



## Rewiring sales organization for growth and scaling up

Dr T R Madan Mohan

Image courtesy Copyright Owner

In a VUCA world you need a sales organization that has not only had adopted standardized repeatable processes focussed on “defence”, but also entrepreneurial facets that allow companies to have flexible and nimble process with singular focus on attack and acquire. How must companies rewire their sales organization to derive agility, transparency and actionable intelligence advantages? Focusing on simplicity, power of integration and ownership enables companies build sales organization with growth and scaling capabilities. When agility, transparency, relevance and intelligence are combined, sales transformation occurs.

Rewiring sales requires adopting simpler process, eliminate unnecessary centralization, up to date information and transparency and intelligence that is used to verify the directions while navigating the business. These change the entire ethos of the organization and increase its market relevance. Focusing on the three principles has helped companies meet the quirky requirements of order to manage BAU, yet flexibility to thrive on innovation front. While the principles remain same, companies have an option of pursuing multiple routes that yield the same results.

Firstly, companies must shed away their centralized old school hierarchical decision making to flatter organization and an empowered sales team that not only covers the market, but also scans the flourish of ideas and friction at the customer end. Some companies have achieved this by delineating products or service groups by regional markets or even by sales team experiences. Small ticket quick wins and definite products were

allocated to junior teams, while experienced teams worked on high value solution led products or services tickets. Simple pricing models and well defined discount structures with appropriate application of gaming principles ensured each sales team made best use of its freedom and attempted to maximize the group’s incentive.

Others have pursued cellular organizations such as Holacracy or focussed cells on the lines of Cellular manufacturing. Whatever the approach, the expected benefits remain same, flexibility to quickly process information, reduce latency and asymmetry effects and provide decision making rights appropriate to each level and group. Sales structures in successful companies include not just direct sales teams, but inside, partner and product teams that complement the direct sales and help companies gain from “ecosystem advantages”. The objective is to create a dynamic sales organization that not only covers the markets, but builds partners and ambassadors for it so that overall transaction costs of scanning, engaging and monetizing the opportunities is reduced. Consortia model is the preferred model to provide intermediation benefits, especially when complementary services or products could be bundled.

Secondly, companies must move away from top down grand annual plans to an evolving direction focus planning approach involving everybody. The sales team is consciously involved in the sales planning, what options and who owns what responsibility. Focus of the sale planning is not an academic exercise trying to reach 100% forecast accuracy, but one that strives to define directionally correct

milestones. Planning windows are smaller; feedback is quicker feedback allows companies to tweak the offer minutely without increasing product variety. Sale planning is therefore a continuous and creative process, where in few major must had product or service offerings are the target.

Doing more for less is what drives sales outcomes. Ensure direct sales teams run on fewer engagements with deeper insights and ownership, and with a limited product or service portfolio. Companies at best choose 1-2 large high impact product or service that allows them international expansion and has high customer stickiness potential. A large bouquet of smaller products or service offerings, often modules of existing offerings are offered as door openers into newer accounts and defend existing accounts. Low cost sales engines complement direct sales by covering smaller low value customer segments. This approach helps companies to optimize the cost of sales process based on opportunities and also balance their portfolios by pursuing BAU offerings and innovations.

Leading companies realize the benefits of focus and dedication, a key principle in world class organization, in terms of limiting one sale motion per resource and leadership. Sales resources carry one of the flags: either acquisition or account mining, in some companies limited to specific segments. Eschewing multiple leaderships only adds to confusion and loss of morale. While driving ownership is a key objective, companies ensure that leaders at respective level have adequate support and infrastructure to drive outcomes and sense of urgency. Successful rewiring

requires complete elimination of territories, inadequate support, selective pre-sale and delivery commitments and pathological reviews by management. Sales support with adequate process automation, reengineering can boost sales productivity.

Leading companies spend more efforts in communicating how different teams would work in tandem, or how coordination occurs to ensure sales reach is happening and sales resources are optimally utilized. Marketing must be aligned to two functions: lead support and advocacy. Marketing must pursue a quarter-wise plan aligned to sales expectations of both direct and indirect teams. What works best is when companies know how to mesh mash both sales and marketing functions for each segment by pursuing high bundling, reuse and extensions of marketing assets. Companies can use common objectives and goals to tie up Marketing and sales responsibilities around the customer buying process. Marketing and sales together funnel leads through awareness, interest, consideration, intent, evaluation and purchase. A simple and effective cadence is required to align marketing led sales engine. Plan with social + email+ call rhythm and right space between each of these to increase recall and reach effectiveness.

Sales operations and governance must be designed to optimally support sales targets and create visibility into the sales team's efforts. Sales operations is more than just being a data sink, it must drive integration benefits to the organization by linking various activities. Sales operations can reduce the time spent on field speed up the sales process and improve customer experience. In leading companies, sales

operation is like a COO role running weekly and monthly pipelines and forecast. Sales operation must be continuous and hold peers, founders and management if they run sales for delivery against commitments. Inadequate executive ownership and commitments peter down the sales operations focus.

The goal of sales governance is not to meet some bureaucratic process, but to successfully allow for adjustments and course corrections as necessary to ensure that the business meets its sales revenue objectives. What this means is that entire governance must be designed for people and designed to ensure everyone in the sales organization strives to improve their outcomes. Fuse all sales motions, including SPV or Key accounts into one comprehensive portfolio at the group or individual level to get 360 degree visibility that facilitates actionable business intelligence. Simplify reporting and review process, ensure a healthy atmosphere while reviewing and eliminate taking sides while reviewing. Successful leaders consciously wear the hat of problem solver to listen and pivot the sales motions in response to changing market conditions and not settle petty personal scores.

Finally, getting the right talent and empowerment is critical for realizing sales outcomes. While it is important to reward loyalty, each role requires unique capabilities and competencies. Force fitting a favourite to a role without adequate exposure or experience must be abhorred. Leading organization realize their leadership development model of do, improve and innovate is the right approach to groom internal talent, it is not the only route to gain success on sales

ront. Sales rewiring is to remove fear and apprehension at all levels across organization. Sales rewiring is to ensure any sales resource for any product or service could generate interest, walk the customer through various stages without being weighed down by internal dynamics. This leads to positive customer experience, revenue growth and business excellence, all required surviving in VUCA world.

## Bibliography

Ross, A. and Tyler, M, Predictable Revenue: Turn Your Business Into a Sales Machine with the \$100 Million Best Practices of Salesforce.com, Pebblestorm, 2011

Volper, R Up *Your Sales in a Down Market*, Career Press, 2017.

Browne & Mohan white papers are for information and knowledge update purpose only. Neither Browne & Mohan nor its affiliates, officers, directors, employees, owners, representatives nor any of its data or content providers shall be liable for any errors or for any actions taken in reliance thereon.

© Browne & Mohan, 2017. All rights reserved

Printed in India