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## CHAPTER ONE: **Incrementalism or Transformation**

Sitting around a square, wooden corporate table surrounded by a group of well-dressed business people, after a round of small talk and sips of freshly-brewed coffee, I start the morning meeting with a big question: “Given your current business performance, do you think you need incremental change or real transformation?”

When I confront my clients in this way (with a smile, of course), their response is often a frustrated chew-on-their-lip, “I’m not really 100% sure.” They continue with a pseudo-confident: “Well, I really need to get a few more people in place first. And I really need to change my training system.”

It’s early in the morning, so I don’t interrupt when the CEO and the rest of the top-level executives hem and haw about their initiatives and plans and all of their good intentions. Then I respond to them, “Do you think you really have time to sit back and make incremental improvements? What are your competitors doing? It seems to me that you know in your gut that a larger transformation is needed.”

So now I turn to you, the reader, and I ask you the same big question. Although you can’t see me as I write this, picture that meeting around the 10 a.m. conference table, and think about this not so obvious question: “How many more books are you going to read?”

Take a minute and be completely real with yourself. How many books do you want to read before you change an organization that you know is in trouble?

I can see it now. Like many other leaders in your position, you are

staring at these words on your page with that deer in the headlights look. What are you afraid of? Are you afraid that you might do the wrong thing and make things worse?

Here is one thing I do know after watching nearly 100 of organizations transform: You don't have time to be 100 percent sure—perfection is the enemy of progress. Once you take a real look at your organization's capabilities, you have to move.

If you are reading this book, you and I are having that same conversation. It's not quite the same as if I could sit around the conference table with you and look into your eyes as I speak with you, but we're having that same conversation.

Have you been saying to yourself in the shower, to colleagues, or to trusted advisors in whom you confide that your company needs a change? Have you only said it in your own head, but you've been thinking it for a long time? Transformation is not easy, and you are not alone in hesitating; most leaders we work with are scared, really scared, to make a change. But there is just one more big question for you. If not now, when?

