

Sun Sets its New Goals

A client success story



Living Sales[™]

 **Huthwaite**
Improving sales performance *International*

Change behaviour. Change results.

Sun Sets its New Goals

Training at the network computing company Sun Microsystems highlighted the importance of understanding customer needs as it moved from a product- to a solutions-based offering.

Founded just 20 years ago, Sun Microsystems has grown to become one of the world's leading providers of the network hardware, software and services.

Today, Sun helps companies in virtually every sector to leverage the full power of the internet in improving their competitiveness.

Yet in an increasingly tough marketplace, Sun recognised it could not maintain market leadership by standing still. In mid-2001, in the North Europe Region - comprising Scandinavia, Benelux and parts of the former Soviet bloc - the vice-president, together with senior managers, recognised the need to take selling skills 'to the next level'. This was especially important in such areas as negotiation and account development, if the region's broader business strategy was to be achieved.

As the company's in-house training services provider for the region, Sun University's (SunU's) EMEA office was approached to source a suitable external training provider who could meet the following objectives:

- in replacing a large number of existing third party trainers, to provide a fully integrated programme with a common sales language and consistent messages
- to ensure a common level of high quality training across a broad geographic region

- as Sun shifted its focus from a product to an end-to-end solutions-based offering, to help the company move from the existing transactional sales approach to one based on relationship building and understanding customer needs
- be recognised as an established and credible provider of sales training solutions

Huthwaite was chosen because its SPIN® Selling programme was identified as offering the ideal combination of the strongly research-based and customer needs-focused approach which was required.

Coaching

At the outset, the Huthwaite team, led by training consultant Graham Short, held several meetings with senior managers to establish the region's business goals and the sales skills required to deliver them.

Rather than follow the more common route of developing separate training modules, what emerged was a business school approach.

This took the form of a linked training programme comprising five training sessions spread over a year and incorporating a range of selling and account development skills.

Critically, each three-day training model was followed by a period of coaching and project work, to ensure that the skills learned were practised and refined to become part of each participant's instinctive selling technique - to what Huthwaite calls the level of 'unconscious competence'. The next training module would also incorporate these newly-acquired skills gained as part of the reinforcement and development process.

The first of the new business schools, each comprising two groups of 12 account managers identified as having 'high potential', was launched in August 2001 and its success led to the establishment of a second within a short time. The third is already underway and has been extended to other client-facing staff, including pre-sales and professional services.

The importance attached to this comprehensive, and costly, training approach was underlined in that, throughout the extended training period, each participant had both a coach - typically their line manager - and a mentor, generally from the senior management team.

In addition, Huthwaite ran several courses for coaches. Initially, this focused on the key issues covered in the business school training.

However, for the third business school it has been extended - in response to

requests from line management - to incorporate specialist coaching skills.

The reaction to this new training approach has been overwhelmingly positive throughout northern Europe.

In particular, as the company moves towards solutions selling, the SPIN® approach has been generally recognised as offering the ideal skillset for identifying and agreeing customer needs.

Within EMEA, as elsewhere, individual regions operate with a strong degree of autonomy and, as a result, there have been a number of different reactions to the visible level of success the programme has achieved.

A strong part of the Sun ethos is to extend this autonomy down to an individual level - 'to seek permission is to ask for denial', as the company puts it.

As a result, employees are 'empowered to shape their own career' and, in particular in the UK over the past year, the response to SPIN® Selling's availability as an open enrolment option for any salesperson has met with a very good response.

Simply by accessing the SunU website under the relevant region, all courses scheduled for the next six months are listed and may be booked with agreement from line management. As a result of the UK experience in particular, SPIN® Selling

is now a standard part of the sales curriculum, as part of SunU's list of available training options in EMEA.

Within a culture in which training traditionally has not been mandatory, the response throughout Sun's global sales operation has been very positive.

In summary, both SPIN® and the business schools concept have been well-received.

Furthermore, there is general acceptance that the introduction of more precise evaluation tools in future will only serve to prove the strong returns delivered by such training investment.

The SPIN® Approach – Identifying the Need

Within the business school, the first of the five three-day course focuses on SPIN® Selling, the principles of which underpin much of the remaining training.

