



The Sales Enabled Organisation

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Why do businesses continue to waste money on sales?

More to the point, why do they spend inordinate amounts of money hiring “industry best” sales people, training their existing sales people with methods that may or may not work in their situation but are spruiked as “leading edge” and implement technology to “automate the way we do things” when their processes are at best adequate and at worst non-existent?

I have spent what seems a (rewarding and enjoyable) life time in sales. It started in 1980 selling discrete electronic components, then to a small business installing cabling and telephone systems, progressed through fast food, on to real estate, then to data communications, high end data storage systems and then to professional services. Sure, a lot of that time I was either building a business or running it at some level of management but under it all, I have been and always will be in sales.

Why? **Because if no one makes a sale then there IS NO BUSINESS.**

I have been a one-man band, a member of a small office, a member of a larger sales team and managed at all levels from sales manager through to managing director, CEO and Board member. For some reason I seem to have been put into situations where a “turn around” was badly needed to “get the sales improved”.

In every situation that I have encountered the answer to improving the top and bottom line of the business WAS NOT SPENDING BIG MONEY ON SALES. Sure, some adjustment in the sales teams was necessary in terms of skill level, product knowledge and attitude, but invariably the issue was not ONLY the sales team.

So if the problem was NOT just the sales team, then what WAS the problem?

**Simply, the organisation was not a: SALES ENABLED ORGANISATION!
(SEO)**

Let me explain with an example.

Whilst heading up Enterprise Sales for the world's largest internet equipment supplier in Australia, I was asked to attend the inaugural sales kick-off for a newly formed telco. At the gala dinner that was designed to inspire the newly hired sales department, the MD, who had recently arrived in Australia to lead the company from one of the owning companies in the U.S.A. said:

"Welcome. As you all know my history is in engineering. It feels strange for me to be addressing the Sales Kick-off because everyone knows that I hate Sales..."

I don't recall exactly what was said after that, and I doubt anyone else in the room including his immediate management from the USA who were sitting near me do either. There was an audible gasp from everyone in the room, especially from his bosses. I made the observation to a person sitting next to me that "this whole business is going to have trouble getting off the ground" and I regret to say, I was right. Yes, they did get off the ground but the sales staff turn-over was extraordinary and the sales results took a long time to get going only taking shape after a new MD was appointed.

Right there in one statement from the MD was the indicator as to whether this was going to be a Sales Enabled Organisation or not. Peter Drucker, the renowned management guru stated "*the purpose of business is to create customers*". If

customers and the sale of the organisation’s offerings to them are not at the heart of everyone in the company, where will the revenue and the resulting profits come from?

Notice I am saying “sales enabled organisation”, not “sales” or “sales oriented”. These are very different things.

The Sales organisation is one that produces something, sits the product on the shelf and then proceeds to use “sales techniques” to sell it to anyone that will listen (or who all too often doesn’t want to). There is very little, if any, feedback from the sales team to assist in tailoring the offerings to suit the customers, rather they are told “sell or move on”.

The Sales Oriented organisation is different again. These companies are usually held to ransom by over paid, ego centric sales “professionals” who strike fear into the management of the company with the threat that they might leave and “take their customers with them”.

The Sales Enabled Organisation is one where all parts of the business run so that everything the company does enables sales to the chosen customers who are delighted by dealing with a highly proficient sales team. In the model shown, all areas of the business work as a cohesive system. Every area of the business is underpinned by “sales” as the platform that enables the business to exist.



In the SEO, everyone considers themselves in sales. They don’t just pay lip service to “being in sales”, it is the culture. Even the casual visitor can feel it from the time they walk in the door. The caller to any part of the company can hear it on the other end of the phone. Anyone that has any interaction, either direct or indirect, with customers knows what they must do to satisfy them. As a matter of course, the majority of SEO staff won’t deal directly with the customer but they will understand

how what they do enables sales and hence adds to creating satisfied customers that will remain loyal and refer others to become customers.

So what areas should CEO's focus on to ensure that they are in charge of a Sales Enabled Organisation? The short answer is **every aspect of the business** but let's investigate further.

Executive & Board

The job of ensuring the organisation is Sales Enabled begins with the Board, the CEO and the Executive management team. It is here that the Sales Enablement begins and ends. As with the earlier example, a simple statement from the CEO can send a very clear signal that the sales team are seen as irrelevant and "it is OK to hate sales".

