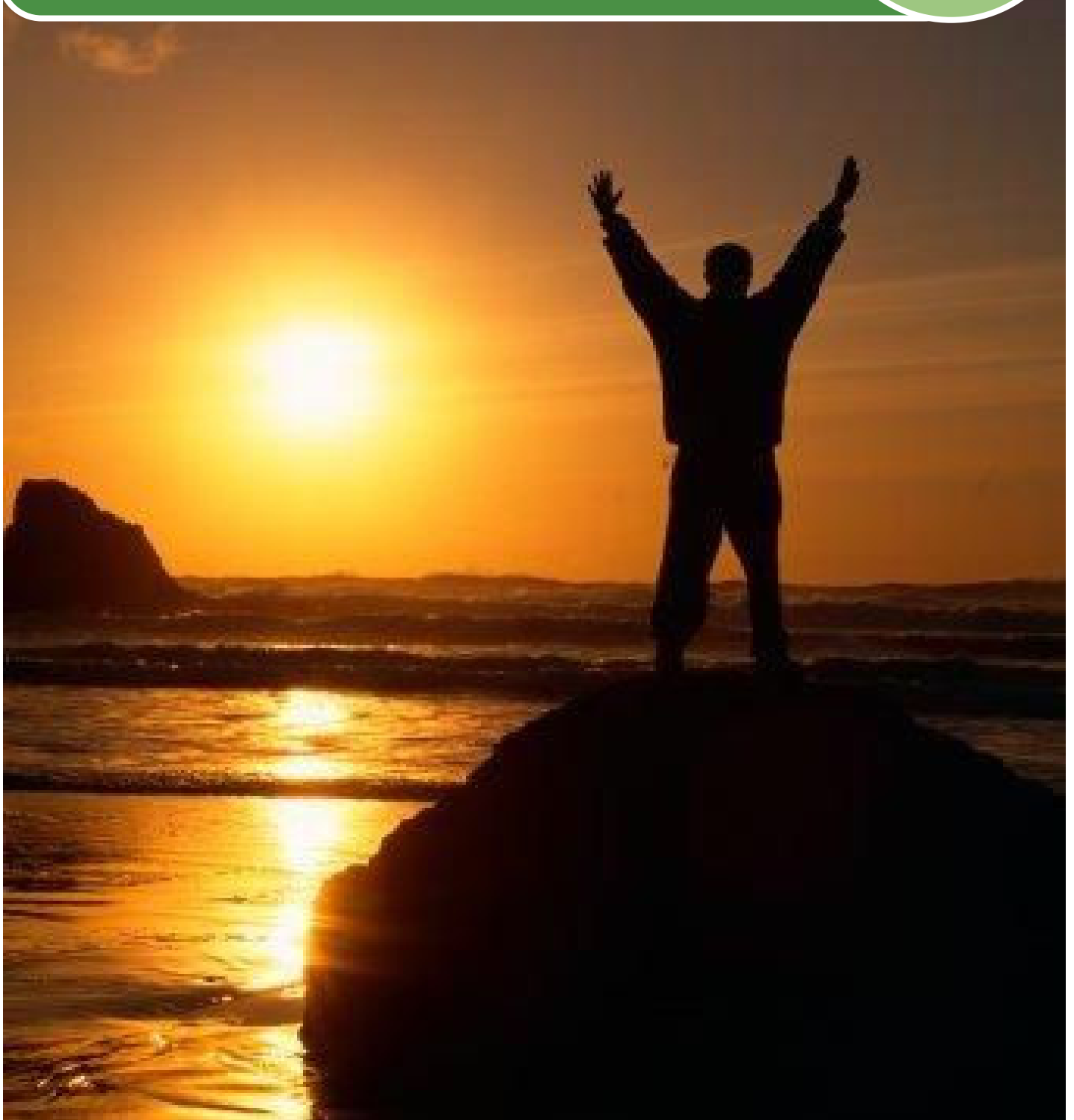


7 Steps to a highly effective sales transformation programme

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Part One - What makes the sales function so different??

There is little doubt that many sales development programmes fail to deliver the results executives expect – as many as 85% according to a Gartner Group study. This article looks at the most common reasons why and the key steps that you need to take if you want to make sure that *your* companies programmes are in the 15%!.