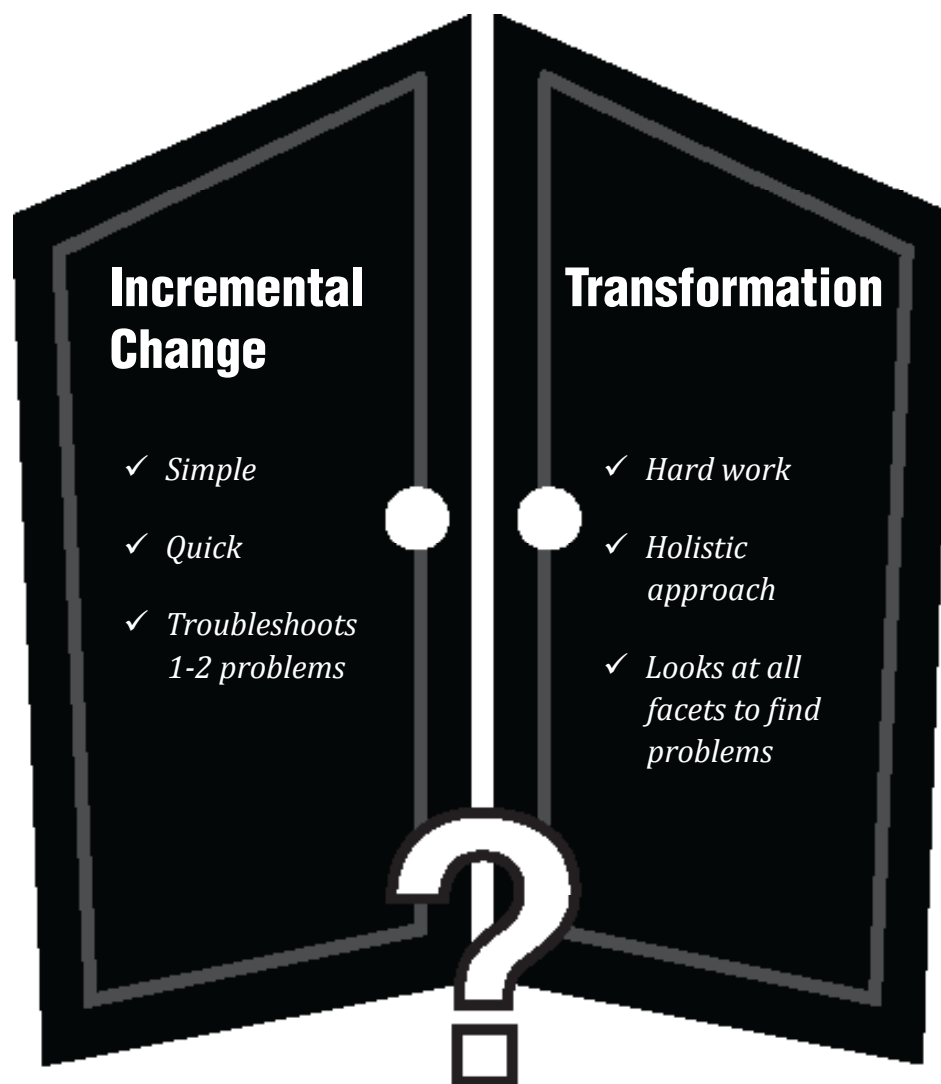


***Where do you go now? How do you start down the road of effective transformation?***

There are two doors in front of you. One of those doors leads to incremental change. The other door leads towards transformative change. One of them leads towards the slippery slope of commoditization, and the other leads towards growth.

If you choose to walk through the door of incremental change, you

will try to change one or two things, and you may get a small bump in your performance in the short-term. As we look at our clients, what typically attracts them to this path is that they don't have to do the hard work or take a holistic approach to change. Behind this door, you won't focus on all the facets of your problems – you will simply look at one or two of them, hoping that they will be the magic puzzle pieces that can heal all.



Imagine that you are in charge of a losing football team, and you have four major problems:

- 1. You have a quarterback who isn't completing passes.*
- 2. The offensive line is not protecting the quarterback.*
- 3. The defensive line isn't pressuring the opposing team's quarterback.*
- 4. You have receivers who haven't caught a pass in a year.*

Would you say, "Let me get a new receiver – that will solve our problems?" No! You may start with adding a pro-bowl receiver, but that one change alone may not cut it. You've got to get a quarterback with strong mechanics to hit your receivers under pressure. And even those two talent upgrades may not be enough if you have a weak offensive line because it doesn't matter how talented your quarterback and receivers are if there isn't enough time to complete a pass. In other words, you need a team of players who are all great, not just one or two great players.

If you have a situation where your sales are flat or declining for several years, and you know that you haven't changed your sales organization in years, you don't need one new receiver. You need to work on the whole team.

The door of incremental change is not the right option for you or your organization. You need to look holistically at your company and address every facet of it that needs to be changed.

The second door leads towards transformational change. The company is below average, and our goal is to shift profits up to well above average. We can do that by training the team, changing the team and making investments in equipment and technology.

Looking at golf is another great example of the two door structure. Door number one for a golfer is: I'm 200th on the Tour and I think if I get a new club, I can climb into the top ten. Really? You need to get a good coach, you need to look at your swing, you need to check

your clubs, you need a major overhaul, and then maybe you'll have a chance at the top ten. Door number two for a golfer would sound more like, 'I know I'm 200th today, and I want to get to the top ten. I need to redesign my swing, practice putting, assess my sport psychology, and invest in some more training and maybe even some equipment.' Door number two takes a more holistic approach to transforming skills and behaviors.

So, back to the table where the CEO is now saying to me, "How on earth am I going to overhaul everything? How is it possible to go through door number two?"

That takes believing in a different future. We have many shiny examples of people and organizations who have done it. What it really takes is the conviction and commitment that you can do it. It seems daunting, but we have seen people get over that hump you are experiencing right now. People and leaders just like you have made the tremendous transformation necessary, and they have changed out some or all of the players on their teams. And now, they are a winning team.

Just to be clear, we aren't saying you need to fire everybody nor are we saying that changing people fixes everything. A holistic approach to change is truly that. We are going to talk about all of the areas of your sales team organization. While we typically start with sales to begin to drive top line results, we quickly migrate into marketing and other key elements of the organization.



Courage is required to make a change. In order to build up that courage, you can stand on the shoulders of others who have done similar changes with great success. If you want to be a great receiver in football, you need raw talent, but you also have to study film. Watch what the great players do, how they do it, and you can replicate their success. It is the same in business, and your emulation of other successful corporations can make all the difference in your own.

If you go out to four companies and look at the transformations they have made, and if you talk to the leaders who made that transformation, you will begin to understand how they made the change. You will also understand the mindset of the people that are in their organization, the skills and capabilities of the people that they hired, how long it took to make a transformation, and get an idea of their conviction and commitment to change.

