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AN IMPERIUM VERTICAL ANALYSIS · ENTERPRISE TELECOMMUNICATIONS

The Negotiation Governance Gap in Enterprise Telecommunications

Why AI agents will cost carriers and enterprise telco teams more than they realise.

By **Jan Potgieter**, Founder & Managing Director, Imperium Negotiation Solutions · July 2026

$15T in B2B purchases handled by AI agents within three years Gartner, Oct 2025	**1/3** of negotiated savings lost after signature, across 340,000+ procurement initiatives McKinsey, 2025	**4x / yr** quarterly renewal data points logged by your counterpart's systems, every year of the term Practice experience

01 · THE DEAL STRUCTURES AT RISK

Large, Recurring, and Structurally Complex Does Not Mean Safer. It Means More Exposed.

$15 trillion in B2B purchases will flow through AI agents by 2028. Enterprise telecommunications will carry a disproportionate share of that volume.

Every enterprise has built a governance function around data, cybersecurity, and AI. Almost none has built one around negotiation. In telco, that asymmetry does not sit quietly in the background. It compounds, quarterly, across every renewal, across every region, across every service line in a multi-tower contract.

This analysis is written for commercial leaders in enterprise telecommunications. What follows is specific. The mechanisms are visible. The exposure is measurable.

Enterprise telco deals are structurally unlike most B2B contracts in two ways that matter for governance.

First, they are long-dated and interlocked. A carrier agreement covering connectivity, managed services, and security across multiple countries is not a single deal. It is a portfolio of interdependent obligations where a term change in one tower ripples through pricing, SLAs, and risk allocation in others. Concede on uptime credits in the managed services schedule, and you have moved the floor for every future discussion about service performance.

Second, they renew on a rhythm. Quarterly review cycles are standard in enterprise telco. Every renewal is not just a commercial event. It is a data point. Your counterpart's commercial team, and increasingly their procurement systems, are logging your behaviour across those renewals. Your concession timing. Your approval thresholds. Your response to pricing pressure in Q4 versus Q2. Four data points a year, compounded over a three-year contract term, produces a behavioural map of your negotiating team that is more precise than anything your own management reporting captures.

When AI agents enter this environment, they inherit both the structural complexity and the behavioural record. The question is whether they inherit the governance to handle either.

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02 · THE FAILURE MECHANISMS

Five Governance Failures, Applied to Telco

There are five governance failure mechanisms that emerge when AI agents negotiate without methodology. In enterprise telco, each one has a specific commercial consequence.

1

Developer defaults

Your procurement AI was designed by engineers who have never negotiated a complex B2B contract. That is not a criticism. It is a structural fact with a $15 trillion price tag. In telco, the complexity is vertical-specific. Carrier agreements contain indexation clauses, minimum revenue commitments, and take-or-pay structures that interact in ways a general-purpose agent will not model correctly. The agents being built today are confident. They are fast. They are articulate. What they are not is informed by the methodology that separates a good outcome from a costly one.

2

Precedent compounding

An agent that concedes 90-day payment terms in one deal has established a pattern. If that pattern is not governed, it propagates. The next deal inherits the same terms. Not because someone decided 90 days was acceptable. Because the agent's training data now includes a successful outcome with 90-day terms, and the agent optimises for closure. In telco, this plays out across regions. A discount conceded in the Germany renewal becomes the anchor the counterpart's team carries into France, into the UK, into every subsequent market discussion. The precedent does not stay in the deal where it was made.

3

Mandate vacuum

The most dangerous governance failure is not a wrong decision. It is a decision that was never authorised. When an agent operates without a defined mandate, every concession, every term modification, every pricing adjustment is made without reference to what the organisation actually permits. In a multi-service telco agreement, an agent without

4

Behavioural legibility

Quarterly renewals make your negotiating patterns visible. An ungoverned agent does not randomise its approach. It optimises for the outcome metric it was given, using whatever behavioural defaults it carries. Your counterpart's system reads that pattern and exploits it. The agent on your side does not recognise the pattern as a risk, because no defined walk-away thresholds for each service tower will trade terms across towers in ways that no human commercial director would approve and no approval process would catch until the contract is signed.

one defined what pattern recognition should cost.