At the heart of the paper is the premise that the sales function is fundamentally different from other functions when considering skills development and process change.

This is particularly important, as the need to show *success and real value* from salesforce development investment has never been more important. In today's increasingly competitive, cost conscious environment, expenditure on sales change projects has only been available to projects that show a measurable potential return on investment. Gone are the days, at least for the time being, where spending on CRM systems or skills training was nodded through budget reviews on the basis of it being needed 'simply just to compete'.

Having said this, sales development remains an important opportunity for many companies – even if justification is more important. Lets look at two examples of this..

Creating a common sales culture and 'language'

From our experience working with a wide variety of clients, whether major consultancies, professional services firms, investment banks, charities, software houses or fmcg companies, many see the competitive advantage to be gained from their salesforce having a common 'language' for describing sales opportunities, sales cycle stages, competitive analysis and client contacts (eg sponsors, coaches, economic buyers etc). This is particular the case where companies have grown through mergers and acquisitions and find themselves with disparate, often competing sales teams.

Both the *advantages* of a common sales language (retention, cross selling, better communication between salespeople and managers) and the negative implications of *not* having this (wheel re-invention, miscommunication, lack of corporate identity, brand degradation) are self-evident for directors who are in the middle of pulling organisations together.

The salesforce as a competitive differentiator

As many sales directors know, it is getting more and more difficult to find a real competitive edge from products and services alone. To fill this gap, '*Making your staff a differentiator*' is already a common consultancy buzzword and many organisations clearly see the salesforce as the obvious way to make this happen and achieve demonstrable results. The old adage that "people buy from people" has never been truer and much of Greenbank's work has been stimulated by clients who have found themselves increasingly losing bids to competitors with similar or even inferior products or market positions – but who are somehow operating "smarter" or mysteriously gaining access to contacts that remain out of reach to our clients sales teams...

Training is not the end result...

Given the importance of the sales function, the sales training market has never been more active – but does it deliver results? From our own experience, backed up consistently by conversations with sales managers and research from a number of organisations, without a clear approach to sustainability, good ideas and new skills from even the most creative and enjoyable sales workshops last approximately 2-3 months. Certainly 6 months later, after life 'back at the ranch' has taken its toll, its difficult for CEOs to see the impact.....

"So what's so different about this?" You may say – hasn't the whole change management industry been built around just this sort of organisational issue?

What makes a salesforce different?

This is true - but although *some* classic change management tools are very relevant to make sales change 'stick', the sales function has some very specific characteristics, often overlooked, that make change difficult to imbed and need specific management leadership and approaches.

I have described these differences under the 3 headings of *sales culture*, *sales management* and the *sales role* itself

A) Sales Culture

Salesperson characteristics - It's worth looking here at the characteristics that are firstly looked for during recruitment of top salespeople - and then subsequently get rewarded and reinforced. Typically – certainly in a sophisticated b2b environment - this includes individuality, charisma and the ability to 'get around' blocks. A broad oversimplification maybe, but these characteristics are the *opposite* of somebody who would readily pick up and use a new process or system simply because it was the new corporate standard.

Salesforce machismo – Linked to this is the competitive, image-oriented culture in many, although obviously not all, salesforces which makes it difficult socially to try something new & it being OK to occasionally fail. This is a real block to moving from a state of 'conscious competence' (overtly and often clumsily trying out new skills) to the desired 'unconscious competence', where the skills are imbedded in the salesperson's natural approach.

Individual v Team success – Although many sales organisations want to encourage team working, in most sales organisations, individual performance – readily measured by monthly sales figures – remains a major behavioural driver. This can make any sales development initiative requiring teamwork and information sharing very difficult.

A salesperson's individual knowledge base (of accounts, products and especially individual contacts) is historically their personal strength – and one that can take with them to their next job. Systems and processes that turn this into *shared* knowledge may well be mistrusted or overtly fought against. In our experience, this is a major block in particular for sales CRM implementations, where much of the information remains in the salesperson's head

Short-term revenue measurement - The bonus or commission nature of a salesperson's remuneration, together with the short term (monthly or even weekly) nature of their targets,

means that new approaches that do not *immediately* deliver increased sales are likely to be discarded or ignored.

Again, this transparency of personal performance (much more than any other function in an organisation) can make salespeople feel very vulnerable. Sales processes that require openness on sales pipeline are very difficult to fully implement where this isn't addressed.

