



Based on
an interview
with
Martyn Lewis
and
Beverly Lock

This article is based on an interview with Martyn Lewis, CEO, and Beverly Lock, senior consultant, with Market-Partners, Inc. Market-Partners helps organizations involved in complex sales increase their results. Their methodology, The Science of Sales and Marketing™, provides the framework for aggressive and sustainable results in sales effectiveness. Their clients include HP, Agilent Technologies, Sun Microsystems, and Oracle. Tel: 707/575-4712 Email: saleseffectiveness@market-partners.com Web: www.market-partners.com

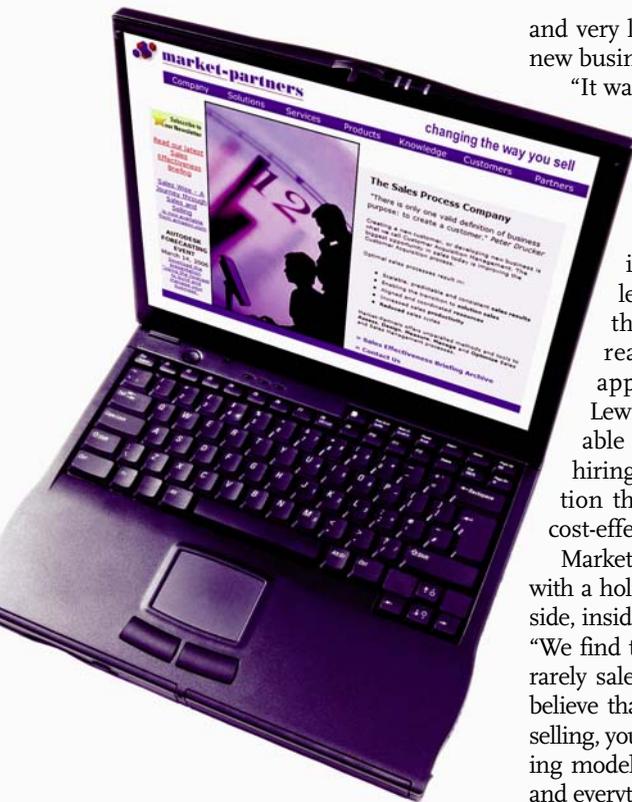
Defining Roles and Responsibilities in a Multi-Tiered Sales Effort

Sales is often perceived as a bastion of lone wolves – independent types who operate by themselves, for themselves. But the reality is that selling is very much a team sport. With a complex product of any nature, a sale requires the cooperation of and coordination with many departments – engineering, technical support, marketing, shipping, and more. And if there are no established protocols for the involvement of these departments,

sales reps can wind up spending more time bouncing around their own companies than they do out selling to others.

That was the problem at one multi-billion dollar designer and manufacturer of high technology components with a 300-person global sales force. Sales were growing and the company was doing well, but roles and responsibilities within the organization were unclear. Thus sales reps spent a lot of their time trying

to establish internal relationships and align those resources to support their sales cycle. The practice led to reps feeling overly responsible for each account. For instance, if a shipment of components looked like it might be late, the rep would wind up breaking down pallets in his garage and driving them to the customer so they'd arrive on time. As a result, sales reps spent most of their time in an account maintenance mode



and very little time out prospecting for new business.

“It was staggering to see a multibillion dollar company behaving like a start-up,” says Martyn Lewis, CEO of Market-Partners, Inc., the sales effectiveness experts brought in to assess and fix the problem. That assessment revealed the organization was quickly reaching gridlock. Their sales approach wasn’t scalable, says Lewis. They would not have been able to continue growing without hiring a lot of new people – a solution that was neither practical nor cost-effective.

Market-Partners tackled the challenge with a holistic approach that looked outside, inside, and across the organization. “We find the root cause of a problem is rarely sales skills,” explains Lewis. “We believe that in order to be successful at selling, you have to look at the overall selling model, and that includes everybody and everything that can impact selling in any way.” With that philosophy in mind, Market-Partners used the following seven-step process to transform the technology manufacturer into a highly efficient, sales-driven organization where roles and responsibilities are clearly defined.

Step 1: Assess how customers buy.

Market-Partners began its work with extensive internal and external assessments so they could grasp the full extent of the company’s sales-related challenges. Internally, they talked to salespeople, managers, and every relevant cross-functional position to discover what was happening and why. Each interview lasted about an hour and was conducted in person with anonymity guaranteed so people would speak freely. “We asked a lot of ‘why,’” recalls Lewis. “And we did a lot of listening.”

