



Engineering the Sales Process

by

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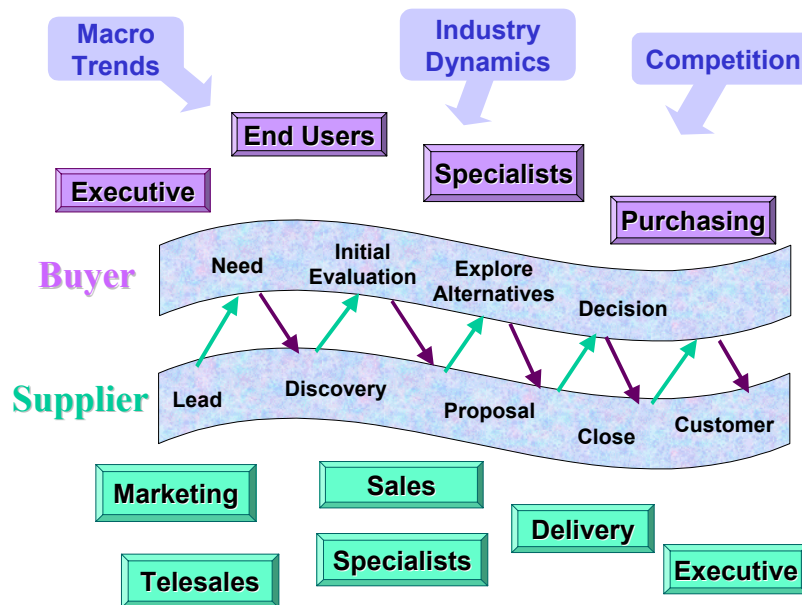
In the vast majority of organizations, the sales process represents the last standing bastion of ad-hoc and random activity. Processes have been engineered and re-engineered throughout the organization, yet the sales process has been left largely as it always has been. This is paradoxical because the sales process perhaps represents the primary function in an organization - that of acquiring and developing customers. As stated by Peter Drucker in 1973 (Management: Tasks, Responsibilities, Practices) - *“There is only one valid definition of business purpose, to create a customer.”*

The Challenge with Engineering the Sales Process

A large component of any process engineering exercise is to integrate various inter-related processes. For example, organizations have found considerable benefit with integrating their manufacturing and purchase processes, extending back even through to their supplier's processes. An example of this thinking would be the just-in-time manufacturing environment.

Now consider the complexities of a sales process, even one as simple as that represented here.

A Simple Sales Process





The most important aspect that we have to consider when engineering a sales process is the prospect's buying process. The sales process and the prospect's buying process must be tightly integrated in order for the sales process to function efficiently. But herein lies the first complexity in engineering an approach to sales - we have seemingly little, or no, control over a prospect's buying process. In addition, there are multitudes of ways in which prospects may buy, so it would seem virtually impossible to define a sales process that would be flexible enough to map to these various possibilities. Added to that, are the myriads of people that are involved in both the supplier's and the buyer's respective organizations. These, and other variables that lie outside of our control, have a massive impact upon an overall approach to the sales process and make the job of sales process engineering highly complex.

Given this situation, it is small wonder that most organizations leave the task of selling up to the individual sales representative and the sales process defaults to an ad-hoc sequence of selling activities. However, the organizations that have taken a more structured and engineered approach to sales have found many benefits. These include:

- Integration of existing technologies, practices, and methodologies
- Decreased sales cycle
- Greater forecast accuracy
- Faster detection and response to market trends
- Ability to share best practices
- Continuous improvement in sales through detection of trends
- Enhanced ability to define skills and performance needs
- Massively increased sales productivity
- Aligned and coordinated resources
- Increased, predictable, revenue
- Decreased costs

The design and implementation of an engineered sales process will also engender a new style of sales management, not just based in exception-management and firefighting, but allowing managers to manage from the viewpoint of the "big picture".

Managing the Process

- Managing the activities rather than the results
- Managing the development of the sales opportunities
- Coordinating the team around the process

Managing the Resources

- Utilizing best practices
- Utilizing resources at the most critical times and for the best opportunities
- Performance management
- Skills development
- Hiring/recruiting practices



