South Dakota Disadvantaged Business Enterprise

Newsletter

January 2026

How to Be a Better Negotiator

Whether you're discussing terms with suppliers, negotiating contracts with clients, or seeking investment, negotiation is an essential skill that small business owners use constantly. That doesn't change the fact that for many, negotiation is a challenging, anxiety-inducing experience. It can be disheartening to feel that your business is impeded by its weaknesses; however, negotiation is a skill that can be acquired. With adequate practice and preparation, you can approach your next negotiation with a composed and assured demeanor, confident in your capability to achieve your objectives. In this article, we will look at a few ideas you can use to step up your negotiating game. While we will focus primarily on negotiations with potential clients, the ideas can be applied to any negotiation.

Do Your Research

Going into a negotiation unprepared will leave you open to surprises, less likely to be able to respond to requests specifically, and more likely to make mistakes. Remember: strong negotiation starts before the actual meeting. It is essential to commence your preparation by gathering pertinent information. There are three critical categories of information that consistently hold importance and offer a valuable structure for your research: understanding your client, analyzing your competition, and assessing yourself.

Perhaps as obvious as it is important, you need to know what your client wants to succeed in negotiating with them. As you begin your preparation, try to understand what your client really wants out of this interaction, what fears and goals they have that led them to the negotiating table, and what they are likely to expect to give in exchange for reaching those goals or escaping those fears.

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Once you know what the client wants, you can investigate what competition you will face. Maintaining an active awareness of local competitors is good practice generally but developing a specific list of competitors for each deal can help guide your negotiation tactics. When looking at your competitors, ask what they can offer your negotiation partner, what price they will likely charge for that, and how important this deal is for their business.

Finally, you need to understand your own business to succeed in a negotiation. Reserve this section of your research for the final stage, as understanding your client's needs and how your competitors may meet those needs can provide valuable insights into your own capabilities. When looking at your own business before a negotiation, determine how you can help the client reach their goals, what unique value you have that separates you from your competition, and what you want to gain from this potential deal.

Prepare Your Approach

Now that you understand the positions of the groups involved in this negotiation, prepare a few strategies ahead of time. Work through how you will address your potential client's needs, demonstrate that your business is the best solution, and ensure that you meet your goals. Note that it's strategies, plural. Negotiations are conversational, and they may not move in the way you want. Preparing multiple approaches helps you stay adaptable and makes it more likely that, however the conversation moves, you'll be ready.

Maintain The Proper Mindset

Mentality can make all the difference in any conversation. As you enter the negotiating room, make sure you're in the right headspace. To achieve the best results, you will want to be empathetic, personable, and assertive in your negotiating.

Maintaining an empathetic mindset can go a long way to improving your performance. Being able to read the room and adapt to the changing atmosphere can help you keep clients engaged, and putting energy into understanding the feelings of those around you will enable you to address those feelings more directly. This should not be a purely intuitive process, though. Giving others a chance to speak both helps keep them engaged and allows you to glean insight into their needs, while seeing the negotiation from their perspective improves your ability to respond. Ask questions, listen to the answers, and adapt your approach to respond specifically to the people with whom you are negotiating.

It's not enough to just understand your clients, however. You also need to relate to them. People value connections, so giving potential clients a chance to see you as a human being rather than just a voice for a company can give you a big boost in negotiations. Be friendly, engage in conversation that isn't just about the current transaction, and create genuine connections with your clients, and you will encourage them to see you as a friend who cares about them and can be trusted.

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Finally, be assertive. When you are speaking, speak confidently. Be excited about what you can offer and assured of the value of that offer for the client. Simultaneously, don't undersell your product or undervalue your work for the sake of ingratiating yourself to your clients. Be honest about what you can provide and what you feel you deserve in return. However, never present yourself as arrogant or confrontational. This is not an invitation to get into arguments or expound upon your greatness to the point of alienating your clients, but to speak with conviction to the ways you know you can help. Position yourself as a solution to their problems, not a source of conflict.

Focus on Solutions and Mutual Growth

When negotiating, it's important to remember that both sides fundamentally want the same thing. You both want to come to an agreement, so focus the discussion first on their problems and your ability to provide solutions. If the conversation threatens to devolve into an argument, realign it based on your clients' end goals and your ability to help reach them. This can help reduce negativity and defuse aggression, maintaining the productivity of the discussion. Don't be afraid to make compromises to reach a deal that meets those goals. Negotiations aren't competitive, they're collaborative. You both win together and will likely both need to make some amount of compromise to achieve that win. Never position yourself as an adversary. Always be a source of support and cooperation.

