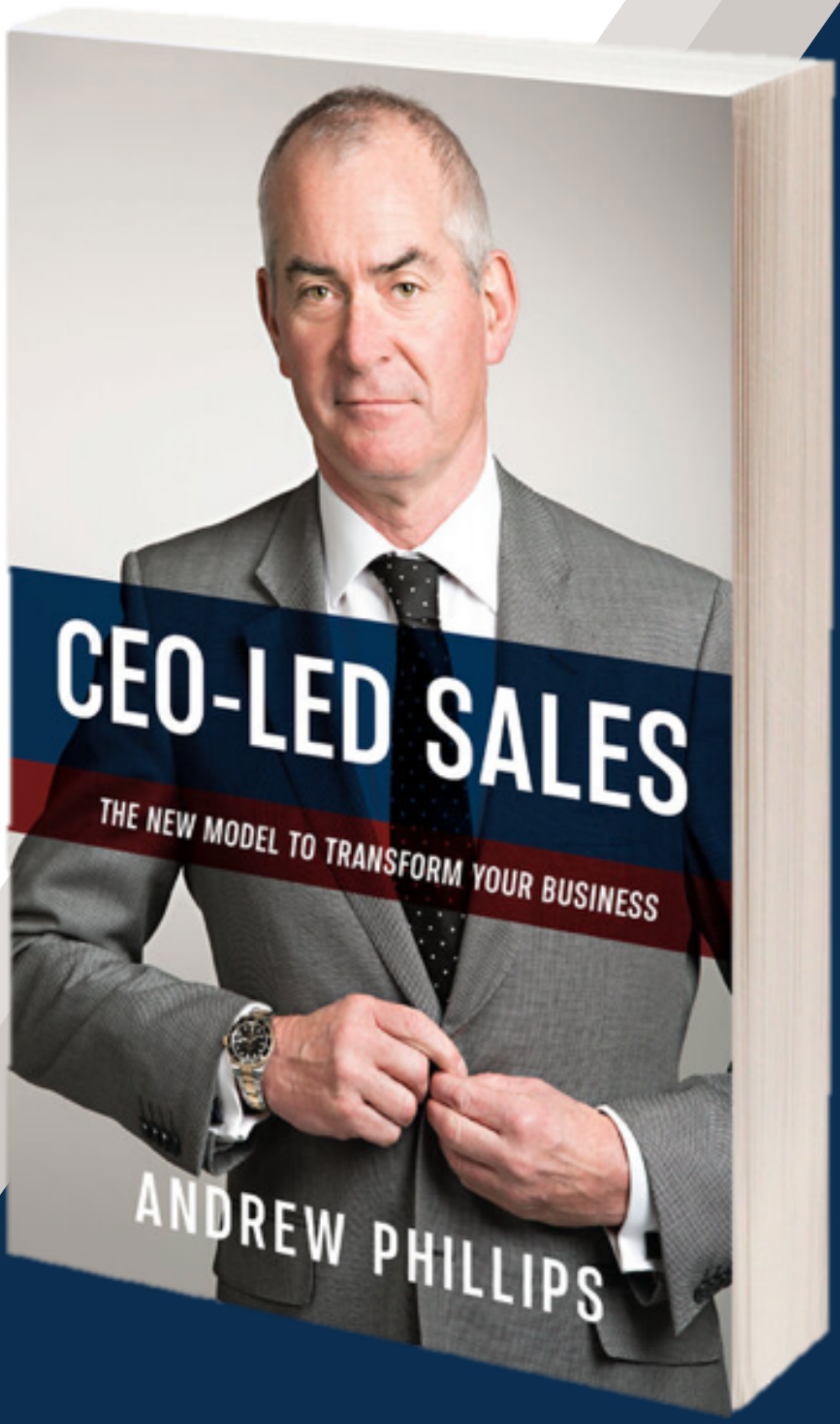
THE POWER PLAN

An Extract From



This is an overview of an extract that follows from my book *CEO-Led Sales*.

For context I begin *CEO-Led Sales* by looking at the IT sales environment today, how it has evolved and continues to evolve. Then I describe how IT sales organisations are currently approaching this sales environment, as well as the immense challenges this throws up for CEOs today. I then propose a model that I've created called The Right Model, which I believe will help CEOs better align their sales organisations to the sales environment of today and into the future.

The extract highlights one component of The Right Model. The Right Model is a model I have developed to support my learnings throughout my career. It is an organisational culture underpinned by a process. It is a culture of inquisitiveness, of urgency, of gaining and sharing knowledge, of engagement, of teamwork. I like to describe it as a culture that brings people together to form a collective 'battering ram'.

A battering ram will typically smash into a wall twice before breaking through the third time. By contrast, a sledgehammer might smash against a wall at least 20 times before breaking through, with most swings barely making a dint. The wall in this analogy is The Right Deal with The Right Client. The battering ram is The Right Team smashing through to win it. The sledgehammer is the approach taken by most organisations today: sending one salesperson in at a time to win the deal.

The Right Model contains the:

- Right Clients
- Right Team
- Right Deals.

For each of these three components there are two plans that facilitate delivery.

For **The Right Clients** these are the:

- CEO Sales Plan
- Attainment Plan.

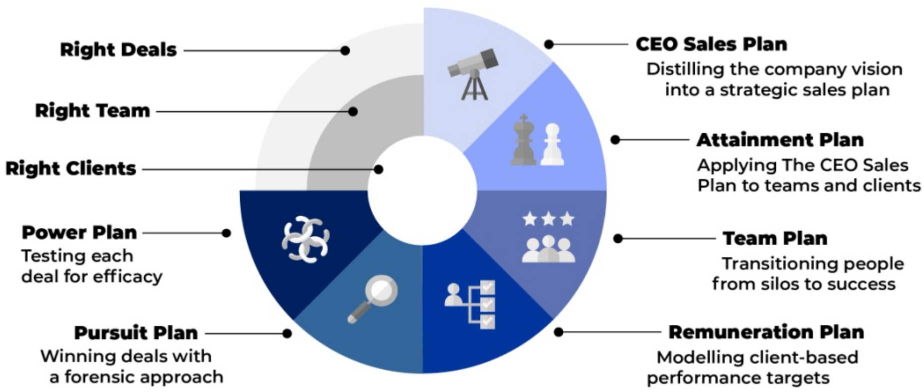
For **The Right Team** these are the:

- Team Plan
- Remuneration Plan.

