

Roadmap to Successful Contract Negotiations for Finance, HCM, Student and Implementation

Major journeys require careful planning and determination of your final destination before you even start. You map out key checkpoints to avoid common hazards along the road. The right information and sound advice can prepare your higher education institution to navigate through negotiations with less stress and a more optimal outcome.

Goals and Priorities

Before entering into formal negotiations, identify points of contacts for both parties, work backward from the desired target signature date to outline your plan, and prioritize your objectives. This ensures that all stakeholders understand the deliverables, key steps, and timelines—essentially everyone syncs up their GPS.

➡ TIP: Consider an objective outsider who can validate that your institution's requests and priorities are reasonable (e.g., no, you can't get a refund if you don't implement on time; or yes, you can expect certain concessions). If long-term costs are important, you will want to make pricing a priority.

1

PROCEED WITH CAUTION

Careful Conversations

Every conversation with a vendor provides them information. Vendors are experienced negotiators, who do it all the time. Institutions, which typically are not part of regular negotiations, should be mindful of each conversation and the information revealed to a vendor, who is always listening.

➡ TIP: Create talking points for those engaged in vendor discussions. This outlines a framework for what information should or should not be shared externally.

2

Contract Signatories

Determine who will sign the contracts on behalf of the institution. Early in the process, ensure their availability on the target signature date and clarify the acceptability of e-signatures and e-contracts. Such preparation can save days at the end of a negotiation process.

3

Institution Representatives

Prior to any negotiation, identify a representative from your institution to be present in all vendor discussions. Options include purchasing, internal legal, CXO, a hired negotiator, or a combination of people. This limits confusion and expedites discussions. Make it clear to internal stakeholders and vendors the responsibilities of each representative.

Revisit Priorities

Make sure all stakeholders are still on board with deliverables, key steps, and timelines.

4

STOP IF NEEDED

Document Preview




Ask the vendor to provide all legal documents and required paperwork well in advance so it can be reviewed and validated.

➡ TIP: Consider a third-party legal review.

5

Key Validations

Know what you're buying.

-  Validate that the vendor order documents, forms, and agreements match the anticipated product mix. Is everything included?
-  Validate that the vendor used the right metrics to price the contract(s).
-  Validate that the statement of work on the contract documents includes implementing the products.

➡ TIP: Whoever is reviewing documents should expect to turn them around quickly.

PROCEED WITH CAUTION

Hidden Surprises

The unexpected will cause roadblocks and delays. The team should constantly be on the look-out for unforeseen issues and people from the institution—board members, trustees, or others—who may request a last-minute review of the documents or suggest a new deliverable.

EXIT TO A SUCCESSFUL NEGOTIATION