



MASTERING NEGOTIATION IN BUSINESS SALES / MERGERS AND ACQUISITIONS

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Negotiation is a critical skill in the successful execution of any size business sale or acquisition. Contrary to common belief, effective negotiation is not about dominating the conversation or securing every advantage. It is about creating value for all parties involved and fostering relationships that can lead to future opportunities.

Below are key principles that define a strategic and professional approach to negotiation:

FOCUS ON MUTUAL BENEFIT

The most successful transactions are those in which both parties feel satisfied with the outcome. Negotiation should not be viewed as a contest. When one side feels compromised, the long-term viability of the agreement may be at risk. Aim to structure deals that address the interests of both buyer and seller.

AVOID ADVERSARIAL DYNAMICS

Negotiations framed as win versus lose often result in both parties walking away dissatisfied. Instead, pursue outcomes that reflect a collaborative mindset. A win for both sides strengthens trust and lays the foundation for future business relationships.

IMPLEMENT THE THREE P FRAMEWORK: PREPARE, PROBE, PROPOSE

Preparation is essential. Understand the business's financials, market position, competitive landscape, and strategic potential before entering discussions. Probing involves asking thoughtful questions and listening actively to uncover motivations, concerns, and priorities. Only after thorough preparation and probing should you present proposals that align with the goals of both parties.

Entrepreneurs and business owners often excel at articulating their vision but may overlook the importance of listening. In negotiations, listening is not passive, it is strategic. What the other party shares can be more valuable than what you present.

PRACTICE INTENTIONAL LISTENING

Listening with intent is a hallmark of effective negotiation. Pay attention not only to what is said but also to what is implied. Understanding the other party's perspective allows you to tailor your approach and build rapport.

EXERCISE PATIENCE AND DISCIPLINE

Negotiations involving business transfers are rarely resolved quickly. Rushing the process can lead to missed opportunities or overlooked risks. A methodical and deliberate pace allows for thorough due diligence and thoughtful decision-making.



REMAIN FLEXIBLE AND SOLUTION-ORIENTED

Not every negotiation will unfold as expected. Be prepared to adapt and consider alternative solutions that still meet your core objectives. Flexibility demonstrates professionalism and can help preserve deals that might otherwise falter.

CONCLUSION

Negotiation is more than a transactional skill; it is a strategic tool that can shape the future of your business. Whether you are facilitating a sale, acquisition, or merger, your ability to negotiate with clarity, empathy, and foresight will determine the strength and sustainability of the outcome. By applying these principles, you position yourself not only to close deals but to build enduring business relationships.