The focus of a negotiation should never be entirely on the other party, however. Mutual satisfaction is vital to a good partnership. Make it clear that you benefit from this deal as well, and don't compromise your bottom line for the sake of meeting unrealistic expectations. If you truly provide the best solution for your client, they should be willing to compromise to achieve that solution as well. If that isn't a possibility, remember that it is okay to walk away from a deal that is unrealistic or unhealthy for your business. If price is the main pain point of a negotiation, consider alternative solutions like negotiating the amount of service you can provide within the client's budget rather than demanding a higher price for the full package.

Upcoming Training & Events

Jan. 27 **Kicking Off A New Growth Strategy Using AI In 2026**
Webinar | Tues., January 27, 2026 | 12:00 P.M. CT | Cost: $10
Learn More>

Jan. 27 **Regulatory Trends for Workplace Safety in 2026**
Webinar | Tues., January 27, 2026 | 1:00 P.M. CT | Cost: Free
Learn More>

Jan. 29 **Marketing That Fits: Choosing the Right Strategy for Your Business**
Webinar | Thurs., January 29, 2026 | 2:00 P.M. CT | Cost: $30
Learn More>

Feb. 4 **Rooftop Safety Simplified. A Practical Guide to OSHA Compliance**
Webinar | Wed., February 4, 2026 | 1:00 P.M. CT | Cost: Free
Learn More>

Feb. 10 **Wisdom, Innovation, Networking - Rapid City**
The Rushmore Hotel & Suites 445 Mt Rushmore Rd., Rapid City SD 57701
Tues., February 10, 2026 | 12:00 P.M. MT | Cost: $25
Learn More>

Announcements

Important Update on the USDOT Interim Final Rule (IFR) and South Dakota DBE Recertification

The South Dakota Department of Transportation (SDDOT) is moving forward with the implementation of the ***USDOT's Interim Final Rule (IFR)***, which requires all currently certified DBE firms to complete a full reevaluation under the new federal guidelines.

What's Happening Now

To assist firms through this transition, Project Solutions Inc., the SDDOT DBE Supportive Services provider, recently hosted a workshop focused on:

- Understanding the new requirements
- How to develop and write your Personal Narrative
- One-on-one support and guidance throughout the recertification process

If you were unable to attend the live workshops, please note that a recorded version of the workshop will be made available on ***SDDBE.com*** and the SDDOT website in the coming weeks.

DBEs are encouraged to review the workshop before submitting their narrative to SDDOT.

Next Steps for Firms Interested in Recertification

South Dakota firms who are interested in getting reevaluated for the DBE program should have their Personal Narrative (PN) and Personal Net Worth (PNW) Statement submitted by **March 27th**. Documents can either be emailed to ***Kyle.Watkins@state.sd.us*** or firms can contact Kyle Watkins at 605.773.4906 to set up a SharePoint folder to upload their documents.

If firms are unsure at this time, they can submit their PN and PNW Statement at any time to be reevaluated. The firm's DBE status will be considered inactive and participation on projects by the firm will not be counted toward the DBE goal until their recertification is complete.

Current Status of DBE Firms

Under the IFR requirements, all South Dakota DBE firms are temporarily listed as inactive until they complete the reevaluation process.

