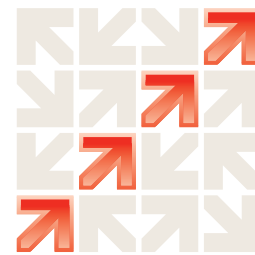


What Makes a Winner?



CRITICAL MOMENTS
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1. Creating and prioritising opportunities.

From a Miller Heiman study on Winning Sales Organisations (WSOs) 72% of respondents rely on well-defined methodologies for deciding which opportunities to pursue. That's almost a third better than other respondents. "In other words, nearly half the non-WSOs have no standard system for identifying the best opportunities" says Miller Heiman COO Damon Jones, "That's like fishing wherever you want and hoping that something will bite on your hook."

WSOs also typically use a proactive, well-defined, highly focused approach to sales. They can define the ideal customer and report that they align sales efforts to that target—and they understand what compels those clients to buy. At the same time, their efforts include creative thinking and problem-solving skills that customers value highly. And, they emphasise problem-solving rather than product-pushing: WSOs focus on solution-based selling 26 percent more often.

As a result, WSOs tend to achieve better close ratios, shorter sales cycles and fewer instances of discounting – all of which add up to more wins and more revenue.

Non-WSOs, in contrast, "seem to waste resources pursuing business that they don't really have a good chance of winning," Jones says.

"Typically, it's a situation where their products and services are not a good fit for what the customer is trying to accomplish." But because salespeople are wired for tenacity, it sometimes takes strong management to convince them to stop chasing those opportunities.

Jones adds, "You have to create clear criteria indicating that not every piece of business is necessarily a good piece of business for your company. Make sure that you're putting resources on prospects only if you have a good chance of winning them." When sales seem unlikely, redirect those resources to deals you're more likely to win.

2. Managing opportunities.

Winning sales organizations also make better use of those opportunities, according to the Miller Heiman study, WSOs get access to more senior-level executives than their "You have to create clear criteria indicating that not every piece of business is necessarily a good piece of business for your company. Make sure that you're putting resources on prospects only if you have a good chance of winning them."

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Miller Heiman's research, involving responses from more than 7,000 sales professionals in three consecutive years, indicates that Winning Sales Organisations (WSOs) typically excel in the following five key performance areas:

i. Opportunity creation

WSOs rely on well-defined methods to identify and rank opportunities; they focus on selling solutions rather than products.

ii. Opportunity management

WSOs use standard methods to prepare for sales calls and reach top executives, but customise approaches to decision-makers' individual styles.

iii. Relationship management

WSOs effectively manage both external and in-house relationships; they collaborate with other departments to identify and serve key accounts.

iv. Management controls

WSOs' senior corporate executives—including those in other functions—actively promote and participate in the sales process.

v. Leveraging talent

WSOs use their top performers' expertise as benchmarks for hiring decisions, coaching and assessments.

Their sales forces are better at persuading those top decision-makers to buy, succeeding about 32 % more than non-WSOs do.

How do they do it? Overall, WSOs tend to have well-defined processes for moving through the sales funnel from prospect to close. They make sure the right deals get the right attention at the right time. And they're savvy about customizing their sales approaches to executives' decision-making styles, adapting quickly when confronted with several different styles.

Above all, WSOs strategise for every meeting with a prospect or client. "We found that winning sales organizations are 30% more likely to have a standard approach to sales calls," Jones notes.

In contrast, he says, about 60% of the non-winning survey respondents have no regular format for sales calls: "They fly by the seat of their pants and then wonder why they don't get the right outcome from those meetings."

Bottom line: Sales teams looking to join or remain in the WSO ranks must follow the classic Boy Scout motto: "Be prepared."

3. Managing relationships

WSOs, more than most, recognize the importance of long-term customer relationship management, according to the Miller Heiman study. They know their customers' businesses as well as their own, and they monitor trends that are likely to affect those clients' needs.

WSOs are also expert at managing in-house relationships. 58% report working with people throughout their companies to better serve strategic business accounts—that's 20% more often than non-WSOs. "Sales are no longer the total fiefdom of the sales function. It's now the responsibility of a much broader part of the organization," says Jones.

"WSOs are 30% more likely to have a standard approach to sales calls...The focal point of customer relationships increasingly involves people from across departments."

What's the first step for sales organizations hoping to improve both internal and external relationships?

Standardisation. "Having systems and processes and standard ways for managing customer

relationships really help because it puts everyone on the same page," Jones notes. "If you have a common way for how you talk to customers, you can strategize around key customer relationships.

People from other departments can participate and support and really understand what the lead sales rep or account manager is trying to accomplish."

4. Involving their companies' executives

In a related finding, WSOs tend to involve their own corporate leadership in the sales process. 77% of WSOs said their senior-level executives actively promote and participate in the sales process, which is 20% more often than non-WSOs. Highly effective organizations also excel at working with managers of other departments to identify their companies' most important accounts and develop organisation wide approaches to supporting them. More than half of WSOs reported working with leaders from finance, marketing, IT, engineering and other departments to accomplish that goal.

That means that even though many sales organizations have undergone staff reductions, they can still build strong customer relationships with the help of those other departments, many of which now directly interact with customers more than ever before. The single most important element in those efforts' success is strategic coordination.

"It requires the organization to be organized," says Jones. "If I'm the account manager, I've got to make sure everyone else understands my plan, my strategy."

Miller Heiman's study credits those cross-organisational efforts with helping sales superstars better understand and adapt more quickly to changing buyer behaviour. According to the survey results, WSOs feel 16 % less price pressure in buyer decisions than non-WSOs do and their buyers are less likely to delay their purchasing decisions.

5. Leveraging Talent

Finally, WSOs strategise around their people.

"They put a lot of emphasis not only on finding and retaining the right talent, but leveraging it throughout their organizations as well," Jones says.

Overall, sales leaders ranked talent maximization as one of their five most pressing issues, second only to ongoing worries about winning and keeping profitable business. But when asked how well they were meeting the talent challenge, participants gave themselves low marks, rating that area fourth out of five in terms of success. Both responses may correlate to another startling survey result: 24% of all organisations surveyed reported an increase in turnover.

Jones calls those findings critical differentiators. "You need to understand why your top performers are your top performers," he says. In fact, that's a good starting point for any sales organization hoping to become—or to stay—a WSO.

To find out more about what makes a winner, talk to Stephen Newman at Critical Moments on :

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