

Managing the Sales Ecosystem

As a management consultant, my main interest is in the sound formulation and effective execution of business strategies. My consulting engagements often call the sales group into play since that is where execution succeeds or fails – at the point of customer contact. Thirty-eight years’ experience with more than forty sales teams from a dozen industries has taught me what’s required for consistently superior sales performance: *a high-performing sales ecosystem.*

“What’s an ecosystem?” you ask. Well, at its simplest, it consists of organisms and their environment. Picture the glass bubble, the fully enclosed habitat in which organisms are born, develop and thrive without ever leaving. All that’s needed is contained within. It is a complete ecosystem.

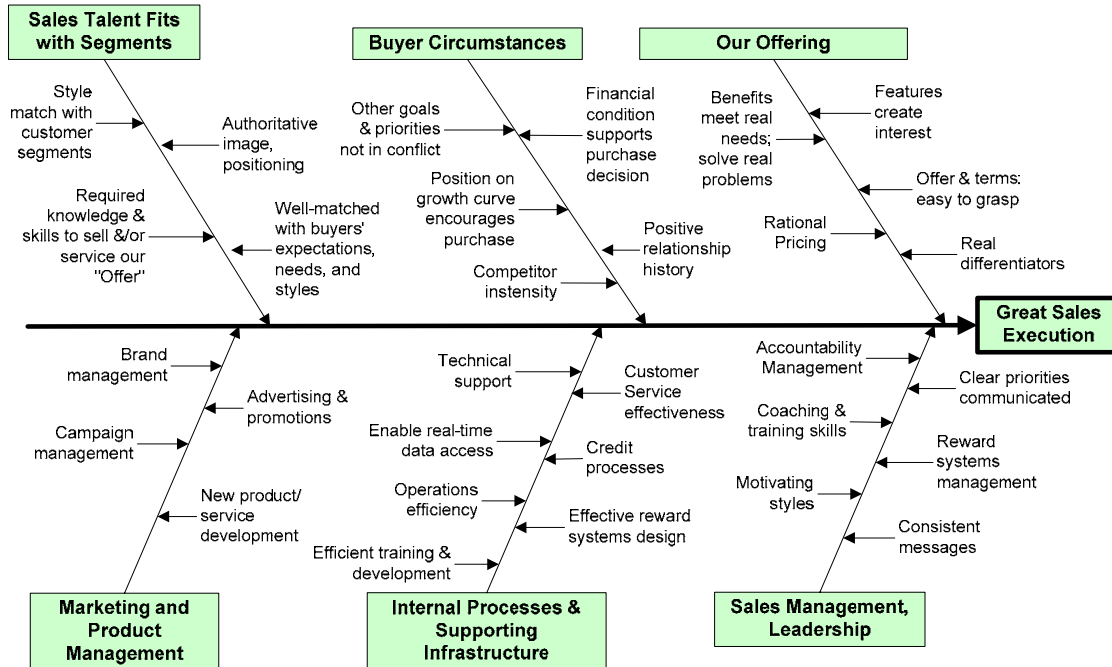
As several respected writers¹ have observed over many years, performance is a function of individual and environmental variables. For consistent execution leading to high levels of sales performance, sales people must have the necessary talent *and* they must have a high-functioning, well-developed sales ecosystem around them. Frequently, I find execution weaknesses do not tie to the talent base but to the supporting elements that are supposed to enable talent to execute effectively. In other words, it is most often the environmental variables that hinder superior sales execution. Why? Because the sales ecosystem is not being managed.

In the course of working with my clients I developed a visual aid to help them be more aware of the impacts and connections of various factors affecting performance in the typical sales world. I used a fishbone diagram (i.e., “cause-and-effect”) commonly

¹ Thomas F. Gilbert (1978, p. 76); Kurt Lewin (1938, p. 97); and Douglas McGregor (1967, p.5).

found in quality improvement programs. It depicts what can be thought of as the essential elements of a sales ecosystem (see Figure 1).

Figure 1: The Essential Elements of A Sales Ecosystem



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To illustrate what are quite consistent findings over the years, here is just one instance – from a large industrial chemicals company.