B) Sales Management

First line managers are key to long-term success of any change project – but in sales, they are often actually the major stumbling block! Why? Well as a start, from our experience, it is often the most successful, most charismatic, individualistic, results-focussed, salesperson that is promoted in the first place to sales manager. Not surprisingly therefore, management practices around coaching skills or process implementation are not always of major interest to sales managers....

In some cases (much more than in other functions) sales managers do not even see it as their job to coach or develop their staff. Their role of 'bringing in the figures' each month overshadows other management duties and they can afford to avoid any people-management 'outside comfort-zone' duties.

To reinforce this, commission and bonus schemes are all too often seen as the main way the company motivates salespeople and could be viewed as removing the need for hands-on people management.

These points are hugely important. Any sales change programme will have problems and difficulties as it gets rolled out and first-line sales managers are in exactly the right place to spot and quickly address the issue – as they are to ensure that the benefits from any new skill or process is maximised within their group!

However, particularly because of the points above, their support and role in this can *not* be automatically assumed – if it is, then it is all too easy for them to provide at best 'lip service' to the changes, and at worst adopt a more cynical, destructive position...particularly if there is initial impact on short term revenue (on which many sales managers are often solely measured) by their staff attending courses, learning new systems etc...

C) Role and Geography

Geographical factors. It's obviously a lot easier to implement change when your target audience is in one place – as in a call centre. The fact that many field salesforces are highly dispersed adds an additional complexity – which together with the typical salesperson's characteristics outlined above, often kills a project in its own right...

Customer facing – Connected with this, the customer-facing 'out of the office' nature of the field salespersons job makes it difficult to know whether the new skills are being used or not! Many sales managers we have talked to find it uncomfortable to carry out coaching calls with their salespeople to test this..

Good salespeople will still make sales! – without the new skills or processes. Given the pivotal role that top salespeople have in an organisation, it takes a brave company to force a top salesperson to adopt a new way of working – even if it is for the longer term greater good of the organisation. Another way of viewing this is that new processes or systems are

in reality 'optional' for a salesperson – they can do their job without them – unlike say a telemarketing executive whose system and processes dictate their workflow...

Immediate customer pressures The reactive nature of their work – and the build up of customer queries whilst they are being trained, means that 'life back at the office' is immediately on top of a salesperson once they finish training. Many salespeople we have spoken to 2 or 3 weeks after training have claimed that this factor alone has prevented them from trying out new ways of working – and it is well known that immediate consolidation of learning is vital, with only 10-20% of new learning remembered even a week after training, without trying out new skills during this time.

