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California Community Colleges

Unit 4 – Real-World Selling

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Selling Contract Education

In the beginning in Contract Education, you can sit by your phone and take the occasional incoming call from people who express an interest in your services. The resulting work can usually fit into other programming and make some extra money for your program. But eventually, to keep growing, you'll need to devote significant time to sales. The amount of time your department devotes to sales is directly related to the amount of income it produces.

For some people, the notion of selling education is inherently uncomfortable. If you work in education because of a love of learning, the last thing you probably want to do is to pressure someone into buying a class they don't need or want. Well, the good news is educational institutions are realizing institutional success is now dependent on being proactive, marketing to students, and selling to contract training clients in order to best attend to the educational needs of the community being served.

Ideally, your role as a salesperson is simple: it is to help your client succeed. This may sound over-simplified or idealistic, but it's based on our observation of what's working in contract education, among the most successful programs.

If a training has profit potential, but you are not the right match for the job, the profit will disappear as you struggle to make the bad match work. Little by little you will spend precious time, energy and money to patch the quality in a job you never should have taken.

Despite your best efforts, the client will be disappointed. Not only will they still have the challenge that inspired their request for training, they might now have disgruntled participants and wasted money. The next time they recommend training as a solution to an organizational challenge, the request will be met with cynicism.

Even when the match is good, things can go wrong. Still, success will come more often when you align yourself in client relationships that are a strong match.

How Do You Know if It's a Good Match?

When you meet a new social acquaintance, you talk. The aim of the talk is usually to see if you have anything in common. Most often, relationships are formed when there is a good match. We value the same things – or we value different things but enjoy the diversity.

Exploring a client relationship is much like this. In the case of client relationships, you're not really looking to see if the person is a good social match, of course, but whether their needs and your ability to deliver to those needs are in sync.

At best, you do this exploration with a sense of wanting to learn something, not a sense of wanting to sell. If you learn that you're a good match for the job, then you sell your suggestion as a solution for your client partner.

If you learn you're not a good match, you have saved both you and the client the headache of a contract gone amok and you've protected your relationship for future business together.

What Prevents Us from Learning What a Client Needs?

Fundamentally, there are two things that stand in the way of learning what a client needs:

1. <u>You already know.</u> You listen briefly to their explanation of the problem and you decide what they need. This can work, especially if you know the problem, and the client. But there are also a number of things that can go wrong with this approach.

   The first is that you might be wrong. If you're missing any information, or have interpreted any of your information incorrectly, you may choose the wrong training or consulting solution.

   In addition to that, when you tell the client what's best for them, even if you're right, you reduce their ownership of the solution. If the solution turns out to not be 100 percent on target, the client need not take any responsibility since it was your solution, not theirs.

There are two other problems with telling as a way to arrive at a solution. One is that you potentially look a little arrogant coming in and telling someone who almost certainly knows more about their work and their problems than you do, what's the right thing to do. The second — and this one is probably the more problematic of the two — is that you miss an opportunity to discuss other, potentially more valuable and more profitable solutions.

2. <u>You take for granted that they know.</u> The second thing that can stand in the way of arriving at a good solution with a client is that you assume they know what they need and when they ask for it, you deliver it, without question.

   Again, this can work. But the client could also be wrong. Organizations often have a proclivity to try the same solutions over and over, regardless of outcome. Most organizations don't measure training outcomes and so don't have a good sense of what works and what doesn't. But it still holds true that if your services don't solve their problems, you'll probably be the target of blame for the failure.

There is another way
As an outsider whose sole focus is training and consulting you bring a wealth of experience about the use of training as a solution to the discussion. A client will generally know more than you can ever hope to know about their work and the problems they face. The crossover between two things points to the best way to find out what the client really needs.

You explore a solution together
Bringing to bear your experience as a training professional and the client's understanding of their day-to-day operations, learn as much as you can about the problem or opportunity that caused them to call you. From that understanding, co-create a solution that makes sense, or, if you think you are not a good match for this work, recommend the client to someone who is.

If you're new to contract education
If you're new to Contract Education and you don't yet have a strong training-related experience base, it's OK. You can still use the following method to create a solution together. In fact, if you're honest about your lack of experience, you may be a better listener and open to more questions than a pro would be. In either case–experienced or not–the next steps are the same.

First, ask the client why they called you
Usually, clients will have called for one of two reasons: they are experiencing a "pain" or a "gain."

