

train

your sales team

SellingPower

A Hands-on Guide for Sales Managers



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Based on a conversation with Sharon Daniels and Jim Wilcox

Group Dynamic

How to handle complex sales opportunities, where buying committees rule and the old rules no longer apply

What's Changed in B2B Sales?

Selling business-to-business (B2B) has become increasingly complex and difficult. Opportunities that were once within the purview of one or two decision makers may now involve an entire committee. Complex sales that previously could have moved forward on a consensus among the buyer's management team are today often subjected to increased levels of scrutiny and formal approval.

There are two sources of these changes in buying behavior. The first source is the economy. Many companies have reacted to the current recession by tightening financial controls and adding additional hurdles in order to more closely manage the purchasing of essential products and services.

The second source of the change in buying

behavior is the flood of technology into the infrastructure of most corporations. Because organizations are better connected, large purchases – and the operational changes that they might involve – tend to ripple through a corporation like a sharp tug on one strand of a gigantic web.

Today, it is not unusual for sales professionals to work opportunities in which the customer's senior management, procurement group, legal group, financial group, engineering group, and even human resources has the right to review and approve major purchases. As a result, it is no longer enough for a sales professional to cultivate one or two key contacts inside an account. Instead, it's now necessary to sell to all these constituencies, and each is likely to have a

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different agenda and reason for being interested in the offering and its impact on the entire customer organization. In addition, each group within this multitude of stakeholders has the potential to delay or block the purchase, which can create a truly byzantine sales cycle. Large opportunities now take much longer to develop and close and thus require sales reps to manage the process with both patience and precision.

Sales Professionals Must Adapt

Selling into these environments requires an enormous amount of business acumen. Sales professionals must fully understand how their offering impacts the primary organization that will be using it. In addition, sales professionals must now understand the specific functions and mandates of related organizations and how they

might be impacted, as well.

For example, in the past, a sales rep for a supply-chain software vendor might work with the manufacturing group responsible for stocking supplies, the IT group responsible for supporting the software that the manufacturing group uses, and perhaps a contracts group responsible for the legal aspects of the software agreement. Working with these three groups, while challenging at times, was relatively straightforward, requiring the sales rep to have expertise only in the supply-chain software and what it specifically accomplishes.

Today, by contrast, that same sales rep would not only deal with those three groups, but might need to become involved with the finance group to secure budget, the procurement group to negotiate terms, the human resources group to obtain approval for

employee training, and even the customer's supply-chain partners to ensure that the system will support them. Because all these groups are highly cost-conscious, they are all likely to have their own metrics for success, each of which will need to be addressed throughout the sales cycle. These interlocking agendas tend to slow down the purchasing process, creating a desire on the customer's part for pilot programs, test purchases, and other ways of gathering metrics prior to a final decision. As a result, sales professionals must have project-management skill in order to ensure that the opportunity proceeds at a reasonable pace.

Selling Firms Must Adapt

Very few sales professionals have the requisite skill set to sell to so many different groups. Because of this, complex

FAQs

Q: Does every sales rep in the organization need this high level of business acumen?

A: No. Most companies only deploy a percentage of their resources when pursuing complex opportunities (typically less than 25 percent). Before pursuing each opportunity, sales management must determine if the skill set of available personnel is, if not ready to deploy, at least in the ballpark. It is important to identify the gaps and commit to developing any lacking skills as soon as possible to ensure that complex sales programs are successful.

Q: What kind of support is needed from senior management?

A: When leading an organization that pursues complex opportunities, senior management must ensure that stovepipes don't develop and that organizations and individuals are goaled and compensated, not just for their primary function but for their ability and willingness to support the sales team. Senior management should be aware of and committed to supporting those complex sales opportunities.

Q: What if the resources I need are already working on other projects?

A: The key is to work with your management and their management and wisely use and schedule the resources that are available. Perhaps some current projects can be delayed in favor of the complex opportunity, or perhaps the opportunity can be placed in a lower gear until the required resources are available.

SALES MANAGER'S TRAINING GUIDE

At Your Next Sales Meeting

Below are 15 practical steps to help your sales team develop the ability to pursue complex opportunities. This training session should take approximately 90 minutes.

Prior to Your Sales Meeting

1. Obtain the support of your own management to set up a strategic-account team that will pursue complex opportunities. Explain that you want to provide some structure to that activity so that it has a more manageable impact on the company and better overall results.

2. Determine which members of your sales team have sufficient business acumen to coordinate a complex sales opportunity. Speak with each person individually and recruit him or her to become members of your strategic-sales team.

3. Speak with the managers of the different groups inside your company who are needed in (or sometimes drawn into) complex opportunities. Get a commitment from them that they will appoint liaisons who will work with the strategic-sales team to better manage communication among the various groups.

4. Meet privately with each of these liaisons in order to explain why you're setting up a strategic-sales team and how he or she can help it to be successful without adversely impacting his or her own organization. Obtain each liaison's commitment to attend the initial meeting of the strategic-sales team.

5. Select from your current pipeline an opportunity that looks likely to be complex and will involve many organizations in order to develop and close. Sufficiently research the opportunity, and create a summary slide.

At Your Sales Meeting

6. Begin the meeting with enthusiasm. Explain to your team members and the liaisons that the purpose of this meeting is to establish better communication between the various groups and brainstorm ways to ensure that resources are appropriately applied toward the opportunity to be discussed.

7. Introduce the opportunity. Explain why it is important to your own organization to win the deal. Discuss resources that you think will be needed. Describe the outcomes the customer wants to accomplish. Focusing on the opportunity at hand gets team members engaged quickly and focused on how to win the business.

