Sales ERP -Simplify processes and adapt

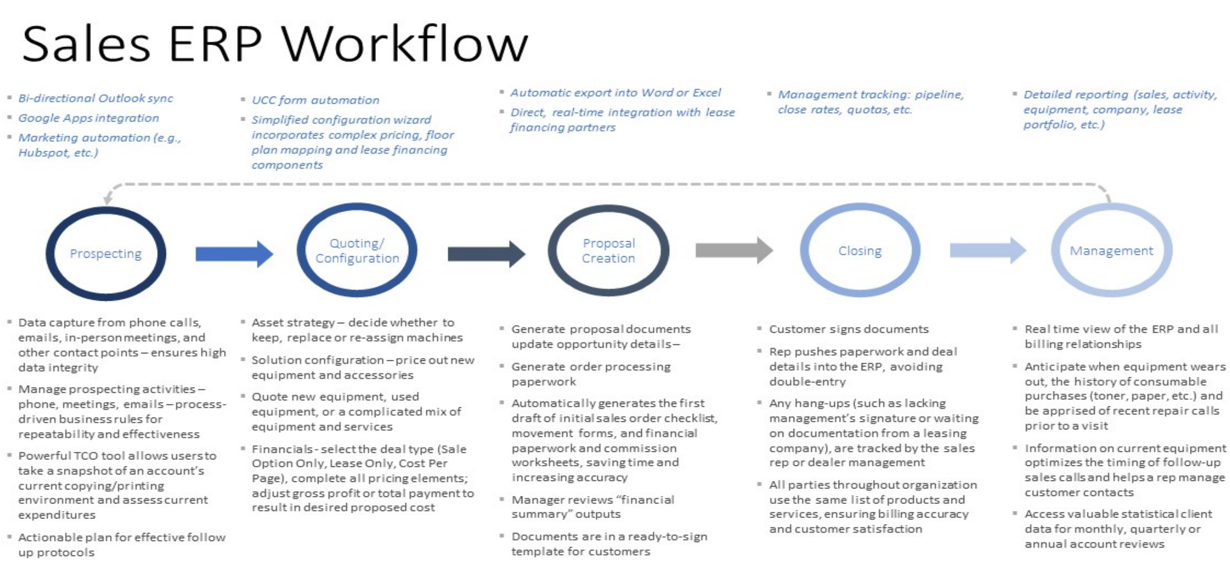
At its most basic level, Sales ERP software integrates various functions into one complete system to streamline sales processes and provide critical information across the entire organization. Gives a global, real-time view of data that can enable companies to address concerns proactively, drive improvements, improve sales opportunities, and reduce sales processing time from prospect to close.

Although it sounds fantastic to have the ability to have one process and all data in one location, it can be difficult to achieve. A Sales ERP system may require up to 50 integrations points with other partners and applications. I've met with President's over the past 17 years and found one thing in common; Sales processes are run through spreadsheets and documents with difficult sales processes to follow that are time-consuming and inefficient. With the processes I've seen, it takes hours and hours to complete a sales opportunity.

I've been in the Office Equipment Industry for over 25 years from a down the street sales rep to upper management to software developer and founder of Compass sales Solutions. I've been able to see what life is like without a Sales ERP system. The dealership I worked for launched MPS in the 1990's. Seriously, the 1990's we were selling service and supply contracts on printers to bundling new equipment sales into one easy payment or cost per page contract with leasing companies. I spent hours processing the cost of ownership analysis for prospects. My goal when approaching a prospect was to "Capture All Clicks." I found it to be very achievable and profitable but time consuming going through the manual processes required at the time.

I've struggled over the years trying to understand why a dealership would spend all efforts to make sure their business ERP system is utilized, but sales can follow a non-sales ERP system. With business ERP, financials are reconciled to the penny, Accounting and service dispatch follow the process and adapt to the system. However, sales teams are not tasked to a process. Does accounting ever send an invoice in an excel spreadsheet that was not generated from the business ERP? Does the service department generate a service ticket in Outlook without entering in their service dispatch software? It seems to be that sales departments can follow a different rule and what effect does that have on your business? I've seen proposals generated by sales reps that are unprofessional and a misrepresentation of the company and in some cases, could cause legal ramifications. It's time that sales processes are simplified, and dealers need to adapt to a process.

Let's start with a basic Sales ERP Process Workflow



What is critical to your success in increasing sales and productivity? Your first step is a CRM that is easy to use and generates opportunities and tracks day to day activities. A CRM is often confused as being a Sales ERP but in truth is just one component. CRM should integrate with Outlook which seems to be the most common email and calendaring tool utilized. Many communications with prospects and customers are done through email and should be captured in your CRM. Your CRM should integrate with marketing tools and have the ability to generate leads.