To enable the organisation to provide service to customers that will make the company stand out from the competitors, the Sales **ethos** must emanate from the "head". The Board and the Executive are the owners of the company vision, mission and values. They devise the strategy that will be executed by the staff through application of various policies and procedures that they approve. It is in these policies and procedures that the company's sales ethos must be enshrined.

Whilst it is important for Sales Enablement to be implicit in all policies and procedures, the most important aspect of the role of the Executive team is their actions and the "signals they send" in support of the sales ethos that will ultimately shape the sales-enabled culture.

HR

The HR process is a crucial aspect of sales enabling an organisation. The position descriptions (PD) of all personnel must include the appropriate links to ensure that all staff are focused on the customers and effective sales to them. Performance appraisals (PA), objectives and incentives should all be tied to the sales process ensuring that "sales" is present in every corner of the structure.

The closer the position is to the customer, the greater the emphasis should be placed on sales in the PD and the PA. Inversely, sales staff must have their position descriptions and objectives set such that they are responsible not only for creating sales with customers but for actively supporting a smooth integration of the overt sales effort into all aspects of the supply chain within the company.

Finance and Administration

Finance and Administration (F&A) play a crucial role in enabling sales. The customer experience can be severely jeopardized through “sales unfriendly” handling in this department. Close collaboration between the sales team and roles such as credit control, accounts receivable (and where there is mutual business, accounts payable) will ensure that the customer relationship is handled appropriately to enable immediate and future sales.

Marketing

A truly sales enabled organisation is one where there is a tight working relationship between the sales team and marketing. Preliminary work between marketing and sales can ensure the smooth introduction of new products and identify potential customer issues before a product is released. This adds significantly to the overall profitability in a range of areas such as reducing costs for failed products, increasing profits due to faster time to market, increased sales based on wider customer acceptance etc.

Support

Similar to Finance and Administration, the sales/support relationship is crucial to the profitability of the organisation. The sales effort does not cease once the offering is bought by the customer, particularly in the higher complexity/value product areas. The Sales team must have a close working relationship with the Support organisation to ensure that there is seamless transition from the sales process into the support process. Where the transaction is part of the ongoing customer relationship, it is essential that the sales team see themselves as relationship

managers in conjunction with the support organisation for their accounts.

Customers want to have the minimum points of contact as possible and look to the sales person who sold them the product as their “contact of last resort” when there are issues. A sales enabled organisation has their support team fully conversant with their key role in the sales process. They understand that they should actively assist by identifying new opportunities and ensuring the successful ongoing relationship by providing customer oriented support that entices the customer to re-engage and positively refer others to the company.

Research and Development

In concert with marketing, research and development (R&D) must have a view to the sales enablement of the company. The “sale-ability” of their work should be paramount in this phase. Even in the purest form of research, a view to what the end customers will perceive as value, and hence buy, can be the difference between a successful market position and an expense that will not be recovered.

In many instances, R&D can play a pivotal role in establishing a long term relationship with customers through sharing “road-maps” and future initiatives under non-disclosure. It is not uncommon for customers to buy products that are deficient in some regards compared with competitive offerings because they want to take advantage of future developments from the incumbent trusted supplier. The overall sales process to achieve this level of loyalty includes involvement most, if not all, areas of the company that are not directly involved in sales.

Manufacturing

This is the area of the business that is most often neglected in the Sales Enablement of the organisation because it is the furthest away from the customer interface in the supply chain. Sales enabled organisations understand that a competitive advantage can be achieved by providing transparency for the customer all the way through to manufacturing.

As with R&D, customers can be won and maintained based on manufacturing excellence that manifests itself in such areas as quality, assured delivery and 'just in time' availability which reduces expenses for the customer and the company alike.

Operations and Logistics

As with Finance and Administration, Operations and Logistics is another key area that enables sales for a company. As such it must form a key area of focus for the leaders of the sales enabled organisation. It is pointless having the best sales team with the right products that are properly supported if there is any concern by the customer about how they will be delivered in a timely, reliable manner.

There are organisations that include their delivery staff in the sales process by having them identify leads for other products or services at the point of delivery. In some instances, they are empowered to close sales for consumables and other non-complex items and to perform rudimentary support services. At the very least, they are ambassadors for the company.

Sales

Finally to the group in the business that is dedicated to sales to the end customers. As previously stated, a lot of money is spent hiring and training sales people to achieve sales for the organisation.

Executive search is often inaugurated to identify "high achievers" within competitive organisations who are approached and enticed to join on high remuneration packages. The premise they are hired upon is that *"they have been an 'over-achiever' in their current role so they will be able to perform as well, if not better within this company"*. Thorough sales induction training that includes how the sales process links with the other processes in the company is extremely scarce.