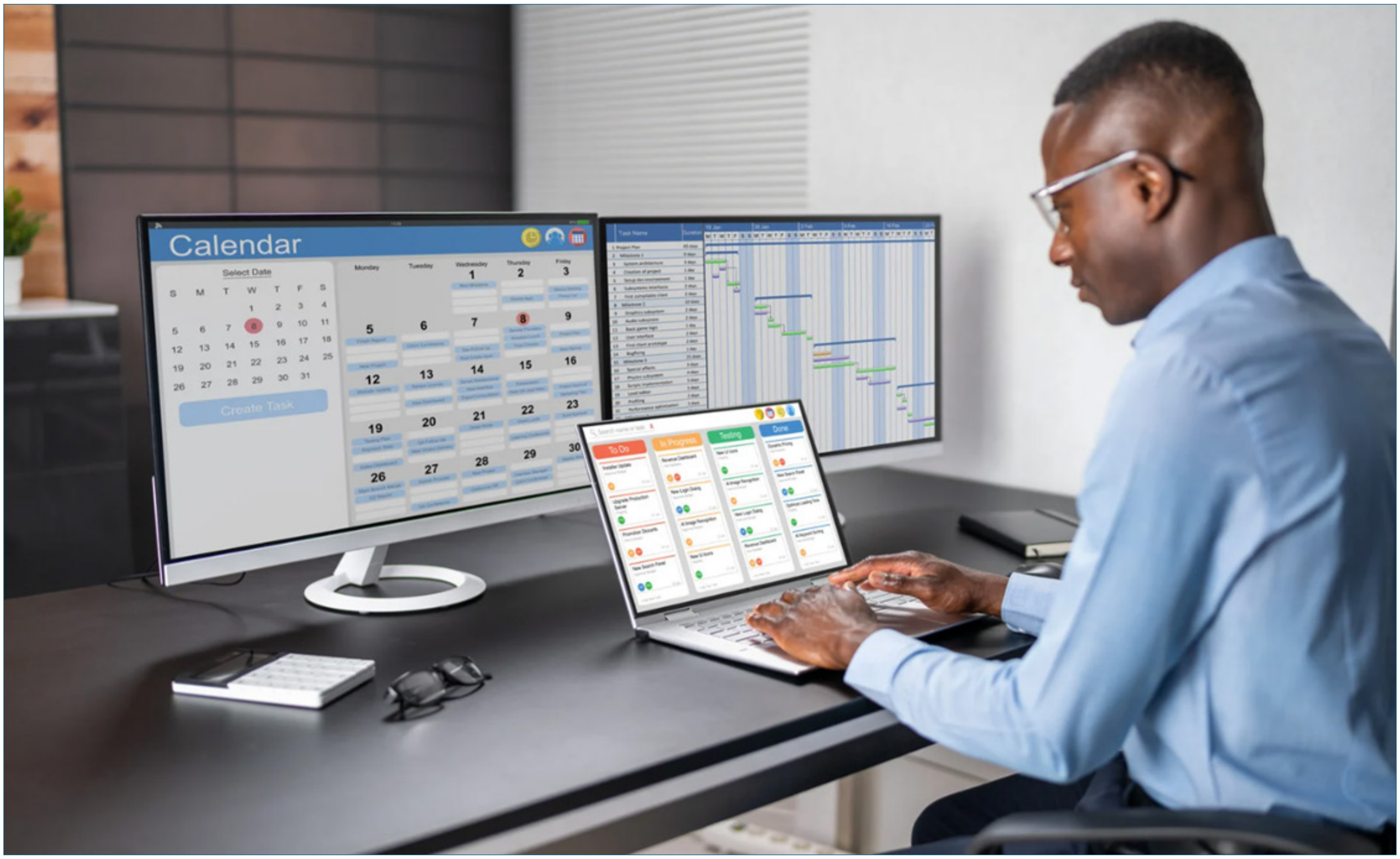
What This Means for Statewide Goal Setting

Once SDDOT has reviewed and processed all recertification submissions, the department will resume work on DBE goal methodology and development which are a vital part of getting the DBE program started again.

SDDOT is committed to completing this recertification effort as quickly as practicable to comply with federal requirements while minimizing disruption for DBE firms.

If you have any questions regarding the IFR and the reevaluation process, please reach out to Kyle Watkins, SDDOT DBE Program Coordinator at 605.773.4906 or ***Kyle.Watkins@state.sd.us***.

Time Management Hacks for Busy Entrepreneurs



For small businesses, efficiency isn't just beneficial - it's vital for survival and growth. Fortunately, the increasing availability of technology offers powerful solutions to help streamline operations, reduce manual workload, and improve overall productivity. In this article, we will explore practical ways small businesses can harness technology to improve their business operations while reducing their workload.

Before we look at specific ways you can incorporate technology into your business operations, there are two things worth keeping in mind as you begin to develop tech solutions that suit your company's needs.

First, you should expect new technology to come with a learning period. While these solutions can provide increases in efficiency long-term, your company will need time to learn how to navigate new systems and incorporate them into their workflows. This may come with an initial decrease in productivity, which can be scary. A great way to mitigate the pressure of expecting some new software to immediately provide significant boosts to efficiency is to create an adoption schedule that allows time for learning and gives milestones for assessment on the progress of your team towards fully incorporating new technologies.

