Advance

Creators of SCOTSMAN®

The New Science of Sales Performance

Why do CRMs not live up to their expectations and how do you avoid putting lipstick on the pig?

INDEX

FOREWORD

This eBook focuses on pipeline management, lead generation and opportunity management. We will show you why CRMs lack data sets which support sales forecasting and how to grow sales productivity by increasing effective selling time.

We discuss:

- Why have CRMs failed to deliver on the promises made?
- With so much money and energy devoted to sales automation and AI, why have we not seen dramatic improvement in sales force productivity?
- Why do we have so much resistance from the sales force?
- Why do sales people see CRMs as a tax on their time?
- Why are we still left using subjective opinions and putting lipstick on the pig?

We look at how data is collected and why sales leaders fail to make effective interventions.

Also, why it is important to measure the customer rather than just the sales person!

CRMs are commonly implemented with a top down approach to give better management forecasting and reporting. A lack of a bottom up approach results in the sales team not actively using the CRM to plan and win deals. Companies fail to capture the knowledge inside the sales person's head.

The CRM is only as good as the information you put in it. As a result, CRMs do not support Business Leaders with enough qualitative data to deliver desired improvements in sales force productivity and win rates or the reliability of forecasting.

Accurate forecasts and profitable revenue growth are a result of strong sales process management, having the right data sets, and driving the right behaviours across the team with Leaders as effective coaches.

The key is getting the most out of People and Processes to deliver what your Strategy promises.

We show you what companies are doing, what they are missing, and what is needed to ensure sales operational excellence.

We also:

• Describe a simple structure and formula for success in improving sales force productivity.
• Show you why behaviours for sales qualification need to change for specific sales models.
• Show you how to rewire salespeople's brains so they replicate the best, who think very differently from the average performer.
• Unravel what Business Leaders need to inspect.
• Describe how people and performance are managed effectively.

We show how the approach ultimately leads to accurately forecasting business, improving sales productivity and win rates to achieve plan.
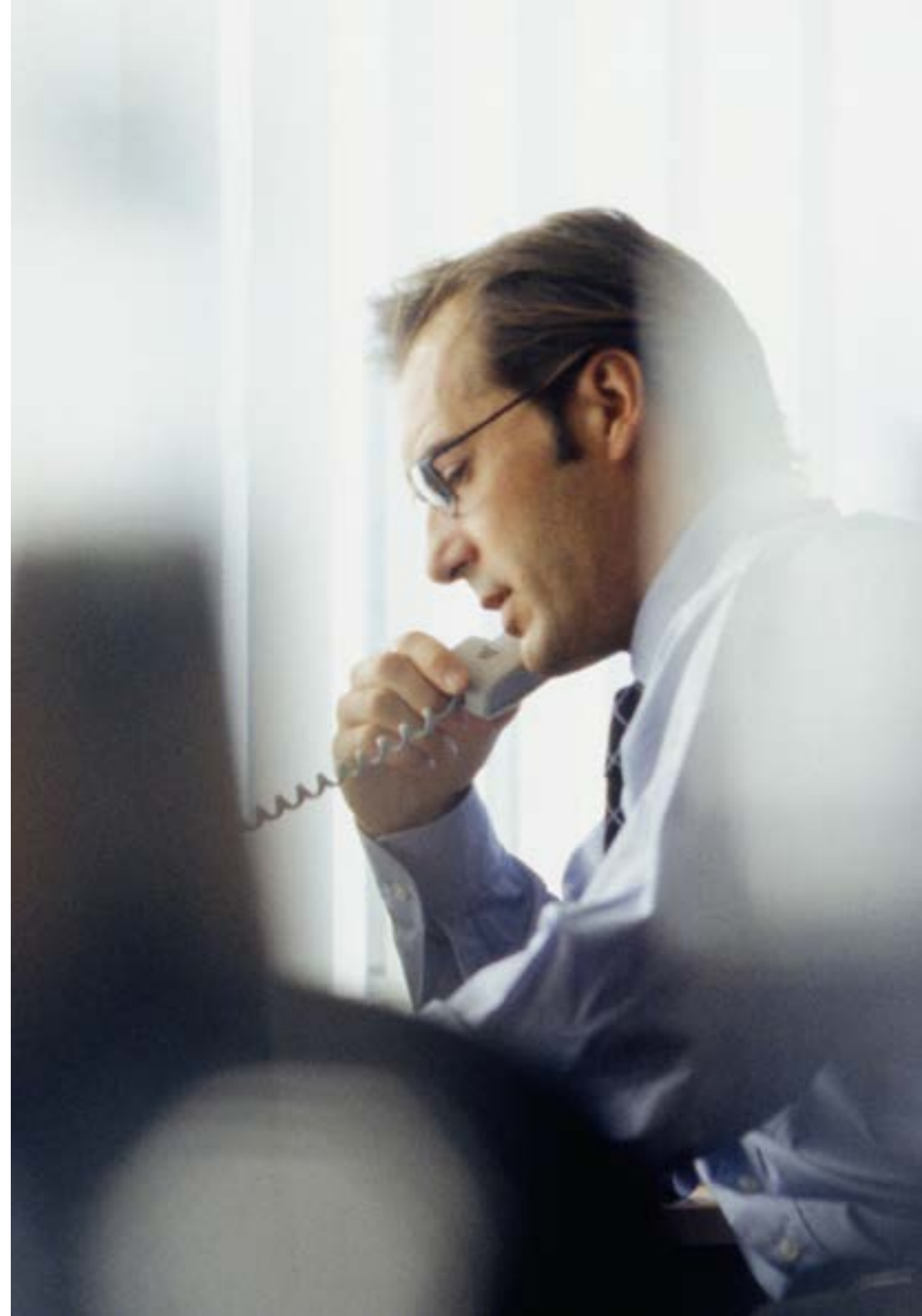
INTRODUCTION

Your Board, shareholders and investors are looking to increase the share price and value of your business. Stock market pressures, future investment plans, acquisitions and exit strategies all drive the demand for sales growth and an improvement in sales productivity.

"We want accurate forecasts plus predictable, consistent and reliable results."

Business Leaders are under pressure. They must deliver. As a result, they are feeling stressed and frustrated. We hear all the time about the challenges they are faced with and their wanting to feel more in control of Sales.

This requires a forensic understanding of pipelines, management by fact and being able to make informed decisions that drive marginal gains.

"Prediction is very difficult if it is about the future." – Niels Bohr

Massive investments are being made in CRM systems, opportunity management and pipeline development (stages of sale, sales force automation, AI). This is to build data sets, so Business Leaders can drive productivity, generate accurate forecasts and deliver predictable results. They are structuring themselves for success.

