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Times are still tough economically, but a **loosening of purse strings** means you must make yourself more useful to current clients to **score new business.**

Getting Back in the Game: Strategic Calling And Hidden Opportunities

BY KEN VALLA

What growth strategy is your sales organization pursuing as the economy begins to show signs of recovery? As the business climate improves, so do the opportunities for shifting from survival mode to growth mode. Frozen budgets are beginning to thaw, and companies are starting to consider funding projects deferred during the height of the recession. If your organization has been in survival mode over the past year, you may have been focused primarily on protecting your customer base. Now, the question is how best to take the first steps toward jump-starting increased sales. Should you invest in higher levels of prospecting to expand your customer base? Or is it more productive to seek out hidden opportunities in existing accounts?

It may seem that the quickest path to substantial new business is through the doors of new customers. Expanding the base, however, is always expensive, and at present, it may be more so. Caution is still the prevailing mood across most industries, and few firms are ready to take the risk of starting out with new suppliers. It makes sense to look for opportunities in your own backyard – in the accounts where you already have established relationships.

The Challenge: Familiarity Breeds Entrapment

The good news about working with your existing customers is that you are already in the "magic circle" of trusted suppliers. The bad news is that the same familiarity that brings repeat business can also become a straitjacket. Salespeople become comfortable with a small number of contacts in a particular area, such as IT in the case of a technology offering. Although they may have been exhorted to call higher and wider in their accounts, it can seem risky to break out into other areas, and especially to call on executives who have little obvious reason to talk to salespeople.

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Yet without such conversations, opportunities will be missed that are invisible from inside the confines of one area and level. It is at the higher levels of the organization that decisions are made about priorities and funding. Currently, many lower-echelon and mid-level managers have less budget authority than they had even a year ago, as spending continues to be tightly controlled. Customers are being especially cautious allocating still-scarce resources, and are highly focused on a few strategic goals. It is in those targeted areas that the real opportunities will be found.

Executing a Calling Strategy for Expanded Business

To uncover those top few strategic priorities, salespeople need to overcome their reticence about developing relationships with executives outside their usual circle of contacts. An enterprise-wide calling strategy is required to meet with the right people at the right levels, with the objective of confirming the top business priorities. Based on this information, salespeople can prioritize opportunities and determine which solutions can provide the greatest benefit to the customer. To be successful, however, it's essential to know how to 1) identify whom to call on, 2) prepare for the call to ensure credibility and 3) lead the conversation in the role of a business resource, not a salesperson.

Identifying the Right People: Whom Are You Going to Call?

The "right people" question is the first one to be answered, and the calling strategy should start with identifying which functional areas of the company to target and which people to contact. Decisions about where to call should focus on finding information about such issues as:

- Competitive challenges;
- Research and development goals;
- Financial metrics;
- Go-to-market strategy;
- External changes such as new regulations or the emergence of new technologies or competitors;
- Internal changes such as acquisitions, mergers, restructuring, etc.

Once the right areas have been determined, functional leaders who can discuss specific departmental goals and accountabilities, as well as the executives who have both a business unit and corporate perspective, should be identified.

Preparing: Critical Success Factors as the Context For Credibility

For many salespeople, the biggest barrier to calling higher in the organization is the lack of a clear answer to an obvious question: "Why do I want to take time to meet with you?" To answer with confidence requires a transition from a sales mindset to a business mindset, and the ability to talk about something that is of interest to every executive: his or her most pressing business concerns.

Although only a more detailed conversation can verify what those specific concerns are, a salesperson can begin to establish credibility from the first contact by demonstrating broad knowledge of key issues affecting the customer's industry. These can be thought of more precisely by using the concept of Critical Success Factors (CSFs), defined by John Rockart of MIT as "the few key areas of activity in which favorable results are absolutely

necessary for a . . . [company] to reach its goals."

In this definition, the words "few" and "to reach its goals" are especially important. Typically there are just a handful of CSFs to be identified, and they are not the same as goals. Rather, they are the things that need to go right for the goal to be attained. They are deemed critical because if these things don't go well, the organization could fail, perhaps catastrophically. This is why CSFs are sometimes described as "the things that keep executives up at night." Had Lehman Brothers maintained enough assets to fulfill financial obligations (once considered a given in the financial services industry), there might have been no financial collapse and the firm would still be in business.

CSFs exist on the industry, corporate, and functional level. For example, in the distribution industry, supply chain management and delivery efficiency is a CSF. This might mean that an executive in charge of operations for a large distribution company has a specific goal to reduce delivery time by 25%. One of his CSFs, particular to his situation, might be to streamline warehouse picking and packing operations. At the level of the warehouse operations manager, this CSF turns into a goal – to implement new procedures, possibly new inventory management software and so forth, within a specified time frame.

How does this concept help in preparing for a conversation with a specific executive? For a start, it provides a well-defined objective for "due diligence" research to learn about the customer's industry and business environment. Armed with information about industry CSFs, the salesperson would be able to open up a conversation with the executive in the above example by asking a relevant question: "Many distribution companies are focused on improving speed and efficiency of delivery. Is this a concern for you?" This establishes a context for discussion of the executive's business and a rationale for further conversation to learn more about the answer to that question.

