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Sustainable Profitability is a Team Sport

...and Includes your Sales Organization



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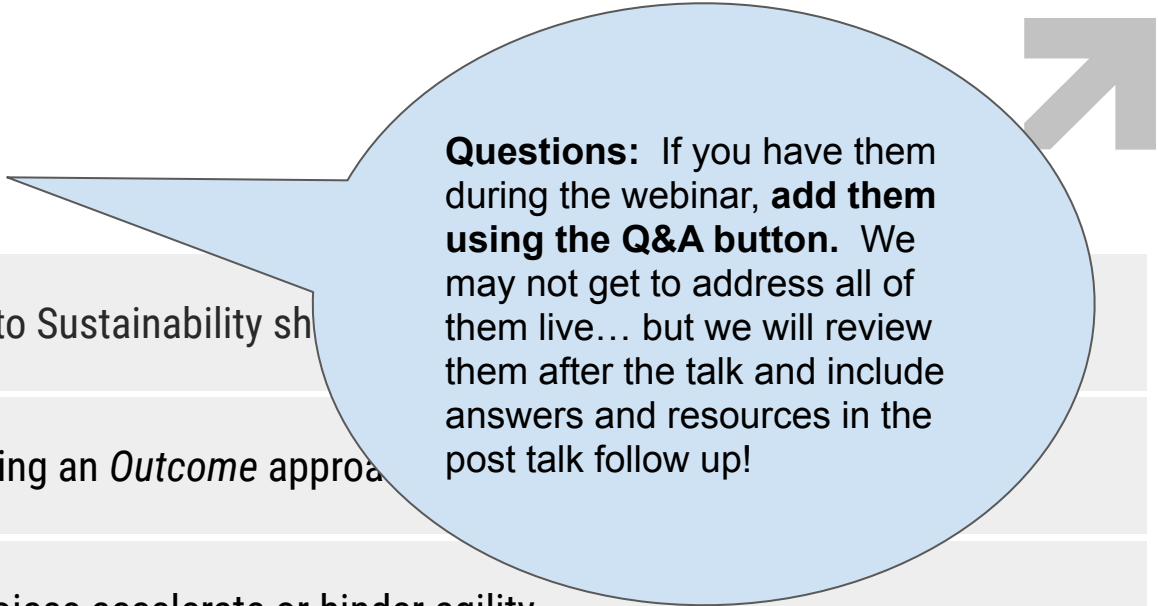
Key Ideas

01. Evolution from Business Agility to Sustainability sh

02. Customer centricity is about taking an *Outcome* approa

03. Structure and Compensation choices accelerate or hinder agility

04. Sustainable Profit is a team sport



Questions: If you have them during the webinar, **add them using the Q&A button.** We may not get to address all of them live... but we will review them after the talk and include answers and resources in the post talk follow up!

Problem statement



Organizations have a need to smartly use sales as part of their profitability strategy to stay ahead of competition

Agile Sales teams



Sell bigger and faster while creating happier customers

Uniquely positioned to support sustainable profit streams

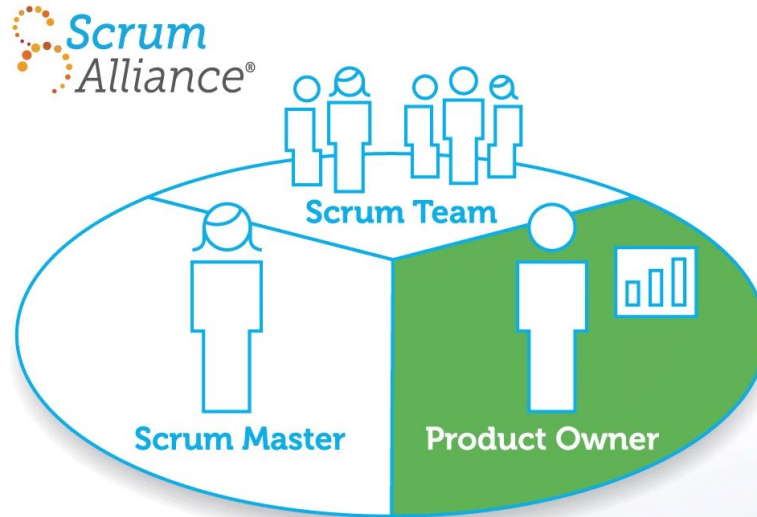


Profit Streams are a team game

Definitions - what is Agile?