Pain

A pain is a problem. The client wants a certain level of performance, but they are unable to achieve it. If the performance problem is caused by a lack of skill or knowledge, training is probably the solution, or part of it.

Gain

The other reason a client may call you is that they see an opportunity coming. They sense that if they had more skill or knowledge, they could increase employee performance. This could include things like learning to use new equipment to increase production, or working to create an atmosphere that contributes to longer employee retention. Mastery of either would create an opportunity to increase performance and profit.

Sometimes it's hard to tell if the client has called because of a pain or a gain but asking the question of why they called will give you a way to begin a discussion about their needs and how they think about them.

Never, never guess

If LERN could just give you one piece of advice about exploring client needs, it would be to never, never guess.

If your client says they called you because they are trying to reduce employee complaints about problems caused by email, you might be tempted to recommend your bestselling course on use of email in business. If they bought your proposal without discussion, the transaction would be almost effortless and if the course is good, you might succeed in helping them succeed.

On the other hand, if the class was good, but was not a solution to the problem, the client has just wasted the cost of the training and employee time that was invested in attendance. You will have the check that pays your expenses, but you will not have created an experience that will contribute to a long-term client relationship. You can do better.

To do better in this case, begin by inquiring more about what the client meant when they said, "employee complaints about problems caused by email."

The biggest risk at this initial stage of the sale is that you will assume you understand what they mean by that phrase, because you have complaints about e-mail, too. Since you feel clear about the kinds of problems e-mail can cause you might proceed, based on that assumption. But what if your assumption was wrong?

Like the proverbial house built on a poor foundation, a solution based on a misunderstanding of the problem (or opportunity) will be a mismatch and everything but productive. On top of that, the match will be ill-fitting or at least not as functional as it could be.

Questioning Assumptions In a Sales Process

How would you question your understanding of the client's problem? You might say something like this:

"When you say you have problems caused by e-mail, what do you mean, exactly?"

or

"Can you give me some examples about the kinds of problems your employees are talking about when they complain?"

"If we have total success here, what would it look like afterwards? What would have happened?"

Then listen and take notes. They are giving you a picture of what they really need. Also be careful to note the criteria by which they are judging success. If they're counting the lowest bidder as the most successful, you need to know that. If they will measure a change in performance after the training, then you need to know that, too. Every company and every person in it will have some criteria — explicit or implicit — by which you will be judged. You need to know what that criteria is and ideally, you'll know it early on.

The "ducking questions"
When you inquire about your client's needs, they may say things that make you think of questions that you'd rather not ask. We call these *"ducking questions,"* because when the question whizzes by in your mind, you duck and move on — but you don't ask the question.

If a client says they tried another training vendor and they had a big problem, you might be tempted to say, "Well, we're very careful with our quality and I'll personally be sure you get the attention you deserve." This would be easier, maybe, than asking the "ducking question," which might be something like, "What kind of problems did you have?"

Or if the client says, "There isn't support for a long-term solution for this, so we're going to try a half-day class," you might feel tempted to just note to create a proposal for a half day

class without asking the ducking question, "In your opinion, why isn't there support for a long-term solution?"

When a ducking question arises in your mind, save yourself work and ask it. Don't guess!

Objections
Sometimes what comes up in a sales conversation is a little stronger than a ducking question. You're having a conversation and you begin to feel uncomfortable. If you're like most people, you'll feel the pressure of the discomfort and try to whiz by it.

When a client expresses an objection in a sales meeting, they're trying to tell you something important. This makes an objection a gift, if we're willing to accept it. The worst thing you can do with an objection is to ignore it and pretend it doesn't exist. The best thing you can do — and the thing an untrained salesperson is least likely to do — is pursue it.

Is There an Opportunity?

One of the key questions in qualifying a client as a good match is, "Is there an opportunity?"

If the client needs training but doesn't know it, or if they know they need training but can't get it, there's no opportunity for either of you. If this is the case, it's better to discover it up front so you don't waste time creating a solution that will never be implemented.

Here is a process for discovering whether or not there's an opportunity, and for following up when there is.

#1. Look at the client's problems or challenges.
#2. Develop proof of impact.
#3. See how the decision will be made.
#4. Co-create the solution.
#5. Action.

Some transactions will be straightforward. The whole process above will transpire in a phone call. This is particularly likely when you know the client well and they have done business with you before, or when this training is a repeat of something you've done before.

But even when the process is simple, you should cover each of the steps above to be sure your service is complete.

