



# SERVICE DELIVERY

## SALES FORCE EFFECTIVENESS



Fall 2017 Spotlight

# Rethinking Sales Force Effectiveness Programs: Creating a System / Process with Fewer Gaps

## About Us

Synergetics is a privately held New England-based Management Consulting firm established in 1975. With office locations in the US and UK, Synergetics operates internationally and employs over 150 professional analysts, consultants, project managers, and subject matter experts.

As one of the largest "Implementation Consulting" organizations, Synergetics has completed over 1,600 business process engagements across nine distinct verticals to build more than \$8B in bottom line profitability and improve overall operating efficiencies. Synergetics works with a diverse client portfolio of leading industrial and service corporations across Private Equity, Small and Medium Enterprises, and Fortune 500 Companies.

With customized services and solutions, Synergetics performs hands-on detailed management, financial, and operational assessments to develop and deliver specific cost savings and revenue enhancement initiatives.

Visit our website at [www.synergeticsww.com](http://www.synergeticsww.com)



*"Partnering with Synergetics to help us thoroughly evaluate the opportunity and project plan was critical to the success of the initiative. Additionally, Synergetics provided tremendous Project Management support and status reporting throughout the implementation which allowed our team to react appropriately and build measurable 'wins' as the project progressed. Synergetics' hands-on and collaborative approach was critical to a successful transition on a very critical customer facing area of our business."*

Chris Perkins, CFO  
Progress Software Corporation



## INTRODUCTION

Sales Force Effectiveness, or SFE, is the focus in this continuing Service Delivery series of industry topics. While many organizations may view SFE as following a step-wise, siloed process, Synergetics approaches it from a systems perspective. **Those well-versed in SFE know that by creating the right system to match a particular business' sales strategy, it can be used in optimizing product sales and revenue.**



**Sales Effectiveness: Driving better customer relationships and revenue through structured sales management practices.**

Aligning the sales organization with a well-defined sales process centered around management, methodology, metrics and CRM utilization to effectively drive sales performance and outcomes.

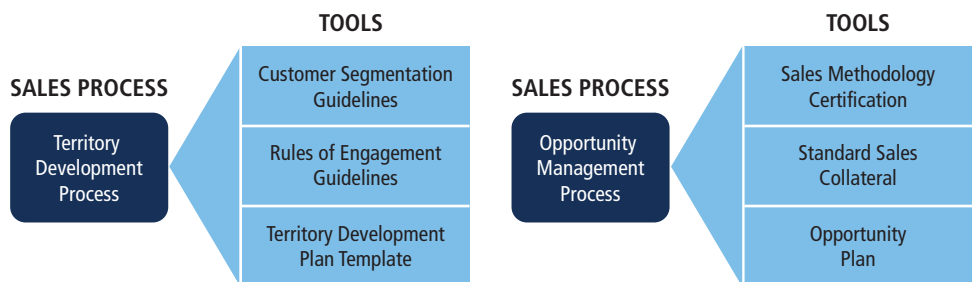
In Synergetics' experience, most Sales Force Effectiveness (SFE) programs attempt to bucket the required effort into categories that do not represent a logical flow to how work is done in a sales organization. The challenge is that these areas tend to have gaps that result in processes that don't always align. By creating a system that focuses on workflow and the connection points between pieces, **and stays current with changes in the marketplace**, a sales organization can utilize one collection of tools and processes that will drive better, consistent results across the entire team.

## WHY A SYSTEMS APPROACH?

**A systems approach to SFE is necessary because it creates the structure and discipline needed to carry out specific responsibilities effectively.** Working within a system does require that one follow a set of principles or procedures to produce an expected outcome, via an organized scheme or method.

Systems are not always synonymous with software. However, many people confuse these terms and use them interchangeably, so it's easy to read this definition and understand why executives often assume that any discussion about systems is usually tied to an investment in software. But this shouldn't be the case.

The system, and a Sales Management System particularly, is the structure required to validate any investments in software (or hardware). Although software should support the Sales Management System; they are not synonymous. Well-designed systems should integrate processes and tools and not treat them separately. Keeping in mind they are not equals, **Processes are more critical than Tools, and Tools must be designed to support the Processes.**



Example relationships between sales processes (dark blue) and sales tools that support the processes (light blue)

## CURRENT CHALLENGES AFFECTING SFE PROGRAMS

Sales Force Effectiveness (SFE) programs are not new, as they have been around in various forms for many years. Most are well intentioned and include some of the critical components of success. Successful SFE programs must not only articulate that each tool and process is related, but also **how they are related**.

Numerous challenges exist for companies looking to make their sales force program more effective. However, in nearly all instances, common struggles appear to exist around three areas:

- **too little focus on sales managers/ leaders**
- **lack of a workflow necessary to tie all pieces together**
- **inaccurate match of SFE category types**

A few examples follow to illustrate just how important these tool/process relationships are. One may be that a particular skills tracking platform should include components that mirror the critical attributes articulated in each team member’s job description, but the particular coaching templates do not match to the same attributes.