5

Post-signature leakage

McKinsey's analysis of more than 340,000 procurement initiatives found companies lose a third of negotiated savings after signature. In telco, the post-signature environment is dense with implementation credits, SLA adjustments, and contract variations. An agent that closes without governance over those mechanisms locks in leakage before the service goes live.

03 · A WORKED SCENARIO

An Extension Clause Nobody Authorised

WORKED SCENARIO

A multi-country managed network renewal, eleven markets, one ungoverned positioning agent

A large European enterprise telco is six months from renewal on a multi-country managed network agreement. The contract covers connectivity and security services across eleven markets. Annual contract value is 140 million euros.

The commercial team deploys a procurement agent to handle preliminary positioning. The agent is given the contract terms, the renewal date, and an instruction to improve commercial outcomes. It is not given walk-away thresholds. It is not given a concession sequencing framework. It is not given any instruction about precedent across markets.

The counterpart's sales agent identifies the renewal pressure from the contract date. It opens with a volume discount offer conditional on a two-year extension. The procurement agent, optimising for closure and cost reduction, accepts the structure and begins negotiating the discount percentage. In doing so, it concedes the extension length without flagging it as a mandate question.

The extension locks minimum revenue commitments at current service scope. Twelve weeks later, the enterprise's internal technology review recommends consolidating two of the eleven markets onto a competitor platform. The contract now contains a take-or-pay clause the procurement agent accepted as standard. The cost of exiting two markets inside the extension period is 8.4 million euros.

No individual authorised that exposure. The agent was not rogue. It was ungoverned. The distinction matters because the fix is not better AI. The fix is a governance framework that defines mandate, authority, and limits before the agent begins.

The extension precedent, now logged in the counterpart's system, becomes the opening anchor for the France renewal three months later.

Worked scenario. Figures illustrate the mechanism; they are not client data. McKinsey figure: procurement-led transformation analysis, 2025.

> *"No individual authorised that exposure. The agent was not rogue. It was ungoverned."*

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04 · WHAT A GOVERNED APPROACH CHANGES

Negotiation Outcomes Are Governed by Systems, Not Talent

Skill matters. Governance determines results.

In enterprise telco, Negotiation Governance means four things are defined before any agent touches a renewal.

1. **Mandate.** Walk-away thresholds by service tower. Concession ranges by deal type. Escalation triggers for any term that extends contract duration or modifies minimum commitments. If these are not written, your agent operates in a mandate vacuum.

2. **Precedent visibility.** Portfolio-level tracking of what was conceded where, when, and on what basis. Per-deal data is necessary. Portfolio-level pattern visibility is what prevents precedent compounding. If you can see each deal but not the pattern across deals, your agent will compound errors you cannot detect. In a multi-region telco structure, this is not optional. The regional pattern is the commercial position.

3. **Methodology authorship.** If the answer to who authored your agent's methodology is "the development team," you are deploying Feigenbaum's gap at scale. The methodology must come from practitioners, not developers. The developers build the system. The practitioners define the logic.

4. **Behavioural governance.** Your team's quarterly negotiation patterns need to be mapped, not to expose individuals, but to ensure that what the counterpart's system reads about you is what you intend them to read. Your negotiation team has behavioural patterns. Preferences that override competence. Concession tendencies under pressure. These defaults are what an agent will encode if you do not intervene. If you have not mapped them, you have already ceded control.

The enterprise that governs its agents keeps the extension clause out of the renewal. It keeps the regional precedent from propagating. It keeps the 8.4 million euros. The enterprise that deploys without governance discovers the exposure in Q3, when the contract is signed and the counterpart's next renewal brief is already written.

30+ years of negotiation practice	**12,000+** negotiators trained	**$4B+** in deals advised

The governance problem in enterprise telco is not new. The agent layer makes it faster, larger, and harder to recover from once it is set.

The full white paper covers all five failure mechanisms, the three-level authority framework for agentic negotiation governance, and the readiness assessment for organisations preparing to deploy or face autonomous negotiating agents.

Read the full white paper

VERTICAL ANALYSIS

Sports Rights & Sponsorship

What AI agents will cost you before you notice.

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Why ungoverned AI agents are a structural threat to pharma supply positions.