



Premise for software solution sales management:

“You can expect and get high performance from your software solution sales TEAM”



Building and Managing High Performance Sales TEAMS

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TEAMwork is the key to success:

Together **E**veryone (individually and as a group) **A**chieves **M**ore -

We are in a complex, incredibly competitive environment. There are a lot of factors playing in each deal. Lots of people involved from YOUR BUSINESS, partners, the prospective client, industry analysts, reference clients, competitors, - you name it, they're a factor. YOUR BUSINESS has a lot of terrific individuals and, when performing as a TEAM, their effectiveness can be the best in the business. Individually, everyone plays an important part: executives, managers, account exec.'s, business & technical consultants, industry specialists, technology specialists, client solutions professionals, analyst and alliance liaisons, administrative professionals, legal and finance. But more important is that, when joined by an intelligent strategy and coordinated tactics, **YOUR BUSINESS TEAM and Value Proposition will be unstoppable!**

TEAM roles typically go something like this:

- **Marketing** seeds YOUR BUSINESS's image and keeps the outside influencers (analysts and partners) up to date on YOUR BUSINESS's accomplishments and position and provides qualified leads to the sales reps.
- **Sales reps** establish YOUR BUSINESS's presence, open doors and spark interest and excitement with the YOUR BUSINESS story and reference stories. They build rapport using people skills, qualify the opportunities using sales skills, build joint evaluation plans with prospective clients, and coordinate execution of the cycle and the resources. Reps relate YOUR BUSINESS's focus, agility, innovation and business value proposition while differentiating and positioning YOUR BUSINESS versus the competition. Prospective clients want competent reps that have the power to get them the information they want and who have the attitude and influence to command the resources of YOUR BUSINESS with the objective of quickly servicing their needs. Reps needs to make progress by achieving a balance and finesse between responsiveness and bargaining for access to the power source in order to ensure effective use of resources and a sale.
- **Presale business consultants** and industry experts explore the needs while building credibility with their industry knowledge and questions. They then help build a solution toward YOUR BUSINESS's vision and capabilities to meet those needs, and establish comfort by proving the product fit and with a prototype model of the business solution.
- **Sales Managers / VP's** review the cycles, question the assumptions, probe the facts, lend insight, allocate resources profitably, keep the strategy and direction on track, offer up new strategy & tactics, add experience, meet the execs. Managers are deeply involved in negotiations and closing.
- **Services account executives** nurture referencable clients and build confidence in YOUR BUSINESS's ability to support the most successful, highest value, fastest, and most cost effective implementations.
- **Executives (CEO, CTO, CFO...)** communicate the Vision and confirm the commitment of YOUR BUSINESS to the clients success in achieving business value and competitive advantages far beyond any other available alternative- they build exec level trust and rapport while emphasizing that YOUR BUSINESS is the least risk alternative.
- **Legal, finance and admin** all have important roles as well and should be resourced and leveraged - but make sure to give them enough lead time in order to ensure timely results.
- **Alliances** teams ensure partnering synergy.



Two Key Formulas

- Competence = **Skill** (people & selling) + **Knowledge** (industry and product)
- Performance = Competence **X** Attitude

One of the best ways to create a high performance attitude and high moral sales environment is to make a genuine personal connection with your people - not just a sales manager to rep relationship. This doesn't mean you need to be best buds but it does mean finding out what the personal dreams, goals and motivators are - what excites them - what gets them out of bed each day and drives peak performance in order to help transfer that same energy and excitement to their attitude and results.

Help reps make a connection to their passions and personal pursuits and the job - get them to pursue the job with the same level of enthusiasm and standards of excellence as with their off the job pursuits - help them align their personal goals with the company goals so that sales performance helps get achieve their personal goals.

Be the advocate for the sales reps & shield them

As a manager - if you have concerns about the company or senior management you must try as much as possible to keep those feelings to yourself and work constructively with senior management to work out your concerns. Don't let what you may be getting laid on you by your manager trickle down - unless it is productive.

Also - actively defend reps against unfair or unproductive decisions - "*fight up & defend down*" the organization.

Be decisive - when you are clear about what to do - take action. When you aren't - pause or seek council.

