

A large graphic on the left side of the page, consisting of several overlapping, curved shapes in shades of green and blue, forming a circular pattern. In the center of this graphic, the words "White Paper" are written in white text, with a thin green horizontal line underneath the word "Paper".

White Paper

# Elevate Your Game and Win More

## The Four Critical Insights of Selling Today

“ When you find out what drives high performance in your sales and service teams and start thinking like a customer, our research proves success will follow. ”

Byron Matthews,  
*President and CEO,*  
*Miller Heiman Group*

In today's business climate, companies either adapt to their always-changing environment or they begin to fail. It's really that simple, and research from CSO Insights backs it up. Successful sales and service organizations are ones that continually look for new ways to elevate their game.

For more than 40 years, Miller Heiman Group has studied the sales and service functions of organizations large and small and used the data to determine the key factors that drive performance. Our research has been able to uncover key insights on the behavior of sales and service professionals as well as key operational metrics that separate world-class performance from other organizations.

Based on what that data told us, we discovered sales and service organizations can become world-class performers by focusing on four key areas: Sales Enablement, Transformation, Talent and Executive Impact.

Let's examine the four focus areas in more depth.

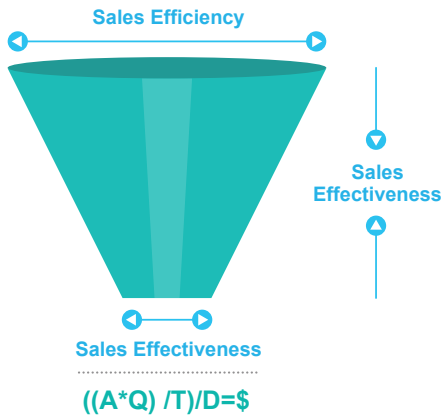
### Smarter Buyers Require Smarter Selling

Buyers are getting smarter and the customer is evolving. We studied 300 companies and how they think about enablement, and we uncovered the fact that making an investment in sales enablement is often the catalyst for higher performance.

First, it's important to define sales enablement. Sales enablement is a strategic, cross-functional discipline designed to increase sales results by providing integrated content, training and coaching services for salespeople and frontline managers along the entire customer lifecycle, often enhanced by technology. Sales enablement is not another name for sales operations.

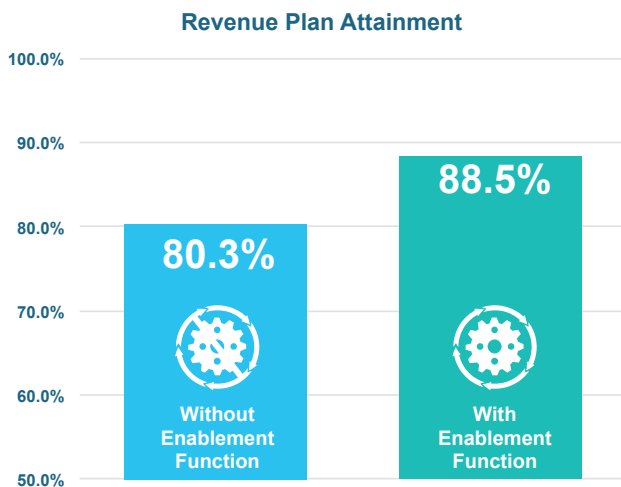
Any organization that has made a significant investment in sales enablement will tell you it's about increasing efficiency and the effectiveness of the sales funnel. We think of sales enablement as an equation:  $((A \times Q) / T) / D = \$$ . In other words, it's about your sales activity (A) times the quality of that activity (Q), divided by the time that it takes (T), divided by distractions (D), and that equals revenue. If you maximize this equation, you'll have more efficiency.

## Sales Force Enablement



Now, some organizations will see this and think the solution is to pump more activity into the sales funnel. But oftentimes, all that does is damage the quality of your function. At the same time, it's important to minimize distractions and optimize the time it takes to reach executives at the highest level. That's the essence of sales enablement.

