

Specialized Technology to Manage and Optimize a Sales Assembly Line

When a single craftsman manufactured a product, he needed only needed a relatively unsophisticated tool set to be successful. This ceases to be the case in an assembly line environment. Not only does each worker need specialized tools that enable them to perform their repetitive task easily, but it is critical that systems are in place that constantly evaluate the performance of every aspect of the process so that it can undergo a constant cycle of continual improvement. In addition, with a high volume of product being produced across a number of stages, specialized technology helps to ensure that the product moves from step to step efficiently and effectively.

The same holds true in a sales assembly line environment. In a traditional sales environment, most sales professionals rely on relatively simplistic CRM software that was developed for the Generalist. Such systems often suffer from shortcomings when they are employed in a sales assembly line environment.

- ⊗ They are very complex because they are driven by the need to support a single professional's ability to handle multiple, unrelated tasks.
- ⊗ They do not handle large volumes of sales assets (leads, prospects, opportunities, customers) efficiently.
- ⊗ They do not tightly structure the sales process, because they support the concept of providing the sales professional with a great deal of freedom on how to handle each sales asset.
- ⊗ They collect information via a free-form process, which limits the system's ability to statistically analyze the data.
- ⊗ They are territory based, which prevents equalization of assets.
- ⊗ They do not seamlessly support sales specialization, so moving sale assets from one stage to the next is not seamless or easy to accomplish.
- ⊗ They do not ensure that each stage working with one another in established parameters.

To try and counteract the above deficiencies, numerous third-party sales automation applications have been developed that sit on top of the basic CRM system. However, because the underlying foundation is so inappropriate for the specialized use case, the resulting sales stacks are expensive and difficult to implement, maintain, and use. Therefore, to optimize a sales assembly line, sellers must use specialized technology designed to support the unique characteristics of this sales approach.

In general, it is important that any system has the following attributes:

Sales Asset Flow Control: Any system must ensure that the human capital on the assembly line is efficiently employed. As such, the system must carefully calibrate the flow of sales assets to each professional to ascertain that they are dealing with the optimal number at any given time. For example, if a sales professional has too many opportunities, then he or she will not keep up and will likely cherry-pick, which will lower the overall close rate. Alternatively, if the professionals are presented with too few leads, they will be underproductive. Making this task more difficult is the fact that the system must calculate the optimal flow so that every station is working in equilibrium with one another.

Raw Material Planning: For the assembly line to function, there must be a constant, steady supply of the materials needed to produce a sale. Specifically, taking into account production volume and timing, management needs to determine how many leads are necessary to introduce into the system on a daily basis. Similarly, it is critical to understand how many references the sales professionals will need to maintain the targeted close rate.

Randomization/Equalization: Continuous process improvement is a hallmark of any sales assembly line system. To accomplish this scientifically, it is absolutely critical to distribute sales assets to each professional on the line in a randomized but equal manner. If this is not done, it makes it impossible to compare the performance of each person and of the line itself. For example, if leads are distributed to sales professionals by territory, it is difficult to compare the results of sales professionals operating in different geographic regions.

Timing: How long a sales asset stays at each node of the assembly line and how much time the individual workers have to complete their respective tasks are critical factors that the system controlling the line must take into account. Otherwise, bottlenecks can occur that dramatically decrease the efficiency of the sales process. For instance, if it takes on average two minutes to process a cold call, the line must automatically make sure that the SDR does not receive more than thirty leads per hour.

Role-Specific Functionality: Since specialization is so important, any system must support this concept and ensure that each worker on the line has specialized software that allows them to accomplish their task in an efficient and effective manner while collecting a wide range of performance data.

When CrossBorder Solutions was building out its assembly line, it attempted to use one of the leading commercial CRM packages. However, the system simply could not support the company's goals. As a result, the company actually built its own sales assembly software that controlled every step of the sales and customer service process. This sophisticated piece of software was the underlying driver of the company's success. Many of the firms that I have worked with since then have also been forced to take this approach to counteract the underlying deficiencies found in most CRM systems today. At CrossBorder Solutions, our system included the following features that allowed the company to optimize its sales assembly line operation.

