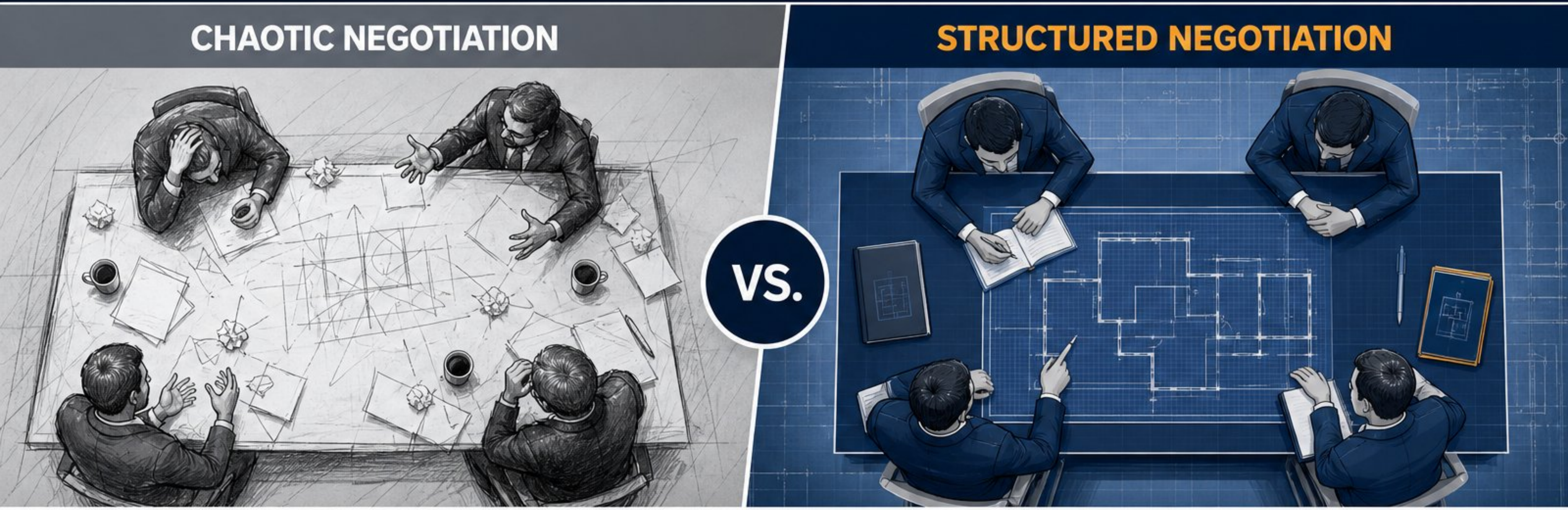
Business Negotiation Skills: Core Skills and Practice

- **Purpose:** build repeatable negotiation discipline for sales, business, and management teams
- **Why it matters:** protect margins, close faster, build lasting partnerships
- **Addresses:** price pressure, internal misalignment, difficult tactics, improvised decisions
- **Roadmap:** mindset, preparation, communication, strategy, difficult counterparts, internal alignment, practice

Mindset → Preparation → Communication → Strategy → Difficult Counterparts → Internal Alignment → Practice

