

# Before, during and after

Be proactive in each phase of the negotiation process

## Question:

The members of my sales team are inconsistent when negotiating. I have some team members who shine when I think they haven't got a chance to succeed. But in other less risky negotiations, they often give away the store. I need to help them create more predictable results.

Any suggestions?

## Response:

From your description, some of your sales team members appear to be strategic in nature and thrive on challenge. Therefore, when engaging in complex negotiations, they do their homework, become highly focused and weigh the consequences of every move before taking action. In simple negotiations, they don't feel the pressure and therefore, skip the preparation step.

Your role as a manager is to help the members of your sales team develop and follow a process to replicate their success. The best way to begin is to get on the same page at the start. Recognize there are three distinct stages in a negotiation that require different emotional disciplines and strategies.

These include:

1. **Planning and preparation**
2. **Engagement**
3. **Agreement and follow-through**

### Planning and preparation

It has been stated that 50 percent of the outcome you achieve from a typical sales negotiation is determined before you engage with the customer. Although it is the actual engagement that comes to mind when you think of negotiating, it's really the planning and preparation step that is most critical to reaching a mutually agreeable solution.

Failure to plan prior to the negotiation may force you to needlessly surrender your initiative and relinquish your strategic advantage. Don't allow this to happen. Instead, prepare by taking time to answer the following questions:

1. What do you want and need from this negotiation? In other words, what is your bottom line and what ideally do you want to accomplish as an outcome?
2. What other options or alternatives can you pursue if your preferred option is rejected?
3. Who needs to participate in this negotiation to facilitate a positive outcome? What is their role? What should they do, or not do, during the negotiation?
4. What information do you need to review, develop and bring to the negotiation to strengthen your position and add value to the discussion?
5. Now, answer each of the above questions from the customer's perspective to the best of your ability. Then, go back and review your initial responses and see if you have gained new insights that might influence your original responses.

6. Finally, list the information you want to know before taking a firm position. Then, write down the questions you want to ask, and to whom you want to ask them, prior to meeting at the bargaining table. This will help you be more relaxed during the negotiation and enable you to put more energy into the bargaining session.

### Engagement

The next phase is engagement, and there are five elements that contribute to your success. You begin the process by communicating your intentions to the other party. This might sound like, "Jake, it is our intention in meeting today for us to find a mutually agreeable solution."

The next step is to set the tone for how you will engage. Some people prefer a straightforward or bottom line approach, others prefer a more collaborative and interactive engagement. Often, this is dictated by the person with the most authority.

Once you have established the tone, the next step is to shift into reconnaissance mode. This is the time to gather information, ask questions and investigate possibilities. This is an important, yet often overlooked step.

The best time to map out the questions you want to ask is at the planning and preparation step. When you are not sitting in the hot seat you can think more clearly, allowing you to craft the questions you want to ask without coming across as an interrogator.

At the engagement phase, there is a temptation to present your hand to get things going. Gently, resist this temptation until you have as much information as you can possibly gather without compromising your position at the bargaining table. This is not about playing hardball. Rather, it's about

developing the best solution. Recognize that once you take a position, it is difficult to make changes to your advantage.

When you are put on the spot to disclose your position, kindly say, "I am not prepared to respond to you at this time. If you could help me fill in some of the gaps, I can give you an answer that makes sense." This strategy is especially helpful if you are a manager who works with employees that expect you to respond on the spot.

Engagement is a process of give and take. It must be done deliberately and thoughtfully, not by default enduring intense pressure.

## **Agreement and follow-through**

The final step is to secure agreement and follow-through. Once an agreement has been reached, many salespeople unknowingly walk away from additional business opportunities by not keeping in touch through the implementation process and then on an ongoing basis.

After the negotiating step, things change, the scope expands, new opportunities surface and new players enter the picture. Occasionally, something goes awry during the implementation process and you need to renegotiate your current agreement. All of these situations are opportunities for demonstrating to your customer your continued commitment to reinforce and expand your relationship with them.

I once had a client who told me that when something goes wrong with an installation, they respond by saying, "Don't judge me by what went wrong, rather judge me by how we respond." These powerful words shift a downward spiraling relationship into an opportunity for growth.

Be mindful to do everything you can to help make your customer look good. Minimize the amount of time and effort they need

to follow up with you. In other words, take initiative and call them. Give them an update, rather than forcing them to call you to find out what's going on. Make it so easy for them to work with you and your company, that moving to your competition would be a high risk.

Signing a contract is not the end of the sale. Rather, it's the beginning of a relationship. Be sure everyone on your team recognizes the value of follow-through and has a system or process to insure they are driving the process. Never allow your competition to steal a customer because they didn't feel important and valued. Rather, give them every reason to say to your competition, "No I'm not interested, we're working with (your company), and they're great."



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