

Part 1: The Sales VP's Guide to Delivering Results with CRM

How to Help Your Team be a Profitable Selling Machine

Executive Summary

Understand your objectives. Every company aspires to grow and be profitable. Because sales is the most direct line to revenue, a great deal of the burden to perform rests on the shoulders of the reps in the field to close more deals, faster.

No matter what steps your company is taking to energize your sales team, they probably map to the following key sales objectives:

1. Focus on your customers.
2. Grow your organization to keep pace with the changing marketplace.
3. Align your organization to be an efficient selling machine.

Now, you're probably thinking, 'Tell me something I don't already know.' Your highest-level corporate objectives can often seem so ideal, so all-encompassing that they can lose meaning in the day-to-day operation of your company. It can be a challenge to deconstruct them in order to identify a sensible, measurable plan of action.

That's the goal of Part 1 of this CRM Performance Kit—to deconstruct the key objectives of sales today. There are practical CRM tools out there that can help to introduce repeatable, proven process to your sales team. So you can help them figure out what works best—and do it more often.

Objective #1: Focus On Your Customers

Focusing on your customers is about being able to deliver more professional, more engaging interactions that hit the mark more often. When your sales team follows proven steps to increase efficiencies, they keep focused where they should be—on the activity of selling, rather than on details and logistics.

A mandated sales process is the key to customer focus, and provides consistency to drive business results faster. The sales process includes:

- The internal and external steps of selling
- The way an organization communicates
- The unique differentiators that win deals

A customer-facing sales process works best when it moves in two directions. As you learn more about a customer, you gain a more intimate knowledge about their needs and goals. At the same time, the sales team is responsible for sharing this information to better align the entire company to market to and service customers.

There are a variety of ways to accomplish short-term profits and growth objectives, but the only way to improve the customer experience with longevity is through a healthy sales process that continues to bring in new business and grow existing relationships.

A cohesive sales process can be a competitive advantage in terms of customer acquisition and retention, but it also brings the big advantage of aligning your company so that everyone understands their role in customer management.

1. Establish a Common Selling Framework.

It all begins with the adoption of a common vocabulary or sales framework—an enterprise approach for talking about opportunities and customers. This common language facilitates discussions so that each team member can quickly get up to speed on an opportunity without requiring a detailed step-by-step account of every component. Key components to a company-wide selling framework include:

- What it is that we are trying to sell to the customer
- The reason the customer needs what we are selling
- The catalyst for the customer to act on this need
- The decision-makers involved in the process
- The different levels of influence that each decision maker has on the sale
- The potential obstacles for winning the business
- The action plan to overcome these obstacles

When you can talk about prospects and customers consistently throughout your organization, you can forecast with much more reliability. For example, if someone says they have a 'Hot Prospect', it does not mean anything unless there is some definition around it. For instance, does a Hot Prospect have budget allocated? Are they making a decision within 30 days? Have they agreed to some sort of trial demonstration?

By detailing the steps around the levels of prospect development, you begin to develop an easy tool for forecasting and for addressing the obstacles that prevent you from winning business.

2. Provide a Constant Connection to Deals-in-Progress.

Less-than desirable results in the short-term can dishearten anyone, especially those in sales who count on step-by-step achievements along the way to keep them inspired.

With a constant connection to deals-in-progress, sales reps and teams can be more proactive within accounts. If one approach is proving to be less than impactful, shift gears mid-deal. If the situation changes—such as a competitor entering the deal—respond decisively to re-position to the prospect. And if the deal slows due to internal issues with the prospect, sharpen the offer to give your sponsor more leverage with decision-makers.

When the unexpected occurs within deals, this visibility empowers reps and managers to escalate the deal and collaborate with additional team members. From technical insight to competitive perspective, bring the resources you need to your side with ease and efficiency.

Sales professionals need a constant connection to the realities of every account—and how their efforts would pay off down the line. The resulting reward has exponential impact on their motivation, persistence, and ultimately, their results as a whole.

3. Use Proven Sales Methodologies, Step-By-Step.

With CRM that includes a customized, proven sales methodology, companies effectively reshape their sales culture from the ground up. By integrating a proven sales methodology into your sales automation and CRM systems, you enable individual reps to understand what approach works best, and to choose that approach more often.

In most companies, every salesperson has their own way to approach their own territory. There is often no common process or language. Start by defining each step in your unique sales process, and the workflow and business rules associated with each step. Consistently reinforce these steps to achieve a greater degree of cultural adoption. Enhance with a sales methodology for a proven yet customized sales process.