The Business Case for Negotiation Discipline

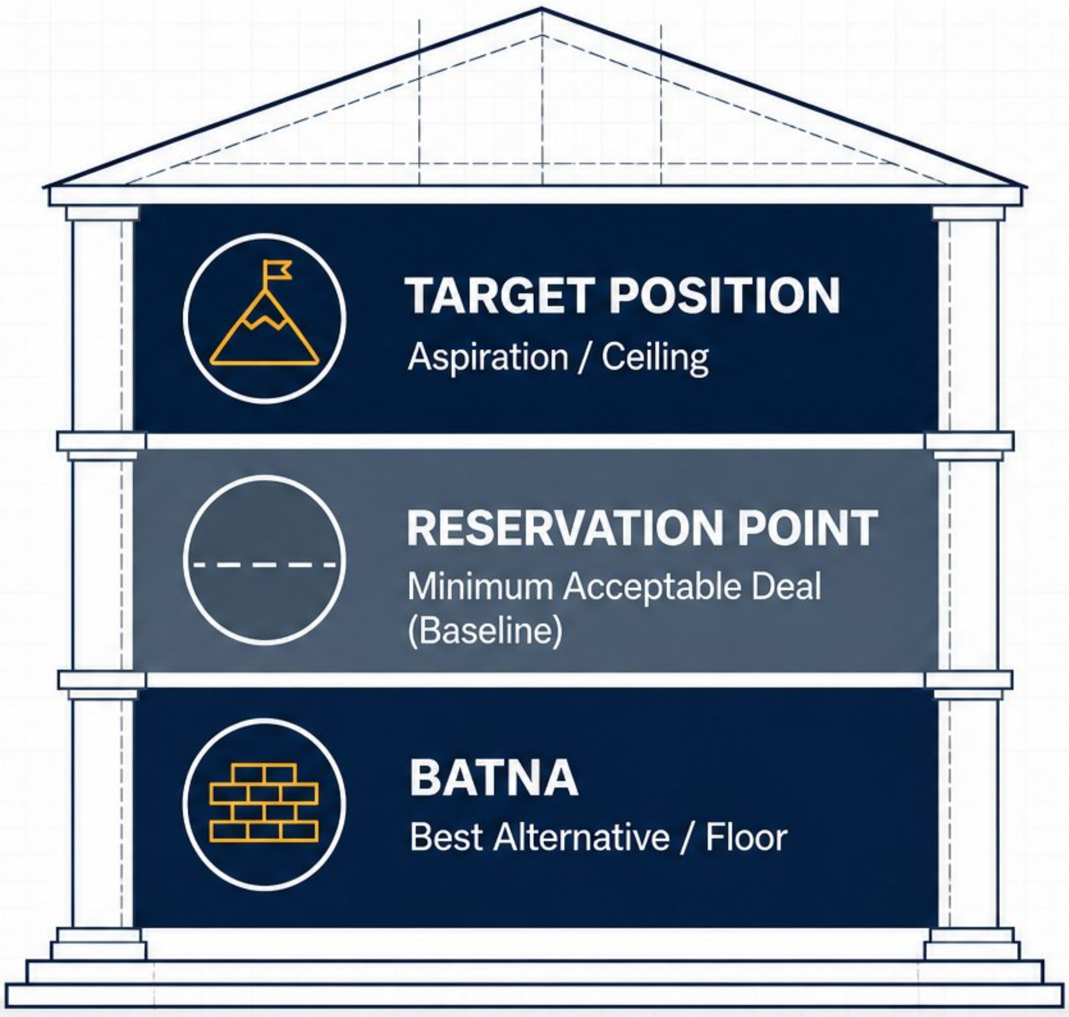


- Negotiation is a distinct discipline from selling or managing
- High-performing teams prepare systematically, not on instinct
- Weak preparation leads to discounting under pressure
- Results: higher win rates, shorter cycles, protected margins

Negotiation Mindset:
From Win-Lose to Joint Problem Solving

- Shift from positional fighting to interest-based negotiation
- Separate people from the problem
- Collaboration expands value, not weakness
- Control emotions: anxiety and neediness reduce decision quality
- Want the deal but be willing to walk away

Preparation Tools:
BATNA, Reservation Point, and Target Position



- BATNA: your best alternative if no deal; sets your floor and leverage
- Reservation point: minimum acceptable deal, written before negotiating
- Target position: value-based aspiration, not the lowest acceptable outcome
- Estimate the other side's BATNA to understand the true bargaining range

Pre-Negotiation Checklist for Sales and Management Scenarios

- Run four-step prep: alternatives, economic value, reservation value, stress-test vs. buyer's BATNA
- Write down target price, opening anchor, walk-away floor
- Identify tradeable terms beyond price: payment, contract, scope, support
- Align internal stakeholders in advance to protect agreed floor

Active Listening and Strategic Questioning

- Listen to understand interests and constraints behind stated positions
- Use open questions to reveal priorities, urgency, and decision criteria
- Avoid premature persuasion; questioning often creates more leverage than talking
- Probe underlying concerns: budget limits, competitive comparisons, or internal approval requirements

Framing, Anchoring, and Controlling the Conversation

- Lead with a value-based anchor, not a random high number.
- Frame proposals around ROI and business outcomes.
- Use silence deliberately after naming a price.
- Read verbal and non-verbal signals to calibrate responses.

Competitive and Collaborative Strategy Choices

COMPETITIVE: SINGLE-ISSUE BARGAINING

Tug-of-war over one issue—value is fixed.

One party's gain is the other's loss.
The pie stays the same.

COLLABORATIVE: MULTI-ISSUE NEGOTIATION

Build value by trading and creating across issues.

TRADEABLE ISSUES
Delivery Timing
Quality & Specifications
Payment Terms
Service & Support
Volume & Commitments

More value for both parties.
Grow the pie together.

- Bargaining is zero-sum; trading and creating expand the deal
- Most B2B deals are multi-issue: trade terms, not just price
- Expand value through trade-offs, packages, and creative options
- Match strategy to relationship goals and long-term account potential

Concessions and Deal Structure

- Trade, don't give: attach conditions to every price move
- Use a planned decreasing concession sequence (e.g., 8-4-2-1)
- Never bid against yourself; wait for reciprocal offers
- Confirm the next commitment before closing to prevent renegotiation

Handling Objections and Price Pressure

- Clarify perceived value before discussing price
- Convert demands into underlying needs
- Offer trade alternatives: pilot scope, prepay
- Protect margin by separating price from total value

Recognizing and Countering Difficult Tactics

- Watch for extreme anchoring, good cop/bad cop, ultimatums, and bluffs
- Don't mirror destructive tactics; label, question, or refocus on interests
- Prepare responses to likely provocations to stay composed
- Use a consistent pattern: diagnose, pause, reframe, redirect to mutual gains