Similarly, part of the education process around creating a SFE program requires heavy emphasis on prioritization of activities. As an example, activity management and coaching are far more critical success factors than forecasting, but emphasis is often placed too heavily on forecasting. A deal will still close if forecasting is ignored for a month, but ignoring sales activities (and coaching

against those activities) is a sure way to see this pipeline evaporate.

In the presentation of one common framework we see, the SFE program shows Sales Operations as a component alongside Compensation Planning, Territory Planning and other similar categories. The problem with this view is that Sales Operations is a role or function while the other categories are activity types. This type of program hierarchy creates chaos for the sales teams who can’t easily decipher the integration between these components.

Again, these are just some examples of the disjointedness which organizations may experience in their Sales Management System.

## UTILIZING KEY ELEMENTS IN A SALES MANAGEMENT SYSTEM

The best way to get around the challenges associated with most SFE programs is to simply stop trying to create them.

**What is needed is a Sales Management System, or SMS.** From an Implementation perspective, Synergetics considers 4 areas as key elements that must be incorporated in any successful initiative that includes setting up a process-driven Sales Management System. As mentioned earlier, building a system doesn’t necessarily equate to software. However, in many cases, all processes, tools and best practices required for a system can be integrated into such a platform that makes managing it much easier.

Sales Force Effectiveness programs were created to squeeze additional performance out of the selling organization, but they are often not well designed and don’t leverage **the most vital role in the sales organization: the Sales Manager.**

If an organization wants the sales team to be high-performing, they must focus on maximizing the leverage which sales leaders have over their quota carrying team members. As is often the case when facing a challenge, the “80-20 rule” comes into play, where 20% of a sales team may be driving 80% of its quota attainment. If the other 80% of the team is to produce better results, more emphasis must be placed on the Sales Managers, not the individual contributors.

### Illustrative Overview of the 4 SMS Categories and Their Content



Synergetics approaches each sales engagement with the following two views in mind:

- All sales organizations need to have the fundamentals covered in their SMS
- All tools and processes, and how they operate, will require a certain level of customization to meet each organization's unique needs

**While true that no two organizations are alike, all organizations do have fundamental management system requirements.**

Synergetics advises clients to think of their SMS in layers. The outer layer represents categories of effort, of which we believe there are four (per the above diagram). Inside those four categories are fundamental processes that nearly every sales organization requires. Those processes are then supported in the lowest layer by custom designed tools, of which there may be as many as 25.

## ASSESSING YOUR SALES MANAGEMENT SYSTEM

It is safe to say that every sales organization has a Sales Management System in place. However, the questions are how best to assess the maturity of that system, and then identify efficient ways to remedy its faults.

Keeping in mind that every client's needs can be unique, Synergetics typically uses a designed approach to assess the maturity of an organization's sales processes and tools. Pain points are quickly found to focus implementation efforts in areas that are most relevant to client needs. Synergetics employs a five-step process.

### Five-Step Process for Sales Assessment

**1** Department-wide online survey of every sales manager / leader to provide a self-assessment of current strengths and weaknesses across the four categories and components of an SMS

**2** A review of survey scores and comments, benchmarked against similar sales organizations and against internal peers

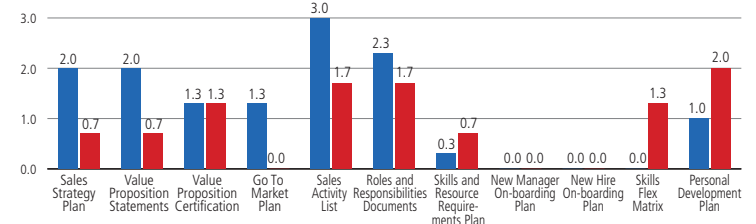
**3** One-on-one interviews with a sample set (or all managers in the case of small teams) to ascertain further context on the survey outputs

**4** Collection of example tools and process materials to validate survey scoring and adjust for company nuances

**5** Analysis of entire management team state and presentation of findings

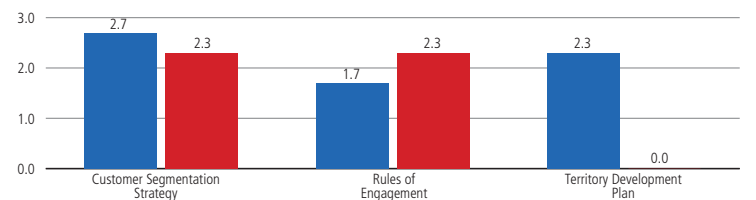
**These data samples illustrate comparative outputs of category survey results gathered through Synergetics' Sales Assessment process**

### Sales Planning Comparison



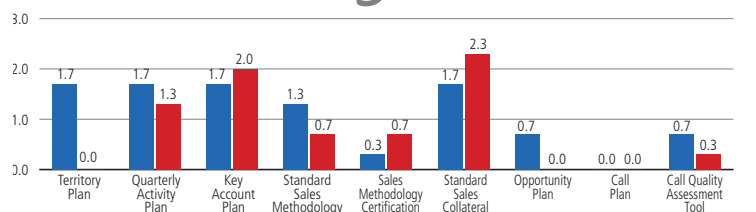
Disparity exists amongst the teams in regards to sales planning. Sales planning tools and processes are inconsistent and not clearly communicated an/or defined.