Externally, Market-Partners examined customers and trends in the industry. They mapped out in detail customers’ buying processes starting from the moment the customers thought they might need the product through to order fulfillment. The analysis wasn’t about ranking or rating vendors; it was simply about gaining a deep understanding of how customers buy. At the end of this

step, Market-Partners had a stack of more than 100 detailed assessments.

Step 2: Map the current sales model.

Market-Partners next mapped out the overall selling system as revealed by the internal assessments. The goal: to identify the root causes of the company’s challenges. Too often, says Lewis, organizations address only their symptoms without realizing there are usually deeper issues at play. Market-Partners boiled down the internal and external assessments into the following fundamental issues:

1. No sense of urgency. Since the company was successful and sales were strong, there was no motivation or urgency among employees to change the way things were being done. Likewise, while sales reps bought into the new strategies for the company as a whole, they saw no apparent need to change their specific behaviors since what they’d been doing was perceived as working.

2. Gridlock was approaching. Due to a lack of clarity in roles and responsibilities, the organization was approaching congestion with resource utilization challenges and bottlenecks in many of the supporting processes. Therefore future growth, especially of the size planned, would be difficult to accomplish using the as-is model.

3. No market or channel differentiation. The manufacturer was entering new markets using the same approach as with its core customer base. Yet these new markets were buying in a very different way from their traditional markets. Along the same lines, the company was treating all its sales channels in the same way. While this approach had historically been successful, Lewis says that to differentiate and continue to grow efficiently, the company needed to optimize its sales and support activities to each of the different channel-buying models.

4. Relationships over process. Getting things done in the organization was all about who you knew, says Beverly Lock, the senior consultant at Market-Partners who headed the engagement. Thus long-tenured reps could make things happen a lot faster than new reps, who spent much of their time trying to orchestrate activities across the company. The oft-repeated mantra in the organization was, “Who’s on first?” – the

SELF DIAGNOSTIC QUESTIONS

1. Is your sales model giving you the results you expect?
2. When was the last time you analyzed how your customers buy?
3. Do your salespeople follow a well-defined and clearly documented sales process?
4. Do you know the three largest bottlenecks of your sales organization?
5. Does your sales team follow a strategy that clearly differentiates your unique benefits in each market?
6. Do you divide your sales force into hunters and farmers?
7. Do you “harvest” best practices in all sales meetings?
8. Do you create a sales process roadmap for each market you serve?
9. Do you align sales with marketing?
10. Do you share your sales team’s collective intelligence in your corporate university?

line from the old Abbott and Costello routine that encapsulates the confusion of who was doing what. And while it was said in jest, Lock says frustration was brewing over the lack of clarity of roles and responsibilities.

5. Farmers, not hunters. The role of the salesperson had largely evolved to one of account manager. They spent so much time coordinating activities for existing accounts that they had little time left to hunt for new business. To grow, Lewis says the company needed to put the sales focus back on new business development and define service and support roles to include most of the account maintenance functions.

“It may be interesting to note that many of these points address supporting organizations or are tied to the overall market and company strategy,” observes Lewis. “Indeed, this is what we usually find. We truly believe that the key to improving sales performance in most organizations does not lie in sales skills or activities, but rather in how the entire organization is aligned and coordinated to the task of winning and developing new business.”

Step 3: Segment the buyers.

Market-Partners next grouped the technology manufacturer’s customers into three segments who buy in a similar way. Then they laid out the basic framework of three sales processes, aligning the major steps of those processes to the buying process of each customer segment. The theory behind this step is that the customer’s buying process should drive the sales process. “The sales process is nothing more than a group of activities that must happen throughout the organization at each step of the buying process,” explains Lewis.

Step 4: Visioning workshop.

Here, Market-Partners brought roughly 60 of its client’s employees together for two days. It was a cross-functional group, roughly half salespeople and half support personnel. Market-Partners shared the work it had done, then pinned up the major steps of the three sales processes and asked attendees for their input on the details. “If you could start from scratch and had no constraints,” Lewis asked them, “what should you be doing at each step?” Over two days, employees came up with

EXCELLENCE IN NEW HIRE TRAINING



At most companies, new hire training is a lot like the first day of class in high school: a throw-away day in which leaders go through policies that are quickly forgotten and employees fill out forms which are whisked away to other departments. It’s informal busywork that ultimately is of more use to HR than to the new hires.