So why is having a sales enablement function in place so important? Simple—it works. Research from CSO Insights revealed companies that designed, developed and operationalized a sales enablement function are 8.2 percentage points (or 10.2 percent) more successful than those that don't.



Here's what else we discovered: companies view sales enablement in three distinct ways.

**1. Reactive sales enablement.** This is where leads come in and the sales team reacts to them. It works to some degree. About

50 percent of sales professionals who use this method meet their yearly quota.

**2. Informal sales enablement.** This is where companies set boundaries on what they want to work on, but the process is very casual. They may have playbooks and manuals and have training in place, but it's up to the seller to take advantage of these assets. This is more successful than the reactive process. About 56 percent of sales professionals who use this method meet their annual quota.

**3. Designed and formal sales enablement that supports both marketing and service, as well as sales.** All departments have a detailed plan based on priorities, and they follow those plans to the letter. Sixty-three percent of sales professionals who use this method meet their annual quota.

There's a clear correlation between having a sales enablement function, the way you design it and formalize it, and performance. But keep in mind, this function isn't designed to work in silos. HR has a part in it, as does marketing, information technology and sales leadership. When you have all this activity happening in silos with different leaders, accountability and processes, optimizing sales enablement would be so much harder than actually centralizing it with a common vision and common practice.

There is more discipline to selling today, and everyone is taking a scientific approach to it. So investing in this function to drive performance is crucial to the success of your organization.

## Transformation is the New Competitive Advantage

Why do companies continually need to transform their sales function? Transformation, for some organizations, revolves around using their sales team as a competitive advantage. Their goal is to simply outsell their competitors and use that as a differentiator.

Here's another aspect to think about when it comes to transforming your sales force: performance. According to CSO Insights' data, win rates on forecasted deals is 46 percent. Let's put this into perspective. Jim Dickey, a research fellow with CSO Insights, recently gave a presentation in Las Vegas, and when it was over he was walking through the casino and ran into a pit boss. He asked the pit boss what was the best game to play, and the pit boss said craps. Apparently, craps gives you the best odds to win: 49 percent. So what does that tell you? As a sales leader, you have

better odds playing craps than you do hitting your forecast. That's a big reason to change.

Customer expectations are changing, and more people are involved in the buying process. Our research shows there are 5.8 people involved in the buying process today, up from 4.7 just a short time ago. This means there is more process to buying and it takes longer to make decisions. The buying process is more complex than ever before, and that's why transformation is so pervasive.

Sales has already evolved a great deal. It used to be you showed up, threw all of your products and solutions on the table and asked, "What do you want to buy?" This eventually evolved into starting by asking the customer what they are looking for, and that's how solution selling

was born. Today, that approach isn't good enough. You have to add value during the sales process, not just when the contract is signed. That's how you differentiate yourself in the market.

At Miller Heiman Group, we believe you add value by providing perspective during the sales process. We deeply believe that the only way to add value during this crucial time is by learning everything you can about your customers and their situations, connecting to their concepts and being an expert at what you do. This way of doing business requires constant change if you want to provide a competitive advantage for your customers.

You can't change just for the sake of change. We uncovered nine reasons why sales transformation initiatives fail to fully deliver and how you can avoid them:

### Why Sales Transformation Initiatives Fail To Fully Deliver—9 Common Pitfalls



- 1. Lack of executive ownership.** You need to get the C-Suite involved. Once the CEO approves a project, it has some weight.
- 2. Lack of dedicated resources.** Part-time resources often generate either very little or no results. Ensure all of your resources are able to deliver.
- 3. Failure to address culture.** Peter Drucker, the founder of modern management, says, "Culture eats strategy for breakfast." You can have the greatest ideas, but if your culture isn't ready, it isn't going to work. If a culture isn't in place, start there.
- 4. Lack of understanding about the role of technology.** Technology isn't the answer, but it's a part of the solution.
- 5. Confusing methodology and process.** Methodology is put into place to get people to organize around a framework and a common language. Ensure your organization understands the methodology you've put in place and can execute it effectively.
- 6. Going at it alone.** Partner where you can. It can increase your chances for success.
- 7. Champagne dreams/beer budgets.** Have conviction around what initiatives cost. Think about it from this perspective: what's the cost of doing nothing?
- 8. Mishandling the human side of the equation.** Many leaders only think about technology and methodology because it's easier, and they design sales transformation around a current organization. You must address the people or it's not going to work.
- 9. You are never done.** Sales transformation isn't an event. It needs to live and breathe as you create the process of change.