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Leading a Business (Not Sales) Conversation

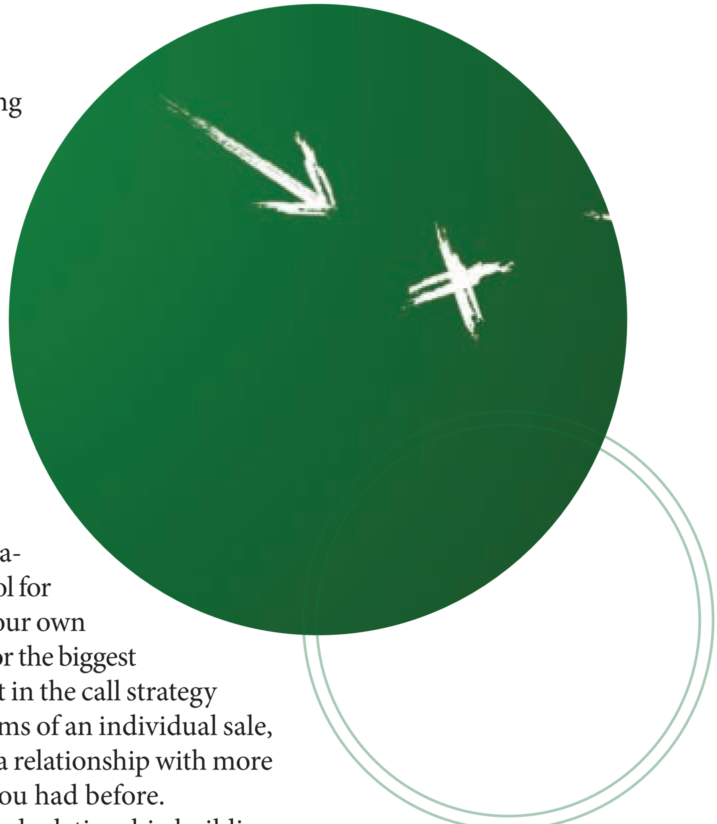
Having laid a foundation of knowledge about the executive's industry and company, the salesperson should be able to plan for an effective in-person call on an executive. The key is to focus on two objectives: delivery of value to the executive and confirmation of his or her goals and CSFs. The two objectives interact with one another, in that many leaders have not explicitly articulated an answer to the question, "What has to go right for X goal to be achieved?" They often find it interesting to discuss their goals in those terms and to clarify their own thinking in the process. The salesperson may be able to add value in another way if there is information to share based on conversations in other business units or at other levels in the executive's own area.

A useful protocol for a CSF conversation is to open with a reference to one or more industry CSFs, then to narrow the focus to identify one or two key goals. With respect to each goal, questions can be asked to discover the CSFs, which will be the executive's top priorities. A model for the conversation might include questions like the following:

- "As I work with other companies in X industry, I have found that many of them are concerned about Y. Is that a concern for you as well? How has your company responded to that issue?"
- "Could you tell me a little about your current goals for your business?"
- "In order to achieve goal A, what are the key activities that have to go just right?"
- "Are there any other areas where you absolutely have to get good results to attain goal A?"

The Payoff: Discovery Of New Business Opportunities

By having a series of such conversations in the right areas of the account, salespeople will derive an



accurate and clear understanding of where resources and attention will be directed. An analysis of the specific goals and CSFs of key decision makers and the overall company goals and CSFs will provide a template for determining where your offering can have the greatest impact on the customer's business. More than likely, a number of opportunities will open up as a result of a successful call strategy, and the CSF information will provide an additional tool for prioritizing those to see where your own company can focus sales efforts for the biggest payoff. The return on investment in the call strategy as a whole comes not only in terms of an individual sale, but also in terms of establishing a relationship with more contacts, at higher levels than you had before.

While this kind of network and relationship building in an existing account requires an investment of time and resources, it is more efficient and effective than starting from scratch to prospect for and develop new customers where you have no existing relationships or insider knowledge. Nonetheless, as companies become more confident about new capital expenditures and more of them open up new projects for consideration, the same approach can be used to expand the base of your business, building a greater variety of relationships in new accounts from the very beginning. As this kind of calling strategy becomes a common practice for your team, it can boost sales and profitability across the board, in both older and newer accounts.

Ken Valla, Regional Vice President, Wilson Learning Corporation, is responsible for driving sales strategies to increase revenue, profitability, and market share in North America. With over 15 years of experience in sales and sales management, Ken has consistently produced results exceeding annual objectives. Ken specializes in the complex sale that encompasses multiple buyers at various levels, often in global accounts and typically requiring executive involvement. His experience allows him to help his customers go to market more strategically and address their unique requirements. As an experienced sales executive, he understands what is required for sales people to succeed in today's highly complex environment.

To learn more about the concepts shared within this article and how Wilson Learning can assist you in addressing these issues, contact Wilson Learning at 1.800.328.7937 or visit www.wilsonlearning-americas.com .