

Go-to-Market Sales Strategy Execution • Best Practices

Who is this article for?

At RJP we wanted to present best practices in **Go-to-Market Sales Strategy Execution** for our clients. The sweet spot for the research and application presented here are Presidents/CEO's and their senior management teams of businesses with 100 to 2,000 employees. RJP consultants are scholar-practitioners, which translates into 100+ years of sales strategy consulting experience and developing doctoral (DBA) courses for the GTM Strategy & Innovation specialization at Capella University.

This article presents qualitative research on 25 of RJP's GTM Sales Strategy Execution -consulting clients and their results over the period 2015-2022. These companies represent 20 different business segments from biotech, construction, wholesale distribution, manufacturing, supply chain, food processing, healthcare, and information technology.

We had the opportunity to interview two client presidents for this article: Mark Mariani, President of Mariani Foods, food processor and wholesale distributor, and Dr. Peter Klemm, President of Predictive Biosciences, sharing his experiences as President of GeneOhm Sciences which was acquired by Beckton-Dickson in 2018 for 55 times revenue. When we began the GTM sales strategy execution process at Mariani Wholesaler and GeneOhm Sciences, they were successful companies but wanted more. What was missing? Their execution was episodic, not consistent, a hit and miss process with strategic direction not being effectively implemented.

Changing-the-box...

Before giving you data on these 25 businesses here are some basic definitions to set context. We are sure you have all heard the term, "out-of-the-box thinking." Before you can think "out-of-the-box" when going after a new market, setting-up a new branch or distribution center, introducing a new product line, breaking through with a new technology platform, you have to know what is "in-the-box." The box is made up of day-to-day tactics (activities) that make your **GTM strategic sales model** run, "how we do things around here".

When your team is defining the box, this is your current competitive GTM sales strategy: "aligned tactics to create unique customer value and perception." How all the things' people do in your sales organization, tactics, fit together, align to create a business model delivering value to a customer: executing on a laser focused GTM strategic sales plan and execution.

Execution (changing-the-box) is typically implemented through major change or strategic initiatives with a clear destination in mind. As Mark Mariani attested, "we knew this would be a challenging process. In the past we were great at going off-site, brainstorming, coming up with ideas but we came back, and it was business as usual.

Nothing happened. We wanted to ensure beginning in 2016 we had a facilitated process, GTM strategic sales planning, AND execution.” Peter Klemm had parallel comments for GeneOhm Sciences, “We had several things in mind: our facilities and sales cultures were not aligned; what is a local versus global process; no alignment of supporting products, we were changing engines while the plane was taking off. And we needed a global strategy and execution process.”

Were all these 25 clients successful in strategy execution? No. The success rate in executing on the GTM strategic sales planning over this period was 80% (20 businesses). That means 20% (5 businesses) failed in execution. However, this 20% failure rate compares favorably with a June 2019 study of 1,000 companies by Booz Allen Hamilton on GTM sales strategy execution. Their results based on interviewing and surveying employees from 1,000 companies in 50 countries generating 125,000 profiles: 71% of employees (25% from executive ranks) rated their company “weak or poor” in execution and only 29% indicated their companies were successful.

The 20% - why did they fail?

What is failure? We define failure as the inability of the business to execute the agreed upon GTM strategic sales initiatives and achieve the targeted outcomes. Based on our research, these are the top 10 reasons for failure:

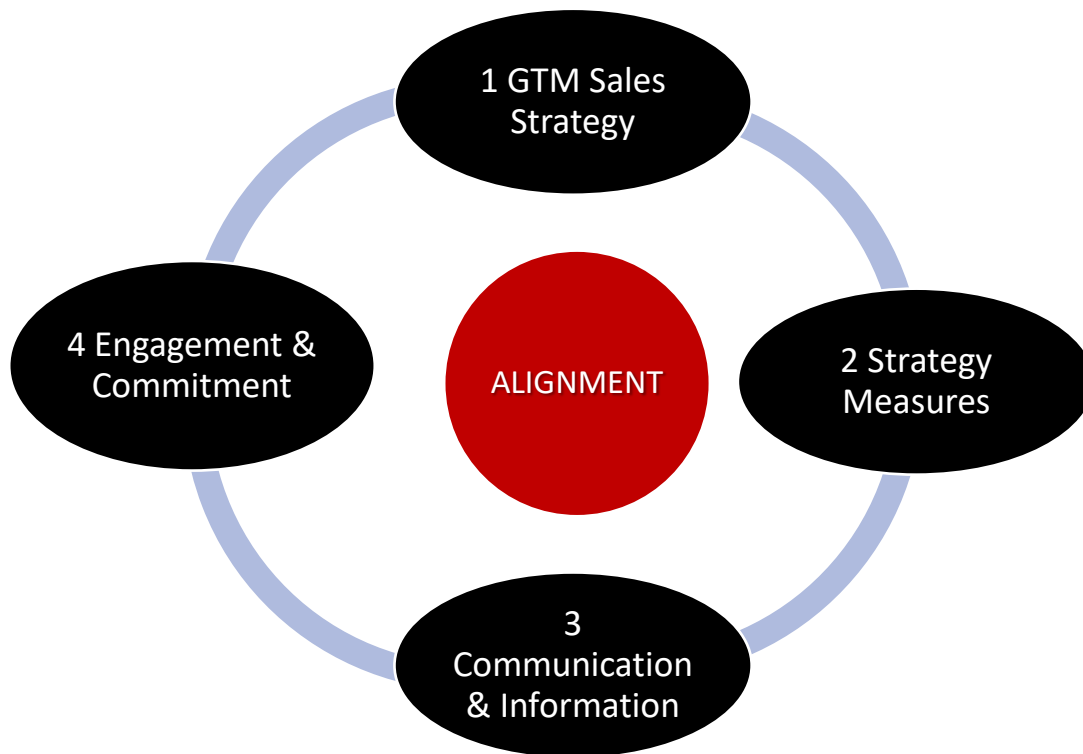
1. No investment in aligning the organization’s GTM sales strategy “current box” (what they do day-to-day) with the “new” GTM sales strategy.
2. Lack of communication and engagement from top to front line employees; for example, Outside Account Managers, Inside Sales Account Managers, Customer Service Representatives.
3. Lack of clarity of in targeting specific vertical segments and criteria applied for customer accounts and prospects.
4. Lack of accountability by the senior management team (for agreed upon priorities)
5. Lack of patience by the President and/or senior management team.
6. Lack of GTM Sales Strategy execution plans that provided the specific impact on the sales organization.
7. Everything became a priority (failure to choose).
8. No allocation of resources (e.g., no time made available)
9. Lack of perceived fairness – (rewards and recognition for those who make it happen).
10. Every change to the current GTM Sales Strategy, treated as a singular event forcing a continuous stream of one-off occurrences (no repeatable process).

Do 2 or more of these factors fit your company? *If so, read-on.*

The 80% - why were they successful? 4-step alignment Process

The 80% of client businesses that were successful followed a GTM sales strategy execution 4-step alignment process. Figure 1 visually displays the steps in the process and interactivity. This is a highly iterative process that requires commitment from the President/CEO and the senior management team. These 4-steps are based on principles of people-strategy-discipline. We will look at each of the steps, and you assess where your company fits today along with insights from Mark Mariani and Peter Klemm.

Figure 1: 4-step Alignment Process



Step 1: GTM Sales Strategy

Through a GTM sales strategic planning effort, businesses create a competitive sales strategy. What should be included in your competitive strategy?

Clear destination – a vision statement expressed in a concise statement everyone in the organization can understand your company's competitive market position, size, and profitability. The vision is supported by up to 9 strategic (measurable) objectives (3-year time horizon).

GTM Sales Strategy statement: literally a concise (30 words or less) on how your company will create unique customer value for your target markets.

Strategic initiatives (changing the box): limit the number to no more than 4. At least 2 of the 4 relate to growth and 1 or 2 relate to support/operations/infrastructure. These strategic initiatives typically span 18 months to three years.

We find that management teams will have addressed most/all of these four elements. What is missing is how they are aligned, or more commonly misaligned. If your competitive GTM sales strategy is not clear, effective strategy execution is challenging at best. A question that we are often asked is who puts together the company's competitive strategy? The CEO and his/her senior management team drive this process. How you engage others and encourage commitment throughout the company will share in steps 2, 3 and 4. Mark Mariani indicated in year one of the process, "At first it was daunting. The biggest process piece was diving much deeper and learning about our customers, verticals, and how to articulate our competitive advantage". Peter indicated the most challenging part of the process as "abandoning some of our original assets and technology base. We were trying to do too many things. The bedrock was a clear GTM sales strategy including what we will no longer do."

Step 2: Strategy Measurement

If your competitive strategy is clear, the process of measuring strategy execution will be a piece of cake. If not, you are dead in the water. You will never make it to steps 3 and 4. So what is the approach to measuring strategy? Measuring financials, of course. Measuring strategy not so easy.

A great place to start measurement of strategy execution is with strategic objectives. Make these objectives challenging, a 3-year time horizon, and they MUST be measurable.