Sales transformation can change how you sell and create a sustainable competitive advantage. It's a blend of people, process and technology. All three are important—they work together. The world of sales is an ever-changing ecosystem, and there's so much pressure to add value to the process that change becomes inevitable.

### Talent is One Thing, Training is Another

Innate talent is one thing you cannot develop. Before we go deeper into the concept of talent, let's define what it is. Innate talent is not related to skills; it's the part that cannot be explained or accounted for by training or experience. It's reoccurring patterns of thoughts, feelings and behaviors.

Innate talent is either present or it isn't. If we asked a group of people to tell us what made the best manager they ever had great, we would get answers such as they were patient, passionate, compassionate, decisive, goal-directed, a hard worker, honest and creative. When you think about it, you can't train most of these traits. It's naturally part of a person. You can encourage these traits, but people either have them or they don't.

So, when you're thinking about talent, it's important to study the outliers—the high performers in your organization—so you have a deep understanding of what drives their performance. Then, you replicate it. That's how you "develop" top talent.

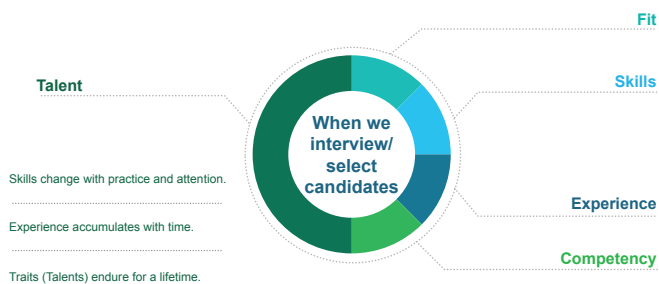
Most organizations spend most of their time during the job candidate interview process assessing job fit, skills, experience and competencies. They should be focusing on the things they can't not do—their innate talent. When they don't, they're missing a big opportunity to increase performance. We believe talent, plus skills that can be developed, times the culture in which a person works, equals performance. So, when you really think about what drives performance in your people, it's partly what they were born to do and partly the skills they acquire, their training and the culture in which they operate.

Each organization needs to determine what good looks like from their perspective. In each specific environment and culture, organizations must determine what traits drive high performance. Once you reach that point, the process is simple—you go hire it.

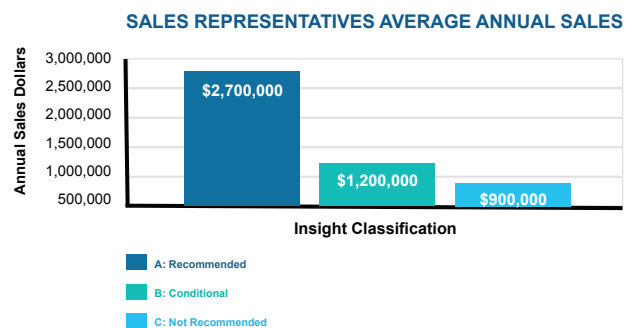
To explain it further, let's say a large organization needed more managers. By studying the best, leaders discovered four traits that led to a successful management style—growth oriented, performance oriented, arranger and stimulator. So how do you find it in others? Easy. You ask candidates questions to help uncover their key traits to see if they would fit within the greater organization. For example, you need a manager who is an arranger. So your question is, "What is the key to good delegation?" If the candidate responds, "Follow up, clear direction and you have to be fair," you keep looking because it isn't a good fit. But if the candidate replies, "Match each employee's talents to tasks," you know they think like an arranger.