However, for a number of selling models there is a missing link!

The problems and frustrations remain. These investments haven't had the desired effect. Sounds familiar?

- We can't measure the quality of each project to know if it is worth our time and resources.
- I have lots of data from the CRM, but I cannot measure the quality of the pipeline.

- I thought the CRM would change everything, but we still only win 3 in 10 deals (or less!).
- I have no way of knowing the customer's likelihood to do business with us.
- Probability metrics are often imprecise and don't help me to accurately forecast business to the Board.

Now, let's be straight here. CRMs have brought many positives to organisations. They provide a single view of the customer and are a source of data and reporting. Within sales forecasting and driving predictable revenue growth the impact is less clear. It is dependent on the quality of information provided by sales professionals. This is where it is weak.

So, what is going on?
Let's unravel this for you.
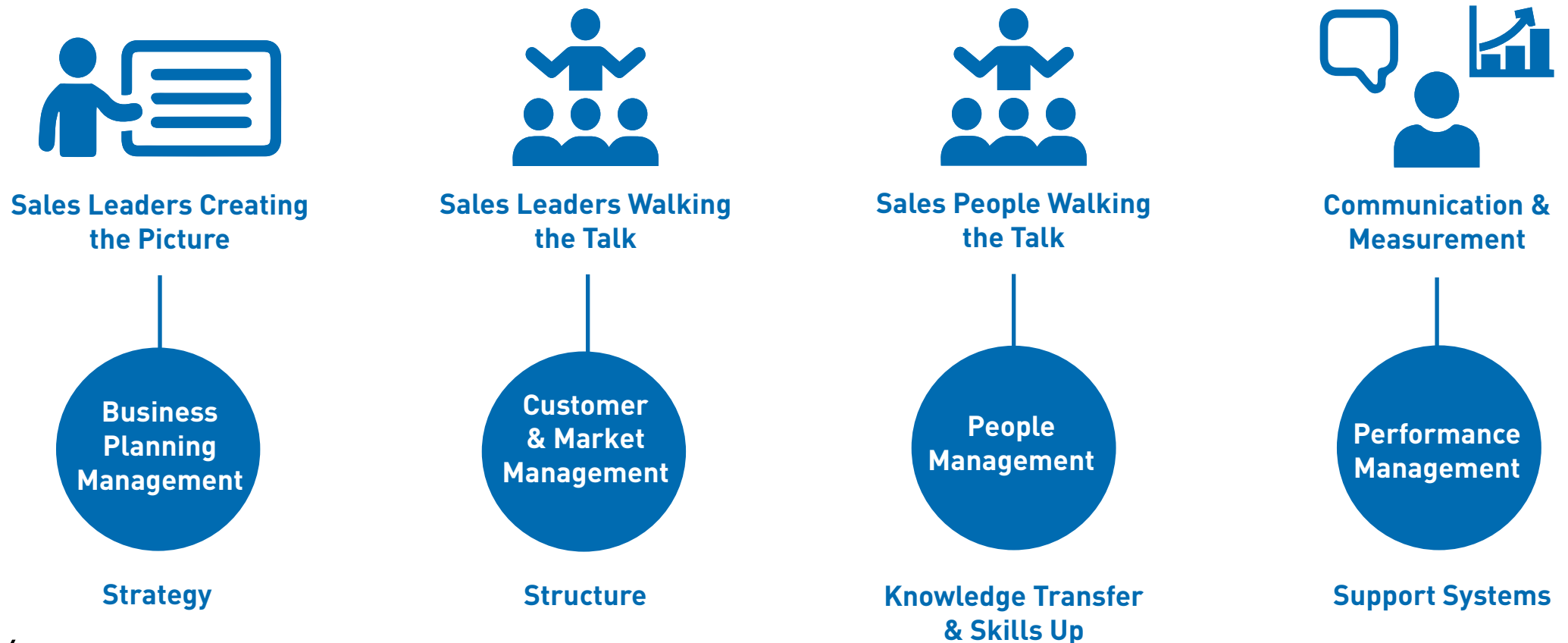
DELIVERING PREDICTABLE REVENUE GROWTH

"Failing to plan is planning to fail" – Winston Churchill

A wise coach once offered some valuable advice. "The man who believes he cannot do something is probably right, and so is the man who believes he can." he said, "As you go through life you find it is a summation of small problems." It was a cryptic statement.

Over time we have come to respect it more and more. Even the most complex of projects can be broken down into a series of simple ones if they are properly thought out. This is very evident with Sales Operations.

As good practice, sales organisations structure their operations to get the business under control, so they can deliver predictable revenue growth.

Sales Operational Excellence has 4 key pillars:

Sales Leaders Creating the Picture

Business Planning Management

Strategy

Sales Leaders Walking the Talk

Customer & Market Management

Structure

Sales People Walking the Talk

People Management

Knowledge Transfer & Skills Up

Communication & Measurement

Performance Management

Support Systems

6

Customer & Market Knowledge – the building blocks for CRM systems

Existing Customer Knowledge

- Establishments and Accounts
- Contracts in Place
- Service History
- Queries and Complaints
- Revenue History
- Customer Orders
- Customer Invoices
- Customer Contracts

Sales People's Information

- Customer Environments
- DMU Account Contacts
- Other Contacts
- Activity History
- Selling Cycles
- Competitor Accounts

Company Structure

- Sectors
- Account Divisions
- Market Coverage
- Geography

Acquisition of External Data

- Industry Databases
- General Databases (e.g. Dun and Bradstreet)
- Potential Customer Sizes, Revenues & Headcount
- Competitive Activity

These are the key data inputs that are the foundation for a company's CRM system.

A CRM is only as good as the data it is fed. We must ensure that we build in our existing knowledge and strengthen it with the information in the salesperson's head. Everyone knows that this is easier said than done.

Without this foundation, lead generation campaigns and opportunity management initiatives fail.

Best practices cannot be developed.

Re-engineering and improving sales processes and structure is inhibited.

PERFORMANCE MANAGEMENT

Manage the process ... You get what you inspect, not what you expect.

This is where it often goes wrong. It is critical to measure the important and right things. Sales teams will focus on what they are inspected on. This is what drives behaviours.

Tracking and measuring against plan will drive the right behaviours and outcomes. There are 4 key reporting areas:

• Coverage Process
• Activity Management
• Pipeline Management
• Customer Relationship Management – retain, add and grow

The key is improving productivity as part of pipeline management, and reducing unproductive selling hours. We discuss this in the next section – Sales Productivity Dynamics.

We need to ensure we measure both the effectiveness and efficiency of the processes with quantitative and qualitative reporting.

There is a lack of qualitative data and reports.

