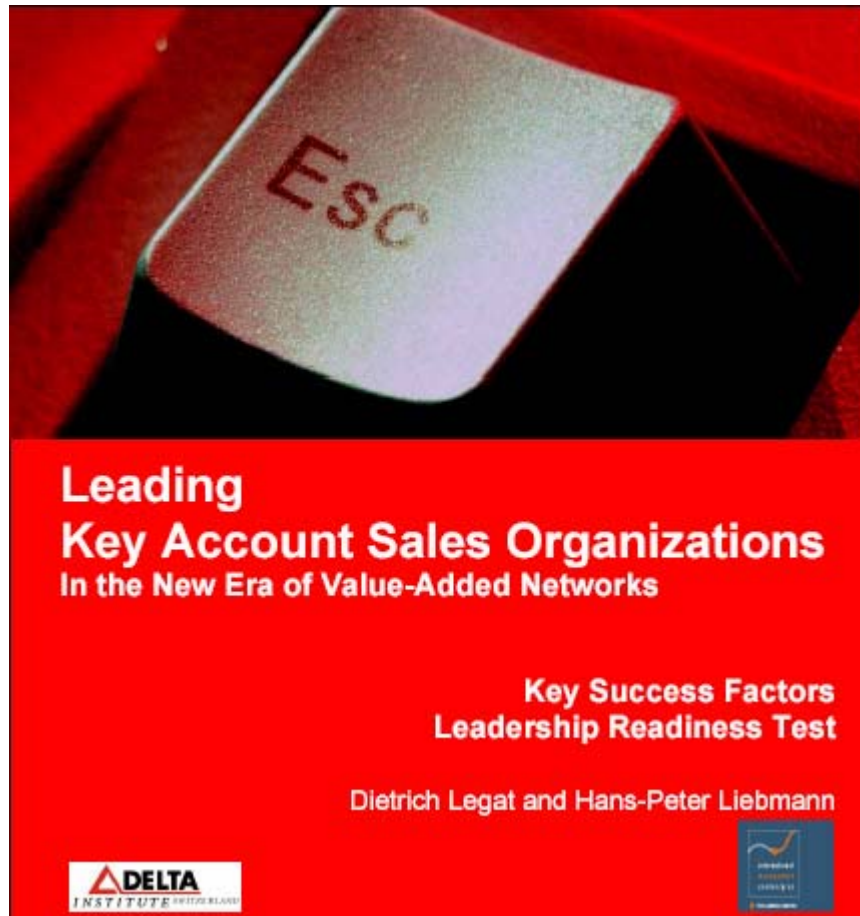


Trial Chapter from

# LEADING KEY ACCOUNT SALES ORGANIZATIONS



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## Leadership Readiness Test Step 4: Are you ready to lead your sales system to break opportunity constraints?

What is the TRUE constraint of an opportunity? When asked in “classic” management sales people have learnt to give one standard answer: “Our prices are too high and our discounts are lower than those of the competition”. But in most cases even increasing discounts beyond pain level doesn’t increase *opportunity win rates*. How can executives find the TRUE *opportunity constraints* and *break* them successfully?

### **Leading the solution of true opportunity constraints - not “delegating problems.”**

“Classic” sales management expects *key account* teams to eliminate obstacles for *opportunities* without “disturbing” management.<sup>1</sup> All studies in *constraint management* show that many *opportunity constraints* are caused by company *business policies* and therefore executives can (and must) lead their resolution.

Even if the true constraints are known, attempts to break them by adjusting policies often face massive internal resistance.<sup>2</sup>

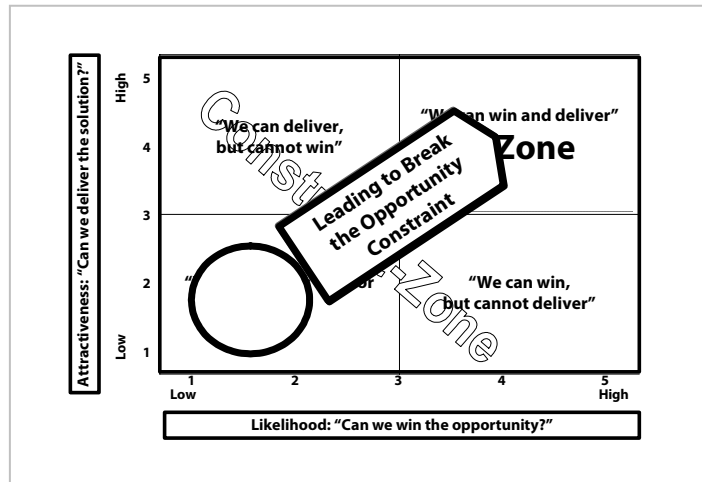


Figure 1: Leading to Break the Opportunity Constraint

It is the executive’s task to overcome this resistance by decisive leadership. If top management fails to assume that responsibility, it will fail to *break the constraints* that limit sales growth.

### **Goal of leading the resolution of opportunity constraints**

The goal of this leadership task is to make management decisions that move *opportunities* from the *constraint zone* into the *T-zone*. As a consequence, both the volume of constraint-free opportunities and the opportunity win-rate will increase – all leading to increased sales.

### **Executive’s task as leader of the key account sales system**

To lead the key account sales system (consisting of all people, processes and policies with any influence on sales growth) continuously, consciously and actively (not on request, now and then, if it comes to mind),

- To find the real *constraints of opportunities* in the *constraint zone*, (Question 19)
- To pair requests for *breaking opportunity constraints* with commitments for increased sales , (Question 20)
- To raise any opportunity constraint quickly for top-management decision, (Question 21)
- To keep promises for *breaking opportunity constraints*, (Question 22)
- To *break opportunity constraints* quickly, (Question 23)
- To see *breaking opportunity constraints* as top priority for senior management. (Question 24)

<sup>1</sup> Classic management reaction: “I expect solutions, not problems.”

<sup>2</sup> People who benefit from policies in place can be expected to oppose change.

**How ready are you to lead your sales system in breaking opportunity constraints?**

- Assess your readiness in these leadership tasks in the table below. (Check box as appropriate.)
- After you have rated your readiness in all leadership tasks, calculate the average score.

| We lead our key account sales system continuously, consciously and actively ... |   | Not at all               | Sometimes                | Partially                | Mostly                   | Completely               |
|---|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|   |   | 1                        | 2                        | 3                        | 4                        | 5                        |
| 19  | ... to find the real constraints of opportunities blocked in the constraint zone,                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 20  | ... to pair requests for breaking constraints with commitments for increased opportunity win rates and sales, (T) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 21  | ... to continuously and quickly raise opportunity constraints,  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 22  | ... to deliver on commitments for breaking opportunity constraints (everyone, including top management),          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 23  | .. to break opportunity constraints quickly,  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 24  | ... to consider breaking opportunity constraints as top priority for everyone in top management.                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|   |   | Average (calculate)      |                          |                          |                          |                          |