

What The Leader Needs To Know: Does Your Business Provide Or Sell In B2B Relationships?

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The Opportunity

Companies spend a lot of time, energy and money trying to increase the effectiveness of their business-to-business (B2B) sales force. They retitle sales people, calling them "Account Executives" or "Relationship Managers". Training programs are held on selling solutions or selling through consultation. Why don't we get better results?

Simple, our fundamental goal is still to make money for our company and not our client's. The new titles and "new" sales training don't change that emphasis. Better, sustained, results will only come if we hire, develop, measure and reward our sales people to provide answers to our client's problems. Think about it, if someone told you that they understood one of your key challenges and could tell you how to solve it, you'd meet them. If they demonstrated real understanding of the issue and your organization and presented a true solution that fit, you would pay in return for value. Think your sales force does that? Well consider an example where this is the real model.

We have a client who runs the Middle Markets group for an Investment Bank. In the role for 7 months he's more successful than anyone before him. In fact, he's the only one to be successful in this market – after many tries. Why? There are two things that excite him. First, is really solving problems for a client. He develops a deep understanding of who they are and what their opportunities are. Based on that knowledge he provides a constant stream of solutions to real opportunities. Some solutions the client can execute independently and without paying fees.

When his client needs to do a deal it's often because he's helped them think it through. They want him to win the deal. Where the deal structure requires multiple banks they want him to be the lead. Why? He's earned his fees in advance of the actual deal. He's earned them providing the answers to real opportunities.

Recently one of his clients sent out a request for proposals – a required process in many financial deals. Initially, he came in second. A competitor offered an "innovative" solution that looked better than any other. But he still got the deal! The client came to him to evaluate the "innovative" solution. He and his team did an objective evaluation of the proposal and helped the client see why it was risky at best and would fail at worst.

What's the second thing that excites him? Winning a deal and getting the fees! He's just as – if not more – motivated as any other sales person. The difference is he genuinely wants to and does create value for the client from the moment they meet – not just after fees have begun to flow.

How To Leverage It

1. Start With Talent

To provide clients with solutions to their challenges you need a sales force that has the talent to analyze and solve problems. They also need the traditional attributes of a great sales person: competitive; self-disciplined; great interpersonal skills; and able to manage ambiguity. The combination is critical.

The need for analytical and problem-solving skills may mean hiring people who are seasoned professionals, but not in sales. Two of the best sales people for ah company were lateral transfers from the product development group. They sold better than their peers. Why? First, they were in product development because they had an insatiable curiosity and appetite for solving problems. Second, they had a deep knowledge of all of the company's capabilities. These two attributes were combined with a real competitive zeal, self-confidence, and a gift for interesting conversation. Because they didn't see themselves as "natural" sales people they diligently used the sales process and skills that they were taught.

2. Manage By Asking The Right Questions

Do you use the traditional questions to manage a sales person. How big is your pipeline? Is each situation real? Who's the buyer? Are they qualified? Who are the other stakeholders? What stage of the sales cycle are you in? When's the close? These are the questions you ask someone you want to sell to bring money into your company. They are critical.

A different set of questions focuses your people on providing solutions to your clients. They include:

1. How does our service/product enable their particular strategy?
2. What specific competitive advantage does our solution give them?
3. Are you talking to a person who has the right profile to solve the problem their company is facing?

For example, the client company needs to make a significant investment to implement an innovative solution. You look at the buyer's behavior. They behave at the tactical level, have moderate power and are conservative. This kind of person is simply not going to implement the appropriate solution whether they buy it from you or not. Why not sell it to them anyway? Clients who won't follow through and use your service or product effectively will fail and you can't afford their failure. After failing because of their short-



comings, they complain to the marketplace about “your” poor quality. In addition, they demand extra support or discounts after delivery. Sales to these kinds of customers significantly erode your brand equity and discourage prospects from choosing you.

Now if your buyer preferred to operate at the strategic level, had high influence and liked (and was good at) implementing new solutions – you’d have a win. A client who succeeds not only provides short-term revenue – they build brand equity and powerful word of mouth.

These are some of the questions you have to consistently ask if you want your sales people to provide solutions and not push services and products.

Now here’s the tough question for you. One of your sales people has a situation where they may get a sale but the ROI to the buyer is poor. Further, the client hasn’t got the talent to implement the solution well. Would you suggest your salesperson exit the situation?

3. Develop The Critical Skills

Yes, sales people do need prospecting, presentation, negotiation and all the other traditional selling skills. But those skills are simply not enough to enable them to consistently and intentionally provide differentiated, valuable solutions to client challenges.

They need real analytic and problem-solving skills. Here are some of the more critical skills that will really allow them to be providers and therefore more effective sales people.

1. Selling To The Client’s Business Strategy

This begins with a basic understanding of the fundamental types of business strategies and what differentiates successful from unsuccessful execution of a strategy. Based on this knowledge a sales person can quickly identify and understand a client’s business strategy. Now they can quickly determine if their product/service will enhance the client’s specific strategy or its execution.

Suppose you are Unisys selling 3D Visible Enterprise. This is an IT service product that allows a business to see cause and effect relationships throughout its vast (often confusing) array of processes. It’s an incredibly powerful application. More so if it’s clearly linked to a client’s specific business problem.

For example, assume a client has just acquired or merged with another business and the deal is premised on driving down cost. Some sales people would steer away from this situation, after all the client is all about reducing cost – they won’t spend money. The sales person who really understands what a cost saving strategy is all about is going to run towards this opportunity. Companies who truly are committed and understand how to execute a low cost strategy invest heavily in differentiated, valuable IT that is on strategy. Just look at WalMart the world’s most successful cost player. They do a

lot of things to win. One is make information a real competitive weapon and that requires investment.

2. Financial Analysis & ROI Calculations

Can your sales people calculate the economic value of what they sell to your clients? Not broad generalizations – specific, documented numbers. To know how to collect data to calculate the ROI on implementing your solution is critical. It’s not always ROI – some companies are focused on ROA or ROE. Do your salespeople truly know how to demonstrate contribution to each of these?

3. Competitive Analysis

Winning is most often accomplished by exploiting the competition’s strengths and weaknesses. In one case a salesperson’s analysis showed competitors were all trying to simultaneously invest in new technology and exceptional service. She understood this placed them all in a precarious position. Armed with this understanding she sold a suite of products to help one CEO focus his organization on providing differentiated, valuable service. As the competitors continued to spend heavily on technology their service levels eroded and their customers defected to her client organization. She and her client won!

4. Client Coaching

When your sales people use skills like those described above they are going to have an incredibly valuable perspective. They are also going to have some skills that their clients don’t have. To really provide value to the individual buyer they should be competent coaches. A company was acquired by a much larger firm with a much different strategy. A sales person had a long standing relationship with the Treasurer of the acquired company. She had successfully provided the Treasurer with financial products that helped him and the company achieve their goals. She was now faced with the probability that all of the business would go to the financial advisors of the acquiring company. What did she do? She very diplomatically coached the Treasurer. She coached him on how to analyze the acquiring company’s business strategy. She helped him understand the new competitive landscape. Finally, she helped him analyze the style of the acquiring CFO – his new boss. All of this coaching made the Treasurer more successful and more influential with the CFO. Consequently the sales person maintained, and over time, grew her share of the sales of financial products to the new company.

With skills such as these, your sales force will provide and win!

About The Author

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