When sales process is integrated within a sales automation and CRM system, each salesperson is required to take action on every step of the process—there is no skipping around. This helps to build a history of success that would not have been provable before.

Collaboration between the sales process and the CRM system also enables companies to run each lead they receive against their ideal customer profile, providing sales people with a more targeted, accurate understanding of each opportunity. They customize opportunities to include a calendaring system that maps to each buying influence within the account, so salespeople can more easily keep track of the multiple players in complex sales cycles.

And the complexity is only increasing. We've all noticed that sales cycles are becoming more crowded than ever. Dollars are harder to come by, and the risk for a bad decision is greater. The roles of multiple decision-makers and influencers puts added pressure on sales reps to

adapt their approach. A proven sales methodology is most effective when integrated into your sales process and CRM system, as it can help reps to package their approach to keep it relevant to the concerns of every audience.

For instance, consider the people your sales team interfaces with in four buckets:

1. Technical Buyers want to make sure that the solution meets specifications and complies to budget.
2. User Buyers, or the people who will use your product, can be key influencers because of their perceived acceptance of the solution (i.e., this product will greatly enhance/diminish my productivity).
3. Economic Buyers are the ones who can say Yes. They approve the budget and are both deal-makers and deal-breakers. They will rely on the users and the technical buyers to help them make a good decision.
4. Coaches are key to a successful opportunity. These are people within the organization that have credibility and want to help you win; they believe in you and your solution.

An integrated sales methodology gives your reps the correct framework, language and common themes to help bring all of these people together and move the deal forward. From a human resources perspective, an established sales process and methodology in place within a CRM system helps new sales employees to ramp up and become productive more quickly.

New employees receive training on the sales process first and foremost, so they can communicate with the rest of the organization using a consistent sales language. Product training comes second, and lastly, training on the sales system technology.

One of the biggest wins of CRM technology backing the sales process is that it reinforces the concepts on a daily basis, while helping teams to focus on long-term success. Sales people utilize the strategies, while gaining visibility into their sales funnels at the same time. It allows managers and executives to view and analyze the sales funnel, and it allows reps to internalize how current activities are going to pay off down the line.

Without CRM, evaluations are often based heavily on personality and the perception of success. With CRM, managers can make conclusions based on true results. Forecasting accuracy is greatly improved, and managers spend their time helping their sales team on the opportunities that matter most. Sales managers have increased visibility into their team's successes. Managers see exactly what activities their team has going on at any given time.

Objective #2: Keep Pace with the Changing Market

The definition of insanity is doing the same thing over and over, expecting a different result each time. Companies need to make sure they continually identify and address what works and what doesn't, so that they have an ongoing sense of what needs to change.

The signs of a down market have been everywhere—especially for sales people on the front lines. The economy has had an impact on how sales teams operate, both internally and within deals:

- Sales people compete on price, not value
- Increase in administrative workload—sales reps focused on details rather than selling
- Resources are diluted among various quality opportunities
- Call reluctance is at an all-time high

Sales organizations consistently focus on opportunity identification, opportunity management, and relationship management to drive revenue, but changes in the selling environment can shift the emphasis from one to another.

When the economy first started sputtering, the emphasis was on relationship management. There were not as many opportunities to pursue, and people were nervous about where the economy was heading. It made sense to get closer to your biggest customers.

Over the last year, the emphasis has shifted to opportunity identification and creation. Major customers have been stabilized, margins have been protected, and now companies need to figure out how to get the top line moving again.

In short, they need to identify more opportunities and efficiently move those opportunities toward close. It is this sales process that can provide the underlying framework your organization needs to sell outside of the traditional sales department.

Shifting the Focus: Building New Opportunities

1. First, prioritize your activities. Focus on business that is ready or about to close. Then concentrate on bringing in new opportunities.

2. Next, take care of current opportunities in progress that are earlier in the sales cycle.

3. Finally, manage your existing client base and automate as many administrative tasks as possible.

Current market conditions make it necessary to concentrate on bringing in those additional opportunities, so this may take more of your time. It is more important than ever to qualify prior to investing in meetings. Outside sales people need to look at how many of their time-intensive, face-to-face meetings could be conducted as effectively with a phone call, especially in regard to managing current clients. Are the benefits of meeting face-to-face worth the investment in every case?

By giving your sales team a clear, consistent sales process through CRM, you create for your company a more comfortable competitive position.

Given the economy, putting a CRM system in place now ensures your team and your company will be poised to be even more successful when the economy does turn around—rather than struggling with performance and efficiency issues.