*What options do you think you have?*

*How will you reach the goals that you have for your business given its current state?*

If your company is in serious trouble, I hope that you will say what my clients say at this point of our first session of work together: “I really don’t think we have a choice. We have to make a total transformation.”

Every client will have a slightly different situation, just as you do, but here are some statements we have heard through the years of working with leaders:

- *“I just really don’t know what my sales people are doing.*
- *“We keep chasing the same accounts over and over again, but we never win the business.”*
- *“I think my salespeople are totally complacent. They have no motivation to change what they’re doing because they are happy with the amount of money they get paid.”*

The most important realization comes next. The leader puts his elbows on the table and says to everyone gathered, “This is our fault, we’ve created this situation, and we’ve created a feeling of entitlement and a culture of complacency. We have created this, and I don’t have a clue how to change it.”

Be honest with yourself. You’ve been up at night trying to figure out how to make everything work. You’ve talked with your spouse about it and maybe even your banker. You have possibly arranged for

loans to bail out your lagging sales, and you have a sales organization that's not pulling its weight, but you have never had the heart or stomach to push through transformative change. Please know that you are not alone here.

Many of our clients have tried hiring HR firms to help. The HR firm might have come in and told you something like, "I can give you a profile of the people you want to hire." Lo and behold you try using the profile, and then, at some point, you stop using the profile because it's too hard to use.

At this point, our clients will often try to talk to bankers, other sales reps, friends, and family members. They will say to them: "You know, I've got a real problem with my sales organization. I've got people that are in place with no initiative and no desire to grow. They're within a certain box, they don't go out of that box, and they've been doing what they've been doing for a long time. They are just going to do the same thing they do every day with minimal output." There are usually a couple of star performers and the rest of them are frustrating, and this leader is trying to figure out how to make a few small changes.

Our job is to help the leader start to root out the complacency in his/her organization and to help improve the skills of the team, just like a professional athlete would do. It is important to raise the bar in order to acquire the skills that you need to reach that bar. It is important to evaluate each salesperson and sales manager carefully. Evaluate where they are in their career, what they still want to achieve, and whether or not they are willing and capable to make the transformation you require.

Again, we are not saying that you have to fire everybody. You don't have to enact a total crew change, but you want to change some people so that the group dynamics change. More importantly, you definitely have to root out the real complacency or your current situation will never change.





At this point, we've scared our new client enough, and it's time to start showing them the way towards the future. We do that through a series of inward-looking questions. Here are a few to get you started thinking as well. Spend a few moments addressing each one, and perhaps thinking about similar questions at the beginning of each workday for the next week. See how it helps your goal-setting and planning.

- *What are the issues in your organization today?*
- *What is your current situation?*
- *What are your biggest challenges today?*
- *If you could fix three things, what would you fix?*
- *Where do you want to be in three years?*

Here are a few common responses to the last two questions. If you could fix five things, what would you fix?

- 1. I want to know what my sales people are doing without them thinking I'm Big Brother.*
- 2. I would have sales people who are hungry to sell and continue to improve their skills.*
- 3. My sales reps would be self-motivated to continue to improve not only their sales results but also their capabilities.*
- 4. I would have analytics and tools in place to help me understand if my sales organization is effective and efficient.*
- 5. I want to have a long-term plan for our sales future.*

Where do you want to be in three years?

- 1. I would really like to have a hungry, motivated sales organization that doesn't sell based on price but based on value and one that is achieving record-breaking profits.*
- 2. My sales team is feared by all competitors because they are constantly improving their skills and stealing market share from everybody around us in the biz.*
- 3. I want to be able to quickly assess how my sales team is doing, and I want to know which reps are doing well and which reps aren't.*

You want a sales organization that is growth oriented, that wants to succeed, that wants to continue to grow, and you want a sales organization that's excited about helping you meet your goals in the future.

You ask, "How do we get there?"

The answer is, it's really all about looking at the pieces of the organization and instead of just relying on intuition, looking at the facts. Everything will fall into place if you rely on factual information. There is a way forward, and this book will get you started.

At the end of our first session, the CEO is thinking to him/herself, I will finally be able to sleep tonight. We have addressed the elephant in the room, and relief is just down the road. The whole team is energized after our long meeting, and although they know it won't be easy, they know that they need to do it. They all look as if they are stepping out of a confessional.