Learning for both the organization AND the sales function itself (two topics)

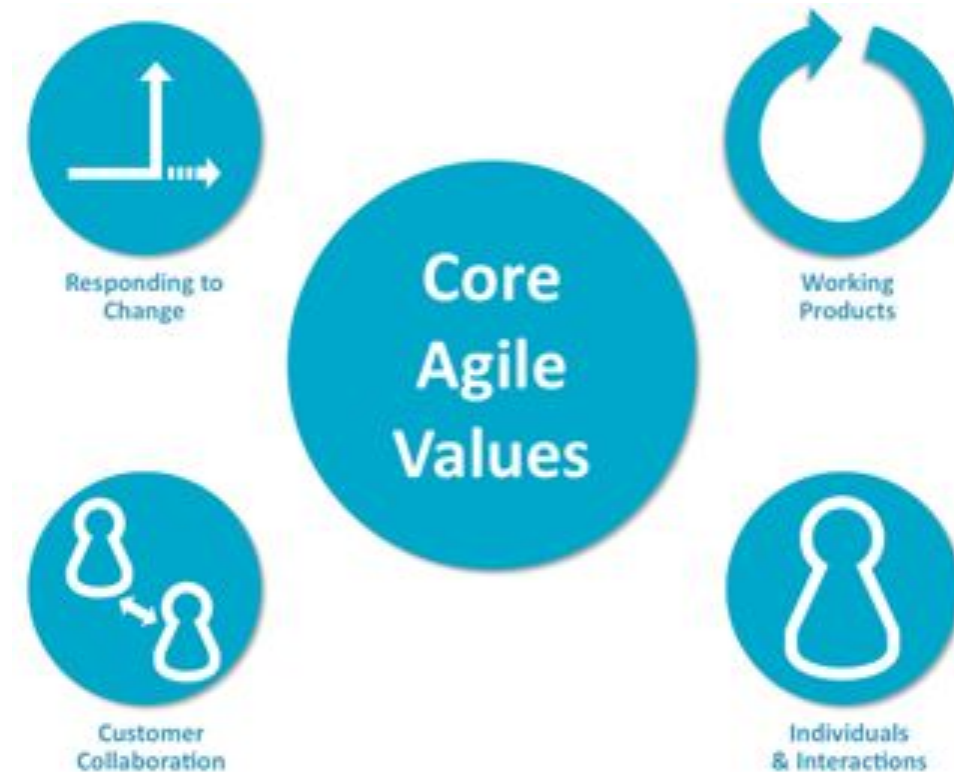
"Agile" Software Development



Product Owner

Project's key stakeholder – the Project owner determines the highest priority projects to ensure the highest value

The Spirit of Agile Practices (Agility)



What is Agile Sales



Customer Centricity

“Customer collaboration over contract negotiation”

Customer Centricity - desired outcomes



Customer Centricity - best practices



Evolve from talking about Customer Needs and start talking with customers about Outcomes... their Outcomes, not yours!



Listening to understand is improved with a team approach and a framework.



Research about your customer is not just an external activity - your engineering and customer support teams know more than you think - ask them!

Learning culture

Learning for both the organization AND the sales function itself (two topics)

Sales as part of the Learning culture - problem



Michael Fleetwood

Mar 28, 2016 · 8 min read · [Listen](#)