Cognitive Circulation

The system seamlessly supported the concept of labor specialization and allowed multiple professionals to work in conjunction with one another to mass produce sales. To accomplish this, the system addressed three concepts.

01 Sales Assets

The sales asset (lead, prospect, opportunity, customer) should automatically move from one stage to the next based on the input of the professional at each stop along the journey. Often, this is not a one-way, forward-looking path. For example, if a sales development representative sets up an appointment for the sales professional but the appointment does not occur, the lead needs to be sent back to the sales development representative to reschedule the meeting.

02 System

The system must calculate the flow of sales assets between each stage and ensure that the quantity and timing parameters are properly optimized to eliminate bottlenecks.

03 Software

As the sales asset transitions from function to function, the software needs to distribute the lead to the right professional automatically and intelligently. This becomes more difficult when territories are no longer the deciding factor controlling distribution. Moreover, any distribution mechanism must maintain statistical equality, otherwise any measure of objective evaluation is circumspect. The software should provide each person involved in the sales process with specialized views and tools to help them accomplish specific tasks. In many cases, professionals will play multiple roles, so the software must handle this as well.

Cognitive Calling

In a traditional environment, when cold-calling, a salesperson is estimated to spend 40% of his or her time trying to figure out who to call next. This pick-and-peck method of selection is extremely inefficient from a number of perspectives. It wastes valuable time that should be used calling other leads. Also, in high-volume environments, it is extremely easy to experience system leakage where valuable opportunities slip through the cracks. Finally, providing sales development professionals with the ability to self-select the calls to make almost guarantees that their own internal biases will dictate their calling patterns rather than what might be optimal. For example, companies that are not well known often get ignored, while brand-name companies get called too much.

In an optimized web-meeting sales assembly line, where each professional along the sales assembly line is dealing with a deep, fast-moving river of leads that is constantly flowing through, the user of a typical CRM system will quickly become overwhelmed and underproductive. To rectify this situation, our system took the potential volume of leads into account when designing its interface for users.

Instead of having sales development representatives select who to call, the sales system used sophisticated algorithms to decide who should be called, when they should be called, how often they should be called, and, based on the purpose of the call, how the call should be handled.

Cognitive Calendar

In a traditional sales environment, with the relatively low volume of sales, it is not difficult to schedule appointments. This is especially the case when the salespeople schedule their own meetings, or when a typical sales development representative is scheduling an appointment for one salesperson in a defined territory. There are plenty of calendar systems that can handle this task with ease, and most CRM systems include this basic functionality.

However, in a high-velocity sales assembly line environment, potentially hundreds or even thousands of appointments are booked on a monthly basis. Scheduling becomes even harder when there are multiple different demo types, multiple resources, such as sales engineers, participating in the appointments, and the meetings are being scheduled in a manner to ensure statistical equality. Finally, the user of the calendar must find an open appointment slot quickly, before the prospect can reconsider and decide not to schedule an appointment.

A streamlined calendar solution is critical.

CrossBorder Solutions' sales assembly line software system had an integrated calendar feature that helped the user quickly and efficiently find an "open slot" for a meeting with a prospect while taking into account all the parameters that needed to be considered. It also automatically used the optimal distribution algorithm so that the "right" salesperson (i.e., the professional who needs the most demonstrations for the time period) was automatically scheduled for the appointment.

Cognitive Call Processing

With traditional CRM software, the user dealing with a lead, an opportunity, or a customer has a great deal of flexibility regarding how to handle the prospect interaction and then regarding what information to enter into the system documenting what has occurred. Typically, at a bare minimum, the sales professional will enter notes on each conversation, and if there is a next step, such as a future phone call or appointment, establish a “pending action.” This information is stored so that the individual sales professional can understand where the situation stands and what needs to be done next.

