

Covad Communications

As the owner and operator of the largest national broadband network in the US, Covad's potential for sales across 235 major markets is impressive. However, in 2007, the Direct Sales Team targeting over 50 million SMBs was consistently missing sales targets and significantly falling short of plan for the year.

The Challenge

Tim Gains, VP of Sales, was faced with the challenge of increasing the performance of his team quickly. "If this group's productivity and close rates didn't improve, it would have a huge impact on company revenue and profitability."

Recognizing that Covad's services could be seen as a commodity, Gains knew that the reps' ability to consistently demonstrate value to the prospect while moving through the sales process was critical. Although Covad had previously invested in a structured 'solution selling' methodology, the direct reps were not applying the classroom-learned techniques to their daily sales activities. The issue was compounded by the direct sales managers' limited experience with value-based selling and direct coaching of their reps.

Gains turned to Next Step, whose team of seasoned professionals had previously implemented a successful channel strategy for Covad. He knew Next Step understood their business model and strategy and would quickly identify and solve the key issues.

Sales Skill Assessment

To ensure the most critical issues were addressed first, Next Step's Engagement Manager worked with Gains to conduct sales competency assessments of all reps. Sales Managers' coaching and people development skills were also analyzed. Through these assessments and a review of recorded sales calls, Next Step and Covad's management team agreed that the challenges to be addressed included:

- Inconsistent sales results by individual team members (not using a repeatable process).
- Lack of sales skills in critical areas of discovery, solution selling and closing.
- Limited sales coaching skills in group managers.
- Lack of confidence and skill in cold calling resulting in a reliance on marketing generated leads.
- Missed opportunities to develop real value with prospects – instead using 'order taking' sales approaches.

Increasing Sales Success Program

When Gains considered the revenue goals he faced and the limitations of his group, he was certain that Next Step's team would develop and implement a program to ensure the team had the skills and confidence to meet their goals. Past experience had proven that Next Step would deliver real results – on time and on budget.

Integrating the Value Based Sales methodology with the internal Covad process and terminology, Next Step's Engagement Manager and team designed and customized a modular, hands-on program that would:

- Develop reps and managers’ skills and confidence in all steps of the value sales process.
- Enhance managers’ coaching effectiveness and frequency.
- Increase the reps’ ability to differentiate Covad and close new business within one quarter of the first workshop session.
- Lead to a shorter sales cycle with improved customer experience.

Implemented over a six-month period, the *Increasing Sales Success* program included refinement of the Customer Engagement Process. The reps and managers learned and practiced this process through a series of three interactive workshop sessions with hands-on use of skills ‘on the job’ both during the workshops and through field work assignments between sessions.

Unique, Application-Oriented Training Design

Recognizing that real behavior change comes from reinforcement and coaching from managers, each segment started with a workshop for the managers. These sessions covered the key sales concepts on which reps would be trained (in the following days) as well as modules on Developmental Coaching.

The managers then participated in the training sessions for their reps – leading role plays and practicing their coaching skills in the classroom – with support from Next Step’s Senior Facilitator. Each of the training sessions included hands-on modules, in which the reps returned to their work areas to put their new skills to work with real-world prospects.

At the conclusion of each workshop session, the reps and their managers built Personal Action Plans with commitments for application of the new skills. These and specific reinforcement activities developed by Next Step comprised the Field Assignments for the reps to complete before the next workshop session.

The manager’s field work was centered on coaching the reps after sales calls. Coaching Feedback Forms were completed for all reps and share with Next Step prior to the upcoming workshop. This allowed the facilitators to focus on areas needing greatest reinforcement.

“The real-world application between sessions and built-in coaching from the managers were keys to the success of this program. Next Step’s approach is unique and hugely valuable,” said Gaines.

Next Step Sales Development Model



Online Refresher Sessions and Train the Trainer Program

After completion of the final workshop sessions, the managers were prepared to drive implementation of the concepts. However, with the economic downturn in 2008, the marketplace changed. To assist the managers and reps use the value sales techniques to address the new needs, Next Step's team developed and facilitated four interactive web-based training sessions. As with the 'classroom training', the sales managers assisted with coaching and co-facilitation of activities with their reps. The result was continued improvements in sales despite the economic downturn.

To ensure new personnel on the team are able to learn the same Value Sales concepts immediately when they come on board, Next Step provided the internal Covad Sales Training team with a train the trainer program as well as licensing of key materials. These are used today in a self-study online format.

The Next Step Result

Covad's management team saw a 25% increase in revenue results immediately after the first month! This improvement continued with a demonstrable increase in productivity and closed deals after one quarter. When the final workshops were completed, Gaines and his team were successfully contributing to the company's yearly revenue growth.

"Account Managers who completed this program continue to deliver monthly sales revenues of 20% above the previous years' results, despite the economic downturn." stated Gaines.

Next Step is committed to providing results-oriented consulting, training and coaching services that deliver real-world, tangible results to customers and partners. Some of the results realized by Covad include:

- Over 20% month to month increase in sales
- Improved close rates
- Increased confidence in cold calling
- Thorough understanding and application of value based sales concepts
- Increased effectiveness of sales managers

At the conclusion of the program, Andrew Profigle, Covad General Manager commented, "I knew improvement was needed but since we had already invested in training for the team without tangible results, I was skeptical. However, four months later, I saw increased close rates, confident sales reps and improved sales coaching by the managers. The transformation was nothing less than amazing."

About Next Step

Next Step, a global consultancy, has delivered revenue and digital business growth since 1998. Their 40 team members' hands-on commercial, digitalization and leadership expertise achieves real business results for Adobe, Autodesk, Avinor, Cisco, Google, LiveNation, Nevion, Opera Software, PaloAlto Networks, ShoreTel and Wilson Sonsini. For more information, visit Next Step at www.nextstepgrowth.com or call 1 650 361 1902 or (47) 902 30 982.