

Managing sales teams in uncertain times

COVID-19: Respond, Recover, and Thrive

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Introduction

Companies across industries are feeling the unprecedented effects of COVID-19 and measures taken to slow its spread. While no one knows exactly how the crisis will unfold, sales leaders are already facing difficult decisions as organisations' revenues are disrupted and ways of working are fundamentally changed.

In past crises, sales organisations have often been vulnerable targets for indiscriminate cost-cutting, both in terms of headcount and pay. While there may be room for adjustments, the net effect of such action has often been a loss of earning power after a crisis and failure to capitalise on opportunities during one. We believe that sales leaders and their colleagues need to take a more holistic approach to managing the sales organisation throughout the crisis.

While the situation is fluid and we are continuously monitoring the environment, we recommend these three phases of action to help sales leaders and their organisations address the likely impact of Covid-19:

1

Respond

Show your teams, clients, and partners you are behind them. Take visible, concrete steps to show support. Work with fellow executives to define near-term contingency plans to prevent overreaction and position the team to capture emerging opportunities.

2

Recover

As the implications of the crisis solidify, assess shifting buyer preferences. Identify opportunities to realign the organisation's value proposition and selling strategies to new priority buyers and reallocate resources to capture them.

3

Thrive

Predicting the attributes of the post Covid-19 environment is challenging. One thing is clear—how people interact, engage, communicate, collaborate, sell, and buy will look different. Sales leaders will reimagine traditional processes and methods to meet the needs of this new environment.

Phase 1: Respond

It is natural at this point for your sellers to fear for their financial wellbeing. Heavily disrupted sales processes, including pull-backs from live deals, coupled with a dark macroeconomic outlook can cause real anxiety among your teams. This is a time for sales leaders to manage the human element with these revenue critical groups.

To promote stability and avoid mid-term costs, we recommend that sales leaders act promptly to assess what the impact of the crisis is likely to be, identify steps to bolster the confidence of high performers, recalibrate incentives, and clearly communicate the approach to the wider organisation:

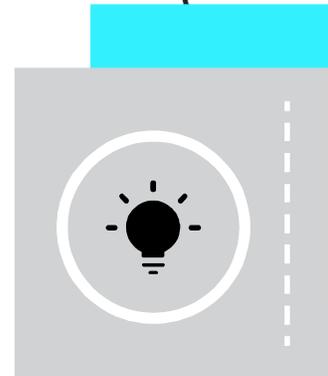
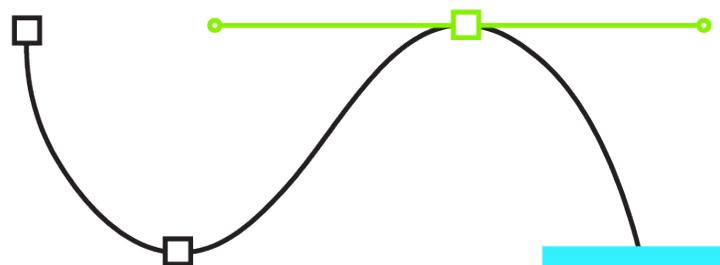
-  **Understand your vulnerabilities.** Remodel quota performance under more bearish scenarios to understand likely impacts to revenue and comp, including highlighting territories that are particularly vulnerable (e.g., heavy on tourism customers).
-  **Solidify priorities.** Work with sales managers and analytics teams to develop a clear set of growth and retention priorities in each territory to give sellers direction and avoid wasting sales time on unproductive work.
-  **Emphasise good behaviour.** Explore quota relief and MBOs that will drive the right selling motions for long-term success while reflecting near-term challenges.
-  **Build a plan.** Work closely with finance and HR to understand budgetary impacts and explore cash preservation measures that will still convey investment in sales reps.
-  **Communicate.** Clearly state the investment in the sales function early, and with clear specifics; don't let anxiety accumulate.
-  **Virtualise.** Define, train and enable your sales force and capabilities to deal with new normal.

Likewise, customers and channel partners will also be struggling with their own challenges and looking to trusted vendors to help them navigate. This is a time to accumulate good will with customers and seize the initiative against competitors. As we wrote in [The Future of Sales](#), winning organisations will be those who are able to deliver exceptional experiences through their sales teams. This crisis adds further weight to the importance of customer experience.

