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ORDER TAKING IS DEAD - *Long live the art of the Sales Professional who sells!*

By Mike Boyle, Managing Director of Banjar Group, November 2010



The Global Financial Crisis (GFC) has had many negative effects on business. Some say there must be a silver lining somewhere, and in post 'GFC' world there is; the art of real selling is back.

Death of the order takers

For many years sales people have conducted themselves as order takers, achieving success through organic demand for their product or service. These Sales people actually 'simulate' selling. They help consumers acquire 'stuff' but fail to develop needs, build a territory and creatively drive sales effectiveness. Post GFC we have seen the steady decline of the order taker and the rapid rise of the true salesperson.

This presents some interesting challenges and opportunities for business. What will your sales structure look like? How will you distinguish the order takers from the sales makers? How will you build sales effectiveness in this selling environment?

Clearly, many organisations are seeing interesting developments in their sales teams. Previous sales stars are struggling while others are hitting the mark. Your current sales team will have some hidden order takers. Common excuses are "the economy is tough" or "there are too few leads available." Their pipelines will not show new, open prospects. These people must be revealed and either effectively coached, or removed. With a documented sales process, disciplined sales management and coaching they will be able to again achieve sales success.

Opportunity to refine your sales structure

Going forward, your sales structure may now need less sales people considering your mix of market share versus market opportunity. Using the Pareto analysis (80:20 rule), work out where the bulk of your sales are coming from and who is servicing that area. Once this is established you can resource your sales structure appropriately.

In some cases, this creates an exciting recruitment opportunity. By building a solid recruitment brief based on the skills of your sales guns, you will find the sales people with the characteristics, behaviors and skills you require. Warning: watch for the order takers on the rebound as they will be applying for jobs and making up the bulk of the applications.

The key to success for sales managers

Today sales mastery is harder, more complex and requires more creativity. It is essential that sales people are well supported, as sales effectiveness is, and always will be, developed through great sales coaching. There will be no substitute for this post GFC.

Importantly, taking the best 'rep' and promoting them into a sales leadership role will not achieve the effective leadership of your sales team. It is much more than this. Do we expect our greatest sports, arts and business people to perform at their highest level without coaching? Of course not, they all have supportive, highly skilled coaching; and so should high performing sales stars.

This leadership role requires very different skills. A sales manager must be a skilled coach, communicator, negotiator, recruiter, motivator and strategic planner. But most of all they need to be a leader. The role of sales manager does not automatically make you a leader it simply makes you the boss. Sales leaders inspire their team to follow them and perform at a consistently high level. If you already have recruited from within, and your sales star is your sales manager, support and train them - and do it fast.

As challenging as the current sales environment is, rewards can be gained by identifying and supporting your sales guns, and developing and coaching your sales leaders. Invest the time and ensure your sales team is made up of the right people and success will follow.



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Tackling a Global Employee Crisis?

By Andrew Thoseby, Director of 1st Executive, November 2010



Global Employment Crisis

Employers in western economies face barriers to business growth that are likely to be deeper and longer lasting than the Global Financial Crisis (GFC). We see there are real parallels between the GFC and a looming Global Employment Crisis.

As toxic debt hit the financial system and plunged the developed world into the GFC, businesses were instantly hit with capital markets drying up and liquidity disappearing. A Global Employee Crisis could pan out in similar ways with a dearth of candidate "liquidity" seriously impacting the ability of companies to achieve their business growth targets.

The impact of profitability

The potential impact on profitability is sobering. Consider that a useful rule of thumb is that, on average, each business needs to extract around two and half to three times the value of employment costs in gross profit for each employee. This roughly correlates to two thirds of operating expenses.

Productivity versus Headcount reduction

A pre GFC malaise exists, where managers see headcount as one way of reducing costs but never really focus on other opportunity. It often seems as **though a 2% shift in productivity is not as sexy as a restructure**. It's flawed thinking. Team members that worked short weeks, or longer ones, to help the business through the GFC and save their jobs, are getting restless. If the herd starts migrating, it could be a disaster for many organisations. Global HR firm, Hewitt, recently recorded its worst ever score in decreased engagement among the global companies it surveys.

