

# From Solution Selling to Business Consulting: Salesforce Expertise as Competitive Advantage

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In a shrinking economy, sales leaders face a dilemma: customers still able to invest in new solutions are also demanding discounts and other concessions. At the same time, selling organizations are under great pressure to deliver both sales numbers and profitability to meet their own company's expectations.

In this situation, what can sales leaders count on to win? Typically, the sales organization does not control product or market strategy, and pricing and revenue goals are set elsewhere in the organization. Nevertheless, the sales executive has direct influence on a powerful source of competitive advantage: the salesforce and how it interacts with customers. Expert sales professionals can build customer relationships that generate profitable sales—as long as they are able to add real value to the customer's business. Even in the hardest of times, companies need expertise and solutions that address business fundamentals such as productivity, efficiency, financial results, and return on investment (ROI). Salespeople who can respond to these needs can shut out the competition while increasing both the amount and profitability of their sales.

## THE BUSINESS CONSULTANT ROLE

Solution selling—the ability to understand and link solutions to a customer's business priorities—is a critical skill, but it is no longer by itself

is a differentiator. Most experienced salespeople know how to identify information about a customer's products and market position, and how to ask questions to uncover business issues important to the customer. Furthermore, the consultative sales role is still, as the term suggests, a sales role.

The real opportunity to stand out from the competition lies in becoming a true consultant to the business, asking a different set of questions focused on the customer's core business processes. Once the salesperson thoroughly understands these processes—how they link to each other and what kinds of information is exchanged among them—it is possible to identify unique opportunities to improve key metrics such as inventory turn, labor costs, or time to market.

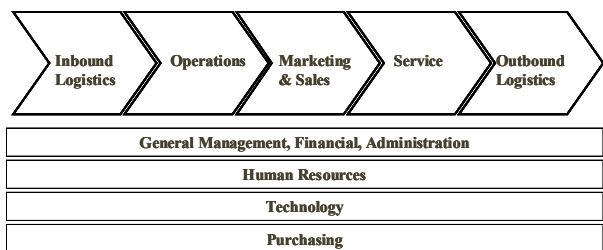
## WHERE TO LOOK FOR OPPORTUNITIES: THE CUSTOMER VALUE CHAIN

Unlike information about a company's financial performance, people, and products, business process information can only be gathered by talking to the right people in the right parts of the organization. Michael Porter's Value Chain model<sup>1</sup> is a useful tool for organizing a business process discovery effort. It provides a lens for looking at the business from the point of view of key functions. The model then serves as a guide for gaining access to owners of key functions.

<sup>1</sup>Porter, Michael. *Competitive Advantage: Creating and Sustaining Superior Performance*. Free Press, 1998.

Michael Porter depicts an organization's critical business processes (at the top of the model) as a "value chain" wherein each key production process or system adds a specific type of value to the final output of the enterprise. Support processes (at the bottom of the model) include such functions as general management, technology, human resources, and procurement or purchasing. such functions

Value Chain Model



The salesperson seeking to understand these core processes should focus on gaining sponsorship from executives who own the key processes. Once connections are made to the people who have primary responsibility for identified processes, the salesperson can ask questions to understand what the value chain looks like for this customer. Then, the salesperson can begin to analyze how efficiently and effectively these processes are functioning and how well or poorly they work together as a productive and profitable system.

## CONDUCTING A PROCESS CONVERSATION

Typically, companies divide naturally into silos or individual territories that function semi-independently, despite operational interdependence and efforts to foster cross functional communication and collaboration. A salesperson acting as a business consultant can provide great value to an executive sponsor or key contact by asking questions and identifying patterns that cross functional lines.

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A successful conversation with a business process owner should include several key components:

**1. Preparation:** As with any call on a customer, it's important to prepare by learning as much as possible about the function or department of the person you are calling on, and to consider what aspects of their process might be important. For example, if calling on the head of warehouse operations, it would be useful to learn something about managing inventory and in general, what metrics are important in that process. By definition, what is most important to one functional head is bound to be different from that which is important to other functional heads.

**2. Establishing the purpose of the discussion.** Many of the people contacted may not have a very clear idea of why they should be talking with a salesperson. The purpose of the conversation needs to be explained – namely, to understand their function and operations in order to identify possible ways to help improve overall effectiveness across functional lines.

**3. Asking Discovery Questions:** Drawing on preparatory information, the salesperson should plan a series of questions that will help guide the process of gathering the right information. Three key questions should be discussed:

- What has to go right in your operation for you to be successful?
- Which of those factors are currently the most effective? Are there any that are not going as well as you would like?
- Which of the other functional areas in the company are the most important to you, in terms of receiving inputs to your operation, and which functions are the most affected by your success or lack of it?

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**4. Following Up:** Clearly, for the conversation to be productive, it's very important to ask follow up questions when a problem appears to surface. For example, if inventory turn is unsatisfactory, follow up questions should clarify what the ideal goal would be, and what issues are affecting the ability to reach it, such as difficulty in moving products out to distribution, delays in shipping, or internal problems with the processes of picking and packing products for shipping. Any of these issues might be something the salesperson can help solve directly, or may serve as a foundation for asking more questions about another process, such as shipping.

The opportunities for improvement may lie in creating stronger linkages or linkages where none currently exist, or in making improvements in a process that increases efficiency or efficacy. By asking the right questions of the right people, the salesperson may identify issues such as high rates of product returns, poor communication between customer service and order fulfillment, or bottlenecks in production, any of which could affect the organization's ability to meet high-level strategic goals. By offering a solution to a concrete problem, the salesperson moves beyond consultative selling to a distinctive role as a true business consultant able to make a substantive contribution to the overall success of the business.

It is important for salespeople to know how to research a company and ask questions to verify critical business issues, but if a sales professional wants to take the next step toward becoming a real business consultant, it takes more. Using the Value Chain as a starting point, the sales professional/business consultant can identify the most critical functional processes in the customer's organization. By building a network of internal functional experts, the salesperson can identify potential issues and problems that may be new news to the executive process owner. This information in itself has high value and provides credibility that is impossible for

a competitor to replicate. When the salesperson/consultant is able to offer information about and solutions to these substantive business problems that are affecting the customer's business fundamentals, then consulting expertise becomes a powerful competitive advantage.

## ABOUT THE AUTHOR

### KEN VALLA

Ken Valla, Regional Vice President of Sales, 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 clients 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.com](http://www.wilsonlearning.com).

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