Be someone to follow, not someone to work around - word gets around which you are perceived to be. "Lead from the front."

Adrenaline can really get pumping when reps are listened to and when their ideas and recommendations, which are a vital source of input to the company, are taken seriously and acted upon. Their work is absolutely critical to the company - a fact that they must know YOUR BUSINESS understands and values.

When it comes to *product* ideas and input - here are some guidelines for bringing them forward:

- Does the idea apply to a key segment of our market?
- Will it apply globally?
- Can it be implemented with minimal R&D resource?
- Does it have high & quick payback potential?

Loyalty

Loyalty will be built to the profession, industry, manager, company or hopefully all four. It's your job to try and make it all four by paying attention to the individuals desire for things such as:



- Expectation setting and a mutual plan for success.
- Support & resources.
- Communication as to where YOUR BUSINESS, it's products, clients and markets are heading.
- Challenge.
- Recognition.
- Compensation.
- Growth opportunity.
- Working with a dynamic and respected company, manager and product.
- Longevity.
- Great environment & people.

Open communications

Communicate - it's easy for reps (especially if remote) to feel abandoned and out of touch. "Stop unproductive negatives & rumors - communicate productive positives." If there is bad news, be open and honest about it - treat people with the respect and trust they deserve.

Emphasize that there is plenty of opportunity for the future and that that they are an important part of a winning TEAM. Ask what you and your boss are doing wrong and doing right.

Empowerment

We all have more to do with less. More direct reports, less time to spend, less resources. So you need to help your reps operate more independently, just as you have had to do. They need to take responsibility for some of the things otherwise done by you, marketing, business consulting etc. They need to set progressive, achievable goals and achieve ever improving results and need to be relied on for some self-management. This does not mean however, that you should abdicate and assume - you are still responsible for their cumulative results.

- Creative goals (in addition to routine goals such as quota) should be at least quarterly if not monthly (i.e. I will achieve x amount of new leads per month -or- I will penetrate xyz co. to see what their plans are -or- I will have breakfast with x Systems Integrator Consultants this month...)
- Give feedback at least quarterly or monthly to the rep on the goals and progress. Analyze the pipe, segments, territory & activity to look for improvement suggestions. Get agreement - take action.
- Goals should measurably lead to improved performance.

Some guidelines / questions to ask reps to help them set goals:

1. What result do you want to achieve by end of year? Aim all quarterly goals at this.
2. What obstacles are in the way?
3. What goals help blow away the obstacles?
4. What are the strengths & weaknesses of your situation and turf? What goals can help capitalize on the strengths and minimize the weaknesses?
5. Of the last set of goals - which ones build on a previous goal?
6. How did you achieve progress? What worked & what didn't?
7. What could you have done differently or better last quarter in order to have met the goals you didn't?
8. If you do nothing different this quarter than last, how will that impact your results?



If the goals don't make sense to you - rather than wince - figure out a constructive way to respond. Sometimes you should "just wait and see" how someone does rather than get too critical too soon (you have a gut feel which will tell you when - that's one reason you were entrusted as a manager.)

Build on the person's strengths and ignore or minimize their weaknesses if they don't affect performance. Trying to get reps to think about their territories is sometimes difficult. We condition them to react to the moment - to respond to calls, leads, customers, quotas in a quick decisive way. We need to get them accustomed to thinking ahead which is necessary for long term productivity improvements.

Be available - walk the walk - lead from the front

Reps are motivated by managers who lead from the front and who walk alongside them - not who simply make demands of them. They need to be encouraged and supported in achieving their goals. If you're not sure whether you are motivating them - or why they are not performing to your expectations - ask them why.

Have them Assess you too - maybe a change from you will help them. See if you're attitudes, behaviors or quirks may be acting as an enhancer or inhibitor - listen - adjust or figure out a workaround.

Get out there on face to face sales calls together. Plan the call, pick apart the plan, role play it, figure out what you might be missing, do the call, help when appropriate in the call and debrief with the call TEAM after the call.

