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How to Develop Qualification Criteria that Help You Find and Win Customers

Sales Process Improvement Series
Volume 2, Version 2.0

by

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Dedication

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How to Develop Qualification Criteria that
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Introduction to Volume 2, V2.0

This is the second of three volumes in the *Sales Process Improvement Series*, which translates principles and practices of process improvement and quality management to the sales and marketing function. This second volume in the series—*How to Develop Qualification Criteria that Help You Find and Win Customers*—shows how to establish and employ the best possible prospect qualification criteria for your organization. These criteria help your salespeople define solid prospects for your product or services and allocate their time and resources in the most cost-effective manner.

This volume in the series fits perfectly between Volume 1, *How to Map Business Value to Boost Sales and Marketing Results*, and Volume 3, *How to Map a Sales Process that Your Salespeople—and Customers—Will Follow*. Qualification bridges the two practices of business value mapping and sales process mapping. Business value mapping helps you identify *what* value you deliver to people in various functions in customer organizations. Qualification criteria enable you identify *who* in the marketplace would want that value. Sales process mapping shows you *how* to do business with those people. Sales process mapping incorporates and benefits from the qualification criteria you develop with the help of this workbook.

Within this context, this current workbook will help you:

- Develop more objective—and more useful—qualification criteria than you are now using
- Coordinate sales and marketing efforts to define qualification criteria that both functions will agree to use
- Define the true information requirements of a lead generation effort tailored to your organization, rather than gathering data defined by guesswork or common industry practice.
- Provide a way of judging the effectiveness of qualification criteria and improving their accuracy over time

- Improve your sales results, because salespeople will spend their time, energy, and sales resources more effectively.

In sum, the qualification criteria you'll develop with this workbook will enable you to establish a rational, value-based system of qualifying prospects. If you already have such a system, the new criteria you develop will raise its performance to a new level.

Three other points are worth noting: First, salespeople recognize qualifying prospects as a) something they are already doing in some way and b) something that, if improved, could enable them to improve their sales performance. Therefore, you can expect less resistance from salespeople toward this initiative than you'd expect toward business value mapping or sales process mapping. Second, the initial criteria can be developed in two meetings and then applied on the job without burdening salespeople with a lot of new tasks. Third, qualification criteria represent foundational data not just for sales calls but for creating marketing programs, specifying CRM systems, and developing new markets and products.

The ultimate deliverable is a scoring system that sales and marketing people can use to assess the potential and priority of prospects and customers. On the basis of that assessment, they then perform all the tasks they would normally undertake with qualified prospects, but they will perform them better.

Purpose and Structure of this Book

In general, the word “qualifying” means comparing something to a set of standards. This book will help you define those standards, promulgate them in your sales function, and improve them with successive iterations over time.

In Part 1 of this book, I discuss qualifying prospects from the process-improvement standpoint. Then, in Part 2, I present a framework for identifying qualification criteria. This framework is based on the value you deliver to and derive from customers of various types. In Part 3, you learn how to conduct a qualification development initiative in your organization. Part 4 touches on data collection and automation requirements for

companies integrating qualification criteria into a CRM or other software system. Three Appendixes provide supplementary information, notably a scripted presentation for a kick-off meeting to launch a project to develop qualifying criteria (Appendix III).

Who Should Read this Book

This book will be of most use to:

- Senior executives and middle managers who are responsible for the performance of a sales or marketing function, or both
- Sales managers who want to help their salespeople better manage their time and apply their efforts
- CEOs and sales and marketing executives who are implementing a Sales Process Improvement effort
- Salespeople who want to understand the elements of a sound qualification process and how to use one
- Sales and marketing consultants who want to bring their expertise to bear on their clients' qualification methods.

While this workbook could be of use to managers and professionals in consumer sales, it will be most valuable to those in business-to-business sales environments. Although emotions play a role in business-to-business sales, the purchasing processes of most organizations has been “rationalized” to a larger extent than those of most households and individuals. This makes business-to-business sales more amenable to process-improvement. Also consumer motivation, psychology, and demographics have been rigorously studied. As a result, consumer sales and marketing efforts have become highly developed. Ironically, despite the revenues and profits at stake, the business-to-business sales process has not been as rigorously studied.

This book assumes that an organization sells high-ticket, high-value products or services, or lower price items at a high volume on a repeat basis to large accounts or through a

nationwide or regional distribution effort. In my experience, these organizations benefit the most from the practices in this workbook.

This Is Not Training

Salespeople receive a lot of training from both internal sources and external vendors. Thus, it would be natural for salespeople—and perhaps for you—to view the initiative I describe in this book as a form of sales training. This is not training, nor should it be presented as training.

Developing qualification criteria is an initiative in which people from sales, marketing and perhaps other functions form a working group or team. In working sessions, facilitated by you or another individual, the group defines and agrees to employ new and improved standards for assessing prospects.

I stress the distinction between this effort and training because many salespeople bring a more passive mindset to training than they do to a working group. They also bring different expectations. Usually, they expect to pick up two or three things that they can incorporate into their sales behaviors. In contrast, developing qualification criteria calls for their active participation and best efforts. Moreover, the results will be a set of standards that directly affect them and the entire organization.

Why This Approach Will Work in Your Organization

This approach will work in your company, as it has in so many businesses, because:

- *Salespeople accept the idea of qualification.* Therefore, getting them to do it a little differently isn't a huge hurdle. They also benefit directly by managing their time and accounts more effectively.
- *It reinforces your marketing priorities.* Are salespeople *really* calling on the markets you think they are? Sometimes marketing departments fail to grasp market realities and thus provide incorrect qualification criteria (not

to mention useless leads) to salespeople. Clear qualifying criteria generate clear priorities that everyone can follow.

- *Reducing variations tends to improve results.* Consistent qualification criteria generate a more consistent pool of prospects. This minimizes the variability of sales activity and improves your sales forecasts.
- *Tracking qualification scores improves sales results.* Studies have shown that the simple act of measuring an activity improves results because people pay greater attention to that activity. In addition, with clear criteria and clear sales outcomes, sales behaviors can be more easily and accurately modified.

This step-by-step workbook will help your people take the analytical talents of a quality expert and combine them with the people skills of your best salesperson. Bringing science to sales—the mission of Sales Process Improvement—creates management tools that provide more information, greater control, and measurable gains. These qualification criteria are one such tool.

