

Why Sales Organizations Struggle To Change

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Buzzwords are in vogue. Whether the word is transformation, enablement or re-engineering, what they really mean is change.

But to truly change, one cannot just focus on one silver bullet. The fact is any change initiative will have many moving parts and interdependencies. This is the heavy lifting that often derails change initiatives, and in many cases, this is the reason why executives never even embark on serious, well-thought out change initiatives.

Changing behaviors and changing organizational dynamics are extremely hard to do. Yet, to improve performance is to change, so it only makes sense that we all need to be effective change agents.

Sales is Now Viewed as a Reliable Growth Lever

In a McKinsey & Company study done some 30 or 40 years ago, they identified seven levers of organic growth.

These levers are as relevant today as they were several decades ago in terms of organic growth.

- Improve Products
- Improve Marketing
- Improve Customer Service
- Improve Distribution
- Improve Pricing
- Improve Sales Force Effectiveness
- Improve Customer Relationships

The first five were the ones CEOs understood and felt comfortable about. The last two seemed to be black art for them... until recently. In the last few years, improving sales force effectiveness and improving customer relationships have proven to be the most predictable, the quickest to results, the easiest to measure, the least expensive to execute on, and the most customer focused.

As a result of this shift, sales leaders who have often felt neglected and overlooked in the past are now at the heart of many companies' strategic growth plans.

Sales Needs to Deliver Strategic Results

With the microscope on the sales function and leaders thrown into the spotlight, sales leaders now need to execute with precision and they need to deliver real strategic results such as:

- Driving consistency and predictability.
This should be key on every CEO's agenda.
- Showing resiliency in different cycles. The true proof point for many leaders.
- Brand strength and representation. It is extremely strategic to make sure the sales force acts in alignment with your brand and serves as a walking billboard that personifies your brand and your approach to dealing with prospects and clients. The sales force is the fastest way to help clients clearly understand your strategy.
- The sales force must be able to reliably communicate information to clients as well as communicate customer and market information back to the business.

These all lead to effectiveness and efficiency of the sales force. To be a strategic lever that the company relies on, there must be agreed upon systems and processes that enable execution across the entire sales force rather than relying on individual approaches that may or may not align with the company's plan.

There is a ton of strategic value the sales force can deliver to the company, but it takes a well-executed plan to realize these benefits. The ancient Chinese general, Sun Tzu once

said: "Strategy without tactics is the slowest route to victory. Tactics without strategy is the noise before defeat."

Don't mistake activity for results.

Crafting a Strategy to Improve Sales Performance is a Company Imperative

There are a number of ways to change and improve a sales organization. The extent of the sales improvement initiative depends on the strength of your existing sales force, the strength of leadership and the alignment to the overall company strategy. In a simplified continuum of change that companies embark upon when they focus on improving their sales force, the process progresses from sales training, to sales effectiveness to sales transformation. In reality, most plans are a combination of, and are more or less hybrid approaches of, the three elements.

- Training the sales force to be more effective in front of clients and more consistent as a unit is a high-value exercise. The goal is to professionalize the sales force and to create alignment with the brand.
- When one starts to really focus on sales effectiveness, this usually means a focused approach to drive specific metrics and results – an effort to attack weaknesses or opportunities that have been clearly identified.
- Sales transformation starts to take into consideration every element of a sales organization and tackles the tough issues related to all of the interdependencies that connect in a company's sales system.

This continuum probably best represents the level of change required depending on the approach you take. But however you direct your efforts, it will require change.

Steps to Successful Transformation

John P. Kotter, internationally known and widely regarded as the foremost speaker on the topics of leadership and change, outlined the steps to successful transformation.

1. Establish a sense of urgency
2. Form a powerful guiding coalition
3. Create a clear vision
4. Communicate the vision
5. Empower others to act on the vision by removing obstacles
6. Plan for and create short term wins
7. Consolidate improvements and make adjustments
8. Institutionalize new approaches into the culture of the company

Kotter's model provides a template to understand the change progression, but there are factors that get in the way of that progress actually happening.

We are operating in a new environment that makes change much more difficult

Customers have so much information before you call on them. They have already self-diagnosed, which means the salesperson is pulled into the buying process much later. This does not leave room for differentiation and puts the salesperson in a consultative order-taker role.

Customers demand more to help them get real results. This sophistication requires salespeople to connect their company capabilities to the client's needs, even if the solution is not technically customized. To win today means that one must have the skill and patience

to help clients better understand the problem they are trying to solve and then work with them toward this issue. To be able to differentiate starts by having a better understanding of their issues rather than just talking about product features or just hoping that your product matches up to the specifications that have already been defined by the client.

To do this means you need to be a real expert and a real craftsman as a sales professional. There are no gimmicks or manipulative techniques that will accomplish this. Instead, it requires real customer acumen. This issue alone is a huge change initiative that many companies are trying to address.

Recognize the Obstacles and Address Them Head On

There is no question that improving the effectiveness of a sales organization takes a solid strategy and a commitment to abandon the status quo.

The customer is always the priority but when change is in motion, client issues surface and are used as excuses for why the change can't happen. Sometimes these customer issues are mere anecdotes without much fact. The leader needs to be able to decipher the real issues so they're not recklessly surfaced as examples on why change is not possible.

The key obstacles need to be understood and addressed to ensure success. Well-executed change efforts can yield unbelievable results but they can be disastrous when not done well. The companies that I have seen have success here are ones that work toward real results that will serve as milestones for continuous improvement. Recognize the obstacles and address them head on, because the results are really worth fighting for. ■

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