CRMs are less effective for forward planning and understanding what we don't know. The information is based on subjective inputs.

Something is missing when it comes to providing accurate forecasts and delivering predictable growth. If Business Leaders cannot inspect the right things, they will not get the results they are expecting.

SALES PRODUCTIVITY DYNAMICS – MANAGING THE LEVERS FOR SUCCESS

The Sales Increase Framework Formula

Once the CRM building blocks are in place, companies can begin to drive the productivity dynamics of sales revenue per sales person, team or business unit.

The premise being – to increase selling time effectively we must increase sales productivity. Or where appropriate transfer sales to the web.
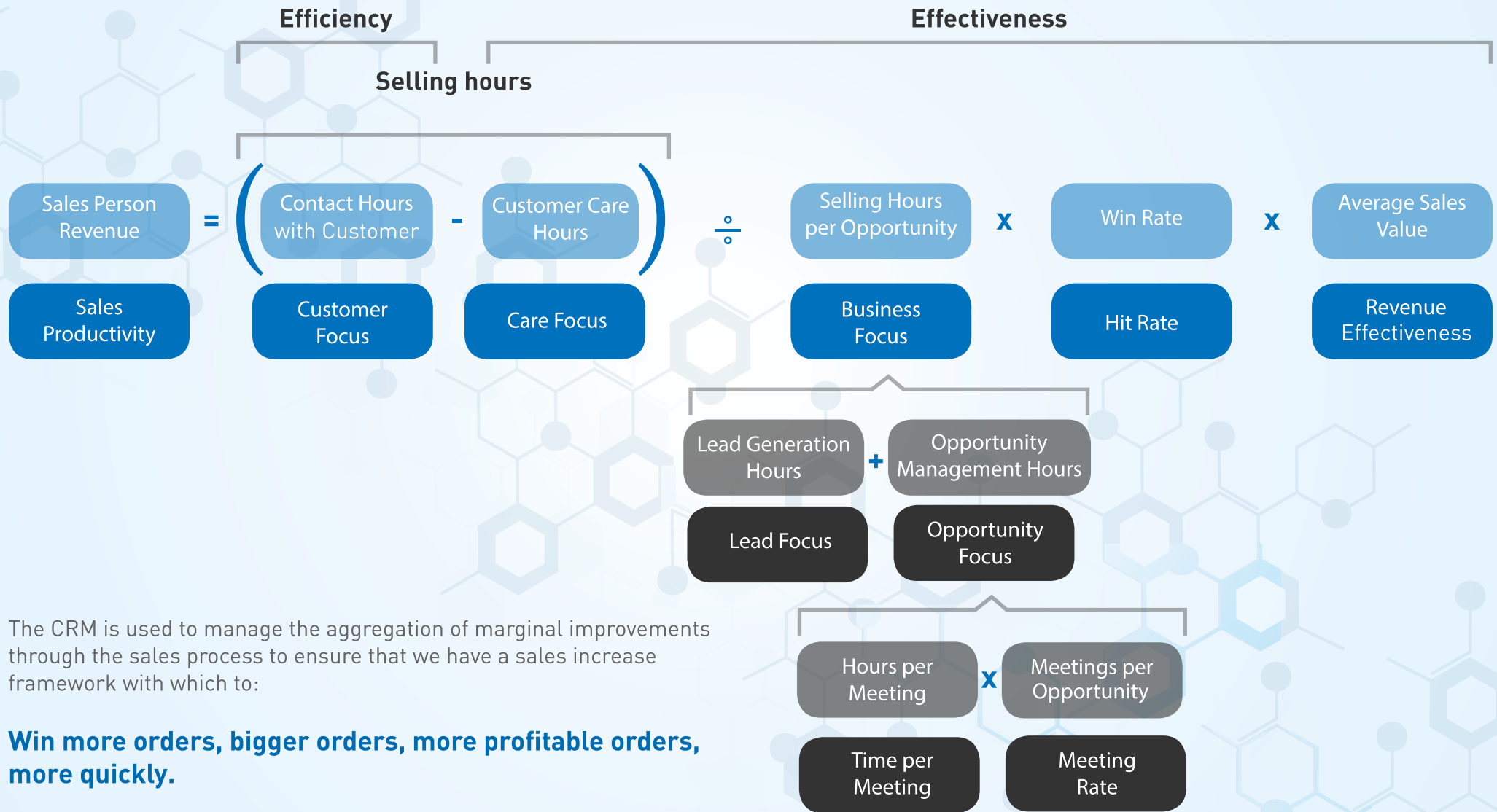
Revenue:

$$\frac{\text{selling hrs (customer contact hrs - customer care hrs)}}{\text{selling cycle hrs (prospecting hrs + opportunity hrs)}} \text{ x hit rate x transaction value}$$

To create an impact on productivity and salesperson revenue, there are 4 key areas to improve:

• Selling Hours (effective)

• Velocity (selling hours per selling cycle)

• Hit Rate

• Transaction Value

The Levers for Success Formula

The CRM is used to manage the aggregation of marginal improvements through the sales process to ensure that we have a sales increase framework with which to:

Win more orders, bigger orders, more profitable orders, more quickly.

For a fuller understanding see the example in our "Practical Implementation at Xerox" paper

It is essential to have closed loop management of the sales process. This drives people and performance management.

We can review initiatives that have been implemented that not only improve selling hours, but improve the effectiveness of those selling hours.

The key drivers of face-to-face productivity

Operational Efficiency	**Operational Effectiveness**
Face-to-Face Selling Hours	$ Revenue / Face-to-Face Hours

Operational Efficiency

- Reduce or eliminate non-productive face-to-face time
- Use other channels to offload "low value" sales
- Shift necessary non selling tasks to admin support
- Task substitution and simplification
- Sales force automation
- Bonuses for timely and accurate CRM data input
- Coverage contracts and incentives
- Develop team plans
- Move simple sales online

Operational Effectiveness

- Task substitution
- Industry focus
- Focus on large DMU's with relationship management strategy
- Improve Tenure with incentives
- Reinforce Selling Processes – sales process mapping to 'bottle' best practice
- Improve Skills and Knowledge with best of breed training
- Individual bonuses and incentives throughout the year

