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This is the true story of how a CEO lost an important sale—and how he could have won it. If you are selling ideas to an investor, a colleague, a customer, or someone you want to be on board with you, this story might help you to get them used. What was the CEO trying to sell? He was making a pitch to get enough money to keep his company alive. He was selling an idea, and he failed.

This is a story of listening and asking, and what you'll find here might make you more productive at selling your own ideas. Selling ideas can be difficult. It isn't just a transaction; you want your idea to be implemented. For that you need to get an emotional as well as an intellectual purchase. You need to be heard. Whether you are a technical expert or a business unit manager, getting your idea utilized is key to helping any division or company grow. Losing this kind of sale and implementation can cripple your efforts—and perhaps your business.

How the CEO Lost the Sale

The story starts with Heidi Roizen, the operating partner at DFJ. DFJ (formerly Draper, Fisher, Jurvetson) is a successful venture capital firm. Heidi is one of the best-known entrepreneurs in the technology world. But this is not about the firm, it is about one failed attempt to sell an idea, as she experienced it. This story illuminates the difference between, and value of, both listening and asking. It's a key lesson that you can use to sell essential ideas both inside and outside your business.

As Heidi tells it, she came into a meeting with the CEO and as she sat down she raised her hand to ask for time. Heidi explained that she had just returned from dropping her son off for his first year at college. Anyone who has had a child leave for college will recognize the emotions, and Heidi was still feeling them. She was also self-aware enough to know that she needed to pause and reset in order to give this guy a fair hearing. So she asked for the breathing space to do that.

The entrepreneur nodded, barely paused, opened his computer, and said: "OK, let's get at it."

That was the moment his pitch failed. He did not get Heidi's support for funding from DFJ. What might have saved the deal, and maybe his company? Listening and Asking.

Listening: Respecting the Emotional Context

It is easy to say that the CEO deserved to be dismissed for being rude. But if rudeness were enough to disqualify entrepreneurs from getting funding, there would be a lot fewer successful startups in Silicon Valley. Something more fundamental was missing here: *Listening and Asking*. Since Heidi was the person the CEO wanted to persuade, it makes sense to start with her perspective.

“Most entrepreneurs,” Heidi says “come to us and treat us like trolls on the bridge guarding a giant pile of money. If they get past us, they get the money and the experience is over and they go do good things.

“That is not how we see it as venture capitalists. We look at these deals as long-term relationships. If we invest with someone, we’ll be working with him or her for up to 10 years. I have to look at these guys as people whom I want to work with closely.”

In other words, DFJ invests as an active owner/partner, not a bank. The firm wants to be engaged in how the small company operates and grows and be closely involved. To make that work here, Heidi’s team has to feel personally comfortable with the CEO and his team. If the CEO does not show the ability to listen and ask, it is a sign to Heidi that he may not be able to work smoothly with her team. No matter how compelling the business case, if the CEO wanted to sell the idea of investing in his company, he needed to understand DFJ’s definition of success. To get that, he needed to connect with Heidi as a person, not a checkbook or even a businessperson.

The same applies to any situation where you want your idea to be implemented. Making a one-time sale can happen based on purely logical answers. Getting an implementation requires that the people buying your idea be supportive and feel involved. It is an emotional sale as well as an intellectual one.

How could the CEO who came to ask for that giant pile of money have done better? If he had listened to the emotional context, respected Heidi’s need for a short time reset, and put his own issues aside for a minute, he could have gotten a lot further with his pitch.

But would that have been enough? The truth is, giving her space to come back emotionally would have been a necessary first step. However, if you want to get an idea seriously considered and then implemented, listening and providing emotional space is insufficient. The other party’s involvement in the success of your idea starts when you ask.

Asking: The Importance of Perception

Listening for the emotion is table stakes: You absolutely need to do it, but it just gets you started. Asking is the other key factor. As important as listening for emotions would have been in this meeting, there was a clear mismatch. From Heidi’s perspective, the mismatch was between how the entrepreneur saw her firm, and how the firm adds value.

No matter how the entrepreneur really saw it, if Heidi thought he viewed her as a troll and her firm as a checkbook, she wasn’t going to buy his ideas.