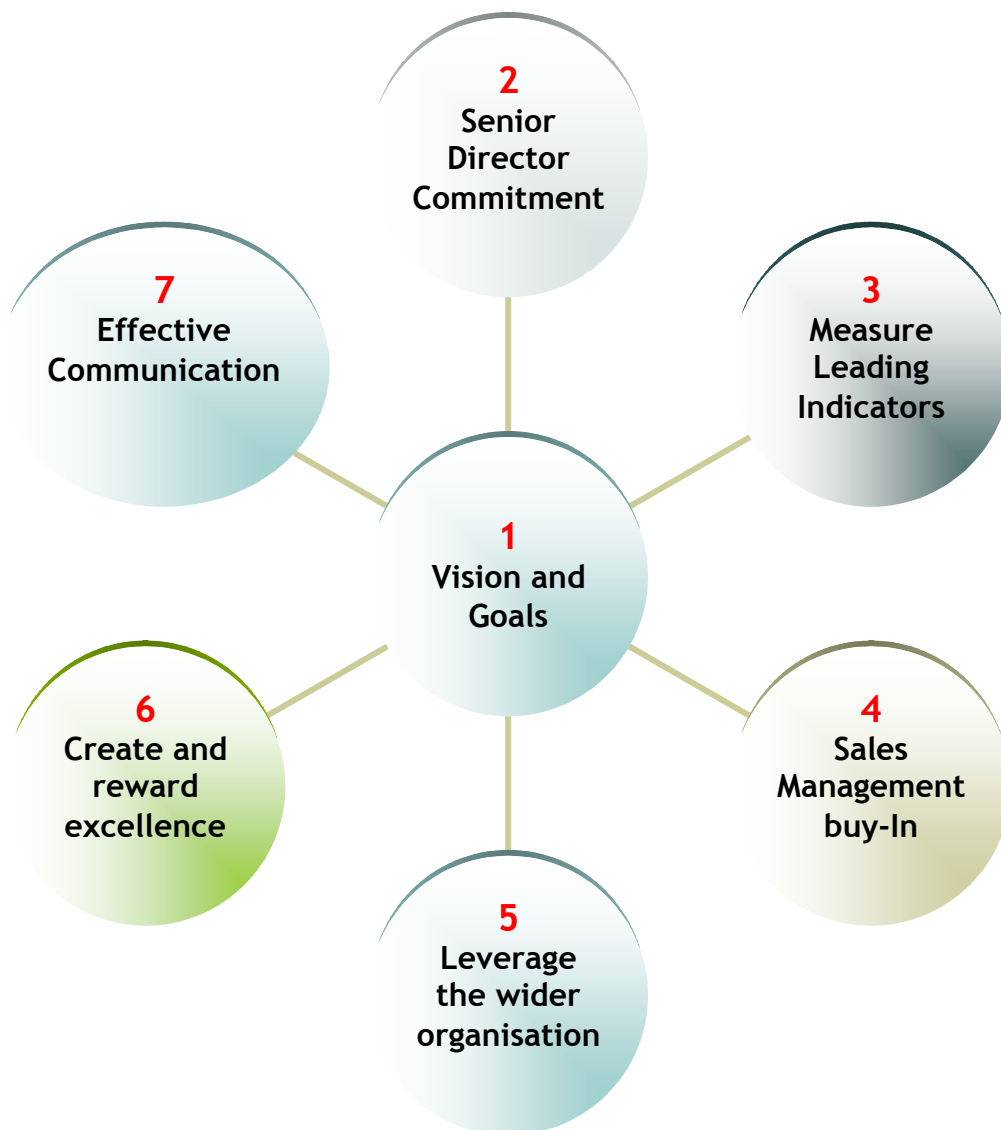
Part 2 - So what's the solution???

Whilst the difficulties are real, with the right tenacity and focus, real bottom line impact is of course possible from effective and sustained implementation of sales skills, attitude training, processes and systems.

This paper outlines a simple, yet challenging, 7-stage model that will work *if organisations are committed to success.....*and frankly there is little point doing any sales training or process implementation without this..

The steps appear to be full of common sense – and they are – but the key is actually doing it! They can be viewed as a series of interdependent activities, each needing their own focus – and in many case different resourcing. However, they will work best if they viewed as part of a consistent, unified, tenaciously run 'campaign'.

Fig 1 – the Greenbank Sustainability Model



1. Vision and Goals

Why are we doing this? How will we know when we get there?...

When new sales initiatives evolve there is normally a clear reason for the change - hitting strategic targets, improving market share etc. There is (sometimes!) even a clear view of what the end result might look like!!

In our experience though – these don't always get clearly articulated to the salesforce and sales managers.

Why is this important? Well - with a clear vision, top salespeople will *find their own ways* to meet the programme end-objectives without being spoon-fed. Without this, *at best* they will carry out the new defined process, but may of course not see the need and end up working around it.

This last point has frustrated many a Sales Development project. Sales managers are generally reluctant to 'force' new processes onto a valuable, high-performing salesperson who does not want to make use of it....

So, you really do need the 'voluntary' commitment and buy-in of the salesforce.

Its key therefore to produce a clear vision and meaningful targets that answer the 'What's in it for me?' question that's never far from a salespersons mind (or lips!).

So – the first key step here is....

“Ensure that every salesperson and manager knows why the organisation is making the change – what the end result will look like – and their key role in it”

2. Senior Management Commitment

Just who at the top really supports this??....

One of the best definitions of commitment I've personally come across uses the great British breakfast as a metaphor... ..

"the hen was *involved*....but the pig was *committed*"

Now, regardless of exactly how committed you need senior management to be (!) its true that many change programmes founder because of over-optimism by the programme-leaders on the true level of commitment at the top.

There are some questions worth asking..

- How many directors on the main board would have the programme on their top 5 priorities?
- Could they state the bottom line impact and objectives of the programme if asked?
- Are the committed directors directly responsible for the sales force?
- Is there enough commitment to survive a major restructure?
- Does your executive sponsor regularly chase you for updates or do *you* have to make sure they are kept in touch?
- Do they regularly and pro-actively mention the initiative at board meetings or staff conferences?
- Do they show real ownership of the future 12-month plan or just refer to previous successes??