For **The Right Deals** these are the:

- Pursuit Plan
- Power Plan.

THE RIGHT MODEL™



The extract that follows this overview contains The Power Plan. The Power Plan can be applied on day one of the implementation of The Right Model. It can also be applied before the implementation of The Right Model. It is a stand-alone plan that any organisation can use at any time to test the efficacy of deals, which makes it ideal material to include in an extract.

The extract also explains The Bedrock Deal, which is a deal that 100% fits the strategy of your organisation. The Bedrock Deal completely supports the vision the CEO has set for an organisation's position in the market over the coming years. It is not the size of The Bedrock Deal that matters, but the attributes of the deal that are important. Typically, they also affect the client's business processes. It might be a small deal relative to other deals, but the 'Bedrock' attributes within it make it more important. This is because these attributes are the ones that will lead your organisation into transforming and moving into areas of the market in the future that are strategically important. A Bedrock Deal will set your organisation up for future success. A Bedrock Deal is The Right Deal for your organisation.

In the extract I also mention The CEO Sales Plan. I go into a lot of detail in my book *CEO-Led Sales* about how the CEO Sales Plan is created. Essentially, it's a strategic sales plan owned by the CEO that brings together the vision, the mission and the corporate plan of the organisation, alongside the challenges and opportunities in the marketplace, as well as the solutions, services and technology that the CEO wants to pursue over a multi-year period. It also describes the attributes of the clients that the CEO has decided they want to pursue. The board maintains governance of the strategic goals, but it is the CEO who steers the ship towards those goals. The CEO Sales Plan is the map.

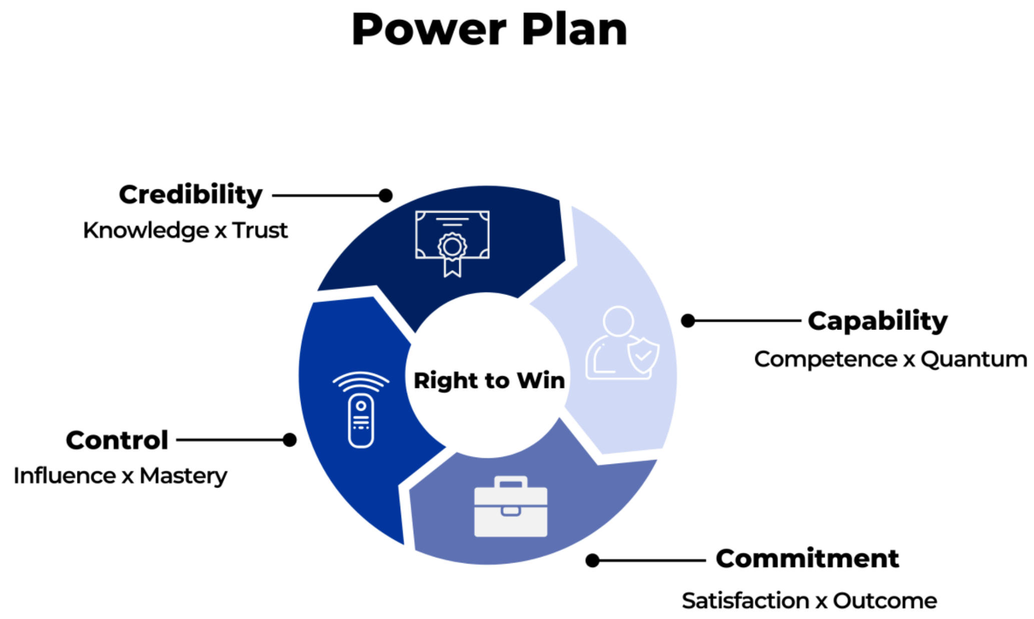
Other terms included in the following extract require only a short explanation; more details are provided throughout *CEO-Led Sales*:

- **The Right Team** is the team that the organisation assembles to chase Bedrock Deals.
- **The Right Deals** are the Multi-solution Bedrock Deals that align the clients and the solutions, which The CEO Sales Plan has identified.
- **The Pursuit Plan** develops The Right Deals within The Right Model, and ensures The Right Team is on track to win these deals.
- **Client Experts** supersede traditional salespersons. Importantly, it is possible for traditional salespersons to evolve into Client Experts, and the benefits are detailed in the book.
- **Sales Coaches** supersede traditional Sales Managers, with the same proviso as the Client Expert role.
- **Stepping Stone Deals** are important but smaller deals that help your organisation position itself to win Bedrock Deals.

I'd like to reiterate that The Power Plan extract can be applied by you to your organisation today to test the efficacy of deals. It will also help determine whether you'd like to read more about The Right Model in my book *CEO-Led Sales* to assess if it is right for your organisation. So let's begin …

The Power Plan

The Power Plan overlays The Pursuit Plan. It tests the efficacy of a Bedrock Deal. It reviews the deal through the lens of the four critical components: Credibility, Capability, Commitment and Control. What I call the 4C's:



The Power Plan establishes a rating system out of 100 for each of the 4C's where 100 is the highest right-to-win rating for a Bedrock Deal. Component scores are then combined to deliver an overall rating out of 100. Each component is critical and must be present, measuring at least 60 for you to have a high right-to-win rating. For example, if you measured 100 across three of these components but 0 for the fourth, then your right-to-win rating would probably come out at an overall score of less than 50. The combined or overall score needs to be 80 or more for an organisation to have a high right-to-win rating. A high right-to-win rating means the organisation is well positioned to win The Bedrock Deal.

I use the term 'right to win' because I've seen some deals that measured 0 under my system that were still won. All of these deals were compromised in some way in terms of delivery, margin or people and so on. The right to win refers to landing The Bedrock Deal on your own terms with a good margin, and good delivery and so on. The right to win refers to winning The Right Deals.