Usability Donuts: How and Why Software Engineers Should Speak With Customers



Learning culture - desired outcomes



RESEARCH AND
DEVELOPMENT

SALES

MARKETING

PRODUCT
MANAGEMENT

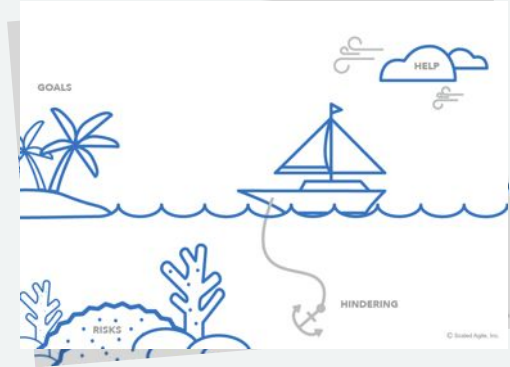
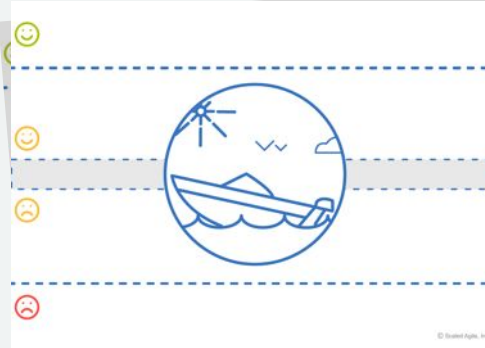
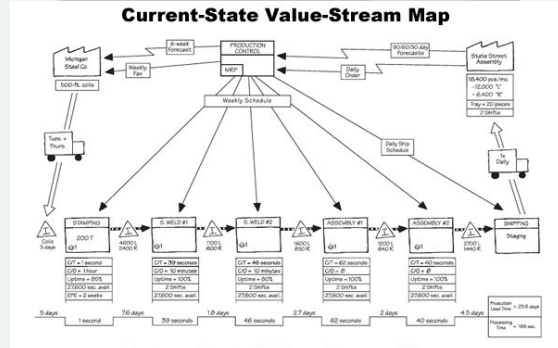
BUSINESS
LEADERS