On an irregular basis, especially when there has been a decline in sales revenue for the company, sales technique training is performed. This training invariably uses material that has been developed in the USA and hence applies to markets where

the potential customer base is massive. The thought behind providing this training is that there is some new technique that will magically alter the effectiveness of the individual and collective performance of the sales team. How this training relates to the company's specific situation in a meaningful way is rarely, if ever, taught

Product training is offered most usually when a new product is introduced with no ensuing training taking place. In the more advanced organisations, 'self paced' on-line training is offered but all too often there is no follow through by management to ensure that learning has been effected.

The aspect of career progression for sales people is usually not well implemented. The normal practice is to promote the highest achieving sales person to the role of sales manager in the belief that they will be able to drive sales performance from the sales team based on their success as a sales person. Often, the highest achieving sales person is a "sole contributor" who prefers to work alone and is not inclined to lead, mentor, collaborate or manage other people. Placing such a person in charge usually results in disenchantment of the team. This leads to a decrease in sales effectiveness that results in failure of the new manager or high staff turnover. Either way, the organisation pays a heavy price by losing their best sales person who is now a failed manager and reduced sales results due to staff turnover and poor performance from disenchanted staff.

To exacerbate this situation, sales management training is rarely applied. To top it all off, sales management processes and systems are most often lacking.

Conclusion

Companies waste inordinate amounts of money based on the premise that they will improve overall sales for the company by simply focussing on improving the performance of the sales department. Getting the right sales people and training them properly is only part of the answer to having a Sales Enabled Organisation.

The truly Sales Enabled Organisation has customer value creating sales as a key part of its culture that pervades every area of the company structure. The 'value

chain' of the organisation has sales to the end customers firmly embedded in every facet of the business. The management of the organisation, all the way to the board, actively ensures that the organisation is Sales Enabled because they know that such a culture enhances their strategic competitive advantage.

About the Author

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Philip has over 30 years experience in management and leadership of high technology companies and management consulting. He has held leadership, board and senior management positions with high profile IT&T companies where he has specialized in strategy definition; turn around, re-engineering, change leadership and execution to achieve excellent results. His positions have included founding managing director of LSE Consulting (a management consulting company focused on leadership, strategy and execution), Managing Director, CEO, Board member, Director and General Manager with companies such as Cisco Systems, StorageTek, Datacraft Australia, Datacraft Ltd, Radware, PM-Partners group, and Acumen International. He has experience in Australia, New Zealand, Asia, and South East Asia.

Philip has a Masters Degree in Business Administration (MBA), Certificate in Electronics, various industry qualifications and is a Fellow Australian Institute of Company Directors (FAICD), Fellow Australian Institute of Management (FAIM) and is a Member of the Institute of Management Consultants (MIMC).

Philip is currently joint Vice Chair of the Board of the Box Hill Institute of TAFE (since 2001), Director of Box Hill Enterprises Pty Ltd (a subsidiary of Box Hill TAFE) and is currently a member of the Box Hill Institute of TAFE Board Executive Committee and the Audit and Risk Committee.

Is Your Business Sales Enabled?

1. Do you have a Vision, Mission and Values Statement that is universally known and adopted by all staff throughout the organisation?
2. Is there a Strategic business plan in place covering the next 5 years that includes affirmative action to ensure the company is sales enabled?
3. The organisation structure is clearly defined and is appropriate to enable the execution of the sales enabled strategy?
4. Leadership at all levels of the organisation are highly capable and respected and actively engage their teams in providing customer oriented solutions to assist the sales mission?
5. You are able to attract the best customer value creating talent in the industry and strive to build your people to be the best?
6. The organisation culture is one that supports the achievement of the Mission and Strategic plan that is heavily customer value enhancing and hence sales oriented?
7. The organisation and its people are able to precisely execute the strategy and tactics?
8. The processes and capabilities are industry leading, continually improved and aligned with the sales effort?
9. Your organisation is providing the required results for the stakeholders including a viable triple bottom line?
10. You have strong partnerships that share your sales orientation and hence add value to the business?
11. The organisation continually innovates to enhance its competitive advantage.

For each “Yes”, score 10 points. For each “No” score 0. For each “Almost” score 5.

- If you score more than 80, congratulations, your business is “Sales Enabled”
- If you scored between 60 and 80, it could use some “Sales Enhancement”
- If you scored less than 60, it’s time to put the business on a “Sales Program”.