Your CRM should provide you the information you need to find an opportunity so when the opportunity is found it's easy to follow the rest of the sales process through the close of the sale.

When an opportunity is found, the next process is to determine whether a cost of ownership analysis is required. Over the years, I have categorized sales reps into two categories. The first category is "Box Seller." This sales rep can move equipment quickly. They are great at relationships and customers are loyal. They move boxes but at times at lower margins. When in a competitive environment they may struggle because more time and effort is required to provide an Executive Summary type proposal to the prospect. The second category is "Solution seller." This sales rep takes a consultative approach to selling and usually has higher margins and focuses on maximizing the full potential of the sale opportunity. A Solutions seller sales process can be time-consuming and limit the potential of opportunities they can handle. This category requires a process in place that automates the analysis process. However, because of the profit potential, many reps will do what it takes to complete without a process even if it takes hours and hours at work or at home to complete. A Solution seller is adaptable and if trained properly can determine whether a sale requires box selling or solution selling.

To provide a total cost of ownership tool in your Sales ERP is critical. A good TCO tool will provide a high return on investment and give you the ability to capture data from multiple data collection agents. Importing from all data collection agents along with connecting to a data source of equipment specifications gives a Solution provider hours and hours head start to complete cost analysis. Gathering a baseline of the prospects equipment operation costs is vital to provide the best solution that allows the customer the potential to reduce costs along with maximizing the profitability potential. Reporting the costs to prospect in a professional format will provide the cost validation of current spending allowing a sales rep to move forward with a proposed solution. If a "Box Seller" the TCO is skipped and equipment pricing and configuration is next.

Your TCO tool should allow the ability to track all costs of operations including customer lease payments and lease expirations. Dealer principles often ask me what recommendations I can give them to drive more sales. This tip should be required and monitored by sales management weekly and monthly because of its importance. A TCO module allows for an opportunity to track competitive lease information. Most or all reps collect lease data from non-customers and keep this data on a spreadsheet, notepad, or in outlook. However, seldom is this critical data collected within their Sales ERP system. If dealer management required, each sales rep to enter the competitive lease information collected could you image in a years' time frame the number of opportunities this would generate? Competitive lease reports should easily be obtained, and activity follow-ups should be generated monthly to the CRM. If ONLY one sale were generated by tracking competitive leases in your Sales ERP with an average sale of $15,000 would equal $180,000 per year or just under a million in new sales over 5 years. The ROI is huge just with this simple requirement of Sales Reps. The dealer, not the sales team now maintain this information in a database that provides unlimited leads for the future.

Without a simple process to calculate the total cost of ownership this is what it may be costing you in time and productivity. Based on a baseline of 10 Sales Reps, the processing time is improved by almost 70%.

	Rep Salary	Weekly	Hourly	Minute	Process Time TCO Mins	Total	# TCO's per Month	Total process cost per user	Total All Users
Current Situation	$30,000	$576.92	$14.42	$ 0.24	120	$28.85	5	$144.23	
Sales ERP TCO				$ 0.32	30	$9.60	5	$48.00	
# of Users	10							$96.23	$962.31

After prospect validates current costs, the solution strategy is determined, and now equipment configuration is ready to be completed to determine dealer cost for the proposed solution.   The tool should provide flexibility to maintain many price options and security of what sales reps are authorized to access. To prevent errors direction for sales reps to choose the correct configuration is recommended along with required items automatically included when the main model is selected. Configurator should maintain the ability to assign service rates and required fees for install. Security of pricing and accuracy is maintained in the configurator. Management should approve any variation from published pricing.

Once the cost is determined, the financial data is ready to be presented. The sales rep can compare existing prospect costs to proposed cost and present in an Executive summary. Several options should be provided to sales reps for various proposal options from multiple lease options, purchase options or cost per page(bundling). The dealer should provide sales templates for all opportunities.   If the sale opportunity is validated, a forecast should be created and pushed to the forecast portion of your CRM.

It’s time to close the sale, complete the paperwork and move to the next opportunity. This is where it can become crippling to a sales rep. I have seen many sales packets that need to be completed to close a sale and wonder how a sales rep has any time at the end of the month to close a sale. How much time is lost and how many sales are missed because reps are buried in paperwork instead of closing. Are you crippling your Sales Team with paperwork? Providing a simple solution for reducing the amount of time to process paperwork is welcome to any sales rep.

In this article, I’ve listed the basics and bare minimums that need to be part of your sales process. Enable your sales teams, adapt to a sales process, manage your opportunities, and improve your productivity. By simplifying your sales process, your sales team will focus more on selling then learning how to create and process the sell.