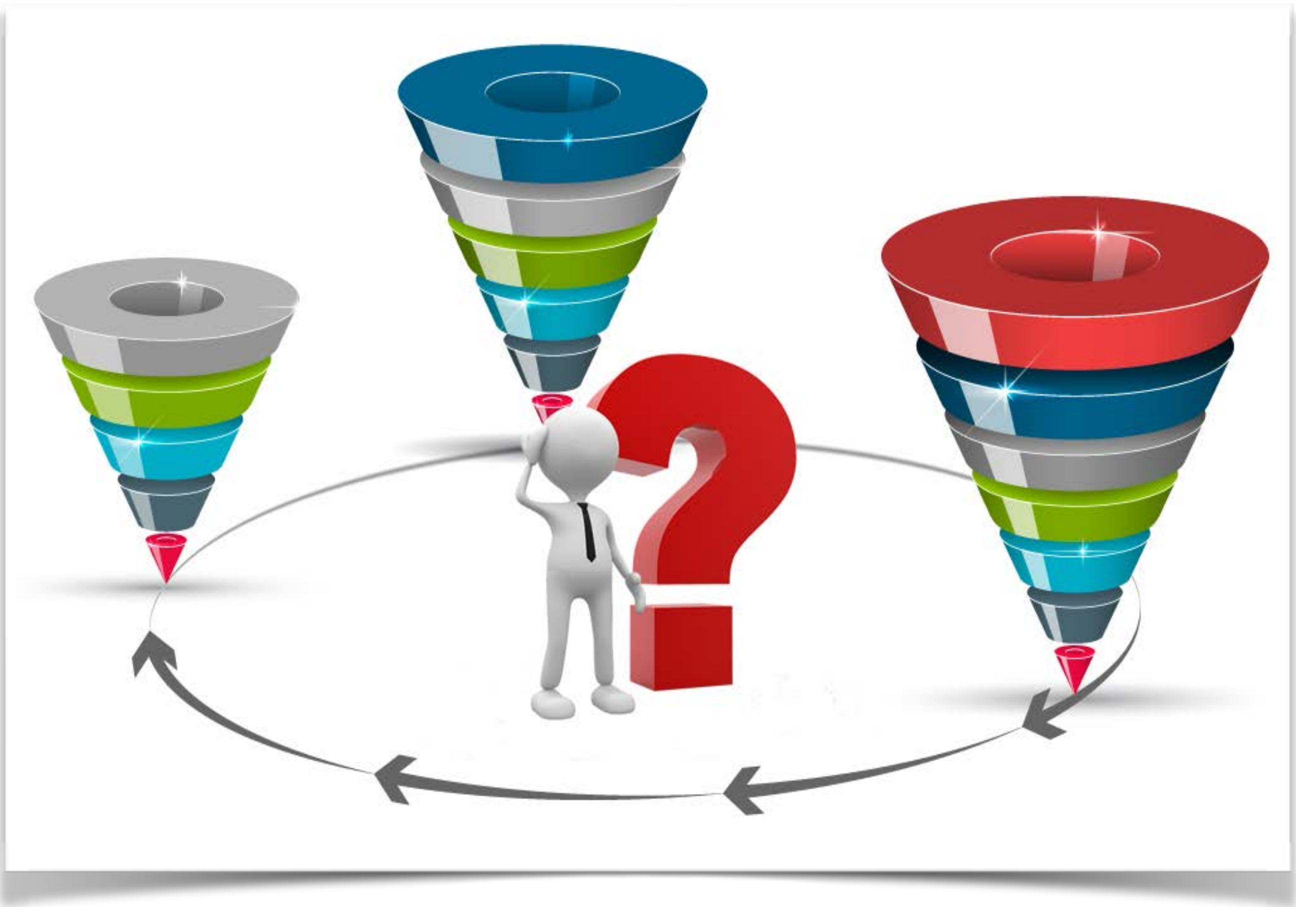
Sales Methodologies, the smoke, the mirrors…

…and a little bit of truth



ConversationalCRM

info@conversationalcrm.com

SALES, ART OR SCIENCE?

Sales, surely the business process with the least amount of structure for decades. Why? Because for many of those in the "business process fixing" space it's considered to be a minefield of machismo, mystery, turf wars and ambiguity. However, the world turns and the days of leaving it to those blessed with the "gift of the gab" are mostly behind us. The use of a CRM to automate sales is now all but mandatory but how often is that supported by a well-defined business process that works effectively?

