

Expert Insights | Strategy | Mahan Khalsa | FranklinCovey Sales Performance Group |
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Evolving Your Business into a Value Creator

Sales is inevitably a low-trust business. Business guru Mahan Khalsa outlines how to turn this perception on its head and transform a sales organization from product pushers to value creators.

Pushy. Cagey. Obsessed with bells and whistles. Not in tune to the needs of the business.

Hard to admit, but this is likely customers' perception of most salespeople. For VARs selling highly complex software or selling a solution to manage complex business processes, the need to buck the trend and position themselves as value creators and a friend to the business has never been more closely tied to their ability to succeed.

But building that level of trust requires a wholesale shift in mind-set, not to mention a commitment to learning new skill sets. In lieu of wowing the audience with glitzy PowerPoint presentations or slick demos, VARs need to hone basic listening skills. They need to learn how to slow down and ask the right questions. And most importantly, they need to value the idea of truly helping companies succeed—not just aim for the glory of pushing software to hit their sales quotas.

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Mahan Khalsa. Vice President. FranklinCovey Sales.

Focusing on Basic Sales Skills

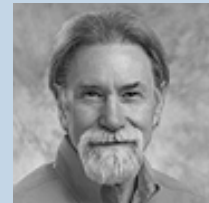
If this sounds a lot like Sales 101, it is. But developing basic sales skills in order to identify and meet a customer's value proposition is an art most software VARs have yet to master. "Being a good practitioner of Sales 101 can be life changing," says Mahan Khalsa, thought leader for FranklinCovey's Sales Performance Group in Alpine, UT. "Sales isn't traditionally thought of as a high-trust profession. That means VARs are starting at a disadvantage—they're guilty until proven innocent."

Proving that innocence takes a combination of three things, according to Khalsa: Establishing trust, creating value, and bolstering the flow of meaningful information. By achieving any two of these factors, he contends VARs are likely to get a handle on the third.

Also, the three measures tend to flow in the same direction, be it up or down. To help sales organizations create a structure for the transition, the Sales Performance Group has keyed in on several disciplines designed to promote the new way of thinking.

Value-Creation Process Requires Honing New Disciplines

IQ, for example, is the intellectual value-creation horsepower, the business acumen and the industry knowledge and expertise that establishes valuable competence and credibility to clients. XQ is treating sales as a process, providing a series of steps that allow clients to make intelligent decisions in their own best interests. The third piece, EQ, is the most elusive and the most overlooked, Khalsa says.



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Biography

Mahan is vice president of FranklinCovey Sales Performance Group. FranklinCovey was a previous client of Mahan's services, and they purchased his business development consulting company in 1999.

Mahan is a world-renowned expert in consultative selling. As a business owner, business developer, author, consultant, teacher, and presenter, he has developed world-class, real-world principles, knowledge, and experience. He is highly sought by some of the largest and most successful sales organizations in the world to deliver results in improving and sustaining sales performance.

Mahan founded and developed two companies from startup to highly profitable sales. Mahan's computer systems company provided the opportunity (and need) to develop his skills in selling technology and consulting services. Subsequent to the sale of that company, he was commissioned to study worldwide best practices in business development for a top professional services firm. That experience evolved into a business development curriculum called *Helping Clients Succeed™*. This work, often customized to specific market needs, has been taught to some of the world's most successful companies in over 40 countries in 7 languages.

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It's the competency of building a container of safety for clients so they feel comfortable sharing what they think and feel to be true, which in turn, enables salespeople to structure effective conversations and ask the hard questions in a soft way.

Khalsa says only 20% of salespeople do a competent job at this value-creation process. Instead, most tend to push product features, benefits, and advantages rather than solving problems and producing results. "Most VARs are pitching a technical solution to a technical buyer with a technical budget instead of talking to businesspeople about business problems with business budgets," he explains. "Customers aren't going to share with you if they think you're doing something to them rather than with them or for them."

Stay Consistent Whatever Your Sales Methodology

There are hundreds of sales methodologies and countless tactics for crossing over that bridge to a more give-and-take relationship with customers. While they differ in their approaches, Khalsa outlines a few steps that should remain consistent:

Get clear on the intent. It can't be just lip service—VARs need to be clear on their intent to help people succeed in a mutually valuable way and have that mantra be embraced throughout all ranks of the organization. It's not about giving away the farm or being an altruist. It's about having a passion for creating value, which in turn, is bound to drive sales. "It's a big paradox," Khalsa says. "VARs will make more sales when they concentrate on their clients' success rather than their own. If a customer sees passion for creating value, they're more likely to share information, which makes it more likely that the VAR can craft something that can meet their need."

Change the mind-set. Once a VAR commits to this path, it's all about changing behaviors and developing new skill sets to demonstrate the shift. "Start putting inquiry before advocacy," Khalsa says, "and instead of claiming competence, it should be a lot more about demonstrating competence, through the questions you ask and the insights you provide."

Move off the solution. Forget about features and functions and hyping technology that will make their job easier. VARs have to know exactly what the pain points are in the business so they can identify how the software might provide a solution. It's a discipline of asking the right questions and doing your homework. "Focusing on the problem and results rather than features and benefits is the biggest thing a VAR can do," Khalsa says.

Know the decision-making process. This, Khalsa says, is where most VARs trip up. Most spend their time courting lower-level IT people or even the CIO, which often may or may not be the ultimate decision maker for enterprise software. The only way to identify the right person and uncover the process is to ask the right questions. Don't be afraid to ask about the steps an organization takes when making this kind of investment or asking your contacts to steer you towards those in the company who have decision-making responsibility.

Ask the hard questions in a soft way. Business development and sales is a balance between inquiry and advocacy and it's usually way out of whack, Khalsa says. Developing strong listening skills is a top consideration here. Learning to phrase questions properly is another basic, but proven tactic. "Most people don't say anything—they eat the question or they blurt it out in an offensive way," Khalsa says. "They don't ask the client because they don't want to make them uncomfortable or they feel uncomfortable." The danger, Khalsa says, is wasting huge amounts of time not identifying things that could slow down or obviate the sales cycle.

Because of the inherently low-trust environment, Khalsa says there's typically a lot of dancing around the issues and an inability to get real. Without taking these straightforward steps to break that pattern, VARs tend to reinforce all the bad perspective that they started with from the onset. "You're lucky if you start at zero in terms of the trust quotient, depending on who last walked through the door," Khalsa says. "Unless VARs consciously do stuff differently, they're more likely to reinforce perceptions rather than break the pattern."

Biography continued...

As a writer and thought-leader, Mahan authored *Let's Get Real or Let's Not Play – The Demise of Dysfunctional Selling and the Advent of Helping Clients Succeed*. He currently serves on the editorial board of *Sales & Marketing Management Magazine*.

Mahan directly consults with clients on multi-million dollar deals each year. His fees are often contingent on winning the business, which gives him the opportunity to illustrate that he practices what he teaches and to teach what truly works.

Mahan graduated with honors in economics from UCLA, and has an MBA from Harvard Business School.

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