Connected Commons

CASE STUDY

REVENUE GROWTH

About

- Large consulting and technology company
- Consistently ranked as one of the most admired companies and among the best places to work
- Annual revenue of more than $5B
- More than 20,000 employees

Goals & Business Issues

Continuing to grow in a difficult business environment by managing the bottom line and leveraging the talent pool to bring forth new ideas and turning them into new businesses.

Solution

- Recognize and reward hidden stars
- Improve performance of teams and those involved in revenue production by replicating the high-performing behaviors
- Identify CoE intersections where collaboration would produce better client solutions or bring new expertise to client

Results

- More high-performing teams better serving client needs and resulting in more expansion opportunities
- An increase in account manager connectivity and awareness of offerings and expertise

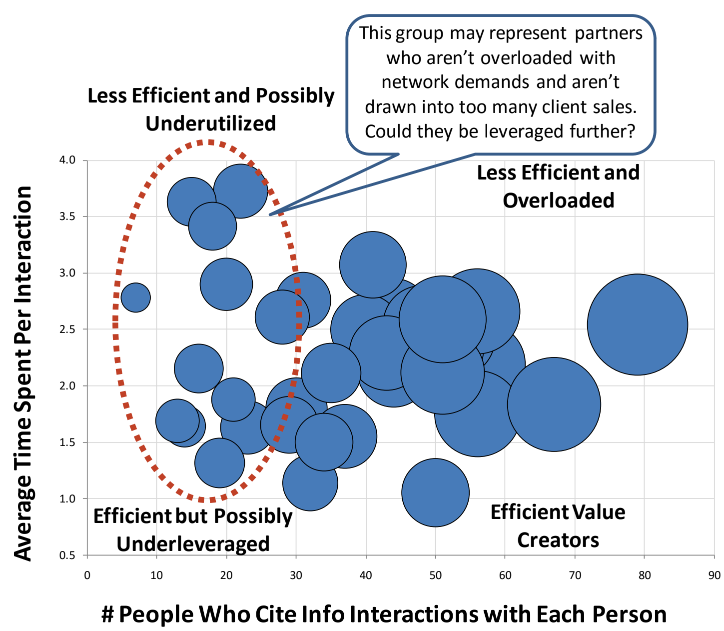
Executive Summary

The divisional president had recently assumed a leadership position. With softening sales, he was keenly interested in understanding the effort required to close a deal and the drivers of success as it related to business development and extension of existing business. He was also interested in ensuring that people were collaborating across expertise areas and properly incented to support sales that furthered account penetration. The president commissioned an organizational network analysis (ONA) to map information flow as it related to revenue production.

Challenge

The findings revealed that:

- Only 5% of people accounted for 25% of all revenue- producing collaborations. When evaluating the time spent in interactions with others, it appeared that there were partners who might be able to drive further client sales. In the bubble chart below, the partners shown on the left side of the chart have many fewer people who depend on them for work purposes, and they are less involved in revenue production (as shown by size of bubble). They were seen as good candidates to assist with client sales.

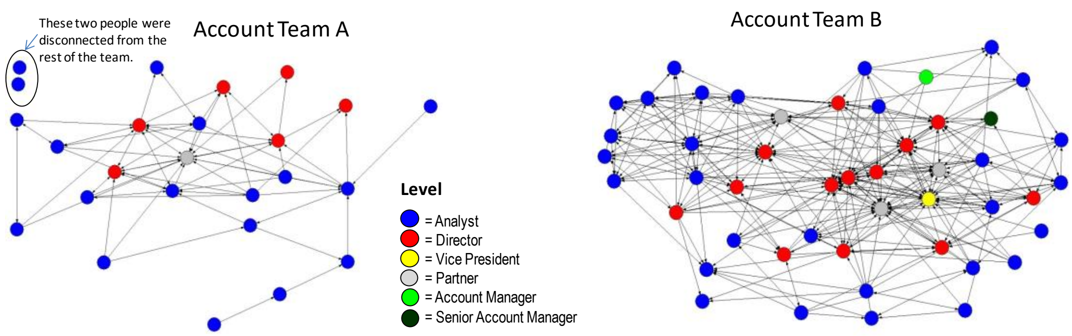


Note: Bubble Size Equals Number of Revenue Producing Interactions

- People who assisted in the sales process were not recognized or rewarded to nearly the same extend as the people who closed the deal. For example, one senior leader had many relationships he developed with leaders in other companies. Over the years, he was responsible for making introductions to start the sales process, which often came to fruition.

