

NEGOTIATION SKILLS TRAINING

Case Study Scenarios

CASE STUDY 1: VENDOR PRICE NEGOTIATION

Field Operations Manager - Input Procurement

Background: Chinedu is a Field Operations Manager responsible for procuring fertilizer for the upcoming planting season. Babban Gona needs 500 metric tons of NPK fertilizer delivered across 15 collection centers in Kaduna and Kano states within 3 weeks.

The Situation: Chinedu has been working with Greenfield Agro Supplies for two years. Their current quote is ₦45,000 per ton (₦22.5 million total). Last season, they paid ₦42,000 per ton. Greenfield's sales manager, Mr. Bello, says the price increase is due to exchange rate fluctuations and increased transportation costs.

Chinedu's budget allows for ₦43,000 per ton maximum (₦21.5 million total). He has identified an alternative supplier, NorthStar Fertilizers, who quoted ₦43,500 per ton but cannot deliver to all 15 locations—only 10 centers. NorthStar also requires 50% upfront payment versus Greenfield's standard 30-day credit terms.

Chinedu's Goals:

- Primary: Secure fertilizer at ₦43,000 per ton or less
- Secondary: Maintain delivery to all 15 centers
- Tertiary: Preserve relationship with Greenfield for future seasons
- Critical: Delivery within 3 weeks before planting window closes

Your Task: You are Chinedu. Prepare for your negotiation meeting with Mr. Bello.

Questions to Answer:

1. Preparation Phase:

- What is your specific goal?
- What is your walk-away point?
- What do you think Greenfield wants from this deal?
- What is your BATNA?

- How strong is your BATNA on a scale of 1-10? Why?

2. Opening Strategy:

- How would you open this negotiation? Write your exact opening statement.
- What are three powerful questions you could ask Mr. Bello to understand his priorities?

3. Trading Strategy:

- List three things you could potentially offer Greenfield in exchange for a better price (think creatively beyond just money).
- If Mr. Bello says "N45,000 is our final price, we can't go lower," what would you say?

4. Handling Pressure:

- If Mr. Bello mentions that another agricultural organization just accepted their N45,000 price, how would you respond?
- If the conversation becomes tense, what would you do to refocus?

5. Closing:

- Write what you would say to confirm the agreement before leaving the meeting.
- What would you include in your follow-up email?

Learning Objectives:

- Practice preparation using the three-question framework
- Identify and assess BATNA strength
- Develop opening statements that signal collaboration
- Create value through creative trading beyond price
- Handle pushback with composure

CASE STUDY 2: INVESTOR EXPECTATIONS NEGOTIATION

Senior Manager - Investor Relations

Background: Amina is a Senior Manager in Investor Relations. An impact investor, GreenFuture Capital, invested \$500,000 in Babban Gona 18 months ago. They're now considering a follow-on investment of \$1 million but want to discuss performance expectations and reporting requirements.

The Situation: GreenFuture's Portfolio Manager, Dr. Sarah Chen, has scheduled a call. In their initial investment, Babban Gona agreed to quarterly impact reports (farmer enrollment, loan repayment rates, yield improvements). This requires significant time from the Data and Member Success teams—approximately 40 staff hours per quarter.

For the new investment, GreenFuture is proposing:

- Monthly impact reports (instead of quarterly)
- Detailed farmer-level data tracking (120 data points per farmer vs current 40)
- Quarterly video updates featuring farmer testimonials
- Permission to visit operations unannounced for "impact verification"

Amina knows these requirements would require hiring a dedicated Impact Reporting Officer (N6 million annually) and strain field operations. However, Babban Gona needs the \$1 million investment to expand to two new states this year.

Amina's Goals:

- Primary: Secure the \$1 million investment
- Secondary: Keep reporting requirements manageable and sustainable
- Tertiary: Maintain positive relationship with GreenFuture for future funding rounds
- Critical: Protect field operations from disruption

Additional Context:

- Babban Gona has two other potential investors interested, but conversations are early-stage (3-6 months away from commitment)
- GreenFuture has been an excellent partner—responsive, supportive, and helpful with introductions
- The impact data they collect is valuable for Babban Gona's own improvement efforts

Your Task: You are Amina. Prepare for your negotiation call with Dr. Chen.