One of my clients was not too out of the ordinary; her company was of modest size, and she sold good quality products. When we took a

look at her sales team, we quickly realized that no one on her team had previous sales experience. They were all operations people who were moved to sales. Why? Because those employees were family members. But these family members didn't have the DNA of sales superstars.

We had been working with this woman and her company for nine months, but at the beginning, the first thing we did was a capability analysis, and her employees all rated at the lowest level. She realized, "Oh my God, I have no real sales people!"

So, the first thing she did was hire some real sales talent to join her team. But she didn't stop there. She knew there were other changes she needed to make. Her new sales team began to look at the opportunity that they have with each customer, and they also did a wonderful job of installing a customer relationship management system in order to gain transparency, something that most organizations don't have.

Now, for the first time, this company had the right people in place, and they could prioritize opportunities according to impact. They all did an exceptional job of teaching their management how to coach and mentor. They changed their compensation system; they took out the complacency and said, "Hey, I'm not going to pay you based on salary plus a bonus. I'm going to pay you only if you sell."

My client is a smart woman. She and her husband have been running this company for two decades. Before we started working with her, she was overwhelmed with the day to day of micromanaging the various departments – leading sales meetings, managing the P&L, taking customer calls, even making deliveries when drivers were out. Her heart was moving further and further away from the business. After she crafted a driven sales team and identified real growth opportunities with existing customers, her passion for the business came back to life. Now she's bought two more companies, and they are increasing profit by 35 percent. When I put her on the phone with other clients, she is more articulate than anybody else about her numbers, where they came from, and where the opportunities are.



## How to Read This Book

You will find you can read each part of this book in around two hours. Feel free to read it from start to finish like it's a medical thriller, or you can just tackle one part at a time. I've written it so that you can focus on one section at a time, and there is a section of chapter summaries at the end of the book.

If you would like to work with your team on implementing the strategies in this book, break it down into sessions. Here's how I would recommend setting that up:

- 1. Read the book "with" your team. Give each of them a copy of the book to read on their own time. Don't give them any guidance, and when you meet with them again, see what topics resonate the most.*
- 2. Come back together after each member of your team has read the first part of the book, Part 1: Transformation Mindset, and discuss it in an open group setting.*
- 3. Talk about the "transformation mindset" together. This is obviously a recurring theme throughout the book, and something that your team should focus on when attempting to use this book within your organization.*
- 4. Come up with a list of new vocabulary from the book that you would like to start using with the team. Have them familiarize themselves with the vocabulary by trying to use it around the workplace.*
- 5. Once you create a common language on transformation, you will be ready to build a plan on how to transform.*

*6. Now, go ask your team to read the remainder of the book (Parts II and III) and begin to develop your plan.*

*7. Once you have completed the book, take a look at the summary tools and diagnostics in the last chapter. This will help you guide your team.*

Our clients invest time, resources, and dollars on their transformation efforts with us. The purpose of this book is to help you and your team build the right frame of mind to embrace transformational change, as well as introduce important concepts that you can embrace to begin to transform your mind and your business. Our detailed methodologies are not included in this book. Once you and your team have built a transformation mindset, please check out our website for options to get you started. Or better yet, email me directly. If you need help, we encourage you to go to our website and check us out.

<http://www.collaborativeconsulting.biz>



A few years ago, when I was on vacation in New York City, a potential client wanted to talk to me on the phone, and he wouldn't take "no" for an answer despite it being six'o'clock in the evening. It was December 20th. "I can't wait until January," he said. He wanted to talk to me before the end of the year. He was losing his mind. He couldn't wait another week to do something about his sales organization.

Make today your December 20th. You said at the beginning of last year that you would change things, but you haven't gotten to it.

Pretend today is December 20th, and you only have 11 days to accomplish everything you had intended to do this year. Don't put things off! If not now, when?

Are you ready to undertake this journey? If you really level with yourself, you probably don't have a choice, so just get started! But I'm not leaving you alone in this. This book will help you to look at what your organization can be. It will show you what we have done with other clients, what you can do, and what your role needs to be in the transformation. We will have a great conversation and get results. I promise.

When we meet in person with our clients, our very honest and at times brutally direct language is offset by our body language – smiles, laughter, and the fact that we really care about our clients' success. I'll tell you what I often tell our clients. In our work, we are always hard on issues but soft on people.