Here's another example. We worked with a Fortune 100 company and studied the outliers to come up with traits for high performance in sales positions. Instead of building this into the recruiting profile, we measured everyone on the company's sales team. We then bucketed the sales professionals into three groups—those who had all of the traits that defined high performance, those who had some of the traits and those who had just one or none of the traits. The next step was to measure the revenue each group generated against their quotas. There's no surprise—those who had all the traits were two times more successful than the others, and those who had some traits were three times more successful than the group with one or none of the traits.

### Nature Of Talent



### Fortune 100 Company: Sales Performance



The takeaway here is, don't forget about talent. Don't ignore the key traits your high performers possess. It's not just about the skills or the job fit, it's also about innate behavior and habits.

### Crack the Executive Buying Code

Getting to top executives – those who make the final decisions – just doesn't cut it anymore. It's still important, but in today's business climate it's all about what you do when you get there. It's about having a deep understanding of them, knowing what they respond to and how they make decisions. If you can crack that code, selling instantly becomes easier.

Of course, the journey to understanding executives is difficult, and no two are alike. Our research confirms that executive selling is vital. When you compare a world-class organization to everyone else, you see that they gain access to the executive decision maker much more frequently. They have a relationship and ongoing dialog with people at the highest levels in all their strategic accounts.

We recently studied more than 1,600 executives to get a better understanding of how they make decisions. Based on the research, we found that executives fall into one of five main buckets when it comes to decision making. They are Charismatic (25 percent of all executives fall into this bucket); Thinker (11 percent); Skeptic (19 percent); Follower (36 percent); and Controller (9 percent). Once you understand the decision making style, you can start thinking about the depth and delivery of the content you are presenting.

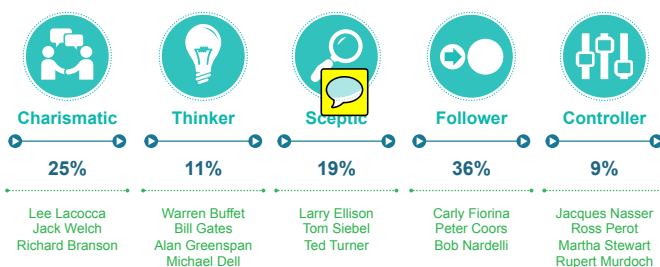
Let's examine each buyer persona more closely:

- **Charismatics** understand the high-level points and want you to discuss the broader meaning of an idea or offering. They are active participants in meetings, and they will make the decision on their own. Visuals with charts and facts work. Get to the bottom line. Talk in headlines.
- **Thinkers** are all about the process. They want to understand how you get to a specific result and want to know what process you went through to do it.
- **Skeptics** need credibility. If you don't have it, they're not going to listen to you.
- **Followers** want to see proof of outcomes. They need reassurance that they're making the right decision. Show case studies and cite customer examples often.
- **Controllers** are the most difficult crowd, because it has to be their idea. You're not going to persuade them during the discussion, so you have to make them think the correct resolution is their idea.

This is something to think about when you put together your sales presentations. Consider: our research shows almost 80 percent of sales presentations are targeted toward Skeptics and Controllers, while those two buyer personas represent only 28 percent of the executives. You should tailor your presentations to Charismatics, Thinkers and Followers. They represent 72 percent of the executives, yet only 22 percent of the presentations are made this way.

In the end, it's not about your style. It's about theirs. Don't get trapped by your way of doing things. Instead, adapt to the customer's way.

### Five Distinct Decisions Styles



## Conclusion

By focusing your attention on these four key areas, your path to becoming a world-class organization is easier, because you will have a better grasp of the strengths of your own organization and a deeper understanding of your customers and those who make the key buying decisions. When you find out what drives high performance in your sales and service teams and start thinking like a customer, our research proves success will follow.

Value-added, customer-centric selling isn't going away. Organizations will either adapt to this constantly changing business climate or they'll suffer the consequences.

Visit [www.millerheimangroup.com](http://www.millerheimangroup.com) to learn more about how we can help you sell more and service better.



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