

# Absolute power

Understand how a customer's decisions are made

## Part two of two parts

**W**hen initially engaging with a prospective customer, sales people need to focus on more than just titles and responsibilities.

They also need to know who has approval authority power, the person who controls the allocation of money.

In my last column, we reviewed five different types of decision makers you may encounter during the buying process. In this column, we will address the different types of power people leverage when negotiating. As Fred Ikle once said, "Bargaining strength depends not so much on what power attributes exist, but what others believe them to be."

### 1. Legitimacy power

This is the power that a person has as a result of their position, track record or referral power.

For example, in the military, recruits are taught not to question the authority of higher ranking officers. "Do it or pay the price." In a business setting, a superior or boss has positional power to make sometimes unpopular decisions such as, "Overtime is mandated for everyone this weekend so we can get these orders out the door on time."

Because of their position, you take counsel or take action when requests are made. Your attorney, your doctor and your accountant may all influence what you do and how you do it. A doctor who tells you that you have two choices, to be driven to the emergency ward or she will call an ambulance, has the power to take control over your life.

### 2. Referent or inherent power

This is the power we bestow to someone who we hold in high regard. Nelson Mandela is a person who exemplifies this kind of power. While his unflinching commitment to his beliefs caused him tremendous pain and personal sorrow, his inner strength is honored by many.

Olympians and other great athletic stars also command great referent power. Their mesmerizing performances command a sense of awe in others who marvel at their abilities. They have great influence over people who want to be liked or appreciated by them.

### 3. Reward or punishment power

This is the power to reward or punish another individual. A child will see a parent, teacher or coach possessing reward or punishment power. Each can control some aspect of the child's life such as what the child eats, how they learn or how they behave.

For example, if the child meets the parent's expectations, they may be rewarded by staying up late, being able to eat some of their favorite junk foods or being able to sleep over a friend's house. If they fall short of their parents' expectations, they may have to endure days with no TV or may find themselves grounded for a week.

Reward or punishment power also comes into play in the workplace. Bosses have reward or punishment power. If an employee meets expectations, they may receive an additional bonus or raise. If they fall short of expectations, feedback may ensue that eventually leads to termination.

### 4. Expert power

People with expert power possess a special kind of knowledge or expertise. Chemists, nuclear scientists and brilliant

forensic scientists mesmerize others with the breadth of their intellectual capability. They possess knowledge the average person doesn't know. When leveraged in the right setting, they can shift the direction of an argument in a blink of the eye.

A fun example of expert power is the scene in the movie, "My Cousin Vinny" when Vinny Gambini, played by Joe Pesci, calls his out-of-work hair stylist wife to the stand in an Alabama court room. His goal is to prove his cousin's innocence in a murder investigation.

Vinny's wife, Mona Lisa Vito, played by Marisa Tomei, is put on the stand as an expert witness, while chewing gum and filing her nails. Everyone in the courtroom, including the judge, wonders if this is a prank.

After a short line of questioning, Vinny presents a photo of the tire tracks at the crime scene and asks her if the car driven by his cousin, the defendant, is the same car that made those tracks. She casually looks at the photo. Then you see something click. Her years as a car mechanic working with her father enabled her to determine that a different car was responsible for making the tracks at the murder scene. She went into specific detail about different car models, astounding the courtroom and assuming the role as expert witness. Her testimony proved that the defendant's car could not have been the car that made the tracks but rather it was someone else who was responsible.

### 5. Risk taker

The person who can walk away from the negotiation and let it fail has the greatest power when negotiating. For example, a chief financial officer who comes into the picture after all the details have been worked through and determines that the

investment is too large for a 48-month return on investment yields great power.

Selling is a complex business. There are many stakeholders, influencers and decision makers. But sometimes the decision makers are not the ones who have approval authority. The size of the deal will dictate who will be invited to the table and when. Couple this with the fact that our clients are time challenged, unless something is a top priority, finding face-to-face time is increasingly difficult.

To be effective, we must utilize our time most judiciously. We must work on purpose and be very deliberate in engaging in the reconnaissance process. Knowing the information you need and the questions to ask before you make a sale are critical to your success in navigating the sale and protecting your most precious asset – your time.



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