# Fast Forward: The Nuts and Bolts of Deal Review

The final quarter: It's time for a big push. Salespeople scramble to meet their numbers, and sales leaders expect people on their team to cross the finish line aggressively. To avoid getting into a situation where desperate salespeople jam product (thereby putting at risk the opportunity for long-term relationships with clients), systemize your deal review process.

## Past, Present and Future

There are three reasons to embark on a deal review process, according to Rob West, Sales Consultant for Miller Heiman:

- To look backward and reflect on performance versus goals.
- To look at current activity levels from two perspectives.

First, to explore whether the amount of selling activity is sufficient to support sales targets and secondly, to discover to what extent the activities are balanced across the different types of selling work being done (prospecting, qualifying and closing, as examples).

- To look at the forward pipeline or funnel in terms of what's coming down the pike.

While all three categories of funnel review are critical for growth, forward-looking deal review processes help you plan for meeting your sales team's end-of-year forecasts.

## The Process: Mandatory Attendance

Deal review process attendance is mandatory for sales leadership because they provide counsel on which deals to pursue, and what resources are appropriate. And, as West comments, "A lot of breakdowns can take place when resource commitments are made without the participation of the people who own the resources."

What happens then? If salespeople come up with strategies without consulting those responsible for resources--marketing or product development, for example--and the resources aren't available, then it's back to square one.

"Whoever has their hands on the trigger of resources should be involved," West says.

## The Process: Two Extremes

Imagine these two scenarios as described by West: One of your account managers has 20 deals in his funnel; another account manager has only three deals in hers. The deal review process will be very different for each example because each manager will have to take different sets of action to accomplish his or her goals.

For the account manager with only three deals, the conversation can focus on understanding the actions required to move each deal through the funnel. On the other hand, the account manager with 20 deals in his funnel needs objective criteria to help him choose where best to spend his efforts.

## Critical Steps to Hit Year-end Goals

1. Classify Your Ideal Customers

Determine where your sales team's time is best spent by taking steps to identify ideal customers for your company. West explains that in the Miller Heiman process to establish top criteria, your company should ask questions that are a blend of demographics (hard issues) and psychographic factors that tend to be less tangible, but can be more telling.

Demographic question samples:

- How much revenue potential does the customer bring to the service-provider or vendor?
- How many locations does the company have?
- How many employees does the company have?

Psychographic question samples:

- Is the company innovative or conservative?
- Is the company an innovator or follower?
- Is the company loyal to its vendors, or does it choose vendors by price alone?

Organizations should identify which criteria describe an ideal customer, and then compare the results, deal by deal, to pinpoint which deals are most desirable to pursue.

2. Drive Sales

When it comes down to the wire, West recommends taking a straightforward approach. "If you have a customer that accepts your value proposition, but the deal isn't moving forward due to time or resource constraints, you can say something like, 'Look, we both have tangible goals we want to achieve by the end of the year. To that end, we'd like to give you an incentive to take action more quickly.'"

The critical distinction is the customer-validation process, according to West: When the customer has already validated and acknowledged their need for your product or service, you're in a safe place to make that offer, but "if the deal is still in play and has not been validated, that move [offering an incentive]

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comes across as a negotiation ploy, which undermines your value because you're defining yourself in terms of the financial piece."

3. Leverage Top Performers

To re-energize superstars who have been bringing deals in consistently throughout the year, West suggests a recognition program. "Announce the top sellers on a regular basis—guaranteed, your salespeople will begin to actively compete. Recognition programs help bring things front and center for the short term."

And to light a fire under those who aren't making significant strides, partner them with thriving peers. As West says, "Sometimes people who are struggling react well to the stick, some react well to the carrot, and some react to neither if it comes from management—but they react strongly when someone in their own peer group takes ownership to help them along."

A mentorship program has the added benefit of encouraging the mentor, as well, since it can be flattering to be perceived by leadership as someone good enough to help those who need it.

## It's Not Just About You: Customer Consequences

A deal that's in the 30-day funnel must be a deal that will close in 30 days, says West. That may seem like common sense, but optimism can lead salespeople to underestimate the amount of time it will take to close a deal. Bottom line: If there are no consequences for the customer, there's less urgency--and no solid date on which the deal can be won.

Customer consequences can range from compliance to cost-savings to revenue growth. Salespeople operating on year-end deadlines need to realize which deals are imminent--not from a selling perspective, but from the customer's buying perspective. Then, West says, salespeople should focus on deals in which there are consequences, or focus their energy on creating consequences.

"A lot of salespeople fall prey to letting their quota--or the timelines through which the company measures its own financial performance--dictate their sales activity," West says.

Clearly, it's important for salespeople to hit numbers, but they also must respect the customer's own decision-making process.

## About Miller Heiman

Miller Heiman has been a thought leader and innovator in the sales arena for almost thirty years, helping clients worldwide win high-value complex deals, grow key accounts and build winning sales organizations.

With a prestigious client list including Marriott Corp., Dow Chemical, Pepsi, Schwab Institutional and Wells Fargo, Miller Heiman helps clients in virtually every major industry to build high performance sales teams that deliver consistent sustainable results to drive revenue.

The company is headquartered in Reno, Nevada and has offices around the world. More information can be obtained by visiting the company's website at: www.millerheiman.com.