

## CFAS7.5

### Manage and facilitate case negotiations



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#### Overview

This unit is about negotiating effectively in sales settings. The unit focuses on the various stages of negotiation including planning, preparing, negotiating and closing sales proposals with customers.

The unit covers establishing customer requirements and your organisational objectives, clarifying the customer's understanding of the proposal and coming to an agreement that is mutual acceptable.

This unit is for; Senior Sales Managers, Sales Managers and Key Customer managers

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#### Performance criteria

*You must be able to:*

- P1 use proposals to develop your prospect's interest in a product or service and identify and confirm your customer's main requirements from the negotiations
- P2 assess the bargaining power of your customer and research and assess their overall negotiating stance prior to the opening of negotiations
- P3 identify your and your organisation's weaknesses that could be exploited by your customer in a negotiation and prepare strategies for responding to this
- P4 define your objectives for the negotiations clearly and identify the level of your aspirations
- P5 fully brief and prepare everybody involved in the negotiation prior to negotiation taking place
- P6 identify and cost parameters for key variables including potential concessions and trade-offs in order to identify the best price that can be reasonably offered and the minimum price and terms that could be agreed
- P7 identify potential problems that could arise during negotiations and formulate solutions to overcome them
- P8 create a 'win-win' situation during negotiations by balancing the needs of your organisation and those of your customer
- P9 agree on the supply of the product or service
- P10 record outcomes of negotiations accurately and store those records appropriately

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### Knowledge and understanding

*You need to know and understand:*

- K1 how to plan for negotiations and determine resource requirements
- K2 how to establish the roles and levels of responsibilities of customer representatives
- K3 information requirements to gain a better understanding of your customer
- K4 how to identify your customer's main requirements
- K5 how to research and assess the negotiating power of your customer and their negotiating stance
- K6 how to develop a negotiating strategy
- K7 how to avoid a mismatch between the proposal and customer requirements
- K8 types of sales objections that arise and how to respond to them effectively
- K9 how to modify proposals during negotiation within the limits of your authority
- K10 the concept of "win-win" situations and how to create them in negotiations
- K11 key variables and trade-offs that organisations may have to make to win in negotiations
- K12 the variety of questioning, listening and communication techniques and how to use them effectively in negotiations
- K13 how to record the outcomes of negotiations effectively and how to store those records appropriately

#### **Sector/industry specific knowledge and understanding**

- K14 legal and regulatory requirements for negotiations in your sector/industry
- K15 competitor activities
- K16 your organisation's position in the market

#### **Context specific knowledge and understanding**

- K17 organisational sales strategies and sales targets
- K18 details of your organisation's products or services
- K19 your level of responsibility during the negotiation
- K20 organisational procedures for briefing people involved in the negotiation
- K21 resources available to support the negotiation
- K22 details of the specific proposal and products or services that are the subject of the negotiation
- K23 the objectives of the negotiations
- K24 trade-offs and concessions available if required to secure the order and the authority required to offer them
- K25 how a price is agreed and the scope for amending price
- K26 terms and conditions of payment, delivery and after sales service

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- K27 common objections and problems experienced by your organisation and how they have been overcome in previous situations
- K28 who to go to for sales support during negotiations
- K29 circumstances in which authorisation for variation in a negotiation should be sought and who can provide that authority
- K30 legal and regulatory implications of concluding negotiations

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#### Additional Information

##### Behaviours

1. you create goodwill and promote a positive image of yourself and your organisation
2. you show respect for customers and understand and empathise with their views
3. you are honest, sincere and ethical in your chosen sales and negotiating approach
4. you are an articulate and effective communicator, a good listener and you adopt an appropriate communication strategy for each customer
5. you are customer focused at all times
6. you allow open discussion with your customer and record the outcomes effectively
7. you work within the limits of your own authority

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**Relevant occupations**  
1132 Marketing and sales managers  
3542 Sales representatives  
7113 Telephone salespersons  
7129 Sales related occupations nec

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**Suite** Sales 2010

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