Improving Operational Efficiency and Effectiveness

Companies are increasing salesperson selling hours by investing in sales force automation to reduce non-productive face-to-face time, offloading necessary non-selling tasks and utilising tools such as LinkedIn Navigator, document libraries and task substitution.
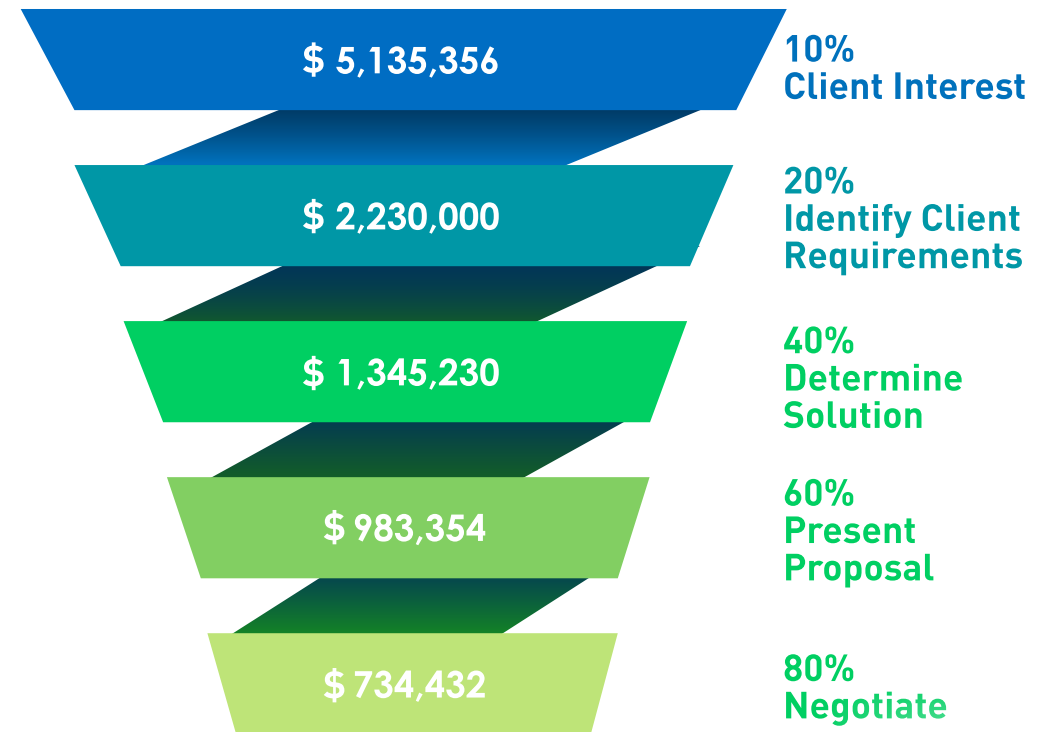
AI (artificial intelligence) is continuously being developed to increase sales velocities, improve probabilities, support the winning of business and to more effectively manage the sales process.

But is this increasing effective selling time?
Is it giving quality data to make informed decisions and provide accurate forecasts?

Forecasting and Opportunity Management – Have CRMs led to better forecasting and revenue growth?

The use of probabilities is prevalent. These are tied to each stage and increase through the process. Opportunities are tracked, and data is built up to produce forecasts and reports to the Board.

Classic reports allow Business Leaders to track the pipeline at a high level through each stage of sale. At an individual opportunity level, they form the basis for 121 reviews, account planning and coaching.

$ 5,135,356 — 10% Client Interest

$ 2,230,000 — 20% Identify Client Requirements

$ 1,345,230 — 40% Determine Solution

$ 983,354 — 60% Present Proposal

$ 734,432 — 80% Negotiate

All of these reports and tools play a role in managing the sales process and are actively used in day-to-day operations.

Companies think they have the solution... However...

The problem lies with outlooking and the predictability of future business.
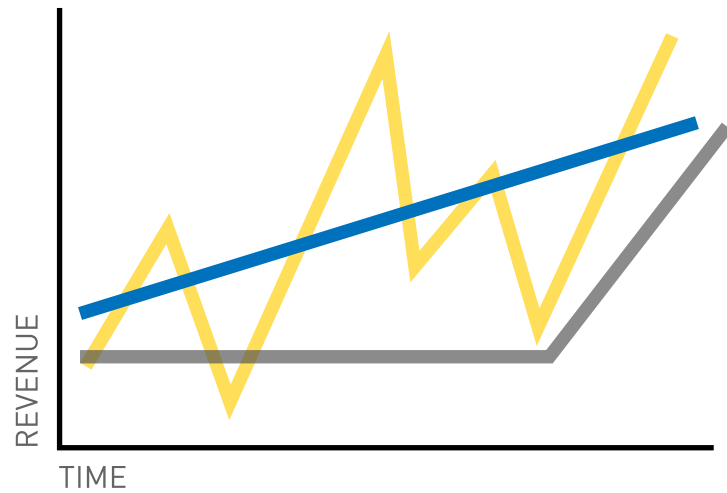
In an ideal world companies would like predictable and consistent growth – blue line.

What many companies experience is one of the others! There are periods of feast and famine, sales slip month to month, dead certs don't happen, or a significant proportion of the year's plan is closed in the final quarter.

Why is Predictability so difficult for Solution Selling and Consultative Selling?

DIFFERENT SELLING MODELS – ONE SIZE DOES NOT FIT ALL

To make the point clear, companies can have a variety of products and services that differ in complexity and the type of selling model that is involved.

Complexity of solution →

	We can see it	We can't see it (yet)	
They can't see it (yet)	**Application Replication** Solution seller with a solution looking for the buyer's problem	**Consultative selling** Consultant working with the buyer to develop a solution	**Unrecognised Needs**
They can see it	**Price criteria** An order-taker	**Consortium or partnership** Project manager forming/leading a team to satisfy the buyer's need	**Recognised Needs**

Complexity of purchase →

Simply put, there are recognised and unrecognised needs.

Recognised Needs – the buyer knows exactly what they want. They will buy from someone – we must make sure it is from us. All the qualification questions have answers.

Unrecognised Needs – the prospect may be aware of business issues, but is unaware that there is a solution available for their problem (the classic solution sale). A need only exists once they decide to do something about it. With a Consultative sale you may not know what you want to sell the customer without exploring their needs with them. Here, for many of the qualification questions, we don't have answers!

➡ For more detail on the difference in models read our White Paper: "Selling Skills and Behaviours Have to Change."

WHERE CRMs WORK REALLY WELL

CRMs are very useful for simpler sales – sometimes called transactional sales. Selling cycles are shorter, there is historical data on purchase trends and sales velocities are understood. With good data to hand to create algorithms – and with advances in AI – CRMs help to generate run rates and improve forecast accuracy.

When CRMs go wrong with opportunity management – the cost to organisations is high.

More Complex Purchases

Unrecognised needs sales are more complex, but oversimplified in CRMs. These are political sales with multi-stakeholders – there will be 1 winner and 3 or more losers.

