Assertive Negotiation for Librarians

Abbie Brown
Missouri Library Association
4 October 2012
Schedule of Events

- Introduction
- Defining our Terms
- Negotiation for the Librarian
- Group Activity / Break
- Negotiation in Practice
- Conclusion
- Q&A
Handouts

Available:

 On this website:

  * http://mulibraries.missouri.edu/Reference/Abbie/index.html
  * Shortened URL: http://bit.ly/PMmv1J

 Public Dropbox:

  * https://dl.dropbox.com/u/17575984/Negotiation%20Licensing.zip
  * Shortened URL: http://bit.ly/Ptf7dx

 Or contact me:

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Abbie Brown
brownab@missouri.edu

Librarian,
University of Missouri System, 2006- present
MLS, University of Maryland, 2005
LSO Responsibilities

Electronic Resource Management

MERLIN Consortium:

- UM- Columbia (MU)
- UM- Kansas City
- UM- St. Louis
- Missouri S&T
- Other Missouri academic libraries (more than 30 in total)
LSO Responsibilities

... as well as

- Individual campus subscriptions for
  - UM- St. Louis
  - Missouri S&T
My Responsibilities

- Individual e-resource purchases for UMSL and Missouri S&T from 2007 - 2011
- Consortial MERLIN deals from 2011 until now
- For each resource:
  - License agreements
  - Pricing contracts, bids, and billing
  - Communications between libraries and vendor
Assertive Negotiation

Or

How I Learned to Stop Worrying and Love Negotiation, thanks to Terry Austin
Terms We’re Using Today

- Electronic Resources
- Vendors
- Consortia/Consortium
- Assertiveness
- Negotiation
Term: Electronic Resource

A library resource, such as a journal, book, or database, available online.

eResources differ from other library materials due to:

- The complexity of the licensing agreements
- The need to set up access
- The confusion over pricing models
Term: Vendor

The organization that is selling the eResource.

Can vary widely in terms of

- Size of organization
- Number of products
- Size of product
- Type of organization
A group of libraries that has formed to leverage a better deal.

The vendor is saved time and money by having one license and one invoice.

They usually have the best deals, but that is not always the case.
Term: Assertiveness

A style of communication. The middle ground between Passive Communication and Aggressive Communication.

Assertive communicators:
- Respect boundaries
- Defend themselves
- Overcomes the fear of speaking his/her mind or trying to influence others
Assertiveness

Assertive people:

- Focus on the issue, not the person
- Know their rights
- Feel free to express feelings, thoughts, and desires
- Have control over their anger, but not repressing anger
- Willing to compromise and cooperate
Term: Negotiation

The deliberation that takes place between the parties touching a proposed agreement.

Positional bargaining:
- Soft negotiation
- Hard negotiation
- Principled negotiation
# Negotiation

<table>
<thead>
<tr>
<th>Soft negotiation</th>
<th>Hard negotiation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The goal is agreement</td>
<td>The goal is to win</td>
</tr>
<tr>
<td>Insist on agreement</td>
<td>Insist on your position</td>
</tr>
<tr>
<td>People are friends and everyone is trustworthy</td>
<td>People are adversaries and untrustworthy</td>
</tr>
<tr>
<td>Yield to pressure</td>
<td>Apply pressure</td>
</tr>
<tr>
<td>Accept one-sided losses to reach agreement</td>
<td>Demand one-sided gains as the price of agreement</td>
</tr>
</tbody>
</table>
Principled Negotiation:

- The goal is a wise outcome reached efficiently & amicably, rather than to win or agree
- Insist on using objective criteria, rather than insisting on winning or on agreement
- People are problem solvers, independent of trust
- Reason and be open to reason; yield to principle, not pressure
- Invent options for mutual gain
Assertive Negotiation

It’s about finding the middle ground:

- Speaking up and expressing feelings, thoughts, and (controlled) anger
- Respecting boundaries while defending yourself from aggression
- Willing to compromise and cooperate for mutual gain
- Reason and be open to reason
The Role of Negotiation

For me:

- With vendors and librarians
- On the phone and through email
- For new & renewing resources:
  - License agreements
  - Consortial deals
  - Pricing terms
- Throughout the year:
  - Technical support issues and usage statistics
  - Library decisions and committee decisions
Negotiation Problems

The Librarian & Vendor Relationship:
How does it go wrong?

