

Qualification and SCOTSMAN

The Sales Pipeline Simulator

Modern CRM systems for B2B sales all include modules on the Qualification of sales. It is our belief that these modules have serious shortfalls which lead to false forecasting and inexact sales processes. The cost to an organisation is high.

At Advance, we have addressed these issues and have packaged the results into a module that plugs into all the major CRM systems – Salesforce, Microsoft Sales and others.

This game is designed as part of the training for Qualification the Advance way.

The Shortfall with Current Offerings

All major CRM systems include a section on qualification and all ask similar questions.

- Is there a big enough budget?
- Do we know the competition and their standing?
- Do we know and can we access the decision process?
- Can we meet the timescales?
- Do they have a need? In other words, will they actually make a decision?
- Can we do the job?
- Do we have any uniqueness?

These are good and important questions. It is, however, at this point that most CRM systems go wrong. These systems turn the answers to the questions into a metric to ‘score’ the sale so that a Go/Nogo decision can be made.

There are many weaknesses to this approach. A simple example can occur at a very early stage of a sale. The salesperson simply does not yet know the answer to many of the questions and so the sale scores badly and therefore is dropped or given a low level of resources when in fact it should be kept and given more resources.

Their scoring metric is not subtle enough nor well enough nuanced. It is at this point that the Advance solution takes over.

What is Missing?

The first major concept in our solution covers how the Qualification questions are interpreted. For each question there are three possible outcomes:

- *We know the answer and we are happy with it.* For example, we know their budget and our solution will fall within it. In this case there is no more work to do in that area.

- *We don't yet know the answer.* For example, we have not yet established how the decision will be made. In this case, we had better go and find out somehow. There is work to do. We need to add this topic into the agenda of some of our meetings.
- *We know the answer and it is not good.* For example, let's say we cannot deliver to their timescales. In this case we have identified a Potential Showstopper. If we cannot fix this problem we will, definitely, lose the sale. Do we give up? No, we first try to change the rules. We try to get commitments from the prospect which will allow us to bid. If we succeed we can move forward. If we cannot succeed then we might as well quit.

In other words, for Advance, the qualification process directly drives the sales campaign. It identifies meeting agenda and customer commitments needed. Our software supports this way of thinking.

So, now Qualification is not just some annoying administration that a salesperson has to do. It is the driving force for the sales process.

In addition, we can see that the Go/NoGo decision is now straightforward. The decision is made by the prospect and not by the salesperson. The prospect makes the decision for us by refusing to clear away a Potential Showstopper. It is no longer 'Potential' It is now a real Showstopper.

The key point here is that Qualification drives the sales process and the Advance solution tracks these agenda items and the commitments that are needed.

Commitments

Commitments are at the heart of our solution. The basic qualification questions are good and necessary but in fact they miss a major issue.

- Is there a budget?
- Is there a need?
- Do we know the decision process?
- ... etc

If the answer to all these questions are positive then all we have actually shown is that there is a real project. The prospect is serious about making a decision. And that is good.

The question that is not answered is "Are they serious about us?". Are we getting a fair chance at winning the business? No simple qualification question can answer the question.

The only way we can get a true picture is by looking at the commitments we are getting from the prospect as the sale progresses.

- Are we gaining access to key people?
- Have they developed a timetable with us for the evaluation process?
- Have they allowed us to influence their specification?
- Have they adjusted their plans to fit in with our delivery schedule?

It is positive answers to commitments such as these ones that convince us we have a real chance of winning. If we cannot get such commitments then we should question why we are bidding.

The Advance solution helps salespeople to identify these commitments and then tracks their progress through the sale.

The Advance Solution

We supply a CRM plug in that addresses the issues identified above. The qualification questions are packaged into a convenient Acronym – SCOTSMAN

- Solution
- Competition
- Originality
- Timescales
- Size
- Money
- Authority
- Need

In each area we examine detailed questions:

- *We know the answer and we are happy with it.* No work needed
- *We don't yet know the answer.* Agenda items needed
- *We know the answer and it is not good.* Commitments needed

To this identified work we add additional key and predetermined commitments which largely define the sales cycle.

We then keep track of these items during the sales process.

Advantages

Our solution is designed to give greater clarity to both salespeople and sales managers. The result should be:

- A higher success rate on sales.
- Fewer lost sales.
- Faster sales cycles
- Better forecasting
- Improved salesforce morale
- A common language for discussing and planning the sales campaign

Conclusion

This training game simulates 12 periods of selling. Each period you spend your time prospecting, working on opportunities you find or developing those that you have won. You measure the qualification of each opportunity using the 3 way analysis and the Scotsman criteria mentioned above. At the end of the game, you should have a good understanding of the process and see how straightforward and intuitive it is.