Objective #3: Align Your Company to be a Selling Machine

Sales organizations are ultimately held accountable for driving revenue. But nearly every department in your company impacts sales success.

Aligning your company means building an underlying framework that will drive effectiveness and help improve relationships between key customer management departments, specifically between sales and marketing.

Optimize Leads with Marketing

- Establish what an 'A' or hot lead looks like for your company
- Determine your ideal customer profile
- Assess modes of receptivity—who is ready to buy?
- Segment leads based on quality of opportunity
- Distinguish sales vs. marketing activities, and set a process in place for the two to work seamlessly together

Benefits of Lead Optimization

- Improve resource allocation
- Identify and capture interested sales prospects
- Convert sales suspects to sales opportunities
- Ensure salespeople engage the high priority sales opportunities
- Identify opportunities to involve senior sales executives
- Reduce administrative work required of salespeople
- Reduce call reluctance
- Retain and nurture sales opportunities not ready for sales
- Track and analyze campaign/sales results, while calculating ROI

First, sales needs to clearly tell marketing what their growth plan is—not just how much they have to sell, but where it will come from. How much will come from new business? How much will come from existing customers? How much business will go away that we have to plan to replace?

If marketing does not know these things then how can it support the sales team? If sales needs help identifying new opportunities and marketing is focused on maintaining existing relationships, then the two teams are not aligned. This baseline understanding of where the business is going to come from is key to a productive working relationship.

Marketing is fundamentally tasked with accelerating sales, so alignment is critically important and useful for each team. Some of the marketing activities that have a direct impact on sales include:

- **Brand Development**—with a strong brand, the positive reputation of your company precedes the sales rep in a deal. Ideally, prospects within your target market should be familiar with your company and its differentiators. This means that once a selling dialog begins, reps don't have to spend as much time building credibility.

- **Direct-Mail Campaigns**—this common marketing vehicle is a communication to prospects within your target market (including existing customers) with a call-to-action that is designed to spark a discussion. For instance, an e-mail goes out to your customer base advising them of a new product, with an offer for a free business paper discussing the benefits and favorable reviews of the product. The prospect visits your company website to sign up to receive the business paper and learn more.
- **Customer Intelligence**—marketing can assist sales to segment and target the customer base, by identifying, for example, Most Valuable Customers.

When your sales team is integrated to your marketing team through CRM, forecasts become more accurate and the business process of selling becomes more efficient and proactive.

Summary

Your company aspires to grow and be profitable. Despite fewer people and smaller budgets, the pressure on Sales is still to inspire prospects and derail the competition.

In Part 1 of the Pivotal CRM Performance Kit, you've learned some practical steps to help to introduce repeatable process to your sales team. With proven sales methodology integrated into your CRM system, you can help your team figure out which approaches work best—and how to take those approaches more often.

Focus on your customers. Establish a common selling framework, provide a constant connection to deals-in-progress and use proven sales methodologies, step-by-step.

Grow your organization to keep pace with the changing marketplace. Focus on opportunity identification and creation—figure out how to get the top line moving again. Align your organization to be an efficient selling machine. Optimize leads with marketing. Determine your ideal customer profile, and identify those who are ready to buy. Set a process in place for sales and marketing to work seamlessly together.

What Now?

Part 2 of the Pivotal CRM Performance Kit—on Marketing—explores how effective lead management dramatically improves lead conversion rates. Understand the connection between lead management in Marketing, and improved focus in Sales. Find out how to give marketing executives the data they need to evaluate campaign results. And see the impact when limited marketing budgets are precisely targeted in the right direction for greater sales success.

The Pivotal CRM Performance Kit

At a time when you're probably more accountable than ever, this consultative four-part series explores practical steps to close more revenue faster with CRM.

The first three parts of the Pivotal CRM Performance Kit explore how you can improve business performance across sales, marketing and service with CRM. The fourth and final part of the kit explores CRM from your CIO's perspective.

Part 1: The Sales VP's Guide to Profitable Selling with CRM

Part 2: The Marketing VP's Guide to Knowing Your Value with CRM

Part 3: The Service VP's Guide to Cultivating More Brand Loyalists with CRM

Part 4: The CIO's Guide to Delivering the Right CRM for your Company

For the complete kit or for one section of the series, please visit www.pivotal.com.

For more information or a complete list of our worldwide offices, please visit www.pivotal.com.

Copyright © CDC Software 2007. All rights reserved.

The CDC Software logo and Pivotal CRM logo are registered trademarks and/or trademarks of CDC Software.