Huthwaite's approach to the IT sector, as with any other, is based on nearly 30 years' experience researching what sales people do differently to make them successful. From an analysis of this unrivalled database - now numbering more than 40,000 sales interviews in 27 countries and studying 116 possible influencing factors - the company developed its SPIN® Selling model.

Put simply, this encourages a more consultative approach, making full use of what is often limited time spent face-to-face

by asking the right questions to explore - and get agreement on - the client's needs. As such, it has equal relevance to any employee involved in the sale of goods or services, which are seen as high-value, important decisions by the buyer.

Programme content

Based on a repetitive cycle of input-practice feedback, the objective is to teach skills and match trainees' behaviour ever closer to the success model and so improve effectiveness. The programme includes:

- persuasive needs analysis - planning in advance key arguments (and therefore questions) likely to influence the buyer
- structuring the call - establishing the purpose of the call at the outset, investigating needs through a strict questioning framework, demonstrating how the product/service can meet such needs and obtaining the right commitment

The right questions

Key to this are the four types of questions which effective salespeople ask as part of a consultative approach:

situation questions ask about the customer's operating context and business solution

problem questions ask about the customer's difficulties, dissatisfactions or problems with the existing situation

implication questions ask about the consequences, effects or implications of the customer's problems

need-payoff questions probe for explicit needs, either directly or by exploring the payoff or importance to the customer of solving a problem

Results

At the end of the programme, the participants:

- had analysed the strengths and weaknesses of their present selling style
- were able to describe the psychology of customer needs
- were able to describe the key behaviours or skills used by effective sales people in their interactions with customers
- had a framework for planning sales calls in terms of those behaviours
- had frequently practised using the skills to develop customer needs in a way that greatly reduces the likelihood of objections

- had a strategy for dealing with difficult customers who raise objections or have low reaction levels
- had measured objectively their performance compared to the skill model and created an action plan for continued development of the skills after the programme

Business School Approach Pays Off

Working with Huthwaite, Sun developed a phased year-long training programme comprising five three-day sales development courses with intensive follow-up coaching and reinforcement in the field. Each course, tailored to meet Sun's specific requirements, was built around simple models based on extensive research and geared to achieve the company's broader business development goals:

SPIN® Selling - provided a better understanding of customer needs as a firm foundation for consultative, partnering customer relationships

Account Strategy for Major Sales - addressed the strategies and tactics required for success in complex, competitive, multi-tiered and multi-influencer long-cycle sales

Negotiation - enabled the achievement of ideal 'win-win' outcomes, through a combination of preparing a negotiating position, planning tactics - including evaluation of the power balance and creative 'trade-offs' - and face-to-face skills

Persuasive Sales Presentations - provided the tools necessary to ensure maximum impact and memorability for the presentation to 'stand out from the crowd'

Effective Sales Proposals - took the form of a hands-on workshop addressing the often neglected area of effective proposal writing

Verdict

You Cannot Ignore The Customer

Following each training session, assessments by the participants have been uniformly positive, *writes Claudia King*, SunU Northern Europe education manager. In particular, they have praised:

- the quality of the trainers and their willingness to share relevant experience
- the importance of being able to share their own experience with other attendees
- the relevance - and value - of the role-plays in mirroring their everyday experience
- the importance of SPIN®'s research-based methodology in turning the traditional approach to selling on its head

In short, the key to its success has been in forcing participants to take a step back and ask the questions needed to get to what the customer really wants.

Huthwaite was chosen because its SPIN® Selling programme was identified as offering the ideal combination of the strongly research-based and customer needs-focused approach which was required.



This has resulted in a real attitude change and a willingness to accept that 'the old way of doing things' just won't work anymore. With such an extended programme, line managers have been encouraged to work with Huthwaite in providing regular assessments on improved skills and those which need further work.

Word has also spread well beyond the boundaries of the northern region. In addition to the strong take-up of SPIN® in particular in northern Europe and elsewhere, Germany has plans for introducing its own business school, in conjunction with Huthwaite Germany. Sun's operations as far afield as the US and

the Far East have also expressed interest in the business school concept.



publisher Huthwaite International

telephone +44 (0)1709 710081

facsimile +44 (0)1709 710065

email info@huthwaite.co.uk