PSA Security Network

PSA TEC 2016: Secrets of Synergy Between Sales & Operations

Executive Summary

PSA Sales & Marketing & Project Management Committees

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TEC 2016 | Secrets of Synergy Between Sales & Operations

Executive Summary

Secrets of Synergy Between Sales & Operations Course:

Hosted by the PSA Project Management and Sales & Mktg. Committees, this interactive session will empower sales reps and project managers with ideas for protecting margins, managing customer expectations, and developing good communication systems with stakeholders from pre-sales meetings through delivery. Attendees will learn how to improve the overall customer experience by understanding what is important to their respective counterparts.

PSA Committee Members:

Project Management Committee Members
Rex Allen, Securadyne Systems / Committee Chair
Paul Bruhjell, Pro-Tec Design
Jason Lafferty, All Systems
Kyle Naylor, Netronix Integration

Sales & Marketing Committee Members
Sharon Shaw, Tech Systems/ Committee Chair
Matt Ahston, Securadyne Systems
Dieter Giblin, Integrated Security Technologies
Kimberly Rescigno, Security Specialists

Topics Covered:

1. Stakeholder Communications
2. Managing Customer Expectations
3. Protecting Margins

Overview:

Stakeholder Communications

Synergy is defined as the interaction or cooperation of two or more groups to produce a combined effort that is greater than the sum of their separate efforts. Communication is vital to creating a synergistic environment among your internal and external stakeholders.

Given that a stakeholder is anyone impacted by a project, it is important to identify stakeholders early in the sales process, including those among your sales and operations teams. Consider the following:

- What matters to the stakeholder and how does it affect the stakeholder personally and professionally? In the pre-sales process, the salesperson is determining the stakeholder's specific needs and crafting a sales message to fulfill this need. By communicating this information to the operations team, you can help ensure the project is implemented and delivered as promised and contracted. So reach out to your counterparts, talk through the project, ask the right questions (i.e. how the project will impact IT?), and start building a stakeholder list from the onset.

- Who is responsible for stakeholder engagement? A joint effort, sales and operations teams communicate with stakeholders in all phases of a project from pre-sales to service turnover. Salespeople must dedicate time to checking the facts, drafting an accurate SOW, and securing the sale. They should work with IT to review the customer's needs and become a trusted adviser to the client. Such efforts should be supported with continued communication on the operations side with kick-off meetings, scheduling, SOW change orders, delivery, and service turnover.

- How will change orders be managed and communicated? Salespeople are vital to maintaining and managing the customer relationship, and are often responsible for communicating any SOW change orders directly to the customer. Project managers are responsible for tracking these changes orders and effectively relaying this information to all parties. By working together to attain and relay accurate information, you can provide a smooth change order process and improved customer experience.

Managing Customer Expectations

Pre-sales to service turnover, it takes both sales and operations to make a project successful and keep the customer happy. To that end, communication between these teams is key to closing any gaps between what was sold and what the customer is expecting upon completion of the project.

- How can sales and operations best manage customer expectations? Share pre-sales communication information with your teams to ensure important and perceived customer expectations are listed and tracked throughout the project and implementation. Develop a clear SOW, conduct kick-off meetings, and keep all stakeholders involved throughout the project.

- How can sales and operations partner together earlier in the process? Engage project managers in the SOW presentation, introduce them to key contacts, and leverage their expertise and experience on past projects. Things may get cut from a project but customer expectation may still exist and communicating these deletions can prevent unnecessary costs. Project managers should keep the salesperson informed and up-to-date on project status and invite sales to participate in the final walkthrough for project sign-off. If any issues should arise, both teams are available to assist in meeting customer expectations. Sales can often identify additional opportunities and also help prevent scope creep throughout the project.

- How do you manage these moving variables so everyone has an opportunity to influence the desired outcome? Determine an escalation path and process to maintain strong relationships with sales reps and the customer. Create a responsibility matrix so everyone has a clear understanding of their roles and ownership within the project.

Protecting Margins

There are always lesson to be learned and by discussing items that are commonly missed, sales and operations teams can better protect margins.

- How can sales do a better job of estimating? Review and note those commonly missed items, such as drive time, night work, open ceilings, etc. Oversights and misunderstandings are costly, so if possible, visit the site and verify the conditions to provide the most accurate estimates. Again, a clear SOW is vital. Project managers should also have an understanding whether the job was sold based on margin or markup. This is especially important when estimating labor hours and project managers should communicate to sales if/when there is an excess of hours invested in the project.

- What can be done to help prevent scope creep and other surprises? Many variables can cause delays or require change orders. Relaying this information and providing feedback to the sales team will help to eliminate these issues. Require an engineering sign-off and customer sign-off for any changes to the SOW. With value engineering, confirm and communicate if it is a strict bid with a black and white BOM and cost structure, or if the client is open to enhancements that can have a positive impact on the usability and application of their security system. As mistakes arise (i.e. deadlines are slipping, product arrives DOA, etc.), get the salesperson involved in customer communications, under-promising and over-delivering to the client.

Conclusion:

The importance of communication between sales and operations was a recurring theme throughout the discussion. It is the common thread that binds each piece of a project together. Without it, the scope will creep, margins will fall, and deadlines will slide. The project becomes a mess, frayed at the edges and not all what the customer expected. Engage your teams, push the thread of communication in all phases of a project, from pre-sales meetings through delivery. There may be bumps along the way, but remember, together you're crafting a solid and a seamless experience for the client.

The PSA Project Management and Sales & Marketing Committees are working hard to bring you tools and techniques to assist you along the way. Based on feedback from the audience, the committees are looking to offer reviews on available software (estimating, scheduling, project management), provide communication tips, and further define common processes such as escalation paths and change orders. In the meantime, please take a moment to review the following resources:

Videos & Webinars	Documents
Forging an Alliance Between Sales & Operations	Tips for Improving Communication
Solving Problems Through Effective Communication	Important Distinctions: Markup vs. Margin
Communication Tips for Project Managers	5Ws of Change Order Management
Are You Talking to Me?	Software Matrix