I will be using this term throughout this section. The Power Plan is a snapshot of a moment in time during the life of the deal that can be applied at any point to measure whether the deal is on track. It can stand alone as an independent diagnostic tool to measure the efficacy of a deal, regardless of what sales methodology is in place.

Below is an example of a Power Plan score. I will be going into the detail of how these scores are derived in this section.

Power Plan Score

4C's	Factors	Factors	Total
Credibility	*Knowledge* 8	*Trust* 10	80
Capability	*Competence* 7	*Quantum* 9	63
Commitment	*Satisfaction* 9	*Outcome* 8	72
Control	*Influence* 10	*Mastery* 9	90
		Total	305
		Right to Win	**76.25/100**

The Power Plan is primarily applied to Bedrock Deals – those long-term deals identified in The CEO Sales Plan that transform both the client and the organisation. Using the earlier major transport and logistics company example, you might find that in the beginning of that pursuit there is an opportunity arising in five years' time that you begin with a 0 in all four components. That's absolutely fine. The Power Plan will direct the Client Expert, the Sales Coach and The Right Team on the important aspects they need to build over time to improve the rating in each of those four components.

It also guides the ecosystem of Stepping Stone Deals that need to be won with the client to improve the rating in some of those components. It also enables the CEO at any moment in that five-year period leading up to the deal to quickly and easily measure the effectiveness of the Client Expert, the Sales Coach and The Right Team in their pursuit of the deal.

Each component within The Power Plan has a benchmark question where the majority of the rating is usually assigned with sub-questions beneath, which add smaller weights. The importance in the rating of the benchmark questions allows The Power Plan to be applied quickly and easily if need be, simply by answering four questions. The answers and ratings are subjective because they require the client, the deal, the team and the organisation, relative to the timeline of the deal, to be contextualised. This will become clearer when we talk through each of the four components.

Like The Pursuit Plan, The Power Plan view would be applied less often when the deal was, say, five years out, than if it was one year out. For example, it might be applied quarterly when five years out, then weekly one year out. The Power Plan is applied by the CEO with input from the Client Expert, The Right Team and the Sales Coach. Once applied at a moment in time, it generates a number of key outcomes that then flow back into The Pursuit Plan as action points for the Client Expert, The Right Team and the Sales Coach to follow up. The Power Plan enables deals to be measured throughout their life cycle against each other.

I've spoken about putting all deals into the pipeline, then qualifying them out over time. For example, you might have four deals in the pipeline at one time that have all arrived in their cycle where they need significant resources devoted to them (you wouldn't qualify a deal out before this juncture as they aren't yet demanding a high level of resourcing). You might only have enough resources to cover two of those deals. The Power Plan allows you to objectively make the decision of which two deals are best to pursue and which two you need to walk away from.

In this case, The Power Plan might determine that three out of the four deals are fundamental to the success of the organisation, as defined in The CEO Sales Plan. It might also determine that the organisation has a high likelihood of winning each of those three deals. In this case, you might then decide to bring more resources in, to look at partners, or hiring in more capability.

This is one of the most powerful aspects of The Power Plan. It delivers a measure that enables an organisation to make well-informed strategic decisions about the best deals to pursue that will lead to long-term success for the organisation.

It also delivers absolute transparency to the Client Expert and The Right Team as to why the pursuit of one deal was chosen over another, which in itself also helps to create a clear road map for what needs to be done in future deals to get them over the line. This also promotes organisational success over individual success, which goes a long way to creating a positive and driven team-based organisational culture.

The Power Plan represents a big change from the way deals are assessed today. There are many deal methodologies out there, and the majority of them are a step-by-step process from the bottom up, examining whether the salesperson has a good relationship with technical and legal and HR and marketing and so on. Tick, tick, tick, tick.

These things are important to have, but of themselves they won't necessarily change the overall outcome on a Bedrock Deal. The Power Plan is a top-down approach. It takes the measures that are used today and makes them a subset of the highest level.

In this example, which comes under Credibility in The Power Plan, the benchmark question is: 'Can we meet with the client CEO within seven days?' That is the engagement that needs to be established with credibility to win Bedrock Deals. You will need to meet with technical and legal and HR and marketing along your way to meeting with the CEO, so these questions don't need to be asked.

Put simply, the highest level you can establish within a methodology, the closer to the truth you arrive, the lower down you go, the more ticks you are likely to get; however, when you put all those ticks together, they mightn't affect the outcome, they won't tell you the truth. In saying this, I'm not advocating that current sales methodologies need to change. The Power Plan will overlay these sales methodologies by focusing what needs to be done back on the four core components of every deal: the 4C's.

The Power Plan brings a view to The Pursuit Plan for every deal that is actionable, forensic, disciplined, pragmatic and measurable. It takes the most important elements of the deal and essentially boils them down to four 'yes' or 'no' answers that can't be challenged. If there is one or more 'noes', then the right-to-win rating is close to 0.

We will now go into more detail on this starting with the first C:

1. **Credibility**

'Can we meet with the client CEO within seven days?'

The 'seven days' in this benchmark question is a nominal time frame to indicate whether the client CEO will see us when they're next available. This is the ultimate test of Credibility in The Bedrock Deal pursuit – remembering that a Bedrock Deal is one that is fundamental to the business operations of the client organisation. As such, the client CEO is the most important person in the deal pursuit, because the deal is important enough that they will likely have the final say on who wins it.

The answer to this benchmark question is black and white. It's either 'yes' or 'no'. A 'no' scores 0 for Credibility and your right to win The Bedrock Deal is 0. A 'yes' will be graded based on an adaptation of the equation I have used previously in this book:

Credibility = Knowledge x Trust

We've discussed Knowledge previously in this book. Knowledge is having a solid understanding of the local, regional and global trends that affect the client organisation. It is a clear understanding of the strategic imperatives and the non-negotiables of the client organisation in relation to what they are going to achieve in the market, and how what you're selling relates back to these things.

