Sales Effectiveness and Management Systems: A Practical Plan for Implementation Success

By Gene Mehr

Implementing sales effectiveness and management systems is a good news/bad news story.

The good news is—if you get it right—your sales effectiveness and management system will help make your financial services sales team a more formidable competitor. Your sales team will have more time to invest with customers and prospects. And, since your team will know the high value customers and prospects to target, they will not only close more business but also close more profitable business. Your team will take the bread off your competitor's table.

The bad news? A host of executives and managers have implemented systems they thought would improve their sales effectiveness. Unfortunately, they got it wrong. In fact, analysts such as Gartner, Forrester and Aberdeen have confirmed that the majority of these initiatives have failed.

The best news is that you can follow a practical plan for implementation success. A plan that will help you mitigate the risks by focusing on the most pragmatic of all criteria for defining success: The system must help your sales team sell.

Getting Started

Implementing a sales effectiveness and management system that will help your financial services sales team sell, in your specific environment, with your organization's strengths and constraints, requires that you take the following steps.

Identify Objectives

What are the quantitative and qualitative improvements that you want to achieve? These most often include corporate goals such as compounded annual growth rates in revenue and profitability, increased market share and improved customer satisfaction. Key objectives must also be addressed relative to team satisfaction. How will this system help enhance careers, recognition and net worth for the team members?

Develop a Strategy

Sales systems fail when the executives, management and implementation team either ignore or just give lip service to the constituent who has the greatest ability to determine success: the line sales producer. They think of it as a sales management and effectiveness system rather than the other way around. So, their implementation strategy is centered on the management team or the technology or both. In fact, I have had managers tell me that if any producer does not use the system, he or she will be fired. My typical response is, "Are you telling me you will fire a top producer just for not using a sales effectiveness system?" You guessed it, no one said yes. Thus, a key strategy to help ensure your success is to make sure that you genuinely advocate for the sales team, including system requirements that are line-sales-producer-centric. When the salespeople are convinced that the system will give them what they need to sell, the management and executive team will get what they need to continually enhance enterprise performance.

Create the Tactics

The key to an effective tactical plan is that the business and the team must drive the system. Here, the Pareto principal is very much at work. Solid tactical plans for implementing a system that will help your team sell are 80 percent business process, best practice, psychology and sociology, and 20 percent technology.

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Define the Participants

Sales effectiveness and management systems will include, at minimum, executive, management (sales and sales operations) and line sales producers. Most often, they must incorporate input from other groups (marketing, customer service, back-office operations and information technology) that influence the business processes and best practices of the sales team.

Commitment to Success

Whether you are implementing a system for tens or thousands of team members, success at implementation of a sales effectiveness and management system requires vision and commitment. A member of the executive team must envision the system's value and commit to being a champion for the system and advocate for the team. Similarly, members of the relevant management teams (sales, marketing, customer service, operations and information technology) must be on board. Most important, key line sales producers must buy in to the thesis for implementation, that the system will help the sales team sell. This commitment should be tied to specific milestones for the implementation plan. For example, initial executive and management commitment is based on initial assumptions for achievement of quantitative and qualitative objectives. Final commitment will be predicated on confirmation of those assumptions prior to implementation of the system.

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Step 1: Assessment

Interview for Needs

Given that you have identified the objectives, strategy, tactics and participants for your sales effectiveness and management system, you must now interview participants for needs. Here, three things are crucial to system success.

First, you must create interview questionnaires that are relevant both to the level of the individual you are interviewing and to his or her respective group. Questions developed for a sales manager will not necessarily be relevant to a customer service or information technology manager. The questions must be open-ended and crafted to help each individual tune into that favorite radio station, WIIFM ("what's in it for me"). They should be predominantly business focused (business processes, best practices and drivers). It should be possible to complete an individual interview in less than an hour. The interview should discuss sales effectiveness and steer clear of any hint of technology (wicked cool or otherwise).

Second, the interviewees should constitute a representative sample of the team population (line producers, management and executive) with emphasis on line sales producers.