Work on balancing 3 dimensions of management style

There are 3 main dimensions you should self-assess and balance for high performance:

- **People management** - strong, frequent and open communications (over communicate up, across and down the organization.) Keep people in the light, not the dark. Keep them in touch with how we are doing. Guide people on how to achieve. Use voicemail and email updates to stay in touch and to keep in touch but don't rely on it to the exclusion of voice to voice or face to face time (this is as critical internally as it is with clients and prospects).
- **Task management** - Strategies & tactics, know what's going on. Expect progress but don't load people up with useless exercises. Use TAS to track progress on deals. Use the forecast & pipeline opportunity management system to track deals into closure. Expect people to follow-up and close the loop on open issues but don't assume it's happening - find a way to ensure excellence *while* empowering (a tough balance).
- **Profitability management** - "return on sales investment."

Use prospect reviews

Prospect Reviews can be used to determine:

- If there is a **real opportunity** here - does it meet our target (industry, co. size, deal size....), what is the *compelling event*, what's the budget & time frame, etc?



- If we **can compete** effectively - given the match between their needs and our capabilities and past successes with this type situation - what type of buyer are they - early enthusiast, visionary, industry pragmatist, conservative? etc.
- If we **can win** - given the political situation (the inner circle of decision makers), the biases, the competitive situation, our capacity to play here etc.
- If it is **worth winning** - will we mutually be successful, will it be profitable, is it the best use of resource, is it strategic (not to be confused with unprofitable).

Recruiting

You know we want to hire “A” players with proven skills for the job at hand. This doesn’t mean though, that they have to be the top major account people from competitors - although this is a good source.

The candidates could be top people from other competitors or non-competitors as long as they have sold in large complex application selling environments. Industry background helps, so does domain expertise.

The key is top performance, people skills, sales skills and the ability to think. Lots of top performers at Winning companies had backgrounds in something else - one rep who sold \$30mill in ERP sold big iron two years prior to that, another sold big capital equipment, another was a top performer at a little software company, and others successfully sold software in different industries.

Sure, industry knowledge, product knowledge and competitive knowledge are important but these are areas our business consultants supplement - also, it is easier to learn those things than to learn how to work with people and how to sell.

Expectations and Accountability

Have your reps prepare and present their opportunities and challenges regarding their territory (industry, geography or group of accounts) and their goals toward making their plan.

- Do regular prospect reviews.
- Expect integrity and honesty.
- Expect updates and follow-up.
- Expect no surprises.
- Expect results.
- Expect the unexpected.
- Expect to help.

Build for and expect success and high performance, and you will achieve it with your TEAMS.

For an immediate improvement in your sales execution, contact:

www.VentureFuel.com



About Paul Lavalley & VentureFuel www.VentureFuel.com

Paul Lavalley began his career working in accounting, materials management and information systems in industry. He began building software systems for industrial companies in the mid '70's and implemented them globally. He built his first software venture in 1979 and founded VentureFuel, a software venture advisory and consulting company, in 1987 as a way to help other software ventures leverage his experience.

Paul has served as the Americas president at PrimeResponse where the team he formed increased sales by more than 500% from the previous year's total performance facilitating a successful IPO. As executive vice president at Firepond, Inc. (NASDAQ: FIRE), Lavalley's vertical sales teams generated the company's first \$1 million in software license revenue. At Systems Software Associates (now SSA Global), Lavalley served as America's president and helped increase revenues from \$350 million to \$450 million in less than 3 years. Prior to SSA, he helped EMS achieve a successful IPO. Lavalley's first software services venture, ASE, was founded by him in 1980 and was acquired by SSA in 1987.

Lavalley brings more than 30 years of extensive experience both in the software business and in industry as a CIO and as a materials manager certified at the fellow level by APICS. He also has extensive experience with mergers, acquisitions and IPO's. Lavalley has served as a director on several boards and advisory committees of both pre-IPO and publicly traded companies, including ChannelWave (acquired by ClickCommerce), Eyretel (LSE: EYR, recently acquired by Witness Systems), MarketMax.com (acquired by SAS), JGI, WebDialogs and Parity Communication and MARC Global.

Lavalley holds an M.B.A. from Providence College and a B.S. in Business Administration from Roger Williams College.