This isn't as straightforward as it might sound, because it's very unlikely that what you're selling in itself will achieve the client's strategic imperative; instead, it will need to be fully explained relative to the strategic imperative, which requires a high degree of knowledge of the client, the solutions and the market. Knowledge is scored out of 10 and is ultimately determined by your message to the client CEO, which we'll cover in the sub-questions.

We've also discussed Trust earlier in this book. Trust is built when you deliver on the things that you have promised the client. This is most powerfully illustrated through the delivery of Stepping Stone Deals. Did your organisation deliver what your client expected in these deals to a high satisfaction level? If the answer is 'yes', then Trust has been built. Trust is scored out of 10 and is ultimately determined by client references, which we'll also cover in the sub-questions.

The first sub-question that applies if the answer to the Credibility benchmark question is 'no' is:

'What is the strategy to create credibility with the client CEO so they agree to meet us within seven days?'

Getting to meet the CEO is a stepping stone process. If you're working on a deal that is, say, four years out from closing and you've scored a 0 for Credibility, because the client CEO won't see you, then that's fine because you have plenty of time to build your Credibility within the client organisation.

To do this, the Client Expert and The Right Team should be actively talking to people in the client organisation. Talking to people in procurement, HR, product development, service delivery and so on. You might start down low in the client organisation. The same Credibility equation applies at this lower level. By talking to these people, you should be illustrating Knowledge and Trust to build Credibility.

Once you've established Credibility low down in the organisation, then you can move upwards. You can ask to see that person's boss and, because you're credible, that person will agree to arrange that meeting.

There is some risk if you start down low in the organisation that you will become 'gate kept' by that person. I've seen this happen many times. You need to avoid starting too low in the client organisation and avoid getting stuck there. This is where The Right Team can help. Because you have a range of talents and seniority in The Right Team, this can help you approach the client organisation at the right and different levels.

For example, your strategy to get a meeting with the client CEO might be to first get a meeting with the Head of Procurement. In that meeting, if you're talking about what your organisation does that directly relates to the client's strategic imperatives, then you're essentially talking the same language as the Head of Procurement. You're illustrating to them that you know what success looks like for that client organisation, which is the same message the Head of Procurement is receiving from the CEO.

The Head of Procurement will therefore know that you are invested in the success of the client organisation, and will be much more likely to agree to introduce you to the CEO because they know you will add value. They know you won't embarrass them in the meeting like many salespeople do today, by asking what the CEO did on the weekend or whether they like golf or whether they want to come to a client dinner. The Head of Procurement knows the meeting will be positive because you are speaking the same language as the client CEO and want to achieve the same outcomes.

You might find you'll need to meet with at least three or four heads of department to build Credibility before you ultimately get through to meet with the CEO. In this case, you would be replaying the same themes, just making them relevant to each department. This very much comes back to your call plan, which I will cover in the next chapter.

Conversely, your Trust in the client organisation might be high. You might have delivered everything you promised to a high level of client satisfaction over a decent period of time, but the CEO might not agree to see you. In this case, you might score Trust 8 but Knowledge is 0 (8 x 0 = 0). Your strategy here would be to learn that Knowledge.

The Client Expert and Sales Coach might need six months working on that Knowledge piece before they ask to see the CEO again. Alternatively, your organisation might be the undisputed expert in the solutions they deliver. You might score a 9 for Knowledge, but the CEO still won't agree to meet you, then Trust must be 0 (9 x 0 = 0).

In this case, Trust is a much harder thing than Knowledge to improve. It's easier to learn something than it is to change someone's opinion. If you're beginning a deal pursuit four years out in an industry new to your organisation, both your Knowledge and Trust scores may be 0 (0 x 0 = 0). In this case, you'd obviously need a strategy to improve both Knowledge and Trust, and you might not even try to get to see the client CEO until midway through the second year, when you know you've significantly improved both of these scores.

If the answer to the Credibility benchmark question is 'yes', then it needs to be graded based on one Knowledge sub-question and one Trust sub-question:

'What are our detailed contextualised messages to the client CEO?'

This is the Knowledge sub-question. What message can we deliver that adds the most value for the client CEO? As an organisation, we need to match what we do – and where and how we've done it – to the client's strategic imperatives to deliver a specific and relevant message for the client CEO. I say 'specific' because generic messages for any CEO are effectively meaningless.

The language to use here, which is the language of CEOs and senior executives, is 'implications'. This language must cover the facts in a 'if you do this, then this will happen' style. The messages should cover only a small number of points. The language needs to be targeted so it remains potent and doesn't get diluted. If you go in and try to sell everything at once, then it will become a generic conversation where the engagement from the CEO will be low.

The score for Knowledge is subjective and it will essentially come back to how well you know the client organisation and how good your messages are to them. Early on in the deal pursuit, you might be able to get a meeting with the CEO, but you might decide to wait a period of time to further build your Knowledge of the client to be able to deliver better and more targeted messages. You might only be able to score Knowledge after you've met the client CEO and asked validating questions during that meeting. Hopefully, in this case, you've done enough for the client CEO to invite you back.

'Has the client agreed to be a reference for another deal/client?'

This is the Trust sub-question. Does our client trust us enough to agree to act as a reference for another client? For example, your organisation might be working with a new retail organisation bidding for a first Stepping Stone Deal that you delivered to the existing client organisation six months earlier. Would the existing client CEO take a call from the CEO of this new retail organisation to tell them what your organisation is like? If the answer is 'yes', then the Trust score would be high because the existing client Trusts your organisation enough to endorse you to another organisation. Conversely, if the answer is 'no', then this score would be low and a Trust-building strategy would need to be put into place.

This sub-question also applies internally within the client organisation. For example, if you are meeting with someone a few levels below the CEO, has that person agreed to be a reference by introducing you to their boss so you can continue to work up the levels of the client organisation?

This person, however, might falter by saying something like, ‘Oh, I’m going on leave next week’ or ‘Can you come back and see me next week?’ This clearly indicates that person doesn’t trust you enough to make them look good, to sell a message to their boss that is consistent with the message from the client CEO. In this case, Trust = 0, which, regardless of your Knowledge score, means your Credibility is also 0.

