place but conditionally. It will go through *if* we can show improvement in the specific business measures identified. The next question, following our dealmaker technique, is *who do we need to get on board to deliver this?* And the answer will be on the side of the change agents.

On this side of the deal, it is important to get the best value you can. Crucially, this does not mean going for the cheapest. If you go for cheap, you will get low-quality returns. L&D departments, by and large, have made a big mistake in recent times: reduced budgets have led to lower-quality interventions with poor results. Sadly, these poor results reinforce the low esteem in which the business holds L&D and lead, in turn, to still lower budgets.



Fortunately, this can be turned around. Some budget, no matter how small, if applied correctly, with a demonstrable successful result, will lead to a higher respect for the department and, therefore, higher budget next time. So it is important here to work with your provider to focus on achieving the greatest increase on the identified business measure with the resources you have.

You are not buying a training programme; you are collaborating to achieve a measurable business objective. In this respect, you are not an L&D employee; you are part of the ops team, or the sales team, or whichever department you are working with.

The training provider is part of that team too. They need to sit with the FD, they need to sit with the heads of departments, they need to sit with the teams. They need to understand the pain and the business-critical KPI so that they can identify which behaviours will best lead to an increase in those KPIs. Because they need to furnish a strong-enough argument that they can deliver that increase. If you remember, the deal with the FD was conditional and this is exactly

that condition. The FD needs to be convinced and it takes a water-tight business case built on understanding and measurements to do this. Then, and only then, is the deal nailed in place.

### **L&D centre-stage**

And let us say the deal is struck. This is not the end of the collaboration. FD, heads of departments, teams, providers all have to continue working together along the whole journey to make sure the intervention is best designed, the learning is transferred most effectively, the improvement in KPI measured accurately, the correct conclusions drawn and the best next-steps plan devised.

In this way, the whole network works together seamlessly to achieve the business objective, with L&D at the centre of the web, continuously co-ordinating the deal and creating new deals, negotiating to create value for all parties.

The win for the business, delivered by change agents achieving their win, becomes a win for the L&D department as it now moves centre-stage and is recognised as the core strategic business function that it has always meant to be. **TJ**

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