We start to make comparisons or rely on characterizations in our working relationships. We start to see ourselves as victims, which does not balance well with our need to be assertive.
## Problem: Comparisons

<table>
<thead>
<tr>
<th>Librarian</th>
<th>VENDOR sales rep</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The stereotype:</strong></td>
<td><strong>The stereotype:</strong></td>
</tr>
<tr>
<td>• Quiet, dowdy, nerdy, indecisive</td>
<td>• Slick, loud, well-dressed</td>
</tr>
<tr>
<td>• An Easy Mark</td>
<td>• Tough</td>
</tr>
<tr>
<td>• Passive</td>
<td>• Aggressive</td>
</tr>
<tr>
<td>• A Soft Negotiator</td>
<td>• A Hard Negotiator</td>
</tr>
<tr>
<td>• Sees the sales rep as a wolf.</td>
<td>• Sees the librarian as an adversary in a game</td>
</tr>
<tr>
<td>• The goal is not to lose too badly.</td>
<td>• The goal is victory</td>
</tr>
<tr>
<td>• Makes too many concessions, yields to pressure, and avoids confrontation.</td>
<td>• Applies pressure, make demands, and digs in on positions</td>
</tr>
</tbody>
</table>
Problem: Comparisons

librarian

♀ Femininity
(Not just in terms of the gender of the person, but also the view of the profession itself)

- Assertive people may be judged as whiny or kvetching
- Socialized not to ask for things
- Sexism is still a problem (practiced by both men and women)

Vendor sales rep

♂ Masculinity
(Not just in terms of the gender of the person, but also the view of the profession itself)

- Assertiveness is power
- Assertiveness that borders on aggression is tolerated
## Problem: Comparisons

<table>
<thead>
<tr>
<th>library</th>
<th>Vendor organization</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The stereotype:</strong> Poor, pitiful, broke library</td>
<td><strong>The stereotype:</strong> Soulless corporate behemoth</td>
</tr>
<tr>
<td><strong>Real problems:</strong></td>
<td><strong>Real problems:</strong></td>
</tr>
<tr>
<td>☑ Easy to get worked up</td>
<td>☑ Elsevier/Research Works Act</td>
</tr>
<tr>
<td>☑ Relief to see mainstream press picking up the stories</td>
<td>☑ Book publishers refusing to sell ebooks to libraries</td>
</tr>
<tr>
<td>☑ Passion is needed</td>
<td>☑ American Chemical Society</td>
</tr>
<tr>
<td>☑ Solutions are required and must involve librarians</td>
<td>☑ The Dark Side!</td>
</tr>
</tbody>
</table>
Busting Stereotypes

❖ Librarians:
  • Diverse in terms of age, gender, and appearance
  • Strong, confident, knowledgeable, and experienced
  • Ready to fight for access!

❖ Vendor Reps:
  • Diverse in terms of age, gender, and appearance!
  • Knowledgeable and experienced in libraries
  • In a hard job that requires a lot of travel
  • Bothered to hear terms like “The Dark Side”
  • Often, just as annoyed by the actions or policies, but also privy to the reasons behind the situation
Lots of Nuances

 Libraries
  • Well, yes, mostly broke. But not all of them.
  • Good timing in terms of the rise of eResources

 Vendors
  • Many vendors are small non-profits
  • Library budget issues mean vendor budget issues.
  • Vendors who aggregate databases may be at the mercy of small publishers’ price increases
It is unhealthy and unproductive to think in terms of good/evil or us/them.

We both have something to gain from the relationship. Vendors have the product that libraries want to buy.

It is unlikely that the market will change quickly or soon, and libraries are usually unwilling to be first on a risky endeavor.
Working Together

A good working relationship is necessary.

- It can last months, years, and longer.
- Library world is a small world.
- Librarians depend on good technical support and customer support.
- Vendors know that a good relationship may mean more business.
Librarians understand that a good relationship with a vendor makes the process go much more smoothly. Happy vendor reps may be able to:

- Offer longer trial periods or extend time on a quote
- Lower a price or point a library towards a consortia
- Provide many options for training to increase usage
- Pressure technical support or billing to resolve a problem
Assertiveness with Vendors

- Confidence comes from experience
- Research the market and the vendors involved
- Focus on the issues, not the organizations involved
- Look for mutual gain
- Pick your battles
- Reason and be open to reason
- Respect the vendor, but make your case
Group Activity

Pair Up

- Person 1 starts with statement on topic
- Person 2 replies with “Yes, And”
- And they have a 2-minute conversation.