Management had concluded that the sales force was ineffective at generating new accounts. They could sell new and existing products into their current accounts but signing up new accounts was seen as a real weakness.

Management had settled on conducting sales training for the entire group. This was to be a series of workshops and all of the hundreds of salespeople would rotate through over several months. The Training and Development department was happily developing content, evaluating instructors and planning schedules. The sales people themselves had begun the expected grouching. I had done other work for this client, and one executive asked me to look over the proposed plan, instructional design, expected outcomes, etc. “Just give me an objective outsider’s view – does this look like we’re on the right track?”

I suggested we take a week to interview a dozen sales people in the field. “Give me samples along the talent continuum: four top performers, four average, and four at the lower end. Let’s work with them for a half-day each and then confirm what’s really happening.”

The results in brief, and paraphrasing what was learned from the interviewees, were these:

- Sales people could make their budgets and bonuses without signing new accounts: neither of these mechanisms was structured to pay off for, or require, new accounts – “so why go through the hassle if I don’t have to?”
- Internal processes were punitive: “I sign a new account and make promises about our service, and then it takes weeks for credit approvals and paperwork. The account is screaming about first shipments, and I look and feel ridiculous. When they fix the internal processes I’ll sign more new accounts.”
- “Have you seen our sales aids and materials? They’re all aimed at existing customers. We don’t have impressive things to use with potential accounts. And demonstrators or samples? Forget it. We’re told they’re too expensive.”

*Harvey Bergholz
President, Jeslen Corporation
1324 Laurie Lane
Burr Ridge, IL 60527
630-455-9944
www.Jeslen.com*

Training hundreds of sales people in “New Account Selling” would have wasted hundreds of thousands of dollars and weeks of valuable time. The answers were elsewhere in the sales ecosystem. That does not mean some salespeople would not have benefited from that training; but the key word there is “some.”

Great execution depends just as heavily upon the variables around the sales individual as it does upon the individual’s ability to execute at the point of customer contact. Granted, every sales force, like every group of performers in the world, is distributed along a continuum of talent (whether bell-shaped or skewed one way or the other) The superstars will accomplish more with less support, while those at the back end of the curve may be more reliant upon supporting elements. But regardless of degree, all group members are dependent on the sales ecosystem.

For sales executives, this means paying constant attention to the major and minor elements of their company’s sales ecosystem. Talented sales leaders tend to these elements as a regular part of their weekly routine. They continually look for ways to enhance them. The most reliable means to do this is to seek feedback from sales people as to what’s working and what isn’t, and to solicit specific recommendations for improvements. High performing groups do this continually, both casually (i.e., phone conversations, ride-along’s, call reports) and in highly structured formats (i.e., written surveys, formal interviews, consultant evaluations).

Granted, there are elements in any sales ecosystem that cannot be changed at times. Be frank and tell the team that. Provide no false hopes, which only create cynicism. And choose the priorities carefully: they should always be set in terms of which targets will provide the greatest upside leverage, not in terms of which are easiest, fastest, or cheapest to accomplish. A talented team appreciates the difficulty of tackling difficult projects; it disrespects the window dressing of resources put against low-value opportunities.

Three Suggestions

1. I urge you to customize the elements in the fishbone diagram to fit your organization's sales ecosystem. There is no cookie-cutter that works with all sales organizations, and personally, I'm not a believer in "packaged programs." Tailoring is vital because every organization has its own culture, history, style and priorities.
2. Use the fishbone diagram with your group – after you've engaged them in helping to flesh it out – as a discussion tool, a vehicle to drive toward a consensus on the highest-value change targets and opportunities for improvement. Make this a regular "fishing trip" for you and your team.
3. Conduct your own annual "audit" of the sales ecosystem. Do it as part of the budgeting process or the business planning process to uncover the obstacles to sales success and remove them. Make your sales ecosystem a high-performing one.

References

1. Gilbert, T. F. (1978), *Human Competence: Engineering Worthy Performance*. McGraw-Hill, New York, NY.
2. Lewin, K, (1938), *The Conceptual Representation and Measurement of Psychological Forces*. Duke University Press, Durham, NC.
3. McGregor, D. (1967), *The Professional Manager*. McGraw-Hill, New York, NY.