

FOUR SALES CHALLENGES THAT BENEFIT IT & ENGINEERING WHEN ADDRESSED

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Organizations often live and die by sales performance. As dramatic as it sounds, even small sales ops missteps can have large implications for other lines of business. In this Knowledge Brief, Aberdeen will focus on the shared stakes between sales, IT, and engineering in four key areas where improvement enhances the performance of all three teams.

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The impact of challenges faced by sales extends beyond the sales department.

Learn how reducing strains on sales can reduce stress on IT and engineering as well.

What's at stake? Understanding sales challenges that come with IT or engineering expenses.

It's easy to have little concern for the problems of departments different your own. "That's a sales problem; it doesn't affect IT" or "Why should engineering worry about sales?" Sales problems, however, do invariably bleed over into other departments. Of the top four sales challenges highlighted below, all of them have implications for IT and engineering. In this Knowledge Brief, we will break down these four challenges and explain what IT and engineering have to gain in advocating for sales improvements in these areas.

Table 1: The Top Four Challenges Faced by Sales Leaders

Challenge	All Sales Leaders
Improving understanding of prospect / customer buying behaviors, including historical transactions	62%
Identifying "choke points" or friction where the sales cycle slows down	45%
Driving repeatable behavior among sales reps	45%
Improving the workflow of generating, negotiating and closing quotes, proposals or contracts	31%

Source: Aberdeen Group, December 2015

Improving the understanding of prospect / customer buying behaviors is important for IT and engineering alike.

What happens when prospect or customer behaviors aren't being tracked correctly at an organization, despite having technology in place that *should* do the job? Do sales reps roll up their sleeves and dig into the coding and configurations themselves? No. It's a call to IT that often requires an in-depth, hands-on project to troubleshoot specialized systems that aren't generally IT's concern.

Similarly, whether it is a technical problem or just a lack of process in using prospect or customer buying behaviors to make informed decisions, the product or package being sold may not be in line with what the buyer actually needs. That's a problem for engineering. If a million-dollar deal of square-peg products is sold to an organization with a round-hole infrastructure (i.e. an incompatible deliverable), the pressure falls on engineering to make it work.

Configure price quote (CPQ) technology, however, addresses this two-front problem with one simple solution. On the IT side, by having simple, easy to customize workflows that are automatically documented, what's proposed to buyers and what is bought is tracked with little to no custom coding. If a sales leader wants to know what's best for various buyers, that leader need only look into the history of quotes or proposals delivered.

Similarly, on the engineering side, as Aberdeen's report <u>How CPQ</u> <u>Stops Sales from Creating IT & Engineering Nightmares</u> (September 2016), findings show engineers at leading (top 30% in terms of performance) large enterprises are 49% more likely to regularly solicit customer feedback to inform the next phase of design iterations / offerings, compared to their average peers (79% vs. 53%). On the sales side, the study also showed that Best-in-Class sales organizations are twice as likely to give sales ops, product admins or engineers direct control and customization capabilities to



Related Research:

How CPQ Stops Sales from Creating IT & Engineering Nightmares Engineers at leading large enterprises are 49% more likely to regularly solicit customer feedback to inform the next phase of design iterations / offerings. manage what materials, prices, and order packages/ configurations sales reps can see/ offer up, compared to All Others (36% vs. 18%). Armed with heightened customer-centric insights, and enabled through CPQ and smart control-sharing processes of Best-in-Class sales organizations, engineering can be prescriptive in what sales should offer up to best serve customer needs.

In both cases, for IT and engineering, time and effort is minimized by making it easier for sales to understand and respond to prospect or customer needs.

Identifying "choke points" or friction where the sales cycle slows down can be a data infrastructure problem for IT if not addressed.

While catering to prospect or customer needs is perhaps the biggest win for sales, IT, and engineering, there are also smaller wins that add up in aggregate. In this case, it's in establishing lines between people problems, process problems, and technology problems.

In the sales process, choke points or sales friction arise because something is broken. The problem can be people who are slow to respond or approve, processes that delay or disrupt progress, or technology that breaks down, confuses or complicates vital sales efforts. When it's a technology problem, of course, IT is on the hook to solve it.

All too often, though, people problems or process problems get blamed on technology, and IT ends up being tasked to solve for a symptom of a greater affliction.

When the sales team is strongly enabled to diagnose their own problems, though, IT is spared such un-winnable projects. By arming sales teams with technology like CPQ, which gives greater insight into the sales process, and, via manageable configurations and analytics, streamlines the sales process, IT frees itself from having to step in for people or process problems that are mis-attributed to technology.



Driving repeatable behavior among sales reps prevents them from breaking anything IT may need to fix or selling anything that'd be a pain to engineer.

Forty-five percent of sales organizations find it difficult to drive repeatable behaviors in sales reps. At the same time, of course, repeatable behavior is vital to predictable organizational performance. Sales reps, though, are inclined to pursue primarily individual ends. Hence, a willingness to do anything to seal a deal.

For IT, predictable, repeatable sales rep actions mean lower risks for problems like malware or virus vulnerabilities as reps will be less likely to download or use assets or tools that are not already approved. Having a prescriptive system of record, for example, that serves up recommended talking points or product configurations for look-alike accounts will save reps from turning to unexpected sources or solutions.

For engineering, repeatable sales behaviors mean repeatable deliverables and deadlines. When sales reps secure deals that adhere to the expected configurations and capabilities of standard production, the production machine turns at an intended or optimized level of efficiency. When an unexpected, or unapproved custom quote or proposal is accepted, however, it can be a monkey wrench thrown into the production system, or even the final product delivered to a client. If NASA can lose a probe to Mars due to software that confused imperial system pound commands with metric newton unit readouts, it's not a stretch to imagine similar slip-ups in business-to-business (B2B) products.

Suffice it to say, enabling sales to follow processes as other lines of business do, rather than being unpredictable wild-cards, is in the interests of both IT and engineering.

Best-in-Class sales organizations are twice as likely to give sales ops, product admins or engineers direct control and customization capabilities to manage what materials, prices, and order packages/ configurations sales reps can see/ offer up.





Improving the workflow of generating, negotiating, and closing quotes, proposals or contracts means reducing the amount of approvals from the engineering / product team.

Imagine working on a project, but every five minutes or so, the phone rings, or a "high importance" email comes through, and someone asks, "Can we do X with Z in place of Y?" or "Can A go with C instead of B for the price of D?" This frustrating formula can be a common experience for engineers at organizations where sales reps struggle with negotiating or closing standard deals. Whether it's the sales rep, or a sales leader speaking for a sales rep, questions of "can we do [it]" are often thrust upon engineering when sales struggles with what should or shouldn't be done in the sales process.

With CPQ technology that does have pre-defined approval parameters, prices, and configurations, engineering can provide answers to what can be done, in terms of deliverables, that also match what should be done. If a sales rep wants to pitch component A with component C to cut out the cost of component B as part of a negotiation, instead of an engineer having to lose time to say "A and C don't work without B," a CPQ workflow can be set up to prevent such a proposal from even being considered. In this way, sales reps are given set boundaries within which they can be guided through negotiations without looking to impossible or unprofitable options.

The bottom line: IT and engineering win when these four sales challenges are solved.

Operationally, sales, IT, and engineering shouldn't have to worry too much about each other. However, when things break down, the dependences of all three on each other can become draining. In the evaluation and implementation of sales-strengthening technologies like CPQ, however, it's worth it for IT & engineering to take interest and take action as well.

For more on this relationship, read Aberdeen Group's full report: *How CPQ Stops Sales from Creating IT & Engineering Nightmares.*

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