- In some cases, stages of sale do not match the buying process.
- You cannot qualify an opportunity before need creation – yet this how it appears in stages of sale.
- Long sales cycles – it may take years to turn suspects into prospects.
- Unclear relationships between activity and results.
- Politics and big deals can take you over and no time is spent developing future pipeline.
- Time is invested early to create needs, sell the benefits and determine criteria.
- Qualification questions don't always have answers as they have never made a similar purchase before.

It is much more difficult to determine realistic win rates and velocities, and how these impact the business outlook.

Companies can fall into a trap.

Companies take the same approach to forecasts and reports as they use for their transactional sales.

But there is a gap in the information that Business Leaders have compared to transactional sales. There is no belief in the data accuracy.

As a consequence, they take probabilities at each stage of sale, add in subjective analysis and make a judgement call on what they believe will close and when.

This is manageable with a small team, but very difficult with large teams and broad product sets.

As one customer describes it:

"Forecasting and reporting complex sales to the Board is like putting lipstick on a pig."

Without a robust pipeline and management by fact, forecasting is less science and more gut reaction and subjectivity. Everyone tries to sweeten what is being presented.

The lineation of sales is also a problem as this links to quarters or year end. This is stressful for Business Leaders as slippage makes it difficult to forecast accurately.

SO, WHAT DO COMPANIES DO? – SUBJECTIVE STATEMENTS AND RATIOS.

Sales people feel that big brother is watching them.

Improving opportunity management

Complex sales create a forecasting challenge. To address this companies have broken down the tasks for each stage of sale and are robustly examining these.

The key is inspection and having a forensic understanding of individual opportunities.

These prompts and tools are meant to drive seller actions. But the data is only as good as the person ticking the box and we know what sales people think!

This is the right direction, but often not sophisticated enough and just answers **"Will they act?"** and **"Will they act now?"** None of the tools answer **"Will they act with us?"**

Intervention is still required. Data is missing, or difficult to interpret. The stages are not aligned to the buying process. Reports are generated but there is no measure of quality, or accuracy of what the salesperson is doing at each stage of sale.

Forecasting – The Shift From Probabilities To Outlook Ratios

If opportunity management is done well with big deals, predicting the future requires outlook and pipeline ratios for forecasts and hitting plan. These include:

Outlook Ratio – the relationship between the value of the pipeline and the anticipated revenue. This is the overall business outlook and should be tracked.

Personal Ratio – the ratio achieved by an individual sales person, promoting a bottom up approach to improvement by moving the average salesperson to replicate the best. This could be an improvement from 4:1 to 2:1 – a massive difference to performance.

A good starting point for root cause analysis is shown below. It gives a simple description of what companies should be doing as a minimum at an individual, team and business unit level.

There are 4 possible scenarios:

Order Revenue Actual vs Plan (%)	Prospect Base (Pipeline) Actual vs Target (%)	Problem Statement
Over	Over	No problem!
Over	Under	Prospect base is below target (even though the plan was exceeded)
Under	Over	There is the pipeline, but conversion rates are insufficient
Under	Under	The prospect base and/or the conversion rates are below plan or target

To be in control of Sales, we need to identify any problems, and initiate and monitor corrective action.

Using this process, Business Leaders can start to ask "why?" and begin to peel back the onion to identify root causes. Research shows that a sub-optimal process or lack of a process is the root cause of many issues.

There is a gap

What Business Leaders are doing is correct, but even with probabilities and ratios something is missing. There is too much focus on quantitative data and not enough on qualitative data to identify root causes, determine corrective actions and manage the process.

Within opportunity management it is important to flush out the bad things early…

If processes are managed effectively, problems are avoided or known about earlier. Action is often taken at the end of the process, which leads to addressing symptoms rather than root causes. The figures/issues are massaged, and we are back to **putting lipstick on the pig.**

Flushing out the bad things with quality data sets helps Business Leaders understand root causes and develop corrective actions earlier.

MEASURING OPERATIONAL EFFICIENCY AND EFFECTIVENESS

Cracking the whip to get your teams to do more will make a difference, but the importance of quality measures and outputs from sales team activity far outweighs quantitative measures.

With the variety of reports available for managing the pipeline, inspecting opportunities at each stage of sale and forecasting, many Business Leaders are strong on efficiency but less so on effectiveness. We need quantitative and qualitative data sets to drive change.

Increased Efficiency

Without such measures we cannot objectively be sure how well sales are progressing as probabilities are frequently inaccurate. We can make sales professionals more efficient with AI and other tools. But how can we make them more effective?

Sales professionals and managers spend half a day a week on forecasting activity. Yet 80% of sales organisations regularly miss their forecasts. In the US alone, this costs businesses an estimated $50 billion per year (Source: CFO Magazine). Has this cost been calculated in your CRM strategy?

Increased Effectiveness

In the formula for success we introduced the need to improve selling hours, velocity and win rates. Many companies report that they spend more time losing than winning. So, the biggest waste of time is the time spent losing deals!

Even so, they will say that time is wasted by non-productive activities like admin, travel and meetings. Companies then try to address this with tools and task substitution.

The average B2B salesperson wins 3 out of 10 deals. There is a productivity issue – 70% of their time is wasted.

Top salespeople win 7 out of 10 – they effectively double their selling hours.

Despite investments in automation and other productivity tools, win rates and velocities are not improving particularly for the average salesperson within the Solution and Consultative Sales.

Because the biggest loss of selling time is from the deals they lose, great improvements in productivity will be made by increasing win rates.

There are only 2 reasons why you lose a sale: either you were outsold, or you shouldn't have been there in the first place.

No-one wins every deal they work on. Top salespeople:

• use strict criteria to choose opportunities to chase.

• refuse to bid on unwinnable deals.

• use the time saved to spend more time on the winnable, and...

• devote some of this time to lead generation and new opportunities.

Increase win rates by working on the right deals.
Increase effective selling hours by losing quickly.

CRMs lack qualitative measures that Business Leaders need to measure the effectiveness of the process.

Will they act? Will they act now? Will they act with us?

Current qualification techniques are poor. There is a gap as you do not know the quality of opportunities, or the likelihood the customer will choose you. This creates problems for forecasting. We need to bring science to the art of winning deals.

So, what can you do about getting such data?

There is a 'fog' for Business Leaders and sales people. This brings frustration and inexact forecasting.