Third, the person being interviewed must view the interviewer as an objective party who has the background and track record to root out facts that will help the sales team sell. Line sales producers, for example, are immediately skeptical of interviewers who have not been salespeople or whom they view as mouthpieces for management. Similarly, management and executives have no respect for an interviewer who cannot relate and interact at their level.

Analyze Interview Results

Since the interviews are constructed in an open-ended fashion, they will elicit a broad range of responses. The people doing the job today are intimately, often painfully, aware of the flaws in business processes and practices that are harming their ability to sell, manage or lead. They have strong opinions and solid ideas for improvements. Indeed, I often find tens of ideas for eliminating time wasted—time that can be redirected to helping customers and prospects achieve their goals with your financial products. The key to effective analysis is to review each individual response in the context of its potential value to the team, then look for common themes indicating a broad-based consensus. For example, a line sales producer might tell us that responding to a customer request for information requires research into multiple systems that, on average, is wasting "n" hours per week. She suggests that having the data in one place will better serve the customer and enable the sales team to sell many more customers. If a number of producers make similar suggestions, then we have identified the need for a "single repository of customer information." Most important, we can develop a rough estimate of the value that repository will deliver to the producers and across the enterprise.

Summarize the Results

Analysis of results is an arduous process that leads to a potentially significant payoff. Getting to the payoff, however, requires that you summarize the results in a way that respects every interviewee's contribution to the process and provides the basis for buy-in across all interviewee groups. In addition, your summary needs to be organized, clear and concise. The recommendation is that you summarize results of the analysis process in three to five broad categories of need, with some number of specific system requirements for each category. Finally, a word of caution: Many sales effectiveness and management systems fail by trying to implement too many improvement initiatives at the initial rollout. Your summary should present the results in priority, indicating what needs should be addressed by Phase 1 of the implementation and Phase 2 through "n." The determining factor for prioritizing should be key requirements for the line sales team that will help the team sell from the very first day of system use.

Genuinely advocate for the sales team, including system requirements that are line-sales-producer-centric.

Confirm Results with Constituents

I have found that the most effective method for confirming results is an off-site presentation of the summarized results to all of the constituents combined, if possible, with a demonstration of a prototype sales effectiveness and management system. The objectives here are to confirm that the interviewer understood the teams' requirements, prioritized them properly and ascribed reasonable business values (time saved, additional revenues and profits generated, market share impact, *etc.*) to each requirement. The interviewer must invest time in creating a straightforward presentation that respects the time, talents and collective investments made by the constituent interviewees. The presentation must be highly interactive, soliciting interviewee confirmation and/or constructive criticism for each of the business requirements and values presented. Lively debate should be encouraged. Once the presentation is complete, a demonstration of a system prototype helps address the constituents' need to see what their sales effectiveness system will look like. Again, the objective here is to get constructive feedback.

Business Case

The specific form and format of the business case will vary by organization. The substance, however, is fairly consistent. You will be presenting a case for your financial services firm either to tailor an existing sales effectiveness and management system or to build a customized system (the latter involves a higher risk of failure). The case should be built upon reasonable metrics developed during the interview process that were confirmed by the constituents. These may include higher closing ratios, improved revenues and fees, increased customer wallet share and reduced sales cycles. The case should include your proposed method for tracking achievement of these metrics throughout the sales effectiveness system life cycle.

Phased Needs Implementation Plan

The system implementation plan is developed to identify all tasks (in detail for Phase 1), those responsible for each task, target completion date and actual completion date. The plan should include, at minimum, infrastructure preparation, project team assignments, detailed functional review (screen layouts, reports, *etc.*), data layouts and imports/exports, detailed functional specification, hardware and software installation, launch group rollout (larger implementations) and full team rollout.

Step 2: Design, Train and Implement

Execute Implementation Plan

Here's where the rubber meets the road. Stories of missed schedules and budgets are, unfortunately, the norm rather than the exception. How do you avoid opening a time and money pit? First, you have already agreed as a team to a limited scope for your Phase 1 implementation. Second, maintain tight project management disciplines including weekly meetings to review progress against plan and any scope creep requests. Reinforce a definite bias toward deferring all except rare oversights that must be accommodated in Phase 1. Third, consistently communicate project status to the team. Progress reports reinforce personal commitment to schedule success.

