

STICK OR TREAT

The use of triage as a sales qualification tool

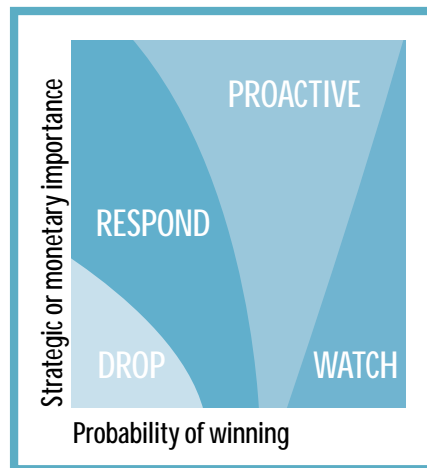
Last month's article on reactive and proactive salespeople and sales teams certainly created a response from various readers, and a key question posed to me was that surely there are times when it is right to be reactive or better to be proactive. The answer of course is yes, but the further question is how do we decide when to be proactive or reactive.

We can learn a lot from looking at practices in other industries, including the building industry. Not all builders have the educational background or professionalism of IT salespeople, but as a group they behave in a very smart way. Why is it that a friend of mine, who is looking to build a new house, has builders queuing up to give him quotes, whereas I am at my wit's end trying to get someone to quote for a medium sized kitchen refurbishment? My mother has no problem getting all her small odd jobs done, but another friend has been trying for 12 months to get the chimney of their country cottage fixed.

The answer is that builders are employing a technique called triage, where they take an initial look at a job and then decide whether or not to bid, partly based on how big the job is, but also taking other factors into account, such as repeat business potential and the degree of risk involved.

Triage has been in use in our industry for the last few years, and is becoming increasingly well recognised and practiced, building on the traditional skills of qualification. The term comes from the medical world, originally used in battlefield medical centres (like MASH) and now in many A&E centres. A triage specialist sees patients as soon as they appear, with their treatment being prioritised according to the seriousness of the injury, and how life threatening it may be. Clearly, life threatening and serious injuries are seen first, provided that the doctor believes that they have a chance of survival – those that are deemed not to have any realistic chance of survival are not treated (their pain may be eased), as it is vital to prioritise use of scarce resources.

Over the last three years I have worked with a number of organisations to help them to effectively triage major opportunities, which as we all know are getting increasingly expensive to bid.



'Triage is catching on in a number of sales organisations'

– STEVE HOYLE

A typical triage process looks at quickly allocating bids into one of four scenarios, based on a judgement as to how likely it is that the bid could be won and its importance, which is normally simply revenue potential. The four categories are:

WATCH This is a relatively low importance decision with a high probability of closing in our favour. We will review progress but limit the involvement of resources into this opportunity. These opportunities are very likely to happen and we don't normally need to put too much resource into them; we simply keep a watching eye to spot any that become "at risk" and then decide if we want to take action.

PROACTIVE This is a relatively higher value opportunity, where there is some doubt that it will close in our favour. We will focus our resources on winning these critical projects. These are the opportunities where we can gain maximum return from enhanced resources and focus.

RESPOND This is a lower value and lower probability opportunity. We will choose not to proactively support it, but be prepared to react to customer requests or changes in probability. These deals are still worth pursuing, but not with the intensity

of proactive opportunities and certainly without using too much resource.

DROP This is a low value and low probability opportunity. A drop opportunity will not get any additional resource. While we will rarely refuse good business, we should qualify out any deals that require effort and that will almost certainly not be won.

Looking at the two factors – importance and probability of winning – would often lead to a nice consultant's 2X2 matrix, but in fact it is not normally so simple, and typical triage implementations will mean constructing a more realistic model based on experience, with the map of opportunities looking like the diagram.

When viewing sales teams who have adopted a triaging approach, it is evident that it provides a more practical and intelligent approach than simple in/out qualification, and can provide a more realistic way for salespeople to manage their portfolio of decisions.

A good example is an account manager that I came across working in the telco managed service space who estimated that her productivity had increased very significantly by not focusing on the lower value/high probability deals, which can be extremely time consuming, and where she was adding very little sales value. Freeing up her time and focusing on the proactive opportunities gave her the ability to increase her win conversion rate.

A colleague of hers had a different experience, as he was good at managing the lower value deals, but in an effort to be super-efficient had been qualifying out too many possible "respond" opportunities. He remarked: "It's easy to place bets on the short odds, but you can still make a good return by putting relatively small amounts of time into potentially big, long-shot opportunities."

The concept of triage is certainly catching on in a number of sales organisations. Of course, just like simple qualification it requires a choice about where to put resources, and that means building a rich pipeline from which you can choose.

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Steve Hoyle is chairman of ProAct Business Development and can be contacted at steve.hoyle@proactbd.com