"Forecasting is the art of saying what will happen and then explaining why it didn't happen." – Anon.
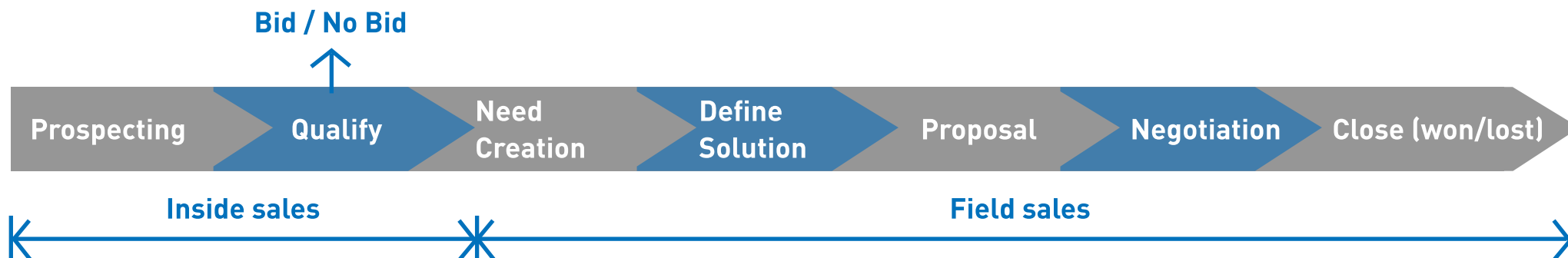
- I can't measure the quality of the project – is it worth our time and resources?

- I can't measure how well we are doing against the competition.

- I don't have an understanding of the politics in the sale.

- I can't measure the likelihood the customer will do business with us.

To address the problem, top-level forecasting and reporting needs to be built from the bottom up. We need to understand the quality of individual opportunities. What makes a good deal?

REDEFINING QUALIFICATION, AND IMPROVING DATA SETS

Bid / No Bid

Prospecting	Qualify	Need Creation	Define Solution	Proposal	Negotiation	Close (won/lost)

Inside sales ⟵⟶ **Field sales**

In CRMs, qualification is often a stage of sale.

Inside Sales may feed "qualified" opportunities to the Field Sales team to win. They test the opportunity against a simple checklist (such as BANT, or equivalent).

- Is there a big enough budget?

- Do we know, and can we access, the decision process?
- Do they have a need? Will they make a decision?

- Can we meet the timelines?

It's a start but there are critical flaws in this approach.

Basic Scoring – mini-checklists do not show the true quality of opportunities.

No Direction – it does not identify the work needed to progress and win the sale.

Planning Ahead – the sale is not viewed as a whole with the customer actions needed to win.

Redefining qualification is critical to achieving better win rates, selling time and forecasting.

The number 1 impact on sales productivity and forecasting is win rate. The stats show that companies are poor at qualification. The 2-way process of "Bid / No Bid" is flawed for these more complex sales.

Bid – time can be wasted on "qualified" opportunities as conditions inevitably change through the sale but are not identified (or tracked). New competition enters, the spec changes, timescales move.

No Bid – no effort is made to work out if an opportunity could be won if certain conditions were different and the work needed to make it so.

At Advance we see qualification as a 3-way process:

- If everything is fine and there are no problems then, of course, you bid.

- If there are too many problems or they are too big then you don't bid. It's obvious.

- In any sale there are always problems. Qualification tells us clearly what work is needed. Success is measured by customer commitments (the actions they take to progress the sale).

Are you working on winnable deals or wasting time on "no hopers"?

Sales Pipeline Opportunities

Opportunity	Account	Probability	Close Date	Amount
Stage: Client Interest				
Alpha Server Cluster	Corp International Inc	10%	28/09/2018	£150,000
Stage: Identify Client Requirements				
Acme Widgets	Global Media	20%	03/09/2018	£80,000
Stage: Determine Solution				
Storage system	World Systems	40%	28/8/2018	£250,400
Stage: Present Proposal				
Professional Services	Image systems	60%	25/8/2018	£43,500

With the 2-way process, there is no way of knowing the quality of opportunities in your pipeline. Forecasting is back to subjectivity and guesswork.

Qualification should take place throughout the sales process.

The basic checklists are too simple for complex sales. We redefine qualification and pipeline management. Test the temperature and plan the sale by checking the opportunity against the 8 criteria of the acronym SCOTSMAN®.

Solution, Competition, Originality, Timescales, Size, Money, Authority, Need.

Instead of a Yes / No, qualification questions are interpreted with 3 possible outcomes that score the sale simply and identify the work needed:

- **We know the answer and are happy with it (Score of 0)**. E.g. we know their budget and our solution will fall within it. There is no more work to do in that area.

- **We don't yet know the answer (Score of 1)**. E.g. we have not yet established how the decision will be made. There is work to do. We add this topic into the agenda of a future meeting.

- **We know the answer and it is not good (Score of 10)**. E.g. we cannot deliver to their timescales. A potential "deal killer." If we cannot fix the problem we will definitely lose. We must get customer commitments to allow us to bid. If we succeed we move forward. If not, we quit.

Qualification is just one side of the coin...

An important point restated. Qualification only tells you "Will they act?" and "Will they act now?" In other words, there is a need, there is a decision-making project, and they have decided to do something about it.

There is something missing...

You decide to bid on a "qualified" opportunity. Two competitors have also qualified the sale, decided they are going to bid and put in the time and resources to try and win it. The problem with forecasting is that we have no idea "Will they act with us?" How can we be sure that we will be successful and win this business?

The other side of the coin is commitments...

Deals don't happen with the salesperson doing all the work. Winning sales is the accumulation of customer commitments. These are the physical actions completed by the customer to progress the sale.

Using qualification as a planning tool we determine what we want the customer to do for us (particularly the areas of SCOTSMAN® that score 10 – the "deal killers").

For example:

- Have you organised a discovery workshop to meet key people?

- Have we been given an organisation chart?

- Have they developed a timetable with us for the evaluation process?

- Have they allowed us to influence their criteria?

- Have they adjusted their plans to fit in with our delivery schedule?