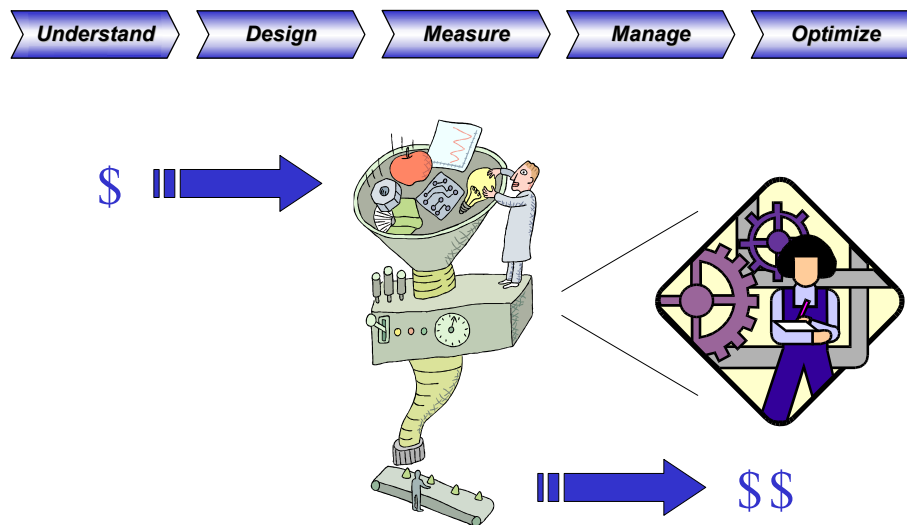
Managing the Business

- Accurate and reliable forecasting
- Spotting and reacting to market trends before the damage is done, or the opportunity missed
- Accurate and timely business planning and sales resource planning

The Key To Sales Effectiveness

Many organizations view their sales organizations as somewhat of a black box, or a mysterious selling machine. This machine then works by tipping resources, technology, training, reward programs, etc., into the top and then, hopefully, watching profitable orders come out at the other end. All too often, we then try to optimize the selling machine by tipping more in at the top - blindly hoping that more will come out at the bottom. Unfortunately, often this is not the case.

Looking Into the Sales Process



It is our strong belief that the right starting point is to understand exactly how this machine works in the first place. What is happening, what is working, what isn't working, and indeed, why? We need to examine every facet that impacts upon the overall success of the soup-to-nuts sales process. These factors must include a careful examination of how prospective customers buy, the alternative solutions that they may consider, the trends in the industry, and what competitors are doing. We must also look at how all areas of the company may impact the overall sales equation, not only how the sales organization is functioning. It is only by understanding how the cogs of the machine fit together today, that we can start to engineer and design them to work as we envision.



If we have a sales process that we have designed, we can then consider how it can be measured, and give thought to the Key Performance Indicators. With a designed and measurable sales process in place, we can start to manage the overall selling activity. Using analysis and closed-loop feedback of our management on activity and results, we can then capture best practices and start to optimize the overall selling process.

The chart above underscores this process of understanding, designing, measuring, managing, and optimizing the sales process.

Sales Process Architecture

As we develop our sales process it is fundamental to consider that each sales process must reflect the organization’s marketing strategy, be rooted in the culture of the organization, match the process-maturity of the sales organization, integrate existing practices, and drive the prospect’s purchase process. It is for this reason that every sales process must be unique. There are no out-of-the-box sales processes that can even come close to offering optimal performance.

The next diagram illustrates Market-Partners’ architectural approach to sales process design. We have used a simple six-step sales process as an example, however this approach applies to any sales process and would be applied to the organization’s own uniquely engineered sales process.

Sales Process Architecture



The Sales Process Architecture defines six layers that are applied to each of the discrete steps of the sales process. This is an important distinction. For example, in our opinion, it is considerably more useful to the organization to know the roles and responsibilities of



the various players at each discrete sales process step, rather than just applying a broad-brushed description of overall roles and responsibilities for the whole process. In a similar manner, there should be a consistent understanding of the workflow at each step. The architecture requires that the completion of each step defines the completion of a certain milestone activity, or event, that interlocks with the prospect's buying process. The design also ensures that the supplier's entire organization is aligned and coordinated to the overall process.

This architecture also allows an organization to position and protect existing investments. Technologies and tools that are already in place can be mapped into what steps of the sales process they support and how they fit into the overall equation. In a similar vein, account planning methodologies such as Miller-Heiman, can be positioned as a methodology within the overall sales process framework.

Summary

It is unfortunate that all too often individuals believe that the words “sales” and “process” do not naturally fit together. All evidence points to the opposite in fact being true. The organizations that have taken a more structured approach to their selling activities have enjoyed the numerous benefits listed above. The Gartner Group reported ***“the sales organizations that continually improve sales processes have a 25% greater chance of achieving their sales objectives than competitors that leave sales process to chance”***.

It is extremely important to also note that the sales professionals themselves embrace this approach to sales. These front-line individuals quickly discover that such an initiative is a far cry from either compromising their craft, or a rehash of tired sales training material. They discover that the sales process provides them with a simple and clear roadmap that defines the best way through the maze of activity of developing a lead into a customer. They also see that the sales process aligns and coordinates the resources of the organization to assist them in their selling challenge.

Today's world of business-to-business sales is more complex than ever. There are more individuals involved in the buying/selling process, decision processes are fluid, differentiating from the crowd is tougher than ever, technology itself has massively impacted the role of the sales professional, product life cycles are shorter than ever, and there is little relief in sight. If you expect to succeed in this arena of complex sales, you cannot engage the marketplace with anything less than a totally engineered and scientific approach.