This assumes that this person isn’t a gatekeeper. You need to be aware of this scenario because it is common. To determine whether this person is a gatekeeper, you need to ask questions around what more you can do to get a meeting with their boss. It will fairly quickly become apparent, especially if you determine your Credibility is high yet you can’t get that referral. You would then need to implement a strategy to get around this scenario, which would likely involve leveraging multiple relationships at the same time through The Right Team approach.

The score for Trust is subjective. Once derived, it is multiplied by the score for Knowledge to deliver an overall Credibility score out of 100. For example, if you score Knowledge 9 and Trust 8, then the Credibility score would be 72 (9 x 8 = 72).

2. Capability

‘Do we have local reference sites that support our VantagePoint?‘

This is the benchmark question for Capability. A local reference site for us in Australia is a reference site that delivers the same solution in the same industry segment within Australia as that of The Bedrock Deal. For example, a reference site in Melbourne in the banking and retail sector for cloud services, when The Bedrock Deal is in the banking sector for cloud services.

We’ve covered what a VantagePoint is. It’s the statement that brings together the culture of the client you are pursuing, your own culture and the unique value you are bringing to that client into a ‘we believe’ statement.

A ‘yes’ answer to this benchmark question is a powerful indication to the client that you have the Capability to deliver The Bedrock Deal. It shows them you have gone through all the pitfalls and the problems associated with the rolling out of the solutions. It shows that you've invested in the right resources, team and capability to deliver those solutions. It shows you've got the partners in the back end to help with support. Ultimately, it demonstrates you have the entire ecosystem in place to deliver the solutions that are the requirements of The Bedrock Deal. Once again, this is a black-and-white ‘yes’ or ‘no’ answer. If the answer is ‘no’, then your Capability will score 0 and your right to win The Bedrock Deal is 0. A ‘yes’ will be graded based on this equation:

Capability = Competence x Quantum

Competence measures your ability to deliver The Bedrock Deal. Competence is scored out of 10 and is ultimately determined by your local reference site(s) being in the top 5% of that client’s service providers, which we’ll cover in the sub-questions. Quantum is the number of local reference sites you have. Quantum is scored out of 10 and is ultimately determined by the broad base of references and/or segmented reference capabilities you have, which we’ll also cover in the sub-questions.

The first sub-question, which applies if the answer to the Capability benchmark question is ‘no’, is:

‘What is the plan to introduce the client to relevant reference clients?’

Obviously, if you are pursuing a deal from a long way off and the answer to the benchmark question is ‘no’, then you have time to pursue a deal that will become your local reference site that supports your VantagePoint. You might find that you are delivering the same solutions locally in a different industry vertical. For example, you might be delivering the solution into the banking sector when The Bedrock Deal is in Government. In this case, you would need to come up with a plan to win a similar deal in Government within those four years.

You might also find, and I’ve seen this a number of times, where you are the incumbent and you’ve established a high enough level of Credibility with the client to be awarded a deal without a local reference site. For example, you might be delivering security to the client so well, that they accept this as the reference point, and award you the deal for customer applications. Obviously, you still need to go through the process and prove your capability in customer applications.

You can then use this deal as a local reference site for another client. This plan works. This illustrates the power of the first C: Credibility. There are many scenarios here, but obviously if the answer to the Capability benchmark question is ‘no’, then you must come up with a plan to turn it into a ‘yes’. And if you’re not a long way out from the deal – say, six months – and your Capability answer is ‘no’, then I would recommend walking away from that deal and concentrating your resources on your other deals.

This question also applies if the answer to the benchmark question is ‘yes’. Obviously, if you have a local reference site that supports your VantagePoint with one client today, then you have to come up with a plan to get that CEO to meet with the CEO you’re pursuing in an upcoming Bedrock Deal.

I have seen this plan overlooked many times. I’ve seen salespeople simply write down the reference site in the tender in a long-term pursuit without thinking about it further. The power of an existing client CEO recommending your organisation to a potential client CEO over a period of time is exceptional. Getting these CEOs together might involve inviting them to industry events, or hosting an executive dinner, or encouraging them to attend the company directors’ association. There are many forums where this reference can be built over a period of time, but the plan needs to be put in place beyond simply putting a description of the reference in the formal tender process.

If the answer to the Capability benchmark question is ‘yes’, then it needs to be graded based on one Competence sub-question, followed by one Quantum sub-question:

‘Is our reference site client rating us in their top 5% of their service providers?’

This is the Competence sub-question. The top 5% may sound high, but from my experience this is the level you achieve when you do what you say you were going to do with the right resources to deliver the outcomes the client expected. Further, if you’re not in that top 5%, then your client probably doesn’t view you as exceptional enough to want to recommend you to another client. In reality, you might get away with being in the top 10%, but for anything lower I’d argue the client views you as average. An average local reference site that supports your VantagePoint will obviously score low for Competence.

You might also need to do some work to determine whether your organisation is in your client's top 5%. Some organisations have a formal process of scoring their vendors, so in this case that score would be easily and objectively determined. If your client organisation doesn't have a process to score their vendors, then you might actually need to ask the question of the client CEO: 'Would you score my organisation in your top 5% of service providers?'

This may not be a day-one question, but one to ask when you've had significant experience with the client organisation. This is a really powerful question to ask a CEO because it will quickly uncover any issues you have. It's a far better question to ask then the usual: 'How are we doing?' or 'Do you have any complaints?' These are open-ended questions that lead to open-ended answers.

Asking the top 5% of service providers question is more subjective than receiving a score from those organisations that have a process to rate vendors, but you will still get your answer. You might also use The Right Team here to test out your score across a number of different people in different areas in the client organisation. The score for Competence hinges on whether you're in that top 5% of service providers. If you are, then your score out of 10 would be high, i.e. 7-10. If not, it would be low, i.e. <5.

'Do we have a broad base of references or segmented reference capabilities?'

This is the Quantum sub-question. Put simply, the broad base is the number of local reference sites you have that support your VantagePoint. The more reference sites you have, the greater your score. For example, if you had, say, a dozen local reference sites, then your Quantum score would be high because essentially you can prove experience and delivery.