### Account and Territory Management Comparison



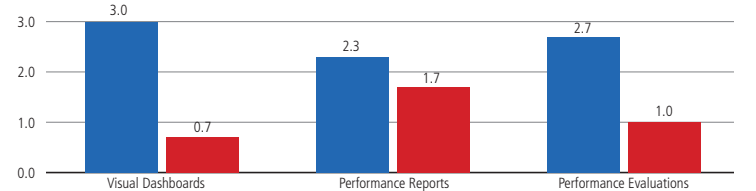
The account management team does not engage in territory development plans, which results in a lack of focus on high-value accounts and opportunities.

### Sales Execution Comparison



Opportunity and call plans are not utilized across the sales and account management function. A lack of a standard sales methodology was mentioned by both teams.

### Sales Performance Comparison






Visual dashboards for the account management team is non-existent. Multiple dashboards and reports can be consolidated to incorporate both teams' activities and opportunities.

■ Sales ■ Performance Management

## SUCCESSFUL IMPLEMENTATIONS USING A DISCIPLINED APPROACH

### Recent Summary Case Studies of SMS-Related Client Work

 Challenge	 Solution	 Results
<p>The inside sales force at a legal research service provider were not meeting annual revenue targets due to an unbalanced, 80% renewal efforts requirement in Q4.</p>	<p>The onsite team developed a revised renewal policy encouraging the sales team to pull renewals forward, driving increased activity. A proactive sales management model was implemented to create more interaction and coaching between managers and reps. Electronic wallboards were rolled out with dashboards, updated twice daily, to foster a more competitive environment.</p>	<p>Increased department revenue 6% while reducing the sales force labor requirements by 24%.</p>
<p>A global software application platform developer had become complacent through years of stagnant revenue improvement and was not organized effectively to drive growth through new products and channels.</p>	<p>Synergetics led efforts to develop a strategy for customer tiering and rules of engagement models to focus efforts on high growth potential clients. A new organizational structure was implemented to eliminate management layers and territory overlap. They also worked with Sales Operations to implement new tiering fields for Account and Opportunity records.</p>	<p>The changes resulted in a near-term \$5M cost reduction while establishing a solid foundation for long term growth.</p>
<p>A clinical trials service provider that was focused solely on Alzheimer's and neurological disorders was struggling to fill its pipeline with new business opportunities.</p>	<p>The team conducted a root cause analysis to determine that a lack of activity management and an ineffective Salesforce.com environment were driving counterproductive sales team member behaviors. A Sales Management System was implemented to create expectations around key account management activity tracking, opportunity forecasting, and regular performance reviews between the Sales Vice President and his team members.</p>	<p>The client achieved a 40% increase in pipeline volume and completely revised 3-, 6-, and 12-month forecasts due to improved forecasting discipline.</p>
<p>A healthcare claims management company was struggling with adding appropriate providers to strengthen its network.</p>	<p>Efforts were made to establish a sales mentality within the network management group to align team processes with management goals, including the installation of sales planning and tracking tools through Salesforce.com.</p>	<p>The result was a 12% increase in specialty physician enrollment trends to fill network gaps. A subsequent engagement with the client focused on the creation of a Sales Operations function within their Account Management team to implement focused coaching and training opportunities for the Sales VP.</p>

## SALES MANAGEMENT SYSTEM BENEFITS

**Synergetics considers Sales Effectiveness to be a core competency under the umbrella of Revenue Enhancement**, where we will work with your business to identify innovative and practical opportunities to enhance your revenue profile on a sustainable basis. We typically deliver an ROI of 5:1, with a guarantee of 3:1, based on identified Business Analysis findings.

Key deliverables result in:


- Single system to manage everything
- 5-15% increase in revenues
- 10-20% reduction in costs
- Confidence that everyone is operating from the same playbook

To help our clients gain a competitive advantage from the steps above, Synergetics uses rigorous analyses, metrics, benchmarking, and a deep understanding of organizational processes to unlock the full potential of any company's marketing and sales resources. We prioritize needed improvements and help implement practical changes that immediately increase the volume of your sales pipeline.


### FOR MORE INFORMATION

 [info@synergeticsww.com](mailto:info@synergeticsww.com)

 [www.synergeticsww.com](http://www.synergeticsww.com)

 +1-603-433-8940

 <https://www.linkedin.com/company/synergetics-installations-worldwide-inc>

 75 Congress Street, Suite 201  
Portsmouth, NH 03801  
USA