If we cannot get customer commitments, then we should question why we are bidding. Positive answers to commitments convince us we have a real chance of winning. We can track these outcomes – were they achieved or not?
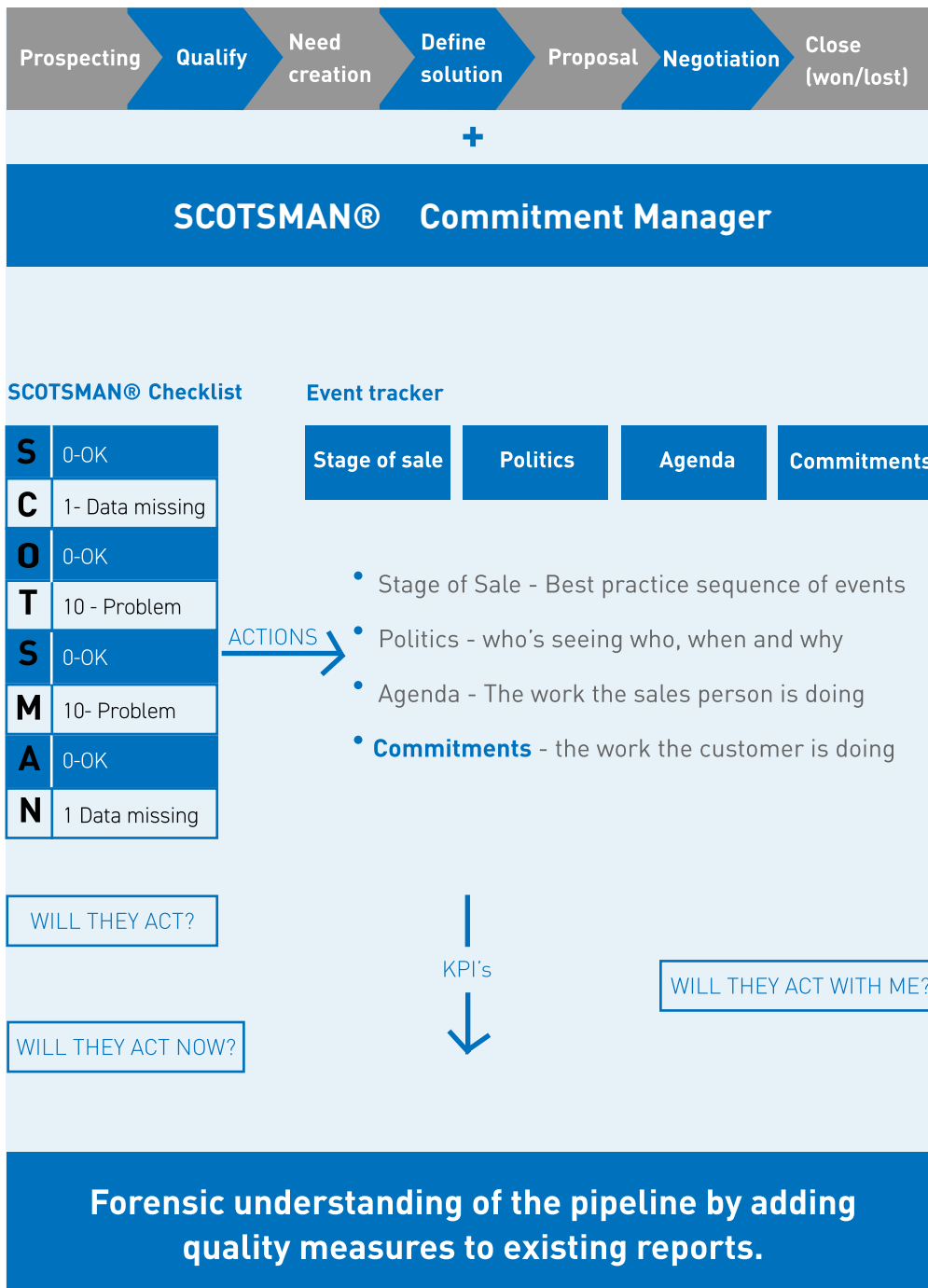
To put a twist on the famous JFK quote:

"Ask not what you can do for your customer; ask what your customer can do for you!"

| Prospecting | Qualify | Need creation | Define solution | Proposal | Negotiation | Close (won/lost) |

+

SCOTSMAN® Commitment Manager

SCOTSMAN® Checklist

S	0-OK
C	1- Data missing
O	0-OK
T	10 - Problem
S	0-OK
M	10- Problem
A	0-OK
N	1 Data missing

WILL THEY ACT?

WILL THEY ACT NOW?

Event tracker

| Stage of sale | Politics | Agenda | Commitments |

ACTIONS →

- Stage of Sale - Best practice sequence of events
- Politics - who's seeing who, when and why
- Agenda - The work the sales person is doing
- **Commitments** - the work the customer is doing

KPI's

WILL THEY ACT WITH ME?

Forensic understanding of the pipeline by adding quality measures to existing reports.

The top stages of sale

What is needed is a robust qualification process and tracker of salesperson and customer activity that supports this way of thinking. It tracks the agendas and the commitments needed.

One such tool is the SCOTSMAN® Commitment Manager App for CRMs – a major enhancement to opportunity management.

Overview:

- **Comprehensive quality check** – score the opportunity using SCOTSMAN® and track how the scores change throughout the sale.
- **Planning tool** – identify what work we and the prospect need to do and add it to a plan to win the deal.
    - Events we plan to have with the customer.
    - Manage the politics – who to meet, when to meet them and why?
    - What will be discussed to address the gaps in knowledge or problems.
- **Audit tracker - Quality Measures** – measurement is a binary process – Yes or No. The prospect either does or doesn't commit to the actions we ask of them.
- **Online Training** – at point of need at each stage of sale to drive behavioural change.

SCOTSMAN® Reviews – the Comprehensive Check of Opportunity Quality

The following screen shots highlight how the app works in practice.

Opportunities are qualified throughout the sale using SCOTSMAN®. This highlights the quality of the opportunity. We know what is OK, where there are gaps in our knowledge and where there are problems (deal killers) to address. Scored with 0, 1 and 10.

"You can't tell an adult what to do. You can only create the circumstances by which they discover it for themselves." – JH Jones

Qualification now drives the sales campaign. The salesperson does not see this as a tax on their time as they have a tool that helps them to identify the work needed to win. They can better communicate with management and be more effective with their selling hours.

This bottom up approach gives Business Leaders quality measures - a forensic understanding of individual opportunities and the pipeline as a whole.

Qualification becomes an important planning and time management tool for sales people.

Event Tracker – The Best Sequence of Events Aligned to the Buying Process

Event Tracker				+ New Event
Event	Status	Date	Agenda	Commitments
Initial Phone Call	Completed	30/07/2018	1	0
Initial Meeting	Completed	01/08/2018	12	4
Timetable Meeting	Planned	03/08/2018	4	2
Internal Business Review	Planned	20/08/2018	3	1
Discovery Meeting	Unplanned		0	0

Sort Events   1 2

Political Map					+New Contact
Decision Makers					
Name	Position	Power	F/A	Events	Met
Sally Smith	Ops Director	7	For	2	Yes
					1
Recommenders					
Name	Position	Power		Events	Met
Dave Jones	IT Manager	6	For	0	Yes
					1
Influencers					
Name	Position	Power		Events	Met
	External Consultant	6	?		No
					1

Using SCOTSMAN® we can plan which events are required going forward and what we need to discuss to address problems or gaps in our knowledge (the agendas). The politics of the complex sale are understood by mapping out who we need to meet, when to meet them and why. This information links to existing CRM contacts and identifies gaps where there are people we do not yet know. This work is planned, logged and inspected through the Event Tracker.