This “flexible” data entry approach, however, makes it very difficult, if not impossible, for anyone but the sales professional to track what has occurred with a prospective opportunity or client. This means that the sales-related data cannot be aggregated and analyzed, which prevents any statistical analysis of the information. This, in turn, makes it impossible to discover what is working, what is not, and what should be done to optimize the sales process. Moreover, there is no way to ensure that the sales professional is undertaking the optimal action based on the facts and circumstances surrounding the customer interaction. This basic structure only makes sense with the Generalist sales model, which assumes that the salesperson is fully responsible for everything that occurs with the prospect.

This unstructured data approach also makes it difficult for the salesperson to work with opportunities in the most efficient manner possible. Often, in the course of a busy day, data is mistakenly omitted or is incomplete. In an environment where there are relatively few leads, it is easy for the sales professional to catch up. But in a high-velocity sales environment, where hundreds of leads are quickly moving in and out of a salesperson’s queue on a monthly basis, it is likely that data will not be entered properly, and this will introduce inefficiencies into the line’s operation and lead to missed opportunities.

Cognitive Call Processing, cont'd

To make sure that the assembly line worked smoothly and efficiently at CrossBorder Solutions, the sales system incorporated a complex, self-reporting mechanism. Each station along the assembly line had a performance-monitoring feature, and a wide range of sales data at every step of the process was automatically collected. The system trapped two types of data. First, it collected system-level data that showed how well the assembly line was actually functioning in real time. For example, the system captured and aggregated how many appointments had been made, and the close rate by sales professional, product, and time period. Second, the system enabled the professional to “process” every interaction (positive or negative) with every sales asset. This allowed the system to capture the “right” information on each and every task undertaken by each professional along the line on a real-time basis. Moreover, the system forced the line professional to enter data in a standardized format so that it could be aggregated and analyzed.

While capturing the data was important, it was critical that the information was reported clearly so that the various stakeholders could objectively understand where things stood and how they could be improved. Our system processed the data and produced a wide range of management reports on each task along the sales assembly line. These reports were provided to all the stakeholders on a daily, weekly, and monthly basis. Moreover, when the company was in the process of selling itself, these documents formed a basis of the overview of our operations that we presented.

Our team's ability to provide this information in real time gave the potential buyers confidence in our numbers, which definitely increased our valuation.

Cognitive Campaigns

A disconnect between sales and marketing often exists in the traditional sales environment. Our system, however, integrated marketing into the sales automation process, to assist the sales assembly line seller in optimizing inbound and outbound lead generation.

Our system allowed the marketing team to:

1. Manage the lead database

2. Establish calling campaigns to test the quality of lead lists

3. Coordinate fair and equitable lead distribution to appointment generators

4. Ensure that appointment generators received and processed inbound leads in real time

5. Establish calling campaigns to A/B test the messaging and other promotions

6. Establish calling campaigns to follow up on outbound marketing activities

Cognitive Casting

In a traditional sales environment, a salesperson will typically meet with his or her manager on a weekly or monthly basis to review the status of each prospect in the pipeline. In this meeting the sales professional will describe what has been done to move the prospect through the sales funnel and will provide the manager with an estimated closing price and even try to predict the probability of closing within a certain time frame. The manager takes this type of information from each salesperson, rolls it up, and then makes a team-wide sales forecast. Since everyone involved in this process is working off incomplete information and a healthy dose of guesswork, it is no wonder that sales forecasts are regularly missed by significant amounts. The absence of accurate forecasting negatively impacts the company in myriad ways.

Cognitive Casting, cont'd

While these meetings were important in our own sales assembly line environment, they were not relied upon to provide forecasts. Instead, the sales system was responsible for establishing an accurate forecast. The software was able to calculate historical close rates for each lead in each sales bucket and then mathematically predict a monthly, quarterly, and yearly number. Over the years that we employed this approach, it was exceedingly rare for the computed forecast not to match reality. This gave us a high degree of confidence when making financial decisions and reduced the financial surprises that young companies often encounter.

The foundation of our success was our internal software system and its ability to incorporate the sales assembly line methodology. The company never would have been able to achieve what it did without this solution.