

Power SWOT Before Major Business Negotiations!

“The one sure way to success is to know everything you can about what you do.” **-Donald Trump**

Donald Trump has it right in this quote!

A very powerful exercise prior to any major business negotiation is a SWOT (strengths, weaknesses, opportunities and threats) analysis of our business relative to the negotiation. Professional business negotiators may go much further with this exercise and SWOT their competitors and their bargaining partner.

Why SWOT? The answer is why wouldn't you? This analysis if performed honestly helps us bring greater light to our position with our bargaining partner. It also helps us formulate strategy, plans and tactics that we may want to bring to the negotiation table.

The SWOT exercise sounds pretty academic but it's surely the one that gives sales people and procurement personnel the greatest uneasiness. I was amazed while training a very mature sales force that SWOT analysis of a negotiation was an “ah ha! moment” for them.

It can be difficult for us to be objective especially when facing a potentially difficult business negotiation. Most of us also have a fairly easy time discussing our strengths and opportunities because as business people we live in the present and future where we are strong and robust. We sell and negotiate best when we project from a position of strength.

Also, in corporate life it's not very popular talking excessively about weaknesses and threats. After all aren't we professionals at turning customer objections into sales? Can't we just figure this problem out and come up with a sensible solution?

By honestly detailing weakness and threats we are opening the door to intelligent discussion about business implications that can actually help us raise our game. Fix holes in our defense. Be better prepared to hear customer objections, empathize and honestly say...“we too are concerned about this issue and this is what we are doing to address this weakness”. Open honesty has the potential to hasten strategic solutions and possibly thwart competitors with our innovative ideas.

Back to the positive. By studiously adding up our strengths and opportunities we can clearly see key leverage points that we can use to persuade our bargaining partners to move closer to our negotiation objectives. After all, doesn't everyone want to participate with a winner? Especially, if both sides in a negotiation experience financial and emotional fulfillment?

What about a SWOT analysis on our closest competitors? Smart move! My lifetime in business has taught me that there is simply no safe account, no safe market and no safe deal. Our competitors are constantly changing the playing field with new innovations, new product launches, new acquisitions and new partnerships.

For example, in recent years we are seeing suppliers moving their own people into customers head offices and becoming a seamless, influential part of the customer's team. The rub is these suppliers are doing this by assuming the cost of equipment and personnel to take pressure of diminishing resources on the customer's side. The upside is that these suppliers are solidifying long term deals with this strategy.

Finally, what about a SWOT analysis of our bargaining partner? Doubly smart move! This focuses us on understanding their world with greater intensity and empathy. If they are trying to build revenue or market share that we can positively affect thru our innovation....what a gift of knowledge this is heading into a negotiation!

On the other, hand by understanding their weaknesses and threats we can ask some pretty well placed questions about "what is keeping our negotiation partner up at night?" Again, all of this information just strengthens our ability to be more decisive with our negotiation strategy.

By trying to see ourselves thru our customer's eyes we are really exposing our side to the deepest truth one can hope to uncover prior to a negotiation. What if we are in love with our "point of difference" in the market but our customer could really care less and actually does not agree with our wonderful assessment of us? Yikes!!!!

The neat thing about all of the above analysis is that if time is compressed you can actually write a Mini SWOT on the back of a napkin sitting in a waiting room heading into a negotiation meeting. This advanced negotiation technique is how negotiation professionals scratch out those precious, extra points at the negotiation table. [So here's the question...how good and dedicated is your team at SWOT analysis heading into major negotiations?](#) If the answer is "not great", I highly recommend you seek out a professional negotiation facilitator to help your team learn to Power SWOT effectively to scratch out those precious, extra points at the negotiation table!

My attitude is that if you push me towards something that you think is a weakness, then, I will turn that perceived weakness into a strength.
-Michael Jordan

By Patrick Tinney
Managing Partner
Centroid Training & Marketing
centroidmarketing.com

For more information or to comment, please contact patrick@centroidmarketing.com

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