This global technology manufacturer realized its new employees would get up to speed more quickly and perform better at their jobs if they gained an understanding of how their role fits into the organization as a whole. Thus the company came up with a “university” program that imparts a broad base of organizational knowledge to every new hire in sales, marketing, and customer service.

From July to October, participants attend training sessions, presentations, site tours, and team-building exercises. They also get to “job shadow” more experienced employees in various departments so they can understand the requirements and contributions of functions outside their own positions. Through these offerings, new hires become knowledgeable about the company’s sales, marketing, business management, business development, and customer service functions. This knowledge sets them up to lead the company into the future and breaks down the barriers that often exist between departments, especially in sales and marketing.

In short, the program enables new sales reps, marketers, and customer service reps to “see over the fence,” says Lewis. “The knowledge they gain proves invaluable to the salesperson as he or she takes on and develops his or her own accounts and territory.” Moreover, they understand how their actions impact the rest of the company. For instance, new reps who have been through the university program understand the ramifications of the sales forecast. They realize that it’s more than just a burden on their time to fulfill the whims of management; they understand the role their forecast plays in higher-level decisions and the overall strategic direction of the company. And as a result, they take their forecasting duties much more seriously.

Sure, the company is taking a risk investing so much time and money in a new hire who might not stay for very long. But the payoff is huge: faster ramp-up time, better cooperation between departments, and less time spent coordinating activities between departments. Employees understand what others need and get it right the first time. They have a broad perspective of company operations and strategy that helps them make better decisions. In a sense, you could say that not investing these four months in their new employees is an even greater risk to the long-term growth of the company. As Lewis points out, “I have worked with companies where this kind of knowledge takes years to develop, and meanwhile sales performance suffers.”

best practices for each step of the selling process and an understanding of which departments should be responsible for which details at each step.

Step 5: Creating the sales roadmap. Armed with all the information gathered to this point, Market-Partners created a 12-page booklet that detailed the sales processes for each

segment of buyers, including the actions that needed to take place at each step and who was responsible for which action. The end result of the road-mapping effort was a system that aligned and coordinated all the people and resources across the organization to the customers’ buying processes. Sales reps could now hand off respon-

segment of buyers, including the actions that needed to take place at each step and who was responsible for which action. The end result of the road-mapping effort was a system that aligned and coordinated all the people and resources across the organization to the customers’ buying processes. Sales reps could now hand off respon-

sibility for certain actions to other departments, and those departments were ready to take the ball and run with it. Which meant salespeople, freed from responsibility for all the minutiae of the sale, could devote more time to new business development.

Step 6: Rollout. The technology manufacturer timed the rollout of this new approach to coincide with its four-day national sales meeting. Market-Partners was given two of those days to present their findings. After walking reps through their customers' buying processes, Lewis and Lock went into detail about what reps should be doing at each step. Cross-functional executives stood up and gave a verbal commitment about how they would support the sales team at each step. Finally, Lewis asked reps to go out and try out the new processes on a real piece of business and share their insights.

Step 7. Adoption. After the formal

rollout, Market-Partners continued to work with sales managers to reinforce the new processes and the new roles and responsibilities. They also flew around the country and presented to cross-functional teams, communicating that the changes weren't just about sales – they were about the entire company. Where they heard people weren't adopting the process, they immediately focused in to find out why and to troubleshoot the problem. Overall, there was an enthusiastic top-down adoption of the new system.

HOW THEY REACH THEIR MARKET

The technology manufacturer's components are used in a variety of products, from notebook computers to cameras and cars. It does about 50 percent of its business with a very small number of large accounts. These key accounts are huge, global companies that integrate the technology manufacturer's components into their own products and resell the whole as a new product. Typically six to eight sales reps are assigned to handle each key account. The loss of just one of these key customers would have staggering implications for the company's bottom line.

The other 50 percent of the manufacturer's business comes from three sources: smaller companies that, like the key accounts, integrate the components into their products and resell them; distributors who resell the product directly; and retail stores where consumers can buy the product off the shelf.

Put simply, the technology manufacturer now knows who's on first. Everyone who plays a part in the sales process knows exactly what they're responsible for, at what time. Salespeople can hand off tasks without first having to establish internal relationships, and with confidence that those tasks will be handled efficiently. Most important, reps are no longer breaking down pallets in their garage. Instead, they're spending that time building relationships with new prospects to grow more sales.

– HEATHER BALDWIN