

# **ISBM Educators' Consortium 15th Meeting**

## **Meeting Summary**

August 24, 2005—State College, Pennsylvania

### **Featured topics**

- Members' Roundtable discussion of key issues, observations and new developments.
- Jeff Shumway presents a Member Insight: "Building Sustainable Sales Performance: An Approach and Case History."
- Roger Best of the University of Oregon demonstrates and discusses MARKPLAN™: A New Tool for B-to-B Marketers, via phone hookup to meeting.

### **Consortium Update**

#### **Ralph Oliva, ISBM Executive Director**

- ISBM key education thrusts:
  - Move to "Custom Action Coaching"
    - Assessment: Competencies/Skills (Marketing Excellence Survey), Process "Template Workshop"
    - "Installation " of new templates
    - Ongoing follow up
  - Prototypes: Timken, Honeywell, Arkema ...
  - ISBM Europe (India on hold)
- ISBM Webinar series: An opportunity for members to connect with thought leaders and build knowledge for a competitive edge—and a more profitable business marketing practice.
- New course titles *under consideration*:
  - "From Product to Service: Growing a Fee-based Service Business, B-to-B."
  - "Business Market Innovation"
- ISBM Trends Study 2005-2007 (see Web site at [isbm.org](http://isbm.org))
- ISBM Fellows (see Web site at [isbm.org](http://isbm.org))

### **Members' Roundtable Discussion**

*Attendees comment on new developments, biggest training issues, innovations, and topics to address at their companies.*

#### ***Discussion highlights:***

##### **Strategic issues**

- A need to study multistage marketing: selling products and services downstream in the value chain; better understanding the customer's customer.
- We have a problem in competency training getting people to think long term rather than have a short-term focus.
- We are preparing to be spun off from our parent company next year, trying to bring in marketing training to leaven our engineering focus.
- Value chain issues are our big challenge in a slow-moving industry. Mary Donato's visit gave us some great discussion about marketing issues.
- The dearth of B-to-B marketing data continues to plague our discipline.

##### **Marketing training**

- We have a problem getting people into the right roles and developing their innovation capabilities without having to spend lots of time in training.
- Our new CEO is demanding marketing excellence. He's passionate about examining different types of competencies (e.g. Voice of the Customer, segmentation) and training delivery modes.
- We're probing our business units to determine their training issues and needs.
  - We had a successful training meeting, but failed to follow up with 30/60/90 day assessments to determine how enthusiasm held up or waned.
  - We've decentralized our Six Sigma operations, which I will use to examine our marketing processes.
  - Our big issues include value pricing, success metrics, competitive intelligence, assessing marketing and sales structures and gaps. (*Ralph Oliva recommends the Cespedes Marketing Process Audit.*)
- Our businesses have people in other areas than marketing doing the marketing. How do we get them to recognize their role and their need for value marketing and retention marketing. Perhaps a Marketing Excellence Survey will help us pull those pieces together.
- Our marketing community is up and running with a Web site and internal Webinars and a luncheon series with guest marketing executive speakers, plus lots of stimulus and response.
  - We've used the Zaltman Metaphor Elicitation Technique (ZMET, an interviewing method developed by Harvard's Prof. Gerald Zaltman) with consumers to help our business customers deliver a better experience to their consumer customers.
  - A big issue is allocating new product funding to ensure that we keep an emphasis on longer-term projects.
  - Another issue: the value overlap of innovation and marketing; getting team leaders with the courage to pursue genuine innovation.
- Our current thrust is value marketing and training passionate product people in value proposition development. Also, we're past the cost-cutting stage and concentrating on growth and growth metrics.
- Metrics for training effectiveness continue to be elusive; we need something more than "catching the anecdotes as they pass by."

### **International ISBM expansion**

- Because my company's biggest opportunities are in Asia, I'd prefer to see ISBM affiliates there to help us with training in China and Japan. In Europe, we have able affiliates for training.
- My company is doing more training in the Middle East: Egypt and Bahrain.
- Business schools in the European Union are switching to a bachelor's/master's degree system.

### **Sales competency training**

- We're continuing our sales competency training thrust, with lots of help from ISBM.
  - We're mapping our existing sales competencies.
  - Introduced a value selling course
  - Marketing competency training is continuing.
- We find marketing people less resistant to training than salespeople, some of whom are "grizzled veterans." How do we reach them?
- We are working on the capabilities of individuals, such as with consultative selling and customer negotiations, then institutionalizing capabilities in the organization.