It's a competitive environment

Sourcing quality talent is again intensely competitive, almost every \$100,000+ salary offer is counter offered by an existing employer, and on October 20th the ICT industry was quoting "skills shortages in the thousands". Some employers are snapping up good talent while others see their best people walk while failing to attract new skills because they procrastinate over hiring decisions.



What lessons can be learned?

First of all management needs to get real about the opportunity and the risk. That very unsexy 2% productivity gain is worth close to \$1.2m p.a. on the bottom line of a company employing 250 people and 2% more the year after! Some companies have eschewed professional recruitment without understanding the real costs.

What should we do?

To begin with, businesses can't make everybody happy, just like your marketing, differentiation is nothing more than good strategy, and it's simple.

For the existing team it's important to:

- List which jobs create shareholder value and focus on these. This is where the training money, bonus opportunities and senior management attention must go – it pays!
- List which jobs protect value and set KPI's that focus on reliability, quality and accuracy – failure to do this will be costly because it's their work that supports decisions.
- Make sure your performance management has software support – it's often the only mission critical data that's not in a database! Remove the guesswork.
- Consider which other support jobs can be outsourced – any savings can be reinvested in productive jobs.

When hiring:

- Be relentlessly thorough when filling the value adding jobs. Every poor hiring decision leaves better talent in the market and available to competitors, it's a double whammy.
- Write clear competencies, expectations and KPI's before recruiting and then drill down thoroughly on these at interview. In productivity terms how much you like someone is irrelevant. And it becomes easy to like high performers.
- Use whatever assessment tools you can get your hands on – psychometric assessments reduce risk. A few hundred dollars will save tens of thousands in waste.

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3 Key Ideas for Business Success in 2011

1. Recent survey showed Number 1 barrier to strategy implementation is 'Making it applicable to people on the frontline'

A recent 2010 Harvard Business Review survey of over 1000 readers showed that the number one barrier to strategy implementation is ensuring that the strategies being developed are applicable to people on the frontline within the organisation. This was closely followed by other barriers such as: Leadership actions inconsistent with strategy, Business Units with competing agendas and not enough resources. So if you are in the process of rolling out new strategies to your team members ensure that broad strategies for the organisation are put in a context as to how it is applicable to each individual. This can be implemented using individual one page plans.

2. Distraction and Interruption the hidden wastes for senior people.

The typical senior person within an organisation see's their ability to 'multi-task' well as a key to success i.e. Blackberry in one hand, phone in the other, fixed on several of the 10 windows open on their computer monitor. Multi-tasking however means constantly stopping and starting many, many tasks every day, rarely paying full attention to any one thing. Does this sound like you? Distraction and Interruption are therefore every increasing 'Time Management' issues in this heavy technology reliant business environment. The key to success and to improve Time Management is not getting better at Multi-tasking but rather becoming better at saying 'no' and prioritising more effectively what you should and shouldn't be doing each day.



3. Being different a BIG opportunity in a crowded market.

How often do you pick up a piece of marketing material from an organisation and feel like you have heard it all before? The same offer, promises, look, feel and slogans. With technology allowing organisations to post information to the web and send out marketing material via e-mail at an ever increasing pace the market can become saturated with many 'me too' business' that look and sound good but are actually poor operators. So how do you differentiate that your business does what it says it can do from the rest that can 'talk the talk' but can't 'walk the walk'? The answer is finding a medium which actually demonstrates your strength to prospective customers. This could be a video demonstration of what you do, a testimonial from a reputable business talking specifically about how they used your product, a face-to-face meeting with a client to demonstrate how you fix problems or an opinion piece you have written about industry issues that demonstrates your understanding of the problems facing customers. Any of these could be ideas that allow you to clearly show your differentiation and stand out from your competitors.