If you can answer positive for all of these, then the programme is in good shape – and maybe unique!

Otherwise, there could be problems looming - because setbacks *will* happen. Sales managers *will* complain about the resource implication of the programme, often using training as an excuse for poor sales figures. Have you really got top-level cover when things get tough??

So - how do you get this commitment? Here are some ideas;

- Get commitment up front from a clear executive sponsor, who has *line responsibility* for the majority of the salesforce.
- Question middle management programme owners who may be blinkered when claiming top-level commitment already exists.
- Ensure that *several*/senior executives – not just your main sponsor – are seen to be committed. Get them to talk about the programme at their own management meetings, or on the company intranet. Make sure that every board member understands the programme and *their role in it*.
- Make sure the salesforce see the messages coming from the very top – use quotes from board members to reinforce this..

With all training programmes being looked at critically, any initiative without full commitment from the top is at risk – don't take a head in the sand approach to this and wrongly assume that the occasional word of praise is the same – its not!

So the 2nd step is..

“secure real demonstrable top level leadership – and then make full use of this...”

3. Pin Down Leading Indicators

Just how will this impact the bottom line?

Any sales transformation programme that needs ongoing executive commitment needs to be measured. But - what to measure?

Sales figures themselves are too blunt an instrument and clearly influenced by other factors such as the macro economic climate.

In the face of this, too many sales change programmes fall back on measuring the progress or quality *of the programme itself* – for example using feedback immediately after training courses. This is attractive and easy to do – but it ducks the issue.

An alternative and highly effective approach, is to clearly identify the business *leading indicators*, directly influenced by the change programme and which in turn will have an undisputed impact on revenue or profit.

A good example here that we have effectively used with clients is how early the salesforce get involved in a customers buying cycle for a bid – thus shaping their prospects' buying criteria. This could be a stated objective of a sales training programme that can be easily measured - and who would argue that this would not have a real impact on the eventual win rate?

Other leading indicator examples we have used include;

- average bid size
- length of sales cycle
- total number of active opportunities
- number of opportunities at different sales stages
- number/seniority of 'positive' contacts per accounts etc

So – the third challenge for change managers on sales projects is to..

“clarify upfront the measurable leading indicators”

These should be clearly tailored to the specific performance improvements you are looking to make and importantly *directly influenced by the training or process work*..

Without this effort, any subsequent ROI discussion is likely to fail, but with these indicators in place and consistently measured, a transformation programme can hold its head up high and show a real bottom line impact..

4. A clear role for first-line sales management

Do this and you will succeed. Don't and you will undoubtedly fail....

One of the most common reasons why sales change fails is because the new ways are not supported by first line sales management once a training course is over.

In most organisations, this is the group that has the biggest influence on what a salesperson does on a day-by-day basis. They interpret messages from above, police processes and, importantly, are normally the biggest direct influence on a salesperson's remuneration.

So, gaining commitment from this group is vital – yet they often seem merely as the 'implementers' of new approaches handed down from middle or senior management.

It's difficult of course – often first line management are playing a key operational role that makes it difficult for them to get actively involved, or interested, in the formation of strategy. So what should you be doing to help gain their commitment?

The approach will of course vary from organisation to organisation, but from our experience, here are some ideas that seem to work....

- Bring them along from the very start – encourage the organisation to take the pain of removing them from some operational duties early on in the initiative.
- Make sure sales management really understand the programme vision and goals and that they have a ready 'elevator speech'.
- Clarify and communicate their precise role – exactly what will be expected of them in the programme? Eg coaching calls, implementing new processes etc – and how these are going to be measured.
- Train them up ahead of the game – and then enlist their help in training their own staff. Have them at the front of the training room, not as an attendee. This will help them become change-leaders as opposed to the 'shop steward' stance that can sometimes occur.
- Change sales management targets to include the successful adoption of the new approach in their 'patch'.

If you can achieve a team of motivated sales managers, carrying out a clear role in the change, you will have a good fighting chance of both dealing effectively with the issues that *will* arise – and also more positively, you will have a broader team looking to maximise the benefits from the new skills or systems...