Key line sales producers must buy in to the thesis for implementation, that the system will help the sales team sell.

Preliminary Design Prototype

This is a follow-up to the presentation and demonstration prototype off-site you had with the team during Step 1. The development team will work up prototypes of all the screens and critical reports needed for Phase 1 implementation. The team will present each screen and report to the system design team (a subset of the original interviewee team). The system design team will recommend additions, changes and/or deletions to the development team consistent with the scope of Phase 1. Once agreement has been reached on the preliminary design prototype, the development team will create the detailed functional specifications for Phase 1. All design and specifications documents must be signed off on schedule by the leader of the system design team.

Complete Training Materials and Curriculum

Focused training materials and curriculum are critical elements to broad-based acceptance and use of a sales effectiveness system. The focus should be on training the limited set of system functions that will be used by the team during Phase 1. Training materials must be simple, clear and concise. They address and reinforce the step-by-step instructions the team needs to perform tasks such as setting up and maintaining the calendar (sophisticated customer segmentation and territory management functions are generally addressed in later phases), accessing customer information, adding relevant notes and sending communications. The materials and curriculum will enable the team to achieve the initial metrics for success agreed upon during Step 1.

System Rollout

Larger implementations should have a process prove launch group. This is a subset of the entire team (most often, this is some number of the initial interviewees) that will use the system in a live production environment for a process prove period of 60 to 90 days. They will report any process or system problems encountered to the system help desk. Developers will work closely with the help desk and launch group to quickly resolve any issues that affect launch group performance. Changes made during the process prove period will be formally incorporated into the system, the training materials and the curriculum. The system is then rolled out to the remaining team.

Step 3: Audit and Continuous Improvement

Successfully completing Step 1 and Step 2 help to tip the scales in your favor for a successful implementation of your sales effectiveness and management system. There are, however, a couple of serious issues that could still lead to failure.

Audit

Systems fail if you neglect to conduct periodic audits ensuring that the system is fulfilling its main objective—helping sales to sell. Initially, the audits should be quarterly. They must focus on measuring results versus plan. Are you getting the results you projected in the business case? If not, what changes must be made to get back on track? In addition, you must be vigilant in auditing help desk issues. Consistent patterns of team questions about how to accomplish some function(s) with the system are indicators that remedial training is required. Perhaps most important, suggestions for how you might save time by adding, changing or deleting functionality should be carefully analyzed. These form part of the basis for continuous improvement and enhanced return on investment.

Continuous Improvement

Systems fail when management expectations for investment are not properly set. Sales effectiveness and management systems are not one-time or "point" investments. Remaining viable as a tool to help the sales team sell means they must be continuously improved to meet the dynamics of ever-changing market conditions and business processes. Step 1 identified Phase 1 through "n" tasks and initiated a rigorous process for defining improvements to business processes and practices that could be addressed by Phase 1 of your sales effectiveness system. Step 2 outlined a similarly rigorous process for implementing Phase 1 functionality. Step 3 highlighted a process for auditing achievement of Phase 1 success metrics. You can keep your system viable in a dynamic environment by committing up-front to ongoing investments in system improvement and simply using this three-step process for Phases 2 through "n."

Reaping the Rewards

This is a plan that will help you mitigate the risks by focusing on the most pragmatic of all criteria for defining success: The system must help your sales team sell.

Three crucial elements have made this plan successful for a couple of thousand financial services sales professionals:

1. Define your business objectives, both corporate and personal.
2. Your strategy is to include key requirements from line sales producers in your sales effectiveness system. Once the sales team gets what it needs to succeed, the management and executive team will get what they need to accelerate growth.
3. Remember the 80/20 rule: Solid tactical plans for successfully implementing a sales effectiveness and management system are 80 percent business process, best practice, psychology and sociology, and 20 percent technology.

These will motivate your people to drive useful, profitable technology. They will result in a win for your customers, your producers, your managers and your executives.