#1 - Problem or challenge

In this phase, look at what issues the client is considering. Learn as much as you can about the costs of these issues to the organization.

- Is it a big problem or a small problem?
- How do people feel about the problem?
- Is there general agreement about its scope, effect, and importance?
- What stands in the way of working with this problem?

In the problem exploration phase, learn as much as you can about the problem. Your ability to do that will depend on how long you can suspend the formation of a solution. The more you understand the problem and its context, the better your solution will be.

In the problem exploration phase, there is other work to be done, too. It includes:

- Discover all the issues
- Find out which ones are most critical
- Develop proof of the problem's impact on the organization

Here's how to do this part of the sales process:

Discover all the issues

Rather than settling for the one or two issues that your training or consulting is meant to address, probe a little to see if you can learn about other, related issues.

There are a couple of reasons to do this. One is that you want your solution to address as many issues as possible. Another is that you'd like to uncover as efficiently as possible, all the future opportunities for training.

Try to capture in the client's own language the words they use to describe the challenges they face. Make note of key phrases so you can use them later in the conversation and the proposal.

Check to see that the list is complete

When the conversation seems to be running out of steam, ask a question to be sure you have collected all the issues. It could be something like, "If our solution made progress on all these issues, would we have missed anything?"

Add any other issues that you surface to the list.
If your own experience tells you something is missing from the list, inquire with the client. In the case of the issues above, you might ask, "Often when the installation of a new

technology has caused customer service issues, and conflict has resulted, we've found that the timeline for the project was somehow off a little. Is that relevant in this case or not?"

Prioritize
When you think the list is complete, ask the client what the order of priority is for the issues you just listed together. It's sometimes helpful to ask which issue is most important, to get the conversation rolling. Or, you can ask which one they'd like to talk about first.

#2 - Develop proof of the problem's impact on the organization
People don't fix small problems; they fix big ones. Unless the problem has (or will have) significant impact on the organization, it won't be a big enough priority to follow through on the proposal for training. The slightest opposition or resistance in the organization will result in the process coming to a halt. You've probably already had the experience of putting a lot of time into a discussion about a training and having it later mysteriously die on the vine. One way to avoid repeating this is to make sure that the need is perceived as high before you proceed.

Another benefit of gathering evidence about the impact of the problem is that you will be able to replay this evidence back to the client in discussions and in the proposal for the training.

Proof of impact
Proof of the impact a problem has on an organization can surface in many forms, including:

- Hard data (like spreadsheets, budgets and so on);
- Soft data (things people have heard);
- Third-party data (industry standards, consultant's analyses and so on); and
- No data, other than a hunch (just a feeling, backed up by no real proof, that this is a problem).

Obviously, it's easiest to sell a solution for a problem for which the client has hard data to prove organizational cost. If a company is paying to have a problem–and they know it — they're much more likely to pay for the solution.

Who has proof?
If there is proof, the next question is to find out who has it and whether or not you can get it. If you can get proof that the problem is costing the company money every day that it goes unresolved, you will have an easier time helping them see why paying for a solution makes measurable sense.

If no one has evidence that the problem exists or that it costs the company money to have it, you may find that the sales process will be stickier and more likely to fall apart in the middle. At that point, then, ask the question of whether you can afford to make a proposal and develop a course for a training that may never get off the ground. If the course or consulting is something you've already developed, or if this is a client you've done valuable work with in the past, you can probably take the risk.

If this is someone you don't know and to make a proposal will take days of work, the risk feels higher and you should work to get information that lets you know the company is actually ready to commit to a sale.

Return on Investment
If you've gathered information about the problem (or the opportunity) and what it means to the company in dollars or other measures, you could decide to perform a Return on Investment analysis at this point.

Context
Now put everything you've learned about the problem into the largest possible context. This means asking, "Who (other people, other departments, other sites or shifts) or what else (other processes or other relationships) in the organization is affected by the problem and its solution?" and "How does the solution fit into the larger organizational picture?"

Some relevant questions when putting the solution into context might include:

- This work group will benefit from this solution. Is there any chance this solution will create a problem for any other group?
- Does this solution come at a cost to any other group?
- I know you support this solution. Is there anyone who might not?

Training works best when it is part of a systematic solution to a company's problems, or a part of a systematic approach to achieving higher performance or profits. When training is done in isolation it solves fewer problems and can even create some.