- 78% of revenue interactions were focused within accounts; there was little sharing of best practices across accounts. This was largely due to the lack of connectivity account managers had back into the company. This insularity prevented them from being aware of new product offerings and new expertise, and so from cross-selling. Their expertise and client relationships were not integrated into client sales and project implementation. Compounding this, often these account managers were the sole client contact, so there would be a substantial financial impact if they left the firm.

- There was a wide variation in client team connectivity, and thus the ability to serve the clients' needs. Pictured below are two account teams. Account Team B is fairly well connected with an average of seven relationships per person. The team has high client satisfaction ratings and, not surprisingly, has been able to deliver more value to the client, contributing to their ability to win a significant extension to their original engagement. Account Team A has two completely unconnected people and only three relationships per person on average. The team is delivering satisfactory results but does not expect additional work. Simply building relationships with the four most central and peripheral people would increase the number of connections by 40%.



Solution

Recognize and reward the "hidden" stars – employees who are critical to preparing a client proposal, and not just the few who close the deal. Identify people who can move from a support role to a more direct client relationship role working with account managers.

Assess key revenue producers by sales bands and either create more space for this activity or find ways to develop these employees' capabilities and contacts in others. On the other end of the spectrum identify partners and VPs that could be better leveraged in sales efforts and work to engage them in targeted ways.

The ONA compared the connectivity, performance, and client satisfaction of each account team to identify high performing teams. Replicate the collaborative behavior of these teams to raise performance across the board.

Top revenue producers showed unique network patterns, such as being sought by others more than twice as frequently, as well as reaching out to others 27% more. They also collaborated with people outside of their account, location and hierarchy two to three times more than others. Lastly, they tended to be energizers; people who engaged with others and helped others to be enthusiastic about their work. These behaviors can easily be learned via training and/or coaching.

Identify CoE intersections where better collaboration could yield either a more holistic service offering or be a source of expertise to further account penetration. Employing liaison roles (to establish and make others aware of key "go to" people) and rotation or staffing of well-connected people can integrate accounts at key points.

Results

As a first step, the sales group convened to review the network results in a workshop format. The tables were set up so that there were one-two high performing sales people at each table. As the behaviors of the most successful people were anonymously shared by the presenter, each table followed up with a break-out to discuss things that would help them to attain that level. This gave each person a set of actions to take from the meeting.

In addition, the network profiles for each account team were shared with the account managers individually, as well as a profile of an example top performing account team. These profiles included contact points with the client, collaborations inside the team and networks reaching back into the company. This allowed the managers to see where changes needed to be made and to talk with an HR coach about what interventions worked well with other teams.

Gradually, the number and quality of relationships within the account teams, and between the team members and client improved, allowing the teams to better serve the clients. In turn, this allowed them to capitalize on expansion opportunities which resulted in more add-on projects. Business developers began reaching across the organization more consistently, resulting in numerous examples of cross-selling, best practice transfers, and improved client service.

To recognize the "hidden stars" of sales, the company modified its incentive program to include those who supported the sale in a meaningful way, such as making prospect introductions or contributing significantly to the proposal.

An ONA conducted six-months later showed that collaboration among the account managers, who previously had been on the periphery, had steadily improved with a 23% increase in ties. They had forged new relationships with each other and with experts within the company. More significantly, sales collaborations expanded to include more experts, resulting in a 30% increase in collaborations on proposals of up to $1 million, 18% increase for $1-$5 million, 15% increase for $5-$25 million, and 11% for over $25 million. As a result, annualized revenue grew by almost 10%.