



## **When Bad News is Good: How to Deliver Bad News to Clients and Still Keep Them Satisfied**

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~ Interview of Kevin Kearns

Kevin Kearns was working as a sales manager for a printing company five years ago when he had to utter four words no customer ever wants to hear: We have a problem. The payroll checks a major insurance company had ordered were going to be produced late, and, consequently, the company was going to miss its pay run. Kearns immediately alerted his client of the late shipment and met with internal department heads. They decided to air freight two boxes and deliver the rest of the checks by truck.

"They were upset, but they were also pleased that we were being proactive," says Kearns, now vice president of sales\* for Huthwaite, a sales force consulting company based in Sterling, Virginia.

Moreover, Kearns was able to spin the bad news into a stronger relationship with his client. "The situation actually created an open dialogue, in which they told us about other problems they were having that we could address," he says. "A problem solved quickly and promptly will build your credibility as a partner, and then you can begin the sales cycle within other areas of the organization."

How can you, too, use bad news to improve a relationship? Follow these four steps to turn a slipup into a success:

**BUILD RELATIONSHIP CAPITAL** "Get to know your client as well as you can so you're not dealing with a cold person over the phone," says Jim Brown, executive director of the Russ Berrie Institute for Professional Sales at William Paterson University, in Wayne, New Jersey. If you have a good relationship with your client before a problem occurs, they'll remember the 10 good things you have done for them instead of your one mistake.

**TELL THE CLIENT ASAP** As soon as you realize there is a problem, let your client know by phone or, if possible, in person. "It's better for them to hear bad news from you than to discover it on their own because it establishes your candor," Kearns says. When you tell them, be as direct as possible and don't beat around the bush. Also, apologize for the mistake. "Saying you're sorry means a lot," Brown says. "And saying it three, four, or five times means even more. Excuses don't work." Assure them you're doing everything you can to solve the problem.

**ESTABLISH AN OPEN DIALOGUE** Although you should come prepared with possible solutions, allow the client to have input into which one you implement. Brainstorming options with your client will let you get to know him better and allow you to develop a stronger relationship based on trust and cooperation.

**FOLLOW UP** Make sure you keep in close communication with your client until the problem is solved. According to Kearns, "If you demonstrate that you can quickly and effectively solve problems for your clients, then the door is open for them to probe into other problems they're experiencing, which could potentially lead to more sales."