8. Using the slide that you prepared in step 5, summarize the sample complex opportunity. If the sales rep responsible for that account is present, ask him or her to provide any additional details that he or she thinks are pertinent.

9. Open the floor for discussion and brainstorming of how to handle the various customer organizations that will need to be convinced. Encourage the liaisons to contribute their perspectives about the concerns and interests of their counterparts in the customer organization.

10. Use a flip chart to record the suggestions that are made. As you fill the pages, tape them to the wall so that the team can conveniently refer to them during the remainder of the meeting. Spend approximately 45 minutes on this step. You should now be about an hour into the meeting.

11. Open the floor for discussion and brainstorming of how your firm can use its internal resources to address the challenges that the opportunity is likely to present. When a suggestion or idea involves another group, ask the liaison to provide advice on how best to secure that resource without disrupting current work.

12. Continue to use a flip chart to record specific suggestions and ideas. When you've gathered approximately 10 suggestions, explain that working any further would simply create information overload. Make a commitment to work with the responsible sales rep on this opportunity to come up with a specific plan to pursue it.

13. Thank the attendees, and end the meeting with enthusiasm.

After Your Sales Meeting

14. Work with the sales rep on the specific opportunity to produce an action plan with schedules and milestones. Help develop that opportunity while keeping other members of the team informed on your progress.

15. In subsequent meetings, work with other members of the strategic-sales team on developing a limited number of similar opportunities. Important: Do not pursue more complex opportunities than your firm can reasonably handle. Ask your liaisons for a reality check; can your firm provide the resources you're requesting?

sales in today's B2B environments necessarily involve the participation of multiple groups within the seller's firm.

For example, satisfying the requirements of the customer's IT organization

neer to physically travel to the customer site. But even with technology, the requirement to involve multiple groups inside the selling firm puts yet another burden on the sales profes-

To support complex opportunities, sales managers must play three key roles:

Role #1: Coach. Sales managers must help sales professionals develop, not just basic selling skills, but the business acumen required to understand larger business issues. They must identify the strengths and weaknesses of each individual on the team and find ways to expand each individual's ability to contribute to the overall sales effort.

Role #2: Strategist. Sales managers must use their experience and perspective to guide the sales process, warn of potential problems in the customer account, and provide tactical assistance during specific sales situations. Sales managers must know how to effectively marshal the required internal resources, both inside and outside the sales team, to ensure that the opportunity proceeds apace.

Quick Tips for Your Next Sales Meeting

Here are the four most common errors that managers make when their sales teams are pursuing complex opportunities.

1. **Double-booking.** Operational managers pretend that their teams can hit their current deadlines, even though the teams have been asked to help with sales opportunities.
2. **Finger-pointing.** Sales managers blame failed opportunities on the unwillingness of other teams to support the effort, and vice versa.
3. **Penny-pinching.** In most cases, this takes the form of failing to provide sufficient training to build the business acumen of the sales team.
4. **Stovepiping.** Managers throughout the organization pursue their separate organizational goals without regard for the need to generate revenue.

may involve the participation of the seller's IT organization. Similarly, understanding the training ROI within the customer's employee base may involve calculating the ROI for classroom training, based upon work conducted within the seller's HR group. In other words, it takes a village to sell to another village.

This growing participation of multiple groups in the selling process has profound implications within the seller's firm. First, it must be recognized at the highest management level that such participation is not only going to take place, but that it will take place at the expense of the primary function of those organizations. Every time a seller's IT group gets involved in a sales opportunity, it will inevitably expend resources that might otherwise be channeled into building out its company's infrastructure, implementing new business applications, and so forth. While helping the sales group on a complex opportunity may be a priority, such activity must be carefully tracked and managed lest it spiral out of control.

Fortunately, the same technologies that have made various teams within the buyer's firm more interrelated and interdependent have also made it easier to coordinate and schedule cooperative activities inside the seller's firm. A sales team can use Web conferencing to involve an engineer in a customer discussion without requiring the engi-

sional, who now must lobby and manage these resources to ensure that they're available at the right time and without putting an undue burden on their primary function.

Sales Management Must Adapt

Even a top sales professional needs help balancing all these internal and external organizations and agendas. For all practical purposes, that help must come from sales management, specifically and most importantly from the front-line sales manager.

Quick Tips for Your Next Training Session

Here are the five most common errors that sales professionals make when pursuing complex opportunities.

1. **Playing the lone wolf.** Sales professionals hide the size of the opportunity and try to develop it alone. Even if the deal moves forward, there's no support for it when it finally becomes visible.
2. **Overcommitting.** Sales professionals drop too many complex deals into the hopper, making it impossible for the company to address them adequately.
3. **Living in denial.** Sales professionals become so enamored with the size of an opportunity that they fail to withdraw when closing becomes unlikely or impossible.
4. **Being overly optimistic.** Sales professionals underestimate the complexity of the opportunity and try to close it before working through all the customer's issues.
5. **Showboating.** Sales professionals treat other employees shabbily because they forget that their success is dependent upon the quality of their internal relationships.

Role #3: Communicator. Sales managers must communicate the needs of the sales team to the rest of the organization. Sales managers must ensure that the most important opportunities get priority and the company uses its limited resources wisely. They must ensure that the entire company learns from both its wins and losses. Finally, sales managers must ensure that credit for both wins and losses is shared among all contributing organizations without creating either heroes or scapegoats.

— GEOFFREY JAMES