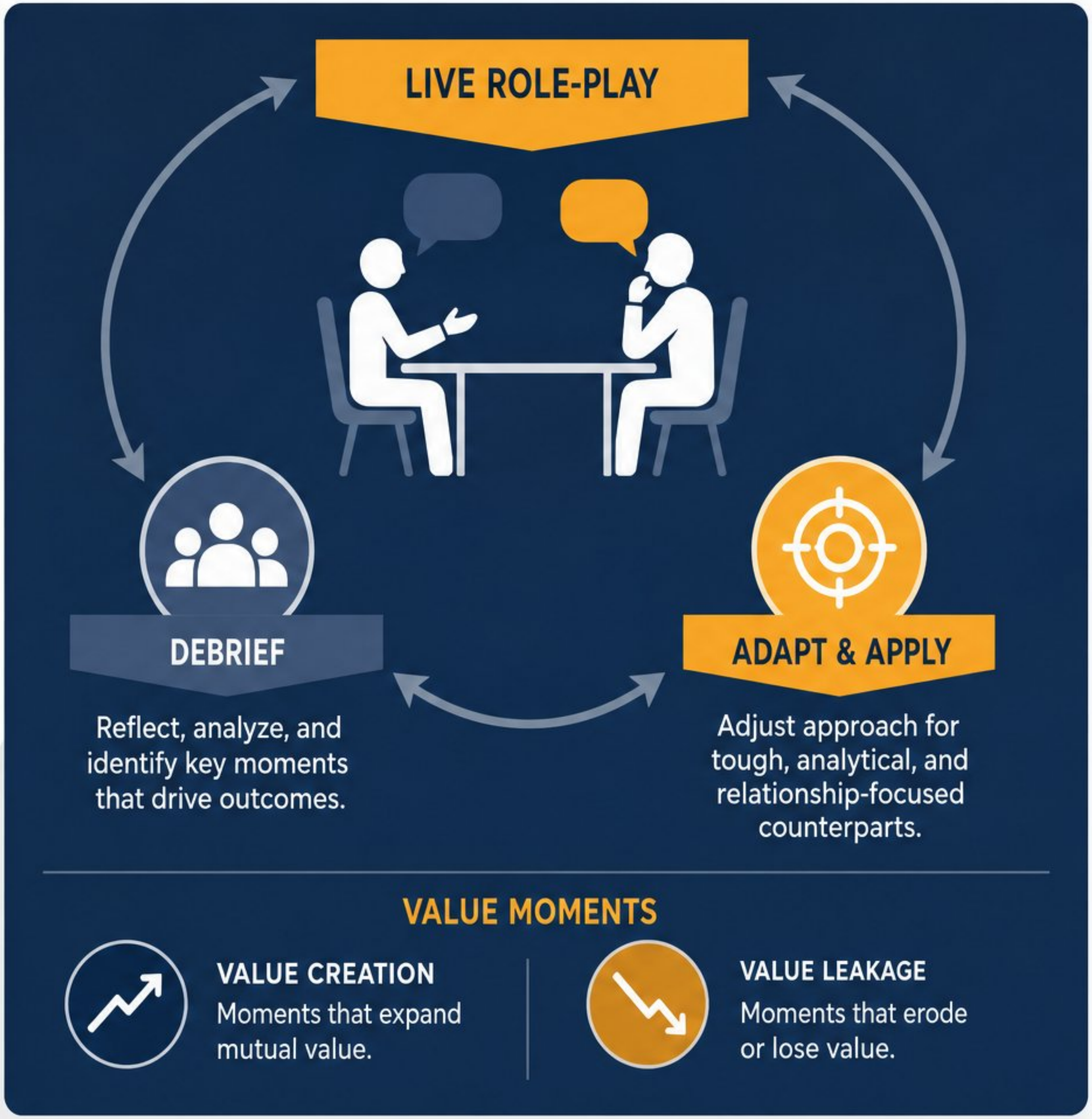
DIFFICULT TACTIC	COUNTER-MOVE
Extreme Anchoring	Label, question, or refocus on interests
Good Cop/ Bad Cop	Label, question, or refocus on interests
Ultimatums	Pause, then reframe and refocus
Bluffs	Question motives, reframe, and redirect to mutual gains

Internal Negotiation and Stakeholder Alignment

- Align finance, legal, delivery, and management before external talks
- Define decision rights, approval thresholds, and final concession authority
- Use a negotiation playbook: clarify flexible terms and non-negotiables
- Prevent internal misalignment from becoming the counterpart's leverage

Applied Practice: Scenarios, Role-Plays, and Debriefs

- - Realistic scenarios: pricing, scope, cross-functional resources
- - Debrief to find value creation and value leakage moments
- - Adapt to tough, analytical, and relationship-focused counterparts
- - Use BATNA and walk-away points in live simulations



Action Plan and Team Skill Development Roadmap

- Make negotiation a daily habit: pre-call prep and post-call reviews
- Personal goals: win rate, discount level, deal velocity
- Build team capability: coaching, playbooks, ongoing practice
- Reinforce with feedback and regular negotiation audits