Questions to Answer:

1. Preparation Phase:

- What is your specific goal for this negotiation?
- What is your walk-away point?
- What do you think GreenFuture wants from this deal (beyond just data)?
- What is your BATNA?
- Is your BATNA strong or weak? How does this affect your approach?

2. Three Invisible Questions:

- How would you address "What do I really want?" for Dr. Chen?
- How would you address "What happens if this deal doesn't happen?" for Dr. Chen?
- How would you build trust during this conversation?

3. Trading Strategy:

- List three things you could offer GreenFuture instead of accepting all their requirements as stated.
- If Dr. Chen insists that monthly reports are "standard practice" for all their portfolio companies, what would you say?

4. Creative Problem-Solving:

- Propose an alternative reporting framework that meets GreenFuture's needs while reducing Babban Gona's burden.
- How could you use technology or process improvements to make reporting easier?

5. Managing the Relationship:

- If you need to push back on the unannounced visits requirement, how would you frame it without offending Dr. Chen?
- What would you suggest as a compromise that addresses their need for "impact verification"?

Learning Objectives:

- Navigate negotiations where you need the deal but must protect organizational capacity

- Practice addressing the "three invisible questions"
- Develop creative alternatives to binary yes/no positions
- Balance relationship preservation with firm boundaries

CASE STUDY 3: INTERNAL RESOURCE NEGOTIATION

Team Lead - Performance Acceleration

Background: Biodun is a Team Lead in Performance Acceleration. His team of 8 field officers is responsible for 2,500 farmers across three LGAs in Kaduna State. The harvest season is approaching, and Biodun needs additional resources to ensure timely loan recovery and member support.

The Situation: Biodun has requested the following from his Manager, the Head of Smallholder Partnerships:

- 2 additional motorcycles (current: 6 bikes for 8 officers)
- ₦800,000 for a farmer recovery incentive program he designed
- 1 additional temporary field officer for 3 months during peak recovery season
- Approval to conduct weekend farm visits (currently limited to weekdays)

His Manager, Tunde, responded: "Biodun, I understand your needs, but we're stretched across the board. I have 6 other Team Leads making similar requests. The total motorcycle budget for the quarter is 8 bikes across all regions. The incentive program sounds good, but we have ₦3 million for ALL recovery initiatives across the company, and Finance is pushing back on new programs. I can't approve weekend overtime without VP approval, and temporary hires are frozen company-wide."

Additional Context:

- Biodun's team had 94% loan recovery last season (company average: 89%)
- His region has the highest farmer satisfaction scores (4.6/5.0)
- Two of his field officers are sharing one motorcycle, slowing down their coverage
- The ₦800,000 incentive program is projected to improve recovery by 3-5% based on pilot data

- Weekend visits would allow officers to meet farmers who work off-farm jobs during weekdays

Biodun's Goals:

- Primary: Get resources that improve his team's performance
- Secondary: Maintain good relationship with Tunde for future requests
- Tertiary: Demonstrate value of his team's work
- Critical: Support his field officers who are working hard with limited resources

Your Task: You are Biodun. Prepare for a follow-up meeting with Tunde.

Questions to Answer:**1. Preparation Phase:**

- Looking at your four requests, which is most critical? Rank them 1-4 and explain why.
- What is your walk-away point? (What's the minimum you need to do your job effectively?)
- What do you think Tunde wants from this conversation (beyond just saying no)?

2. Understanding the Other Side:

- Put yourself in Tunde's shoes. What pressures is he facing?
- What are three questions you could ask Tunde to better understand the constraints?

3. Trading Strategy:

- If you can only get ONE of your four requests approved, which would it be and why?
- What could you offer Tunde in exchange? (Think beyond your department—what value can you provide to the broader organization?)
- If Tunde says "I can give you 1 motorcycle, not 2," what would you ask for in addition?