This can also be a very powerful competitive advantage. For example, if you have a number of sites you can rattle off and your competitor only has one. If you have only one or two local reference sites, then you might need to turn to segmented references.

A segmented reference is delivering different portions or parts of The Bedrock Deal to different clients that ultimately make up the whole. For example, you might have a local reference site for program management with one client, and project management with another client, and security with another client, and so on. And The Bedrock Deal includes all of these areas. You can therefore prove Capability across all of the services that need to be delivered, but not all at once to one client. A Capability score involving segmented references would score lower than having one local reference site for all of the services with one client.

The score for Quantum is subjective, but it is based on facts. You either have a number of reference sites or you do not. If you have 10 local reference sites, you might score Quantum 8. If you have one and a number of segmented reference capabilities, then your score might be a 3, and you might even be non-compliant. Once the score from Quantum is determined, it is multiplied by the score for Competence to determine the Capability Score out of 100.

Put simply, Capability is proving to the client that you can do what you say you can do. If the answer is 'no', then your right to win The Bedrock Deal is 0. If the answer is 'yes', then what is the strategy to illustrate this to the client? Can we illustrate that we've done it well? (That is, Are we Competent?) Can we illustrate that we've done it many times? (That is, do we have Quantum?)

If you have delivered it well and are in the top 5% of service providers, then you might score Competence 9. If you've delivered it 10 times, then you might also score Quantum 9. In this case, your Capability Score would be 81 (9 x 9 = 81).

3. Commitment

'Is the client currently buying from us?'

This is the Commitment benchmark question, and it is a pretty straightforward one. The premise here, which I have covered previously, is that it's very unlikely a client will trust another organisation to deliver a Bedrock Deal if they haven't done business with them before. Remembering a Bedrock Deal is one that fundamentally changes one of the client's business processes. Once again, the answer here is black and white. If the answer is 'no', then your score for Commitment is 0 and your right to win The Bedrock Deal is 0. A 'yes' will be graded based on this equation:

Commitment = Satisfaction x Outcome

Satisfaction is determined by asking how satisfied the client is with the services you are currently providing them. Satisfaction is scored out of 10 and is ultimately measured by the client, which we'll cover in the sub-questions. Outcome is the number of deals we have won with the client versus lost. Outcome is scored out of 10 and is ultimately determined by our 24-month win/loss ratio, which we'll also cover in the sub-questions.

The first sub-question, which applies if the answer to the Commitment benchmark question is 'no', is:

'What is our plan to gain a foothold in this client that supports our Bedrock Deal with complex services?'

This is where our Stepping Stone Deals in The Pursuit Plan come into play. What Stepping Stone Deals have the Client Expert and the Sales Coach identified in The Pursuit Plan in the lead-up to The Bedrock Deal? What strengths of our organisation are we going to leverage?

For example, our organisation might be excellent in security. The Bedrock Deal might not be a security deal, but we are going to win a number of Stepping Stone Deals in security with the client organisation to prove there's some Commitment to us from them. For example, we're going to enter the client organisation by doing a security assessment, then we're going to do some security consulting, then some training, and then some development of their policies and procedures, and so on. Winning all of these Stepping Stone Deals is designed to not only change the Commitment benchmark question from a 'no' into a 'yes', but to also improve our Satisfaction and Outcome scores along the way.

If the answer to the Commitment benchmark question is 'yes', then it needs to be graded based on one Satisfaction sub-question, followed by one Outcome sub-question:

'How satisfied is our client with our services?'

This is the Satisfaction sub-question and there are a number of mechanisms to measure client satisfaction out there today. I've spoken about The Net Promoter score in The Remuneration Plan, and how it's a great process that is poorly applied today. In addition, it needs to either be applied differently or another measure like an app-based approach needs to be put in place. If this can occur, then the score for client satisfaction will be objective. If not, then the score will be subjective and based on personal interactions with the client.

In this case, you'll need to be on your toes because there is a tendency in personal interactions for people to tell you what you want to hear. Ideally, you need to find a way to broaden these interactions throughout the organisation and give these people an anonymous way to give you this feedback, hopefully arriving at a fairly objective score out of 10 for Satisfaction.

'What is our 24-month win/loss deal ratio with the client?'

This is the Outcome sub-question. The measure here is pretty straightforward and the score is predominantly objective. The score out of 10 is equal to the same percentage as your win/loss deal ratio with that client over the last 24 months.

For example, if you went for six Stepping Stone Deals with the client and you won half of them, then your win/loss ratio is 3/6 or 50%, meaning your Outcome score is 5 (5/10 = 50%). This score assumes the deals all have equal weighting, which might not be the case, and is the reason why I say the score here is predominantly objective.

For example, if you won three product supply deals and lost three consulting deals, then that score would need to be subjectively modified because consulting deals are much more important to a client than product supply deals. In this case, although your win/loss ratio is 50%, you might downgrade your Outcome score from 5 to 3.

If you haven't won any Stepping Stone Deals in the last 24 months with the client, then obviously the score would be 0, and you should seriously consider whether to continue to pursue The Bedrock Deal with this client. As I've mentioned previously, in this case, you could heavily discount a Stepping Stone Deal to an irresistible level, just to determine once and for all whether the client will buy anything from you. If they don't buy that deal, then you need to walk away.

If your Outcome score is indeed 5, then to me that indicates that the client sees you as average. They are more than happy to share their business around. In this case, even if your score for Satisfaction is 10 (which seems unlikely if you're only winning 50% of the deals), you still wouldn't have a Commitment score of at least 60 (5 x 10 = 50). In this case, you'd need to come up with a strategy to improve that win/loss ratio and hopefully be far enough out from The Bedrock Deal to have the time to implement it.

Once the Outcome score is determined, it is multiplied by the Satisfaction score to determine the Commitment score out of 100. For example, if your Satisfaction score was 8 and your win/loss deal ratio over the last 24 months was 60%, i.e. 6, then your Commitment score would be 48 (8 x 6 = 48).

4. **Control**

‘Are our fingerprints on the deal?’