LEGAL

Learning culture - best practices



Learning culture: extend existing practices



Structure

Organize your sales team as a cross functional team

Structure - problem

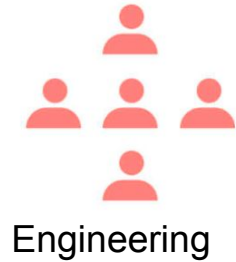


Structure - desired outcomes



Functional

Common functional expertise



Cross - Functional

Representatives from the various functions



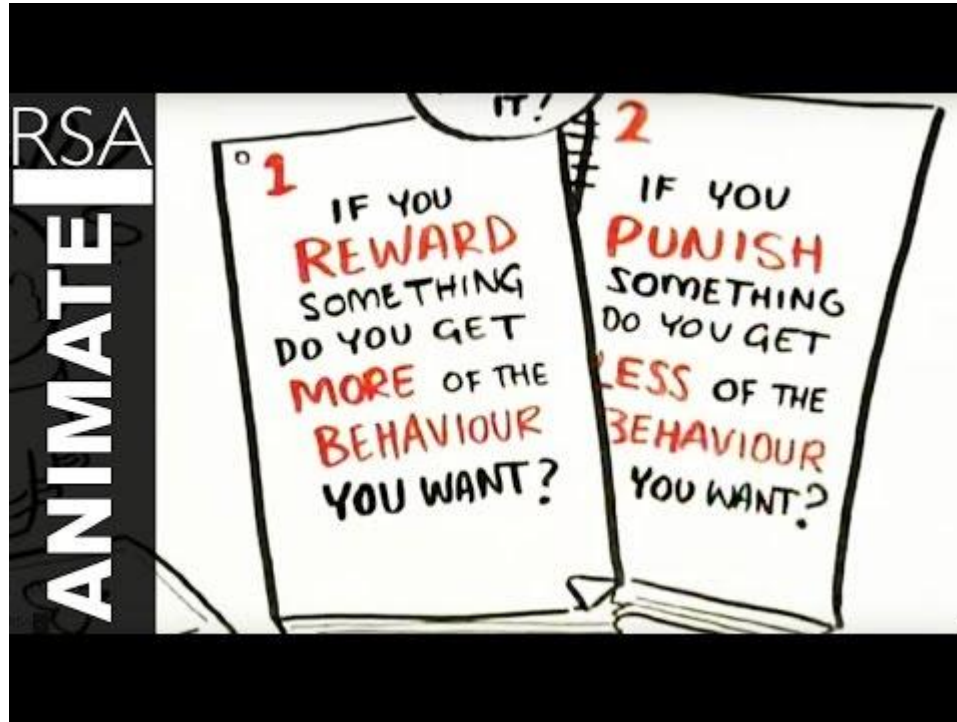
Structure - best practices



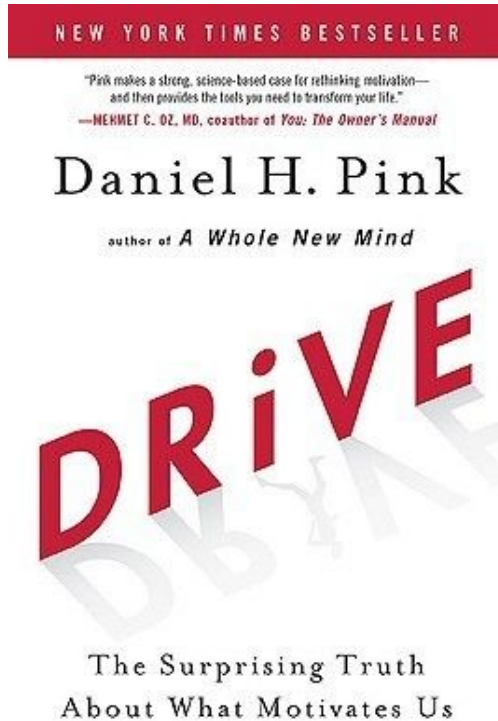
Compensation

Lorem Ipsum

Compensation - problem



Compensation - problem



Financial rewards:

- Help mechanical tasks
- Create worse performance for knowledge work

Knowledge workers are motivated by:

- Autonomy
- Mastery
- Sense of Purpose

Compensation - best practices



ONE TEAM ONE GOAL

Compensation - observational data



Motivating Salespeople: What Really Works

by Thomas Steenburgh and Michael Ahearne

Program-induced social pressure.

Natural social pressure.

Multiple winners.

A study of Mike's reveals that contests with multiple winners boost sales effort and performance better than contests with winner-take-all prize structures. And Noah Lim, one of his coauthors on the study, has done

**Harvard
Business
Review**

lespeople: What Really Works
h and Michael Ahearne
uly–August 2012)

Profit Stream

Sustainable Profitability is a Collaborative Effort

Profit Streams are a Team Game



THE PROFIT STREAM CANVAS

Solution

Version

How do I
design a
sustainable
business?

Customer What does my customer value? + Hard / Tangible + Soft / Intangible What might my customer pay for this?	Value Exchange How do I 'trade value for money'? Annual license? transaction?	Solution What are the ways I can provide value to my customers? What are the features / (other) I can provide / create?
Customer ROI Is this sustainable for my customer? + TCO vs. Benefits Is it better than competing or alternative offers?	Pricing How much money will this cost? What is the Price? + Strategy + Structure + Specifies + Policies	Solution ROI Is this sustainable? + Costs + Revenue Improvements over time?
Customer Licenses What are the Terms and conditions of the use of the solution? + Rights / Restrictions Are they fixed? Negotiated?	Profit Engine How do I design/engineer a sustainable business?	Solution Licenses What are my in-licenses? How do I manage them? How do they impact my model?
	Compliance How do I maintain / honor my relationship with external stakeholders? (societal stakeholders) + GDPR, FERPA, HIPAA, COPEA	

Profit Streams are a Team Game



THE PROFIT STREAM CANVAS

Solution

Version

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Customer ROI <i>Is this sustainable for my customer?</i> + TCO vs. Benefits <i>Is it better than competing or alternative offers?</i>	Pricing <i>How much money will this cost?</i> What is the Price? + Strategy + Structure + Specifies + Policies	Solution ROI <i>Is this sustainable?</i> + Costs + Revenue <i>Improvements over time?</i>
Customer Licenses <i>What are the Terms and conditions of the use of the solution?</i> + Rights / Restrictions <i>Are they fixed? Negotiated?</i>	Profit Engine <i>How do I design/engineer a sustainable business?</i>	Solution Licenses <i>What are my in-licenses?</i> How do I manage them? How do they impact my model?
	Compliance <i>How do I maintain / honor my relationship with external stakeholders? (societal stakeholders)</i> + GDPR, FERPA, HIPAA, COPEA	

CUSTOMER

What are their **goals and aspirations**?
 What **problems** are they trying to solve?
 How do they **perceive value**?
 What are their **economic choices**?
 What **licenses** do they require?



Profit Streams are a Team Game



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Profit

How are all the elements of **sustainable profitability** working in harmony?