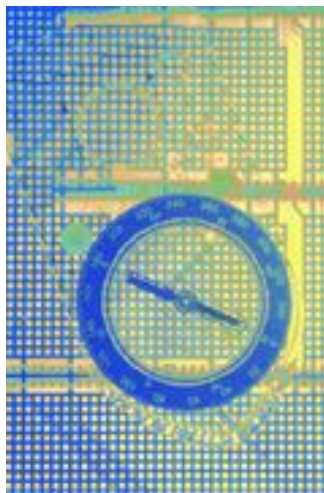




## Transforming the Sales Process at Softwright

### Case study

---



### Abstract

*The managing director of a software house wanted to increase sales and margins and address known issues with the effectiveness of the sales force.*

*Working with ChangeBEAT he designed a programme to increase sales by making more use of the people the customers wanted to deal with – the senior managers, lead consultants and project managers.*

*Although the sales team cost was reduced by 67% the company achieved an extraordinary annualised revenue growth of 36% and profit by 35%.*

## Introduction

Softwright, before its acquisition by SSA Inc, was a software development company with an excellent reputation within the UK and continental Europe.

The company concentrated on building customised network management, digital broadcasting and ebusiness software systems, often working at the “leading edge” of new technology.

Based in Langley in Berkshire, the company employed 120 people of whom 90 were programmers, project managers and technical consultants. The company’s business model was the provision of software development services on time and materials or for fixed price contracts.

Softwright’s main strength was its delivery capability, which it achieved by two means. First it recruited the best and brightest software developers, and second, it used a well-established Quality Management System (QMS) to provide consistency and quality to their work. The QMS was ISO9001 accredited first in 1994 and remained a valuable tool for all software development activity.

Clients valued Softwright’s technical strength and hands-on expertise. The thing that made the difference in the sales cycle was ensuring the customers met Softwright’s top technical people and, by showing them the QMS, they were given confidence that Softwright was a well-managed company.

## The issues

The company had six Business Development Managers in the field who were referred to as “salesmen” in front of the customer.

The senior management team identified the following issues

- None of the Business Development Managers was seen as truly successful. The vast majority of new business arose from word of mouth referrals which could not obviously be related to business development activity.
- Many clients seemed more comfortable dealing with the person who would ultimately be responsible for delivering the services, even during



the sales process. Consequently there was concern that the Business Development Managers actually become a barrier to sales in certain situations.

- Too much time was being wasted with unproductive prospects, whose spending capacity did not justify the high sales costs involved.
- Bid productivity was a cause for concern. The proposal production process was very time-consuming and expensive and a number of recent bids had been lost to competition.
- An analysis of the sources of business showed that a small number of large accounts were responsible for the great majority of the company's business, but there was no formal "Key Account" programme to recognise this dependency.
- Risk management was traditionally a strength at SSA Softwright but the senior management wished to move towards an exception reporting system to ensure visibility of significant project risks in a timely way.
- Some of the marketing programmes were ineffective. In particular, a mailshot programme seemed to be generating a substantial workload but few projects, or indeed any evidence of success.

### The challenge

Alistair Hardie, the new Managing Director of Softwright, set about implementing his vision for Softwright to be "the most respected software house" and engaged *ChangeBEAT* to help address the issues of sales productivity and effectiveness.

The following priorities were set

- Improving the strategic marketing focus of the company and channelling business development activity into growth markets where Softwright could build sustainable edge
- Implementing a Key Account strategy which recognised the importance to Softwright of Key Accounts
- Redirecting sales activity away from unproductive prospects by
  - \* defining more explicitly the company's view of the type of business required



- \* implementing a rigorous qualification process based on a customised checklist and commercial review
- Improving the efficiency and quality of the proposal production process by providing proposal templates with sharp and effective standard text describing Softwright's products and services. This was then used and reused in subsequent proposals
- Simplifying and reviewing the company's contracts to make them more "client friendly" and so reducing the amount of time spent negotiating terms
- Overhauling the company's risk management processes.

The overall objective was to implement an improved set of sales, marketing and commercial processes that would

- enable strategic business development to be more effective
- provide a sales system to enable senior project managers and technical consultants to play an effective role in closing contracts with a minimum of additional effort and training
- ensure the implementation of the senior management's vision for the business.

### **Implementing improved processes**

Softwright's Infobase, an intranet-based library of processes, procedures, proformas and quality guides, was already well established within the company for the core development processes. Infobase proved to be an important enabling technology in the delivery of the improved sales processes.

The management team implemented the improved processes by

- performing a rigorous analysis of the steps required to improve the processes in each area of concern
- producing "best practice" documentation including guides, process definitions, checklists and proformas that were made readily available on Infobase



- performing internal communication and education sessions to ensure the new processes were well understood by the senior professionals
- improving existing review and audit processes to ensure that the benefits of the new systems were being achieved.

### **The benefits**

The implementation of the new processes was a great success enabling the rapid growth of the company's revenues whilst dramatically curtailing sales and marketing expense.

In the year following the sales enablement programme, the company achieved an annualised revenue growth of 36% and **at the same time** the sales force was reduced from six to two full time personnel with consultants, project managers and management playing an increased role in the better defined selling process. Consequently, annualised profit improved by 35%.



*ChangeBEAT defines, develops and executes change programmes that help achieve enduring business benefit rapidly and reliably. Our people have practical field experience, and are equipped with WingBEAT, our proven change methodology, and our extensive tools. We are professional, pragmatic and action oriented.*

*ChangeBEAT is a trading name and a trademark of Contact to ContRact Ltd.*

For further information call **+44 (0) 208 446 6946** or visit **[www.ChangeBEAT.com](http://www.ChangeBEAT.com)**