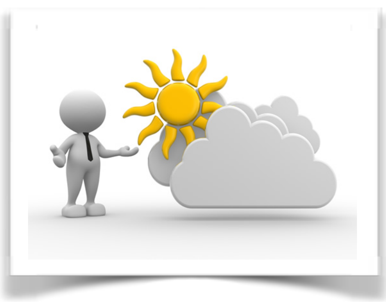
Without being effectively organised and automated a sales team, at best, works below par, but more often with a startling level of inefficiency. Why is it so difficult to get this right? We've some views, informed by years of experience of making sales teams work effectively.

They just might help inform your approach to tackling the challenge.

THE REALITY, ALL TOO OFTEN

How often have you heard "the forecast can't be relied on", "why don't these deals progress?". A management team that is constantly surprised by events which bear little relationship to what they're seeing in reports.

Have you seen a team where the top sales people do ok, maybe really well, but the larger part of the team struggles to make target.



There is often a performance gulf, a divide between the star performers and the majority that management struggles to bridge, with constant reviews, nagging and 'support' but somehow nothing works. They then take the classic approach and sales people get fired and hired to replace the poor performers but mysteriously the overall situation never really changes.

Have you had experience of a sales director who proudly proclaims across the business the use of a well know sales methodology, thoroughly implemented using one of the major CRM systems as a "Corporate Standard"?

And how often have you seen the reality, that it just doesn't work, the method gets ignored, sales-folk fend for themselves and the management are flying blind.

Of course, none of these things would happen <u>to you</u> but you'll know someone who has to contend with this situation.

There has to be a better way; doesn't there? Yes, read on…

Why are Sales Methods so unpopular?

There are many commercial sales methods available together along with all the training one could ever wish for, “help” to use them and the bespoke reams of videos, cue cards, exercises, manuals and material that is often required to make them work.

Companies (especially large ones with deep pockets) invest heavily in these products but are often disappointed with the results. Why? A major clue is the way that such suppliers make their money. Typically it’s a mix of training and support. Inevitably to simplify the approach would severely limit their ability to prosper, building-in apparent complexity gives them the scope to grow and to increase customer dependency.

As pragmatic practitioners in this field we’ve found out the hard way that complexity doesn't work, the simpler you make it the better as sales people will be more likely to use it. This runs counter to the methodologist view but to our mind, selling can, and should, be a simple process.

The alternative to buying into a commercial juggernaut of a sales method is to take the DIY approach and make it up. Without the baggage of a bloated method (that does everything for everyone) it’s certainly possible to devise one that’s just right for your business, just enough process to do the job but not so much that it deters sales folk from using it.

The difficulty with this DIY approach is that to be effective you need very wide sales management experience, you need to be competent at defining and testing business processes and ideally, have practical detailed knowledge of many of the established sales methods available so that the best ideas (and there are some) can be adapted and incorporated. That’s a tall order.

Sadly this well-intentioned approach, if taken by a business that lacks specialist resources or can’t afford access to them is a partial solution at best, at worst it can deliver something quite inappropriate. This is a fine approach for the Enterprise class organisations with deep pockets (and surplus resources hanging around looking for useful work) but not for SME’s who have to watch every penny.

Keep It simple (But not stupid)

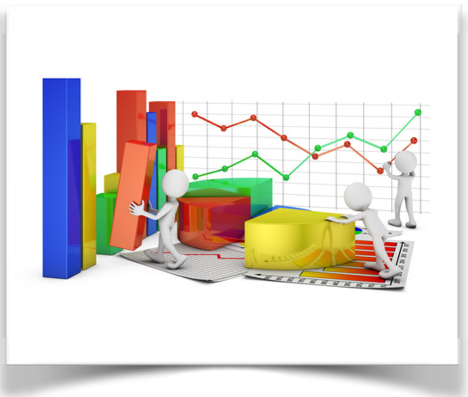
If you’re an SME you’re likely to try and take the DIY approach to some degree, so the first imperative is to think through what you must define to make your sale process work. A consistent sales method is needed to guide the less able members of the team, and to replicate the consistent game plan that successful salespeople invariably follow.

The structure

For businesses selling high value propositions to larger companies this means a solution sale, just four key phases, building interest, exploring needs, presenting a proposition and closing. Success stories form the foundation for building interest and there are industry-proven approaches to systematically explore interest. Only when this is done can the value proposition be presented to the key decision makers in a way that will win them over. Closure should be a matter of overcoming objections. If this is the template you need your sales team to follow, (and it is) why should it be made any more complicated?