How could he have helped her accept and adopt his ideas? Just saying that he understood would not have been enough.

To truly sell his ideas, he would need to ask for her success criteria for the meeting and for a great investment. Asking for success criteria is not just being polite. If you want to get your ideas sold and then implemented, start with asking about success as the implementers see it.

The CEO needed to sell an idea to Heidi to get her firm's support. And despite the fact that she was looking to invest in the right firm, Heidi had her own success criteria. To be clear, this is not about what the CEO wanted in his mind; this is about her perception of him from the first moments.

Why Can't He or She See What Is Obvious to You?

The CEO may have come into the meeting working from a perfectly logical position. He had an idea of value, and believed DFJ could make more money by funding his idea. Logically he might assume that he did not need any more support for his pitch. After all, DFJ is made up of very bright people.

However, even smart people are not logic machines. Economic models and marketing plans constantly fail when they rely on the assumption of a fully rational buyer. What is analytically obvious to you may be uncomfortable to someone you wish would implement your idea.

Your success depends, then, on their commitment not just to understand, but to feel comfortable implementing. A commitment to act is as much emotional as analytical. You'll succeed at selling the idea when you work from the premise that there is more than analytical thinking at work in any transaction.

There is a reason that most great leaders are charming as well as logical. Great persuasion includes both feeling and thinking. If you want to sell an idea and get it implemented, then you want to transcend the purely logical position and include an equal part of emotion.

By not listening to Heidi's feelings and not asking for her success criteria, the CEO got exactly what he deserved. He lost the acceptance of his idea, and perhaps threatened the success of his company.

Two Steps to Get Your Idea Sold and Implemented

What is the best way to handle this kind of pitch? Start with realizing that you have a potential customer here. Whether they work for your company or not, they are a customer for your idea and implementing it. Don't assume that you

know how your customer sees it. Ask. The simple question would be: “What will make this a good idea for you to implement?” Even if you think you already know the answer, it’s the right question.

The following are the two steps to make your pitch work and get your idea implemented:

1. Listen to the customer on both an emotional and analytical level.
2. Ask for the customer’s success criteria, and then be very clear that you understand them.

What would have been good practice in this situation? To ask Heidi how she defines success in this investment. Then perhaps to close the computer and talk to her as a partner instead of a checkbook. Either would have resulted in a much more productive meeting for both of them.

It’s difficult to be a successful executive or salesperson if you can’t learn to “hear” emotions. Not hearing the emotive messages from customers and colleagues means that you miss half the critical information you need to be average, much less superb, at your job.

If you listen well, you are aware of both the emotive and analytical messages without projecting your own agenda. If you want to build relationships with customers, ask for success criteria at the start of every important conversation. You will grow your sales, your time, and probably your grins. Try it the next time you want to call on someone important to your success.

Notes:

While this article focuses on selling ideas, many readers will be interested in the world of venture capitalists. If you are interested in VCs, and perhaps in pitching to them, here are some resources:

For information on Heidi Roizen: www.heidiroizen.com -- Site the CEO could have viewed before visiting Heidi

For information on DFJ: <http://dfj.com/> --- Another site he could have visited

For information on how to pitch a VC, some resources recommended by insiders include:

- Warp-Speed Growth, by Peter Meyer. Published by Amacom

- <http://www.forbes.com/sites/davidteten/2015/02/11/dont-pitch-a-venture-capitalist-without-this-checklist/#2715e4857a0b170572fb1bc7> (Article in Forbes, by David Teten, February 11, 2015)
- https://www.ted.com/talks/david_s_rose_on_pitching_to_vcs?language=en (Video recording of a TED talk by David Rose, March 2007)
- <http://www.inc.com/josh-linkner/11-insider-tips-for-pitching-a-venture-capitalist.html> (Article in INC by Josh Linkner, December 2011)
- The Startup Game: Inside the Partnership between Venture Capitalists and Entrepreneurs by William H. Draper, published by St. Martin's Griffin
- The Art of the Start 2.0 by Guy Kawasaki and Lindsey Filby, published by Portfolio

For more information on crafting presentations:

- Presenting to Win: The Art of Telling Your Story, updated and expanded edition by Jerry Weissman, published by Pearson.

