

# SMALL Business Times

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## Starting strong

These five tips will help you launch negotiations on solid ground

### Question:

**I'm in sales and, on average, I do pretty well at the bargaining table. However, I always feel awkward at the beginning of a negotiation. How do I handle this?**

### Answer:

The intent of the opening is to refocus people's attention from whatever they were doing to the reason why you are meeting. In your communication, you want to state your purpose and set a positive tone.

It's easy to feel awkward during this time of transition. For some, it can be uncomfortable to take control and initiate the meeting. That is why it is important to prepare and rehearse.

Here are five tips to assist you in making the opening a smooth transition:

**1) Communicate positive intent.** This will sound different depending on whether you have already presented your proposal or whether that is the objective of the meeting.

If the meeting is to review your proposal, then summarize the key points of the customer's needs and desired outcomes as part of your opening. For example, you might say: "At our previous meetings, you informed us that you are interested in ... This is important to you because ... Is this still the case? These objectives and goals were used to craft the basis of our proposal. Let's begin by reviewing ... on Page 1."

Alternatively, if you have already presented your proposal and the purpose of the meeting is to address some key questions, consider saying: "I understand some questions have developed as a result of our proposal." That statement alone will usually instigate comments or questions.

**2) Be confident, not arrogant.** There's a fine line between confidence and arrogance. Confidence is being clear on what's important to you and holding your boundaries in the most non-confrontational manner possible. Arrogance is defen-

sive confidence on steroids.

When someone questions the legitimacy of your value offerings, it's easy to feel as if your integrity is being attacked. That does not serve you. Rather, it's to your advantage to interpret their comments as a fact-finding meeting. Since they are not experts in your business, they need information to help them make important distinctions.

It's often helpful to keep in mind that you would not have been invited back if they weren't interested in your offerings. Maintain a calm, confident, yet enthusiastic tone when you communicate. When put under the heat lamp, communicating the passion you feel for your offerings in an appropriate way will make a positive impact on other party. This will contribute to you passing the inspection test.

**3) Measure your words.** Every communication in a negotiation creates an impression. Sending the wrong message at the beginning of a negotiation causes an unnecessary uphill struggle. For example when a salesperson says: "We will do whatever it takes to get your business," how might a client interpret that?

We often hear customers say they interpret such a statement to mean, "Forget the terms of our proposal. We want your business and have flexibility in how we meet your demand." By this one innocent, positively intended statement, the other party may assume you are desperate. They may think to themselves: "How stable is this company if they are willing to give up the store?"

You also risk being treated like a commodity or, even worse, having them default to another supplier because they had concerns about your financial viability.

**4) Leverage your timing.** It's not uncommon for a customer to open the discussion with a demand. The intent is to destabilize the salesperson, anticipating he or she will respond in a knee-jerk fashion. That favors the customer by gaining greater concessions than what is actually necessary for the salesperson to win the business.

Avoid the impulse response. Ask questions. Take time to understand all demands and the decision-making criteria before responding.

Don't be surprised if this person demands more, even after you have made a significant concession. These type of negotiators work to their

own advantage. Take heed. Think before speaking. Take the time you need to be thoughtful in how you respond. I have found the statement, "I am not prepared to respond to you at this time. Can I get back to you on ..." to be a great comeback.

**5) Maintain neutrality.** When prodded, refrain from saying what you feel. Instead, maintain a non-confrontational position. Comments such as, "You are not price-competitive. If you can meet or beat this price, then you have a chance," can trigger defensiveness. Stop. Think before reacting.

Recognize such comments as part of the other party's strategy to understand how you respond to pressure. The last thing you want to do is give in. You will only serve to condition them to put more pressure on you when they don't get what they want. This will haunt you in the future. Ask questions to determine whether this is a project worth pursuing or whether you are better served to walk away.

It is always best practice to anticipate different openings you can use based on the situation at hand. Create a list of what-ifs regarding potential customer openings. This way, if they strike first, especially with a tough statement intending to lower your expectations, you can remain neutral and probe for clarification.

Don't make a concession without taking time to investigate the implications. Consider as many potential options as possible. Assess the pluses and minuses relative to building a long-term relationship. Remember, what you do, how you do it and when trains the customer about to get what they want from you.



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