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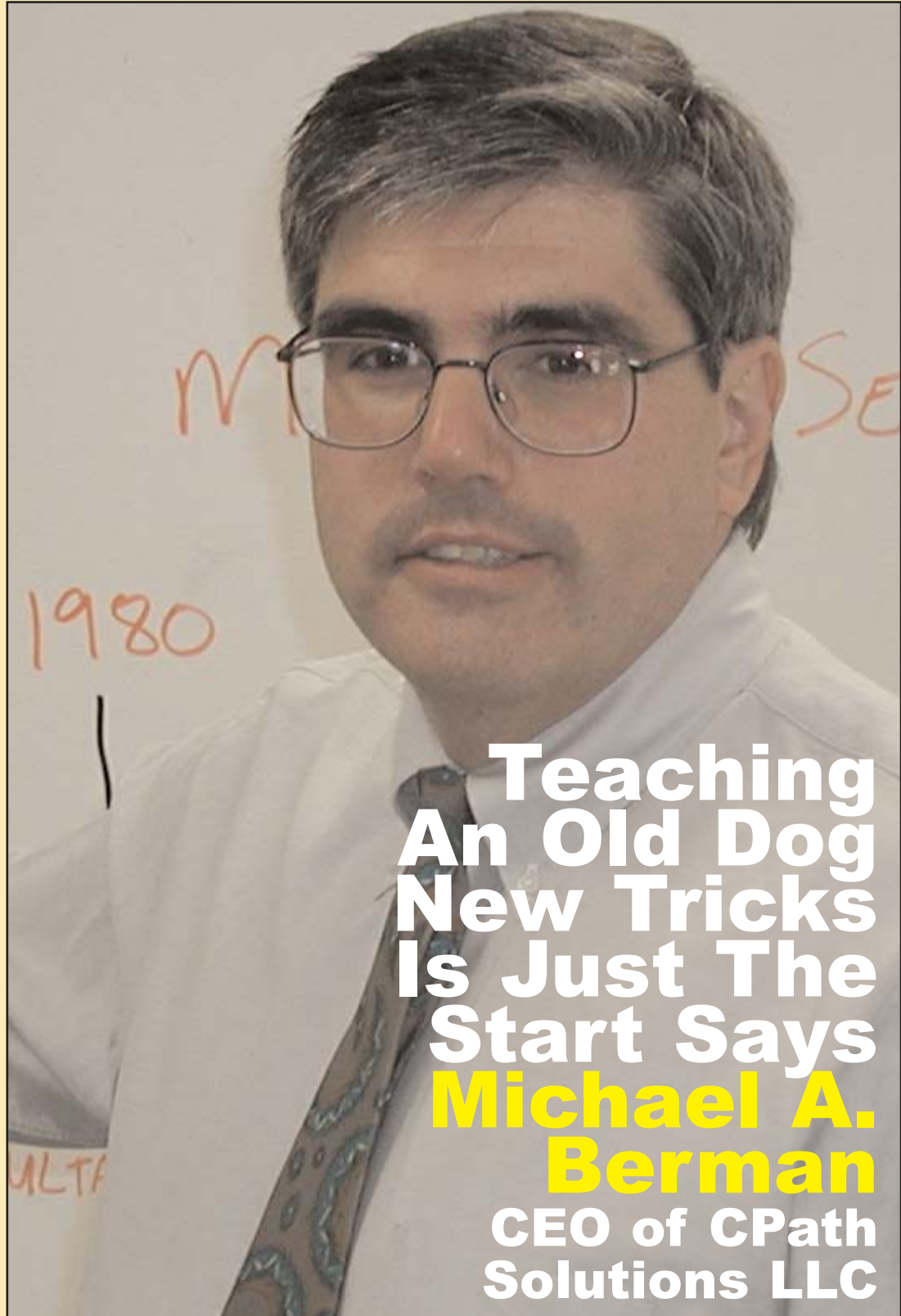
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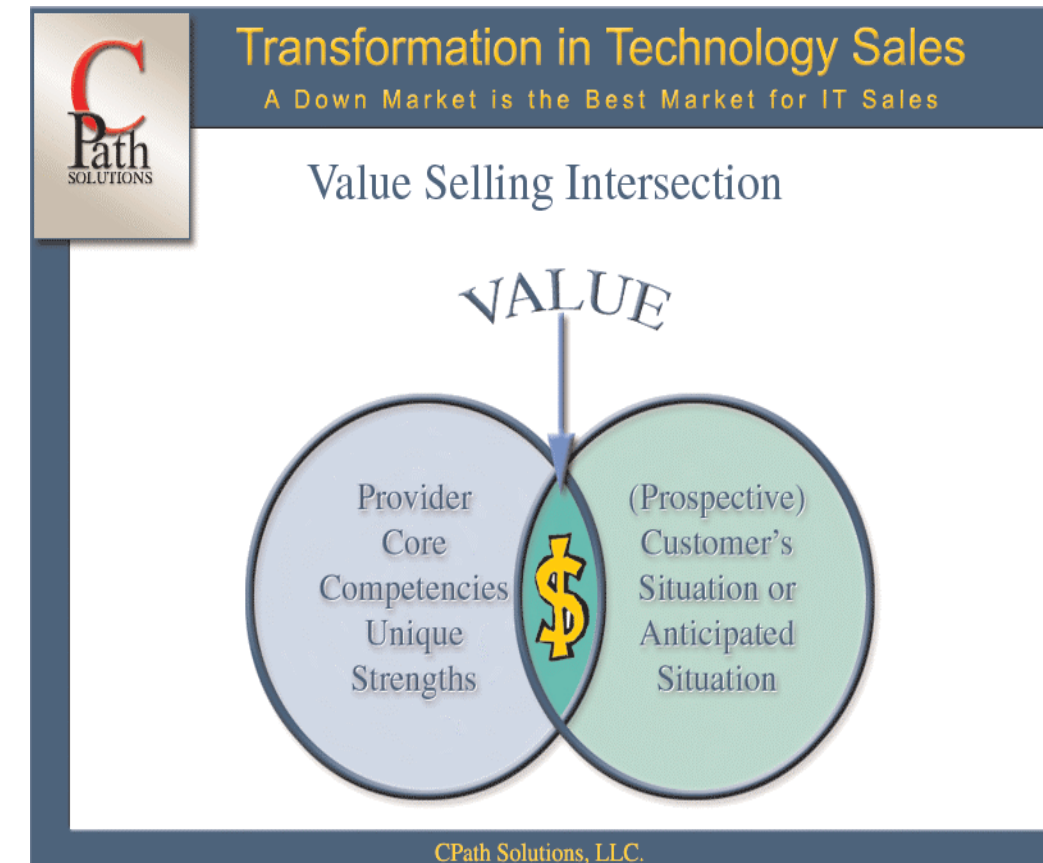
**Teaching
An Old Dog
New Tricks
Is Just The
Start Says
Michael A.
Berman
CEO of CPath
Solutions LLC**