4. Creative Problem-Solving:

- Propose an alternative to the ₦800,000 incentive program that costs less but achieves similar results.
- How could you address the weekend visit issue without requiring overtime approval?
- What data or evidence would strengthen your case?

5. Relationship Management:

- How would you open this conversation to signal collaboration rather than confrontation?
- If Tunde cannot approve any of your requests, how would you respond professionally?
- What would you include in your follow-up email after the meeting?

Learning Objectives:

- Practice internal negotiations where budget constraints are real
- Prioritize requests and identify non-negotiables
- Develop empathy for the other party's constraints
- Create value through creative problem-solving and trade-offs
- Navigate hierarchical relationships professionally

CASE STUDY 4: SUPPLIER QUALITY DISPUTE

Procurement Officer - Admin/Procurement

Background: Folake is a Procurement Officer who manages relationships with office supply and IT equipment vendors. Three months ago, she negotiated a contract with TechHub Nigeria to supply 25 laptops for new hires at ₦450,000 each (₦11.25 million total) with a 2-year warranty.

The Situation: Seven of the 25 laptops have developed hardware issues within 3 months:

- 4 laptops: Battery failure (lasting only 1 hour despite 6-hour rating)
- 2 laptops: Keyboard malfunctions
- 1 laptop: Screen flickering issue

Folake contacted TechHub's Account Manager, Mr. Emeka, who offered to: "Send a technician to repair the laptops within 5 business days. This is covered under warranty at no cost to you."

However, Folake's IT team says:

- Repairs will take 2-3 days per laptop (21 days total minimum)
- These employees need functioning laptops NOW—they're new hires in critical roles
- Repeated repairs suggest quality issues—these may fail again
- Babban Gona's reputation with new employees suffers when they lack basic tools

Folake wants:

- **Option A:** Immediate replacement of all 7 laptops with new units
- **Option B:** A significant discount (~~₦~~1 million credit) toward the next laptop order due to quality issues
- **Option C:** Upgraded laptop models at no additional cost for the 7 affected employees

Mr. Emeka has now said: "Folake, we've honored our warranty commitment. Repairs are the standard process. Replacements would cost us ₦3.15 million—we can't absorb that. Your contract clearly states 'repair or replace at supplier's discretion,' and we've chosen repair."

Additional Context:

- TechHub has been reliable for 2 years on other orders (desktop computers, printers)
- They offer 60-day payment terms (most competitors require 50% upfront)
- Babban Gona has a ~~₦~~40 million annual IT equipment budget
- Alternative suppliers quote ~~₦~~480,000–~~₦~~520,000 per laptop
- There's a bulk laptop order (40 units) scheduled for next quarter

Your Task: You are Folake. Prepare for an in-person meeting with Mr. Emeka.

Questions to Answer:

1. Preparation Phase:

- What is your specific goal for this meeting?
- What is your walk-away point?
- What do you think TechHub wants (beyond just avoiding a ₦3.15 million loss)?

- What is your BATNA? How strong is it?

2. Opening Strategy:

- You're frustrated, but confrontation won't help. How would you open this meeting?
- What are three questions you could ask to understand TechHub's constraints and priorities?

3. Trading Strategy:

- List three things you could offer TechHub in exchange for immediate replacements.
- If Mr. Emeka says "Our hands are tied by company policy," what would you say?
- How could you use the upcoming 40-laptop order as leverage without it sounding like a threat?

4. Creative Problem-Solving:

- Propose a solution that addresses Babban Gona's immediate laptop needs AND respects TechHub's cost concerns.
- If you can't get full replacements, what compromise would you accept?

5. Managing Emotions & Relationship:

- You're frustrated that new employees are suffering. How do you express this without being confrontational?
- If the conversation gets tense, what would you do?
- How would you close the conversation to preserve the relationship for future business?

Learning Objectives:

- Navigate negotiations when you have a legitimate complaint but need to maintain supplier relationships
- Use future business as leverage appropriately
- Balance emotional frustration with professional composure
- Find creative middle-ground solutions

- Preserve long-term partnerships while addressing immediate problems