Then

- Person 1 starts with statement on same topic
- Person 2 replies with “Yes, But”
- And they have a 2-minute conversation
New eResources

- Expressed interest from a library
- Determining all providers of the product
- Obtaining a preliminary quote
  - Is it in line with library expectations?
- Review other campus holdings for possible consortial deal
  - A new subscriber is needed to create a new consortial deal
  - Not all products qualify
  - Minimum number of campuses required by vendor
Procurement Requirements

Bids and Quotes

- Over $10K, requires quotes from all providers
- Over $25K, requires a formal bid process (RFB)
- Both of these add significant time to the process
- Bid and quote processes can be useful even if not required
Formal Bids & Quotes

Suggested Language

- **Price cap**
  
  “Up to three (3) additional 1-year periods under the same terms and conditions with the exception of price, which cannot increase more than 3% over the previous contract period.”

- **No Substitutions**

- **Mandatory specifications** including IP authentication, remote access by proxy, unlimited users, usage stats, etc.
Negotiating with Vendor

- Bids
- Price
  - Consortial discount, if possible
  - Multi-year pricing schedules, if possible
- Start date for subscription
  - If not already selected/required
  - Time to allow to complete license
  - Ask for an early turn-on or a trial until the start date
License Agreement

- Consortial licenses differ from individual
- Use a checklist for reviewing the license
- Request an editable copy (e.g., MS Word)
- Track changes as you edit
  - Add missing statements
  - Remove information if necessary
- Respond to the vendor
  - Address your changes bullet-by-bullet
  - Provide clear justifications
License Agreement

Suggested Language:

- Authorized users
- Walk-in access
- Interlibrary loan
- Coursepacks
- Reserves
- Perpetual Access
- Suspension or termination of access
- Governing Laws
Responses from the Vendor

- Review any changes carefully

- Negotiate with a stakeholder, who
  - Focuses on the issue at hand
  - Sees the value of your business

- If there is a dealbreaker, make it clear
  - Spell it out in writing (with bullets!)
  - Email it up the chain of command with the vendor
  - They should know they are losing business based on the license.
Responses from the Vendor

Make sure you are comparing fairly

• Compare to other licenses for products in the same market
• Tell the vendor if they are out of line with the market on an issue

Communicate in writing!

• After all phone calls or visits, send an email that summarizes the conversation
• Note the actions that will be taken by you or the vendor
• Follow up on promises that are made!
Final Processes

- Further legal review, if necessary
- Original signed copies are sent
- Original countersigned copies must be received
  - I will not pay an invoice until I receive the countersigned originals for my files.
- Actual payment of the invoice
- Set-up and notifications of access
Renewal Process

- Start as early as possible
- Review the expiration of current bids, price schedules, or even license agreements.
- Initial email to the vendor
  - Noting any existing price caps or other issues
- Vendor response with quote
  - Immediately compare to last year’s price
  - Track the trend of increases from year to year
Price Negotiation

Asking for a Price Decrease

- Wording: “I am asking you for a consideration on the price.”
- Justify it with facts and figures.
- Be clear about your budget situation.
- Use trend data: usage and price

Get quotes from equivalent vendors

- A better deal may be out there already
- The same product may not have identical access
- Resistance to changing platforms is a concern
Price Negotiation

The goal for both the library and the vendor is the same: to keep the product access going.

But walking away may be necessary.
Renewal Process

If you reach an agreement on a renewal price,

- Possible changes to license agreement
  - I discourage the annual addenda/appendix that requires signatures
  - Again, actual countersigned documents must be received

- Actual payment of invoice
Conclusion
And Q&A
Abbie Brown: brownab@missouri.edu

Handouts Online:

• On this website:
  • http://mulibraries.missouri.edu/Reference/Abbie/index.html
  • Shortened URL: http://bit.ly/PMmv1J

• Public Dropbox:
  • https://dl.dropbox.com/u/17575984/Negotiation%20Licensing.zip
  • Shortened URL: http://bit.ly/Ptf7dx