STRATEGIC GROWTH SALES PLATFORMS

My firm, CPath Solutions, routinely comes into contact with companies asking us to help them solve their “sales problem”. In virtually every instance, senior executives are confident they have a terrific product or service, have a deep targeted market willing to pay a fair price for their goods, and a sound operation that is undermined by an ineffective sales team.

While these company executives may not be wrong, their assessment is not entirely correct. What is initially called a sales problem is actually a growth problem, and the issues conspiring to undermine a given company’s market success are far deeper and more complex than teaching old sales dogs new tricks.

It starts with a company’s strategic plan, and although sales executives might participate in shaping an annual (or more extended) plan, the sales discipline is typically organized and operated at a purely tactical level. To be effective, the details of a sales operation must be placed in the core middle of a company’s strategy. At the outset, a company has to properly assess its value proposition, depicted in a very simple graph:



By identifying the intersection of one’s core competencies and unique strengths to the need of a targeted market, companies will create a highly efficient sales force.

We have all heard the familiar refrain “Sales is a numbers game” or “The more calls we make, the more business we will sell”. I never quite believed this to be true, and in various sales leadership roles at four different companies over a seven-year period I conducted research to prove or

disprove this notion. All told, I tracked the number of sales calls made and the number of closes generated by nearly 600 sales professionals, ranging from entry-level territory reps to seasoned national account vice presidents, and there was no statistical evidence to support the theory that those who made the most calls brought in the most business. In fact, the evidence showed that the sales people with the greatest number of closes made the fewest calls. These sales people were better at targeting, and the



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method they used was to identify those most likely to buy rather than those they wished they could sell.

A good friend of mine is a litigator, and he tells me that he usually wins his court cases in the library rather than through some compelling argument made in the court room. I believe this is good advice for setting a sales strategy, as companies that set a strategic market plan are most likely to drive more business than those that expect to drive growth through brute force of sales effort.

The next strategic consideration is managing the sales force, from selection to training to on-the-job execution.

It starts with the selection process, and in the strategic context this means knowing what type of company yours is. We believe there are two basic types of companies:

Selection: Blue chip hiring, staffing a firm with people who have an abundance of experience, expertise and who do not require significant oversight or training. In sales, this is best evidenced by selecting veterans with “Golden Rolodexes”.

Cultivation: Hiring for potential, based on a corporate culture that invests in people, develops talent, and considers organizational fit the key characteristic.

So few organizations get this right that now we are never surprised by how surprised executives and sales people are that mismatches in the selection and management processes always lead to poor results and utter frustration.

As an example, one of our Fortune 500 clients has a 50+ year history of promoting from within their organization. After a two to three year run of flat-to-negative growth, they changed this policy and started recruiting sales management from other companies. They had recently hired a vice president with nearly a quarter-century of superior results at a Fortune 100 company and who had a proven process. The CEO, who made this hire, remained impressed with this VP, but was growing impatient with her. Perhaps not realizing exactly what he was saying, he remarked, “I know she has good processes, but I don’t want her to use those, I want her to follow *my* methods!” She was a bit more graphic describing her experiences with this firm—a case of a cultivating CEO hiring on selection without fully understanding what this meant.

This phenomenon is even more profound in smaller companies, especially those where the business is run by someone who came up through the ranks (as this CEO did), or for privately-held businesses.

Managing becomes even more complex, and to help identify where your challenges and opportunities are, we created the accompanying Company Self-Audit. By evaluating one’s standards, managerial protocols, and methods, any company with a legitimate value proposition can set an appropriate strategic plan for driving significant and sustainable growth. If you would like to discuss your self-audit conclusions with me, I would look forward to hearing from you. I can be reached at MBerman@cpathsolutions.com, or 212-532-4800, extension 225.

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