This is the Control benchmark question. Fingerprints are a unique identifier. Every organisation has fingerprints: a set of unique skills and capabilities. I say a ‘set’ because it’s not often an organisation has something intrinsically unique about itself, but those skills and capabilities can combine in a unique way.

Looking at the requirements in the tender, the Control benchmark question is asking: ‘Has our organisation been able to Influence the client to include aspects in those requirements that are either unique to our organisation, or unique to a very small group of organisations?’

For example, in one organisation I worked for, we used to work really hard in big maintenance deals to get the client to include in the technical specifications a support for their end-of-life equipment. We did this because we knew that our biggest competitor wasn’t able to deliver this, so they would be non-compliant on that requirement. When we were successful, our competitor knew it was us. They could see our fingerprints on the deal, and they would be very concerned at their likelihood of winning that deal, because they would have been doing everything they could to Influence the client out of including that requirement.

In this case, we were able to exert more Control over the deal than our competitor. The nuance here is that to gain Control you need to start early, i.e. one to two years out. If you start late, then you will run out of time. The other nuance is that you don’t often know whether you’ve been successful in Controlling the deal until the tender comes out, which is quite late in the deal pursuit. That’s the moment of truth with Control.

I’m not advocating that you need to establish Control over all the requirements of the deal. There might be 50 requirements and you might work hard on changing two or three of these requirements. These will be the requirements you’re good at delivering, are unique to your organisation or a small number of organisations, and that you’re well known for in the marketplace. This represents Control on up to 5% of the requirements of The Bedrock Deal. I’ve always said Bedrock Deals are a 1% game. You very rarely win a deal by more than that, so 5% is a significant competitive advantage.

On the flip side, if you have been working hard at changing those requirements over a significant period of time, and the tender comes to market without those changes, then the client is telling you they don’t value you enough to include those changes. That’s probably a sign that you haven’t been able to build enough Credibility or prove Capability with that client. This is a worse outcome than coming late to a deal and running out of time. It basically tells you you’ve wasted all that time with the client. It also illustrates that the 4C’s are intertwined. You need Credibility and Capability to build Control.

I see a lot of salespeople today trying to talk their clients out of going to tender using a classic relationship strategy. They consider this the best approach: ‘Let’s be “clever”, let's keep it under this value, let's contract doing this, come on, mate ….’ In the end if it’s a Bedrock Deal, it’s always going to go to tender and, in this case, these salespeople have wasted the opportunity over all that time to Influence the deal.

For the most part, it is the best and most unique organisations that win Bedrock Deals, and if your salespeople aren't working on establishing those two things with the client, then they're wasting their time. Once again, the answer here is black and white. If the answer is 'no', then your score for Control is 0 and your right to win The Bedrock Deal is 0. A 'yes' will be graded based on this equation:

Control = Influence x Mastery

Influence is: Have we been able to Influence the client to change their way of thinking towards our way of thinking? Influence is scored out of 10 and is ultimately measured by the level of your involvement in developing the client's strategy or aspects of the deal, which we'll cover in the sub-questions. Mastery is having a third party proving your expert credentials to the client. Mastery is scored out of 10 and is ultimately measured by the client demonstrating they recognise you to be an industry leader in the solution(s), which we'll cover in the sub-questions.

The first sub-question, which applies if the answer to the Control benchmark question is 'no', is:

'What are our next steps to create the control we need to achieve?'

If the tender comes out and you weren't able to exert any Control over it, then there are probably two reasons why.

Firstly, which I've mentioned, is that although you spent a significant amount of time with the client trying to shift their way of thinking towards yours, you failed. In this situation I would recommend not responding to the tender because this is a clear indication from the client that they don't value you enough to want to do business with you.

Secondly, which I've also mentioned, is that you were late to the tender and didn't have time to change the client's way of thinking towards yours. In this case, you might decide that because you have significant Credibility and/or Capability, it's worth having a go at the tender, but I guarantee you will be compromised somewhere in the deal.

Under The Right Model, The Pursuit Plan will ensure you will be talking to a client a long way out from the tender coming to market. Over this time, the Client Expert and the Sales Coach need to formulate and implement the strategy to establish Control. Initially, they will determine the requirements in the deal that are critical to the client that your organisation is an industry leader in (Mastery) and how to communicate this back to the client.

This could involve introducing a CEO from a local reference site where your Capability score is high in these requirements. You might brief that CEO to really emphasise you are the industry leader in those requirements. It could also be quoting an industry source that determines your organisation is an industry leader to the client.

There are a number of ways Mastery can be shown so that the client reflects this back to you. From there, the strategy would move towards Influence. How can we change the client's thinking about those requirements for them to include that change in the tender?

If the answer to the Control benchmark question is 'yes', then it needs to be graded, based on one Influence sub-question and one Mastery sub-question:

'Have we helped the client develop company and/or IT strategy and/or technical/commercial aspects of the deal?'

This is the Influence sub-question. It is basically asking: 'How engaged have we been with the client in relation to this tender, or generally, with their IT strategy?'

Under the banner of IT strategy, organisations have different architecture documents for different parts of their environments. For example: enterprise, security, cloud and so on. Clients generally get external organisations to either write or review these architecture documents. For example, if you have written the security architecture and reviewed the enterprise architecture for a client, then that is a high level of Influence because they obviously already value your organisation in those areas.

There's a caveat here. Sometimes when you do work 'above the line' on strategy, then this precludes you from working 'below the line', i.e. bidding on The Bedrock Deal related to that strategy. This isn't always the case, but, if it is, this will come back to the long-term strategy for the client. You might determine that the 'above the line' consulting deal might be worth $800K, but taking that might preclude you from the 'below the line' implementation deal, which might be worth many tens of millions. In this case, your choice here will come back to your Attainment Plan, which outlines your long-term strategy for that client.

The technical/commercial aspects of the deal we have spent some time on already. This comes back to whether you have been able to change the client's way of thinking on those aspects towards your way of thinking. A technical aspect is related to the solutions within the deal, whilst the commercial aspects are related to timing, payment terms, buy-back requirements and so on.