So – the fourth challenge is

“develop first-line sales managers to be change leaders”

5. Leveraging the wider organisation

Avoiding derailment....

A sales development project cannot succeed if viewed in a vacuum and there is an important piece of work here – maybe working with HR - to see beyond the sales function itself to maximise the linkage opportunities.

Areas worth looking at include;

- Existing HR *competences*. For example does the appraisal system work with or against the change in approach you are looking to implement? Be prepared to change appraisals, 360° surveys and objective-setting systems
- Non-Sales management and staff. Other departments have a clear role to play in a successful sales campaign and need to understand the objectives, new approach, the language and the review process.
- Marketing – and other message givers could ensure that the new language and terminology is incorporated into the work they do – eg marketing communications, competitive intelligence etc

The fifth step is therefore

“Ensure the initiative is supported by HR processes and other parts of the organisation”

6. Creating and Rewarding Excellence

Building your ambassadors

There will be salespeople who really come away thirsting for 'advanced' skills and lead the way – you know who they are! But do you do everything you can do to help them?

- Experts can be role models to encourage their less tenacious peers
- They can coach others
- They are likely to be the ones who achieve significant results – case studies that can be used elsewhere
- They will be ambassadors for the programme

Use of CDROMs, 'advanced' workshops, sharing of best practice etc are all possible approaches here to create excellence....

Its also vital to recognise and reward excellence...although distinguish here between paying staff to simply *use* the new approaches from rewarding *end results*

Some pointers here;

- *Make sure you spot good practice* – this may not happen automatically - and then communicate it well..
- Consider separate incentive schemes –focussing on the end results – eg sales brought about by using the new skills.
- Align the existing sales commission scheme - for example communicating the importance of 'strategic partnering' with clients but actually rewarding only short term revenue is a common trap...

So the 6th challenge...

“Build real excellence in the new skills and create ambassadors”

7. Communication, communication, communication

Keeping it 'in their face'

Any major programme needs a, sustained communications plan – to reinforce management commitment, create a common language, clarify targets and keep the new ways of working alive.

Make sure though that you challenge the assumptions behind the communication and asking the difficult questions..

- Are the different audiences being taken into account? What will senior management want to see? (*results, financials, balanced scorecard*) sales management? (*their team's performance versus other groups*) and salespeople themselves? (*hints and tips, their own name in lights, individual war stories etc*)
- Are your team over relying on communication alone? In some ways it's the easiest of the sustainability activities – as a recent discussion with a senior executive reminded me....."Sustainability? oh you mean CDROMs and Web Sites??"

A communication plan alone, without the trickier commitment and buy in activities is an empty shell, providing ammunition for the sceptics who could view it as an exercise in 'spin'.

Its important though – think of it as a channel making everybody aware of the other more intrinsically important sustainability activities – its key that everybody knows just how vital the CEO sees the initiative and what their own personal plans are for the project.....

So this final challenge – is;

"Challenge the communications approach and make it a useful part of the change management plan.."

Summary

Salesforce transformation remains high on company's agendas. Often though this transformation is viewed simply in terms of a 'quick fix' of skills training or process implementation – easy, readily understood and short term.

This is very attractive ...but in most cases leads to wasted investment – something that neither buying organisations, nor training companies hoping to come back later and sell more services, want in the 2008 "show me the return" environment.

This article has aimed to show that the salesforce has unique characteristics that require particular change management focus and has provided a number of suggestions for how you can ensure you are among the 15% of organisations achieving real, demonstrable success! I hope you have found it useful.

Ian Hirst

About the author and the Greenbank Partnership

Greenbank offers training and consultancy solutions for both **leadership development** – management development, teambuilding, coaching, change management and professional development - and **salesforce transformation** – implementing consultative sales skills and processes. We also design and run highly creative and impactful conferences.

Our clients include a number of top FTSE 100 and 250 organisations in a variety of sectors including telecommunications, financial services, fmcg, top 5 consultancies, professional services firms and not-for-profit organisations. We are also delighted to work with leading business schools such as Henley Management College and INSEAD.

Our partners and associates include some of the acknowledged leading thinkers and speakers in leadership and personal development

Prior to joining Greenbank, Ian was formally the Head of Global Sales Operations for Reuters, where he led a major change programme for 1500 sales people across 20 different countries.