

Do your homework

Prepare yourself to gain leverage in negotiations

Question:

Two months ago, I switched industries and was told that it will be a year before I have the product knowledge to be considered a player by the customers in this market. As the greenhorn, how do I gain leverage in the sales /negotiations process?

Response:

Leverage is strategic advantage. Leverage is not just about securing an agreement but securing an agreement on the terms that you want. It's about having the upper hand in a negotiation which is based as much on perception as fact. Leverage changes throughout a negotiation as needs, wants and timelines shift.

Most often, leverage is gained from your knowledge about the topic, the negotiation and/or what you know about the other party. In the sales process, leverage is not dependent on your ability to be "all knowing," but rather, about how you distinguish yourself as someone who can add value to the other party – through your own competency or the experts you invite to the table.

Since the learning curve at your company is steep, consider fast tracking your progress. Block time to interview the most

successful reps at your company. If you understand how other top performers in your organization approach the sales process, you can replicate their strategies even with limited knowledge. Prepare for these meetings as you would a prospective client meeting. Write out your list of questions so you are focused and on point during your conversation. You want to walk away with a clearer understanding of what to do, how to do it, and why. Consider these questions to help you gain real world insights:

1. "How do you differentiate yourself, and our company from the competition?"
2. "What makes our company better or different than the competition?"
3. "Why do prospects choose to do business with you versus the competition?"
4. "Why are customers loyal to us, year after year, versus switching to the competition?"

Before these interviews commence, develop a list of target clients. Conduct research to understand the business drivers, challenges and market opportunities of each prospect.

During each interview, select two prospects and ask the seasoned rep how he or she would initiate contact with these companies. Who would he or she call – mid-level manager, director, VP, president or CEO – and what would they say to this person? What questions would he or she ask on the first appointment to qualify the opportunity? How does he or she handle these points of resistance: "I like my current rep," "I'm not interested" or "send me some literature"? What other objections might you prepare for?

Additionally, ask who he or she would recommend that you invite from your company to advance the sale and why? Likewise, who should you never invite to a prospective cus-

tomers and why?

These interviews will shorten your learning curve, help you prepare emotionally and strategically and will increase your confidence.

After the third or fourth interview, review the advice you've received – note the similarities and differences. Are there success strategies you can incorporate into your approach that resonate with who you are? You want and need to be perceived as genuine and credible. Select the information that works for you and throw the rest out.

You don't need to be the product expert. But you do need to be a person who the prospect respects and trusts. Learn as much about the individual, their situation, what they want, what's worked or been tried and failed in the past, their current limitations, etc. This in-depth understanding of their situation and opportunity will enable you to speak the prospect's language and come across as "someone who understands our situation better than anyone else." Offset your lack of knowledge by being a great listener. Be thorough, and flexible when appropriate. Invite the right subject matter experts to the table so you are perceived as a strategic resource.

President Lyndon Johnson once said, "What convinces is conviction." Be passionate. In time, you will evolve to become the strategic resource. Right now, you must rely on your unflinching commitment and dogged determination to ask the right questions and bring the right resources to the table.

When you evaluate a potential opportunity with a prospective client, and the benefits to the organization are acknowledged, the question you want to remind yourself to ask is: "What happens if you decide not to do anything?" The answer to this question will quantify the value of a potential solution from the prospect's perspective and

help you gain leverage during the negotiation. For example, if your solution is \$50,000 higher than what was expected, but provides \$300,000 in savings over three years, the prospect has a compelling message to share with the economic decision makers.

In every sales situation, there are controllables and uncontrollables. Don't waste time focusing on what you can't control – in this case, your company's training schedule. Instead focus on what is within your control; leverage the experience and wisdom of other top performers to gain strategic advantage.

Leverage is often based on the other party's perception of the situation, not the

facts. It's not reserved for people with a lot of economic, social or political power. The truth is that less powerful and less knowledgeable people can and do gain strategic advantage by being astute and taking advantage of strategic opportunities. Don't give your power away by assuming the relationship is fixed.



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