Strategic initiatives should be broken down into quarterly measurable results and related impacts for the organization. What returns do they bring your organization? These quarterly targets should include (as a minimum): revenue and/or profit (cost) contribution, and resources to be expended.

Step 3: Communication & Information

Give employees the opportunity to interact, drive feedback up to senior management with no filters. Make your employees (this includes all levels from 1st day through all levels of management) feel "in-the-know". Peter and his team made concerted, consistent efforts to communicate the status of the sales strategy execution process with a variety of communication techniques; face-to-face, one-on-one, small groups, email, postings, presentations, video conferencing, etc.

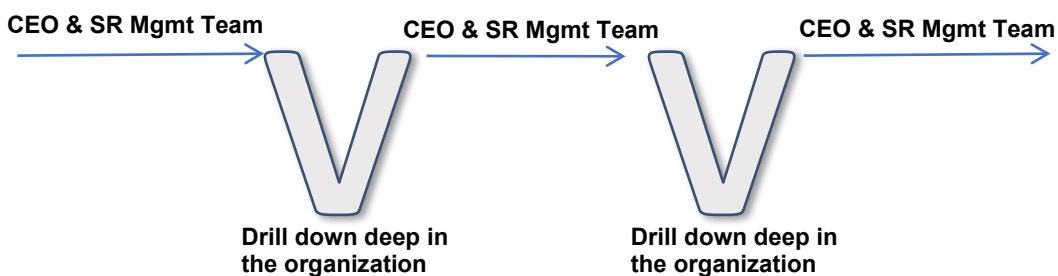
Commitment comes as a byproduct of engagement, accountability, and fairness. One powerful technique that is incredibly powerful is paraphrasing in “town hall meetings” where the CEO and senior management share competitive strategy and execution. Mark commented: “The next big piece was communication and information surrounding the entire process. Because we had direction ... we got buy-in from our Board. I then took it upon myself to have monthly town hall meetings with employees. Where we were, where we are going, good and bad, and the reasons why. Everyone heard directly from me.”

Step 4: Engagement & Commitment

Engagement is a wonderful term that has been frequently used and abused. In strategy execution, the step of engagement is how the CEO and senior management team interacts with the entire organization. The challenge is balance. To create the right balance, the process of engagement begins by diagnosing where each group of employees are as to their knowledge, skillsets, and attitude in relation to the company business and GTM sales strategy. Common downfalls include being condescending with your superstars and too trusting with enthusiastic new employees.

Solution: V shaped engagement process. The creation of your competitive strategy (step 1) is the responsibility of the CEO and senior management team. Step 4: Engagement & Commitment, as part of engaging others use the “V” shaped process (see figure 2).

Figure 2: “V” shaped strategy engagement & commitment



Engagement requires time and patience by the CEO & senior management team to educate the next tiers of management and employees on the strategic direction of the business. Peter voiced his observations on engagement and commitment at GeneOhm, “It was essential to engage all parties involved. Strategy was deeply communicated and engaged from Directors to bench scientists. As CEO you need to be aware of how comments made by senior executives to the Board and to first level employees can be

take out of context; you must have the right level of detail. Very broad engaging, and clear focus in all communications.”

Employee commitment starts with empathy, understanding the perspectives at all levels in your organization. With empathy also comes accountability and fairness. Those who perform are rewarded and recognized, your team builds in measures of success and achievement. Mark indicated: “What was the perspective from employees? Interesting feedback from our 2021 organization climate survey (part of a strategic initiative) in the midst of Covid-19, “do you know the mission, vision, and GTM sales strategy?” and the consistent comments that came back (92% response rate): “if you do not know it by now, you must be asleep.”

Conclusion

GTM sales strategy execution and organization alignment is a challenging but a very possible journey. The risk: your CEO – senior management team does not make the journey. The reward: if you make the commitment your organization will be a victor, not a victim. Be prepared to stay the course, have discipline and patience. We asked Mark “what did you see as outcomes after being engaged in this facilitated GTM sales strategy execution process for the last 2+ years?” He answered, “by having the GTM sales strategic plan it sets our day-to-day priorities providing clear guidelines, not rules. It forces employees from senior management to the front line to look every day and be consistent with our priorities. Some of the visible rewards, landing several large B2B accounts in 2021 such as one the worlds industrial processing companies.” And from Peter, “the results for us were quite clear. We became an ideal candidate for acquisition by Becton-Dickenson because our competitive GTM sales strategy and effective execution. This created a premium price for the company, employees, and our investors. The Innovation In-the-Box process was the glue that allowed us to set direction and execute.”

Dr Jim Morgan
Chief Learning Officer
jmorgan@richardjamespartners.com