Whereas CRMs are only a record of what has already happened, salespeople and Business Leaders now have a clear view of the sale as a whole. They can see the best sequence of events for upcoming internal and external meetings that link to the work the salesperson is doing. This clears the fog.

## Will they Act with Us? Auditing the True Quality of the Sale

Most importantly, we also need to identify what work we need the customer to do. These are the commitments we want from them to progress the sale. We re-wire the brains of salespeople to plan ahead and think in terms of commitments. Winning sales is the accumulation of commitments.

You get what you inspect, not what you expect!

This gives Business Leaders new KPIs to determine the likelihood the customer will do business with us and measures the true quality of the sale. If we do not gain commitments, we will lose. We can decide to walk away and focus on winnable opportunities – improving win rates, selling hours and development of the pipeline.

Measurement is now a binary process – Yes or no. It is black or white. The customer either does or does not commit to a series of actions.

Dashboards and KPIs to support Business Leaders
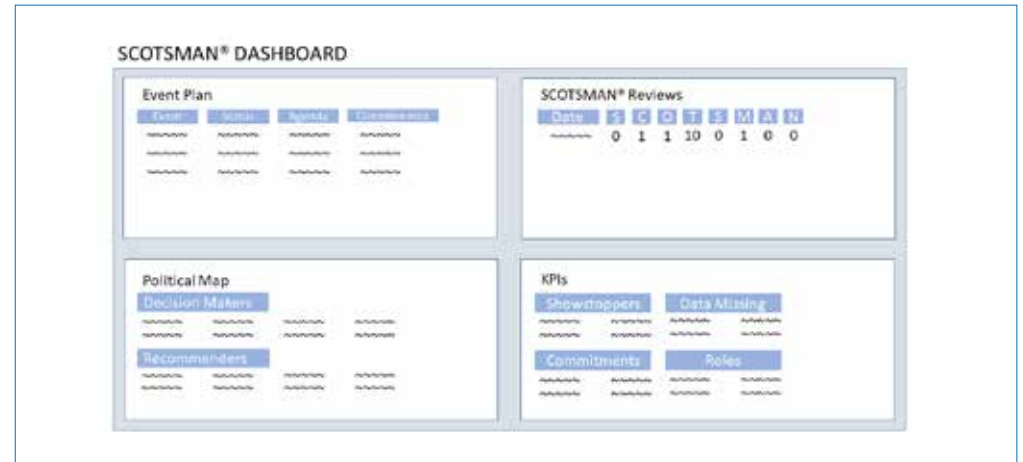
With salespeople using the app to score, plan and manage their opportunities there is a clear roadmap and inspection points. You now have the bottom up data from individual opportunities that form the overall pipeline. These KPIs are needed for effective forecasting and improving sales productivity. Reporting to the Board now has factual data to back you up. Combined, the sum of the parts means that:

Business Leaders are in control.

With additional dashboards, KPIs and reports they have the quality data sets they have been crying out for. They know for each opportunity where everything is OK, where there are knowledge gaps, and where there are showstoppers (the deal killers). They can make interventions count.

Improved forecasting and predictability.

Business Leaders have a forensic understanding of the pipeline with new quality data. Measurement becomes a simple "yes or no" and brings an end to subjectivity and ambiguity.

Improved sales productivity and win rates.

- Salespeople can plan and win, or quit, opportunities more effectively.

- Business Leaders can play devil's advocate to help the skills up.

- Salespeople's brains are rewired. It's not just what they do that counts, it's what customers do to progress the sale that matters.

- They have roadmaps to navigate political sales and can measure success by the customer commitments gained.

- This brings higher success rates and increased sales velocity.

Business Leaders are more effective coaches.

There is a clear roadmap of events and a common sales language across the team. Information is available to drive better sales reviews and deal planning. They can support each salesperson to replicate the skills and behaviours of top performers. As a result, morale is improved.

CONCLUSION

Producing accurate forecasts is only part of meeting the Board's demand. Delivering predictable revenue growth, and growing sales productivity to deliver shareholder value are also crucial.

The Importance of Business Leaders to Pipeline Management

The key is that Business Leaders are effective coaches and experts in sales process and pipeline management. They are able to identify root causes using a problem-solving process. Corrective actions to the process or behaviours can be dealt with quickly.

They need to know how to use the right levers to drive sales efficiency and effectiveness and bottle sales excellence. They can then deliver the aggregation of marginal improvements.

Selling is not a problem it's a process. When it's not a process, it's a problem.

Performance Management - The Infrastructure & Data for Success

CRMs are valuable tools to provide the data sets to manage the process. It is crucial to have the right balance of quantitative data and qualitative data sets.

We must measure operational efficiency and operational effectiveness. This enables a forensic understanding of the pipeline, supports management by fact and helps Business Leaders to make informed decisions. Ultimately, they are in control.

You get what you inspect, not what you expect.

Quality and accurate data does not require 'beating up' the sales team to update the CRM. Using SCOTSMAN® and Commitment Based Selling

becomes part of the qualification, planning and review process. Your day-to-day process builds up the right data sets for forensic understanding, management by fact and determining corrective actions.

Differentiate Between Recognised and Unrecognised Needs Sales

With a longer selling cycle salespeople may lose sight of the process of turning suspects into prospects and eventually to closed business. More complex sales need monitoring to prevent feast or famine. Salespeople must avoid the big sale death spiral and continue to develop the pipeline or their next year will disappoint.

Productivity – Redefining Qualification

The number 1 impact on productivity is to improve win rates, velocities and effective selling hours.

The average B2B salesperson **loses 70%** of their deals. This has a knock-on effect for forecasting and hitting plan. Top salespeople **win 7 out of 10** deals. They are good at qualifying opportunities and losing quickly.

If you're going to lose, lose quickly! But first see if you can win

Introducing skills in SCOTSMAN® qualification brings a change in mindset. Salespeople plan the work needed and look for the bad things in their deals. Qualification helps to identify: will they act and will they act now? You double the power with customer commitments. This answers the question: will they act with us?

You no longer need to put lipstick on the pig!

You can be efficient but ineffective... and die slowly as a company.

Are you measuring the right things?

Effective	Survive	Succeed
Ineffective	Die quickly	Die slowly
	Inefficient	Efficient

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Redefining Qualification – Qualification & Commitments

Behaviours – Selling Skills and Behaviours Have to Change

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Forecasting – How to achieve predictable, consistent and reliable sales Forecasts

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