The progress

The lifetime of a sale needs to be tracked if you're going to manage the process but the trap to fall into here is to track only what you do. It's fundamental in selling to understand and react to what the prospect is doing; indeed this activity (or lack of it) is a key indicator of how well you're doing. So the sales stages you record and monitor should reflect your prospect's buying process which might be: recognising need, exploring solutions, gaining funding, shortlisting and final negotiation with a chosen supplier.



The numbers

Probabilities can be really useful but are often artificially linked to sales stages which reduces their value and doesn't reflect reality. For example, you might make a bid you know won't win, just to establish a relationship, to increase your chances of winning future business. In that case you might be get shortlisted but know you won't win the deal so it makes sense to exclude that deal from the probability. It's always best kept simple, forecasting is not an exact science no matter what we'd like to believe. If you're going to use a weighted forecast (where probability and value of the deal are factored in) your scale has to bear some relationship with reality but that doesn't mean it has to be complicated, three or four values are all that most organisations need.

PRACTICAL ISSUES, IGNORE THEM AT YOUR PERIL!

Make it cultural - whatever sales method you use it has to become part of "the way we all do business here" Everyone must be familiar with it, it has to be a common language for the sales team and used on a daily basis. This is only possible if it's implemented in your CRM, if it's documented, if there are workshops to make sure it's understood, easy to use and if everyone buys into using it. That's a lot of if's but without them results are likely to suffer.

Report regularly – many CRM's make it difficult, if not impossible, to produce meaningful reports; you've got to fix this so that you can produce the views and analysis you need to manage the business. These reports must be the only view of your business that's used; adopting a "if it's not in the system it doesn't exist" approach will encourage even reluctant adopters to climb aboard in order to get credit and commission for their deals.

Review regularly – even the best sales people are capable of missing a trick, forgetting about a key player or being outflanked by the competition, especially when the pressure is on and they're busy. Reviews on both a team and a one-on-one basis reduce this risk but to prevent them from being onerous they've got to be easy to arrange and not a tax on precious sales time. There should be tools available to support these reviews, not six page monsters that take forever to complete but a simple form that prompts serious thought. It's not practical for most organisations to review them in the office all the time so the ability to fit them in, over the web, between meetings is really important.

Embed it in your CRM – All these things are impossible if your methodology is not comprehensively and efficiently implemented in, and supported by, your CRM. Take a hard look at what you use and work out how you're going to make it work without compromising critically important functions such as reporting. Be realistic and assess how much it's going to cost to make it all work, the way you need it to. Let's remember that the goal is simple, a sales team that is effective and on top of the sales process. If it's not going to work or it's going to cost too much find a better system; seriously, you'll find the cost of compromise to be too high.

WHERE COULD MY PROCESS BE BETTER?

Use this checklist to assess how far your sales process is from ideal. If you're honest about how you answer these points, it could form the basis of a useful wish list for improvement!

1. Do I have an established sales method?
   - If not, choose one that's appropriate for your business
   - Don't rely on your own skills if you can't do it yourself, get help
2. Is there a written sales process definition?
   - If it's not clearly defined, clearly define it, now, making sure it will work
   - Produce a user guide for the team & keep it updated
3. Will this process help all my salespeople perform as well as the best?
   - Test it on the best performers; does it reflect how they sell?
   - Test it on the worst performers; does it help?
   - Are all members of the team able to use the process?
4. Are all the terms like 'stages' and 'probabilities' clearly and unambiguously defined?
   - Do the sales stages reflect a buying process (how the buyer sees it happening) ?
   - Do your probabilities reflect reality?

5. Does every member of the team understand the process?
   - If not hold a workshop, a team event to make sure that they do
   - Make sure all new members of the team understand it too
6. Is the process for entering and updating deals in the CRM easy and quick?
   - Does the CRM make it easy to record and track how (if!) you're using the sale method
   - Is the entry and update process onerous with multiple hoops to jump through? If so make it simpler.
7. Can I get online reports that tell me what I really need to know about the business?
   - Is the forecast meaningful and available in real time, on line?
   - Is there a report pack to provide a regular, comprehensive, snapshot?
8. Can I analyse and investigate trends to track down problems and replicate success?
   - Is it possible to track down where you keep losing (or winning!)
   - Is it possible to review the whole sales pipeline from lead to win.
9. Can I easily review the strategy for a sales opportunity in a web session?
   - How long will it take for a sales person to prepare for a review, it must be minutes, not hours!
   - Will all the actions arising from the review be tracked to ensure completion?
10. Will everyone use it? will it become cultural?
   - Who does it help most, sales people or management?
   - Does everyone, including all management (really) buy into using it?

How was that?

By the way, if it all seems too much for your CRM you should talk to us about ConversationalCRM

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