Second, you should always consider the scalability of new technologies. Inefficiencies that feel like minor inconveniences now can become significant time sinks as your company grows, and swapping to new, larger scale tech solutions in the future will cause more downtime than investing in systems that can grow with your company over time. When looking at new ways to implement technology into your business, make sure that the systems you use can scale at the rate you expect your company to grow.

With that in mind, let's look at a few key areas where modern technology can significantly improve your business operations.

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Digital Data Storage

Moving away from paper and into cloud storage is perhaps the best-known form of technological streamlining in modern business, and for good reason. Maintaining paper documents consumes a lot of time, space, and resources, and requires extra effort when people need to sort through documents to find specific pieces of information. Modern cloud storage solutions solve all these problems by making it easier to enter and index documents in your library, removing the need to provide space and care for physical paper, and implementing search functions to make finding specific information easier.

Digital storage also helps by making documents more accessible and more easily tracked. You don't need to worry about making copies or tracing the travels of a document if everyone can access the same files at the same time. Version tracking and cloud syncing also removes the friction of ensuring that people have access to the most recent versions of living documents by letting people make and see edits in real time.

To top it all off, digital data is more secure, so transitioning to cloud storage improves your operational security.

Virtual Communication

With the rise of remote work and virtual offices, modern communication software can be a game changer for your business's efficiency. Apps like Microsoft Teams and Zoom allow colleagues around the world to speak to and see each other through video calls, chat instantly through text messaging, and share documents seamlessly, removing the need to ensure that everyone who works with you is in the same location. Whether your company is seeing the benefits of work-from-home business models or has employees in the field who need to communicate with your home office, investing in virtual communication can improve your operational efficiency, reduce downtime, and save you money.

Project Management

In the same vein, technology offers systems to streamline project management through apps like Trello and Asana. These services make it easier to visualize projects, describe the work that needs to be done, assign employees to do that work, and track their progress. Some services will also allow you to sync project data with email and communication apps, further enabling communication and making it easier for employees to collaborate.

Automation

Modern software, especially with the emergence of AI, can cut down on the time required to do simple, repetitive tasks exponentially. Tasks like sending welcome emails to new customers, managing simple customer service queries, or maintaining correct information on forms and spreadsheets as your business finds new contracts and expands might take hours of work for a human, but can be done in seconds by computers through services like Zapier. This allows your business to get more work done while freeing your human employees to spend their time and energy on the more creatively complex aspects of their job.

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Customer Relationship Management

Customer Relationship Management (CRM) Software is a great way to increase efficiency by offloading the work of tracking customers' interactions with your company onto technology instead of requiring human employees to maintain an active knowledge. Software systems can maintain more accurate records of emails customers send, questions they ask, concerns they raise, and ongoing interactions on projects, making it much easier for employees to read up on a customer's history before speaking with them to familiarize themselves with that customer's specific needs. This allows employee-customer interactions to simultaneously require less work from staff and be more specific and helpful for the customer.

CRM services can also boost your marketing potential by tracking customer spending habits, monitoring the efficiency of your advertisements and SEO, and analyzing the behavior of customers' interactions with your websites, phone lines, and social media to determine where optimizations can be made.

Electronic Signatures and Payment Options

Similarly, offering customers technology-based conveniences can make it easier for them to engage with your company, and thus improve the likelihood of purchases being made. Including digital payment options on your website and allowing customers who need to provide signatures to review documents online and sign digitally both increases their level of convenience and improves your efficiency, since it reduces the need for your staff to spend time managing those purchases or physical documents. Once those transactions are completed, having a digital record also makes it easier to track payments and verify signatures.

Did you know?

Personal Narrative Assistance Available for SD DBEs

Project Solutions Inc. is the Supportive Services provider for SDDOT and is available for one-on-one assistance to SD DBEs who would like help drafting their personal narrative for the recertification process.

If you were unable to attend one of the live Personal Narrative workshops, we encourage you to review the recorded session before scheduling a one-on-one meeting with PSI. The recording will be available soon on ***SDDBE.com*** and the SDDOT website.

To schedule time with a consultant, email ***dbe@projectsolutionsinc.com***.