



# MARKETING & SALES

## – SALES FUNNEL MANAGEMENT

A Mercuri International White Paper

Page 1 (3)

### No Need for Panic in the Sales Funnel

**A professional sales process requires a delicate approach to sales control. This makes it easier for companies to plan a secure future. The success of such sales controls mainly depends on the way they are introduced.**

In recent years, more and more companies have started to structure their sales processes systematically and to define a company-specific path to success ("Our way of selling"). A professional sales process follows the following basic structure. The various stages of the sales process are described in different steps – for example establishing contact, analysing needs, negotiating offers, etc. The next step describes what happens at each stage, for example the core activities and success factors of each sales level. In a third step, knowledge and skills are verified. This is where it is necessary to answer the question: "what does the sales rep need to know and be able to do at each stage of the sales process?"

Another step involves listing aids to support individual process phases, such as checklists, argumentation aids, etc. The next step identifies the functional levels involved in each stage in order finally to identify the objectives per stage (number/value of projects). This form of sales funnel management is new to most companies. In most cases, companies tend to restrict themselves to the management of the last stage

in the sales process, "offer to order". However, the future success of a sales rep depends on the quality of the early sales funnel phases. In the past, the management of the objectives of the individual funnel stages usually failed due to inadequate CRM resources. In recent times, some companies have achieved a genuine break-through in this area and now also have the IT resources to enable them to manage all phases of the sales process systematically.

**"The future success of a sales rep depends on the quality of the early sales funnel phases."**

In this context, so-called dashboard management makes its benefits plain: sales rep and sales management receive information about the quantity and value of projects, the duration of the various stages and details of the probability of reaching the next stage. However, this is no guarantee of successful implementation or integration of the sales funnel in the everyday routine of the sales teams.

It is well known that the introduction of CRM fails in many companies because the systems do not always meet company-specific requirements, mostly because employees fail to recognise the benefits and undermine the introduction. A glance at company practice shows

[www.mercuri.net](http://www.mercuri.net)

For more information contact: Wolfgang F. Bussmann

Tel: +49 21 32 93 06 30 Email: [wolfgang.bussmann@mercuri.de](mailto:wolfgang.bussmann@mercuri.de)



## Sales Funnel Manager. *CONT.*

that this cannot be remedied with eye-catching PowerPoint presentations as part of kick-off meetings. Professional sales funnel management must become part of the arsenal of management instruments. Companies will only really benefit if the information platform is right. This requires that system entries should be made promptly and correctly. It is also essential for success that the data should be interpreted correctly. Sales reps need to adopt a genuinely open attitude and not regard the system as a threat, but rather accept it as a real support. The key to success lies in cross-functional cooperation between IT, sales management and personnel development – throughout the project.



- Professional sales funnel management must become part of the arsenal of management instruments.
- Companies will only really benefit if the information platform is right.
- The **key to success** lies in cross-functional cooperation between IT, sales management and personnel development – throughout the project.

At the beginning of 2010, just such a sales funnel management system was developed by the Océ company, a business located in Mühlheim, Germany, that specialises in document management. All new sales opportunities are now allocated to one of the six Océ sales phases. Sales reps and sales management can see at a glance whether the dashboard meets the standards. A traffic light indicates the areas where the sales rep is in the green or the red. The introduction of the system was systematically supervised by the company's own Océ Academy. Corporate consultants Mercuri International supported the project as an external partner. Key objectives during this introduction were the elimination of typical emotional prejudices (“the transparent sales rep”), the positioning of the system as an early-warning system or as an instrument for sales management, the embedding of the dashboards in monthly performance review meetings and the

identification of individual training and development measures, based on the specific dashboard constellations of the employees. The company's sales managers were prepared for the implementation of the monthly meetings with staff in three-day workshops. They received training in how to handle a catalogue of coaching questions, among other things, enabling them to probe the reasons for specific dashboard situations. The meetings each result in a list of agreed measures for the next month. It was very important to the management that while these measures were in progress, meetings should be arranged to promote self-awareness among sales staff. The evaluation of the individual dashboards of the employees also includes the opportunity to reveal the development potential of sales in much greater detail than before and to support this with more targeted development measures.

To begin with, success-critical skills were defined for sales for all core activities of individual funnel stages. The results have been incorporated in a competence development matrix. The development potential of employees was determined on this basis as part of 360-degree surveys. Together with the relevant dashboard results these provided the basis for drawing up individual development paths.

“Almost all the countries involved report significant growth - particularly in the early sales funnel phases.”

### Better sales

All managers in Océ's sales organisation were subsequently trained in two-day workshops in how to support sales reps in the field in relation to the optimisation of individual funnel stages. In this context, sales managers also learned how to convince employees about coaching in general, how to make individual coaching agreements, how to attend customer meetings as an observer, how to provide subsequent feedback as part of so-called side-walk conferences. Although the program was only introduced

**Sales Funnel Manager. CONT.**

a few months ago, according to Oce, there are already signs of initial successes: almost all the countries involved report significant growth - particularly in the early sales funnel phases. The number of new projects and/or sales opportunities has increased significantly. At the same time, the quality of staff's ability to assess individual sales opportunities has improved. In many cases this has also led to older projects being dropped or downgraded. Last but not least, the Oce Academy can now tailor development measures more accurately to individual needs. Another plus: sales managers and sales reps handle the new instrument in a responsible way. Monthly meetings are more objective and fact-based.

“The number of new projects and/or sales opportunities has increased significantly.”

## AUTHORS

**Wolfgang F. Bussmann**

Partner at Mercuri International Deutschland GmbH

[www.mercuri.de](http://www.mercuri.de)

**Wilco Verheij**

Business Group Manager Technical Document Systems  
at Oce (a part of the Canon Group)

[www.oce.de](http://www.oce.de)

[www.mercuri.net](http://www.mercuri.net)

For more information contact: Wolfgang F. Bussmann

Tel: +49 21 32 93 06 30 Email: [wolfgang.bussmann@mercuri.de](mailto:wolfgang.bussmann@mercuri.de)