Buying processes have been seriously disrupted, not just by diminished funding but also by the introduction of new buyers who come with different priorities. Sales leaders need to take steps to understand and address that disruption:

-  **Triage priorities.** Confirm which customers and partners are most important to your long-term success, and to whom you can allocate the greatest investment.
-  **Understand cash impacts.** Work with the finance team to understand products and services that have disproportionate impact on working capital requirements.
-  **Prepare to make concessions.** Identify the largest price and cost levers in your current relationships, and where you are able to say yes to customer and channel partner demands (and for how long).
-  **Build ExCo relationships.** If it isn't already a corporate practice, make the senior executive team visible to key channel partners and customers to show your organisation's commitments.

Organisations that take these steps are more likely to have sellers who feel downside-protected, even if they are upside-limited, and channel partners and clients who will feel better-supported even as relationships may shrink. These mindsets and behaviours will be more conducive to success during recovery.



Phase 2: Recover

As the impacts of the crisis crystallise, leading organisations will proactively position themselves for success both to preserve revenues and gain share. Disruptions like these create opportunities to recalibrate relationships with customers and partners. A heightened focus on cash may make both groups amenable to more streamlined service models, while proactive, cost-effective offers may help leading firms take share. **We think sales leaders have an opportunity to work with finance, engineering, and other teams to:**

-  **Chart the new landscape.** Understand changes to the buying patterns among key customers and reevaluate your competitive positions at key customers or customer segments, including where your focus may have fundamentally shifted.
-  **Reassess revenue opportunities.** Evaluate product lines to identify where demand may have shifted and where previously peripheral aspects of your value proposition may become more central.
-  **Reevaluate the service catalogue.** Understand what arrangements with which clients are most costly and be prepared to end them if price concessions are requested.
-  **Create proactive plays.** Identify potential substitutions that sellers can proactively bring to customers to mitigate retention risk and show differentiated value.

With a revised market strategy in place, leaders need to equip their teams to succeed in what may prove to be a rapidly-changing environment:

-  **Shape the narrative.** Equip sales, marketing, and service teams with the right messaging to address priority market segments, including recalibrating the value proposition to fit the new reality.
-  **Foster collaboration.** Set common priorities and linked KPIs for marketing, sales, operations, and analytics teams to drive collaboration and shared accountability.
-  **Strengthen and rationalise digital selling tools.** Invest in the enabling technology (e.g., pressing CRM upgrades) and support required to support this approach to reduce effort for front-line teams to execute new processes and identify applications and data sources that can be rationalised to free cash.
-  **Reconfigure your teams.** Assess new selling motions' impact on required roles and team structures and align overall team size to revenue opportunity.

Trying to navigate a changing market and be responsive to customer demands has likely already put strain on your sales team. Sales leaders can help their team have a clear sense of direction and the ability to execute at scale.

Phase 3: Thrive

As yet, we do not know the extent of this crisis. However, once immediate plans are in place, sales leaders should reimagine their sales organisations' need to evolve, regardless of short-term impacts. This is a time for challenging long held beliefs, assumptions, and norms about prospect engagement, customer buying processes, sales team collaboration, and much more.

We think that sales leaders should pause to ask themselves four key questions:

- 1 Who will be my most important buyers?** Organisations and industries are changing; which buyers are going to drive demand for your products in the years ahead?
- 2 What will buyers value in the future?** What will my team have to do differently to engage these buyers in a compelling way?
- 3 Who will be my top performers?** Will the profile of your top-performing sales person change in the years to come?
- 4 What do we need to do differently?** Trends towards digital coverage, tighter integration, and other new ways of selling may accelerate; how will these affect your team?

Sales leaders who have answers to these questions will most likely emerge from the crisis better prepared for their next step. And, should the crisis persist, they will have a clearer view of the steps they need to take to manage that unfolding challenge. Ultimately, these steps will have helped sales leaders maximise the impact their teams have had for their firms, and avoided the missteps of the last crisis where “reducing costs at all costs” was the philosophy.

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