For example, with one Bedrock Deal that I was working on, we were able to convince the client to delay the tender by 12 months because we knew we had the right skilled resources coming free at this time. This allowed us to significantly lower our cost because there were no recruiting fees, and so on. It also gave us another 12 months to Influence the deal further. We were successful in winning this deal.

If you have managed to do this over one or more aspects alongside delivering IT strategy for that client, then your Influence score would be high. If you haven't managed to change one requirement of the deal and have worked on IT strategy with the client, then your score would be lower. The score for Influence is predominantly objective. Have we managed to Influence the client and to what extent?

To determine the score, a really clear lens needs to be applied to recognise what is one of your organisation's fingerprints and what is a generic requirement. I've seen salespeople try to claim a requirement as a fingerprint because it's something that their organisation was good at delivering. That would score low for Influence, say, 1, unless it was a requirement that you convinced the client to put in by changing their way of thinking, which would score, say, 8.

'What has the client done to demonstrate they recognise us as industry leaders in our solution space?'

This is the Mastery sub-question. The key here is that the client must recognise you as an industry leader. Every salesperson I know would walk into a client organisation and say they were the industry leader in such and such. That's a given. But how do we know the client believes us? The highest measure in this case would be a third party such as an industry publication like *Gartner* recognising this fact. The score for Mastery here is high because it can be presented like that: as a fact.

Another significant measure that I have mentioned is another client recommending you as an industry leader. This is a slightly lower measure than a respected industry publication. If your client doesn't care that you're an industry leader in a solution, then that solution isn't important to them. Mastery is only measured on the solutions your client sees as critical enough for them to want the best in the industry to deliver for them. And even if *Gartner* writes that you're the best in the industry, or another client recommends you as the best in the industry, the client still needs to reflect this back to you by implementing your ideas.

A high score for Mastery needs to be demonstrated by the client. If *Gartner* says you're the best in the industry and you have changed the client's approach to this solution, then your Mastery score will be high. If you don't have a third party to prove that you're an industry leader in the solutions you provide for a Bedrock Deal, then your Mastery score will be low.

And, really, this comes back to The CEO Sales Plan.

Put simply, if you're not industry leaders in some of the solutions you deliver in a Bedrock Deal, then, by extension, your ideas won't be the best; they will likely be generic and bland. They won't be unique enough to win that Bedrock Deal as a Right Deal with good margin and delivery, and so on.

In this case, your score for Mastery will be low alongside your right to win. If you are the industry leader in the solution that your client sees as critical, and they don't demonstrate this back to you by implementing your ideas, then your score for Mastery will also be low. In this case, you have the wrong client because they're either not striving to be the best they can be, or they're not listening to you, or they don't believe you. Or possibly you didn't push the client hard enough to acknowledge that what you're saying is important to them.

Sometimes you need to encourage the client to answer, 'Yes, that's right,' once you've outlined what is important to them. This should never be simply show and tell, you need to listen and encourage a healthy dialogue.

The score for Mastery, like Influence is predominantly objective. The client either demonstrates that they recognise you as the industry leader in some of the solutions you deliver, or they do not. Once the score for Mastery is determined, it is multiplied by the score for Influence to deliver the Control score out of 100. For example, if the score for Influence was 8 and the score for Mastery was 10, then the Control score would be 80 (8 x 10 = 80).

Ultimately, Control comes down to whether you've been able to Influence the client to include aspects in the critical requirements of The Bedrock Deal that deliver you a competitive advantage, because that client sees you as the industry leader in those critical requirements. This sounds simple, but this requires you to not only change the client's thinking towards your own, but to be bloody good at what you do.

Your score for Control might not become entirely clear until quite late in the process when the tender comes to market, after you've already invested a lot of time and money in the process. You will, however, have a subjective indication of your Control score in the lead-up to the tender, and you would have already established the scores for the other 3C's.

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Once all the scores for the 4C's have been determined, they need to be combined to determine the right-to-win score. To do this, simply add them together and divide by 4 to arrive at the right-to-win rating out of 100.

For example, if your Credibility score is 72, your Capability score 81, your Commitment score 48, and your Control score 80, then your overall right-to-win rating would be 71 (72+81+48+80 = 281, 281/4 = 70.25). This is also illustrated in the previous Power Plan Score diagram.

And just to reiterate: each Component score must be at least 60 and the combined or overall score must be at least 80 for an organisation to have a high right-to-win rating. A high right-to-win rating means the organisation is well positioned to win The Bedrock Deal.

Thanks for reading this extract from my book *CEO-Led Sales*. And to short-hand The Power Plan, it simply comes back to four questions you should ask your sales team today in order to measure your 'right to win' the deal:

- Can we meet with the client CEO within seven days?
- Do we have local reference sites that support our VantagePoint?
- Is the client currently buying from us?
- Are our fingerprints on the deal?

If this extract has sparked your interest to read more, then copies of *CEO-Led Sales* are available from the CEO-Led Sales team's website:

www.ceoledsales.com.au

About The Author

Andrew Phillips is a dynamic executive leader with extensive experience in the contemporary management of people and projects. He demonstrates an ability to consistently deliver outstanding value and profitable growth for both corporate and government organisations.

With a background in business consulting, spanning 30 years, Andrew is a senior sales professional, business analyst and project manager with an impressive track record delivering value propositions and change agendas.

Honest, outcome-orientated and intensely passionate about providing constructive support to his team, Andrew provides inspirational leadership by setting a clear vision and driving a culture of excellence. With an innate ability to identify and diagnose business technology problems, create scalable and profitable solutions for his clients, Andrew has earned a reputation as a trusted advisor, integral to his clients' overall business strategies.

Widely recognised as a thought leader, Andrew has provided strategic guidance to CEOs and organisations, including Unisys, Nortel, Meta Group, Getronics, Dimension Data and Readify. Andrew is recognised as a leader in his field and one of the most sought-after sales professionals in Australia.

Author of *CEO-Led Sales*, Andrew begins a new chapter of his career, focusing his energy on helping CEOs transform their organisations into dependable and consistent revenue generators.