### Proposed ISBM B-to-B services conference

- We're still product oriented and not ready for a services thrust.
- From our organization's viewpoint, it's not a big issue.
- It's too "evolutionary."
- The topic is perhaps best covered as a Webinar topic.

## Member Insight

# Building Sustainable Superior Sales Performance

**Jeff Shumway**

Vice President—General Manager  
FranklinCovey Sales Performance Group  
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### *What vs. How*

- In our process, we teach advocacy and inquiry, being client-centric business advisors. There are not a lot of rules in sales, but there are some best practices:

From...	To...
<b>Self C entric:</b> Thinking in terms of our products and services, focusing on technical solutions	<b>C lient C entric:</b> Thinking like a client, understanding their "business" drivers and executive motivations
<b>Calling at the Tactical Level:</b> Defaulting to technical expertise and skills	<b>C XO-level/ Enterprise Level:</b> Needing to call higher in the client organization, gaining executive support and access
<b>Sales Person:</b> Selling what we have, pushing product	<b>Busines s Advisor:</b> Listening first, deep understanding, demonstrating "thought leadership"
<b>Product Capabilities:</b> Focusing on our solutions	<b>Busines s Dialogue:</b> Having executive conversations, focusing on vision and results, creating bigger deals
<b>Compete on "price":</b> Doing commodity sales	<b>C ompete on "value creation":</b> Increasing abilities to frame larger opportunities based on value
<b>Opportunity Reactive:</b> Responding to RFP, competing on price, "reacting" to client opportunities	<b>Opportunity P roactive:</b> Calling on new clients, getting the first appointment, "creating" opportunities
<b>Superstars:</b> Relying on a few "high performers" producing most of the sales results, 20% creating 80%	<b>Super teams:</b> Having a larger number of sales reps performing at a high level, 80% producing 100% of the sales results
<b>Under performers:</b> Having inadequate skills and results	<b>Peak performers:</b> Creating conscious competence and focused success

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- Access to training is on the rise, but mos of that is based on the "what" of selling, not the "how."
- As you have seen, companies are mostly hiring experienced salespeople. These reps know "what" to do; they just don't know "how" to do it..." (CSO Insights, Sales Effectiveness Insights: 2005 State of the Marketplace Review)
- We deliver results through an integrated framework that systemically connects the "what to do" and the "how to do it" at the organizational, managerial, and individual levels, helping

clients assess alignment of their systems, structures, and processes to optimize sales effectiveness.

- Our goal: instilling “conscious confidence” among salespeople.
  - Critical thinking
  - Communication skills
  - Execution skills
- We teach and coach a common-sense sales methodology (process, skill set, and tool set) that helps salespeople become trusted business advisors. Salespeople do not spend enough time inquiring about the prospect’s situation.
- Conscious competence allows us to have leading and not just lagging indicators:
  - Lagging indicators tell us how well we did. That’s necessary.
  - Leading indicators tell us how well we are likely to do. Importantly, they provide improved means of coaching
  - Bonus: leading indicators not only aid coaching, they greatly facilitate resource allocation and forecasting.
- Becoming trusted business advisors begins with ORDER:
  - Opportunity creation
    - **O**ppportunity
    - **R**esources
    - **D**ecision process
  - Opportunity Conversion
    - **E**xact solution (enabling decisions)
    - **R**esults

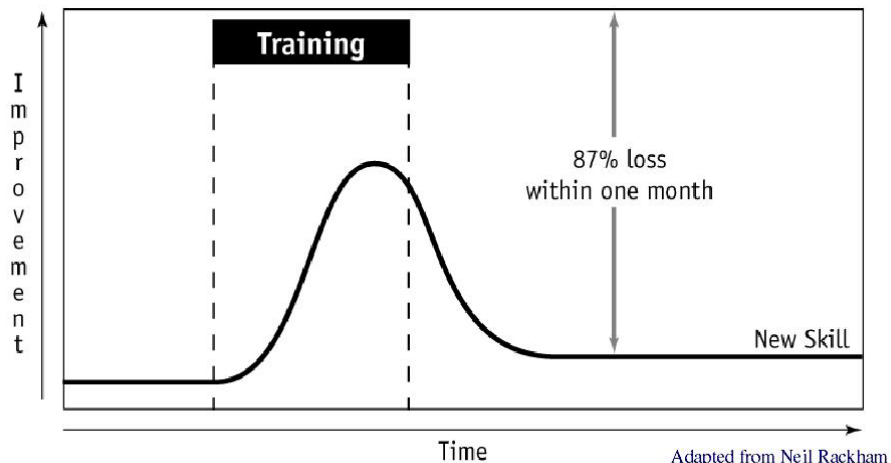
### *Leadership & performance*

- The Three Roles of a Sales Leader:

	<b>Deal Maker</b>	<b>Plan Leader</b>	<b>Talent Accelerator</b>
<b>Job #1</b>	Hit the revenue number	Hit the revenue segments in the sales mix	Percentage of team members hitting revenue targets
<b>Job #2</b>	Demonstrate mastery of the selling skills	Manage the sales mix (plan the work and work the plan)	Closing team proficiency gaps

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- Defining a formal sales process and/or investing in sales training has little residual impact if it is not enforced and reinforced.



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- Companies that train their salespeople in a defined process and hold them accountable to that process report a 68% quota attainment. (CSO Insights, Sales Effectiveness Insights: 2005 State of the Marketplace Review.)
- The defining opportunity for sales leaders is to build and sustain superior performance by:
  - Being a leader vs. a manager.
  - Creating and using the “How button” systematically and consistently.
  - Improving conscious competence in themselves, in individual sales people, and in teams through coaching and continuous learning.
  - Enforcing and reinforcing processes, methodology, skills, and tools.
  - Testing beliefs against results.

### ***Case study: a Fortune 500 IT company***

- Problem/Opportunity
  - Declining sales
  - Undergoing a major re-structure; faced possible layoffs if sales didn't increase
  - Needed to find a permanent way to generate and sustain sales
- Major problems/Challenges
  - Organizational
    - Company depended on a few sales reps with high-risk mega-deals. The 80/20 rule.
  - Managerial
    - Prospect-pipeline management was weak.
    - Sales managers had lost focus on their clients and sales team because they were tied up with distracting administrative tasks.
  - Individual
    - Sales teams were struggling to gain entry into new accounts and develop more business within existing accounts.
    - Implementation of their newly acquired sales approach and tools was weak and affecting their ability to effectively execute.
- Solution
  - Organizational—improved alignment
    - Expanding sales teams to include all client-facing professionals company-wide.
    - Integrating disparate sales processes into a common sales approach across functions

- Managerial—improved accountability
  - Turning sales managers into coaches who provide tools that advance deals and sales talent.
  - Scrubbing pipelines with a focus on winnable, realistic deals.
  - Providing deal-specific coaching for sales managers with revenue accountability.
- Individual—improved competence
  - Training and coaching sales people with Helping Clients Succeed™ methodology, skills, and tools with a focus on:
    - Using the Business Opportunity Worksheet to gain genuine understanding of client issues and business objectives to create value and enable mutual success.
    - Creating effective business dialogue and high-trust relationships with clients.
    - Using the Sales Probability Index (leads with potential and their expected closing times) for consistently qualifying opportunities.
    - Initiating new opportunities in current and new accounts.
- Results
  - Pipeline volume increased 46% from \$2.5B to \$3.65B in six months
  - Win rate improved from 38% to 45%.
  - Number of sales reps with annual sales of \$5M or more increased by 30%.
  - Brought better quality prospects into the pipeline within three months of Sales Performance Group's work with the client.
  - All low-potential opportunities were replaced with higher potential opportunities.
  - Through coaching, turned an open-bid pursuit with a client worth \$180 million dollars into a sole-source bid.

## Demonstration:

# MARKPLAN™

*A Roadmap to More Profitable Marketing Plans*

## *Features*

- Developed by Dr. Roger J. Best, author of the Marketing Excellence Survey.
- A desktop-like computer program to assist managers building marketing plans via a variety of performance-driven Market Planning Templates.
  - Requires an understanding of market position and performance.
  - Links marketing strategy to market situation and performance.
- Flexible: managers select the content, structure, and layout of their plans.
  - Enables managers to adapt plans quickly
  - Encourages customization and critical thinking
- Produces professional reports and PowerPoint presentations
- MarkPlan includes several different Planning Outlines at different levels of detail, reporting, and data input.
- Can be used in self-training in conjunction with a marketing textbook
- Demonstration and trial software available for download at [www.mark-plan.com](http://www.mark-plan.com).
- \$495 stand-alone price.