Training that is not a part of a larger company strategy can easily have very little long-term impact. Participants may learn how to do something new, but can they realistically be expected to go out and sustain that new behavior if everything else remains the same? In asking these questions, you'll discover:

- Whether there will be money for the solution;

- Whether there will be political support for the solution; and
- Whether your solution will be seen as a priority to the people asking for it, and to others in the company.

All this information will help you understand if you, this client and this job are a good match.

Asking larger-context questions will help you and your client see what all needs to be in place before real change can occur and be sustained. This exploration will also help you discover if, by solving a problem in one part of the organization, you will simply create or exacerbate a problem in another.

Your best clients will already know that training should be a tool to support the accomplishment of their mission, vision and values. When a company's training programs are part of a larger overall strategy, they are more likely to be supported, measured and valued. All of this means more support and less risk for you.

#3 - Seeing how the decision will be made
In the decision to buy training services, your client will be deciding two things:

- Who to buy the training from; and
- The criteria for implementation.

The more you can learn about these two sets of criteria, the more likely you can win the job.

Everything you can learn about how the client will choose providers and how to implement the training will teach you something about whether or not you are a good match for the job. If you are a good match, you only need to make it clear to the client why this is so.

The criteria for implementation include:

- Expectations they have in relationship to your customer service
- Expectations they have about what method of delivery or what format is best
- Expectations they have around timing of the work
- Expectations about what should be included in the scope of service (materials, follow-up and so on)
- Expectations about the match between your company and theirs
- Expectations about your credibility and competence

These factors and price will most likely determine whether a client will buy from you — or someone else. Your client has no way to know how you score on these points unless you let them know. But it's a waste of time to focus on your superiority in any of these areas if the client will not be using it as a criteria for awarding the work.

On the other hand, everything you learn in relation to the questions above will be valuable material for the proposal and the sales process if you have taken the time to find out what the client values. If they told you that they must complete all the training within a two week time frame, and that they want two hours of instructor phone availability after the class, you can emphasize your ability to offer exactly that in both the proposal and the sales meetings.

Why would you put all this effort into the sales process?
You wouldn't, if you could do a good job with less. Or at least, you shouldn't. But if one of your goals in contract training is to serve a few really productive clients in long-term, full-service relationships, rather than dozens of clients in low-profit, high effort jobs, this strategy will help.

It will help because over time, you'll learn enough about the client to actually collaborate on problem solving solutions. You'll become familiar with what their challenges are, how they think about them and what kinds of constraints they work with when they attempt to solve them.

In a very short amount of time, you'll know this information well and your inquiry will take less and less time each visit. You'll know the language a company uses when it talks about problems and opportunities and you'll know how to write a proposal that addresses the company's criteria for providers and implementation. There's another reason to take this much care in the sales cycle of a client.

How you sell is an indicator of how you work.
If a client sees that you are genuinely concerned about discovering their real needs in the sales process they will be more likely to believe you'll do that in the process of serving them, too.

Another benefit of this up-front investigation.
This careful, up-front work will also tell you whether or not you want this client. Once you get past the stage of having to take every job that walks in the door, it's important to begin qualifying clients. You will not be able to serve every client, and the truth is, there will be a few that you'd be better off not doing business with. They will bring you little income and lots of energy-draining problems. These clients are not bad people, they are just not a good match for your organization.

Once you know these things about the client, you will understand whether or not your organization is a good match for the job. If it is, you can begin to construct a solution.

#4 - Co-create the solution
Once you understand the problem, you have to decide if training (or consulting) is the solution. When the problem is created by a lack of skills or knowledge, training may well be a help.

But if the problem is caused not by a lack of skills or knowledge, but by something about the way the company does business — by a faulty process or a faulty structure — then training may not help.

Once you know if training will be useful, you can construct a solution that meets the client's needs.

Once you create a solution with the client's input, you should create a proposal. If you're ready to do that, go to Section 10 on proposals. But you might like to read this section first:

#5 - Take action: Present your proposal
The key to a successful proposal process is that it must be responsive to the client's *individual* needs. It must reflect what you learned in earlier conversations in the sales process. Otherwise, it will appear that you talked, but didn't listen.

Now, a radical idea. *Don't submit a proposal in writing without presenting in person.* Too often, proposals are poorly written and most of the information they contain is ignored. The process of generating the proposal as a sales tool is most often a waste of valuable staff time on both sides.

What's the alternative? A face-to-face meeting between you and the prospective client. In this meeting, you continue a conversation you began in the earlier, investigative phases of sales.

When you hand over your thinking in the form of a written proposal, there is no opportunity for the client to understand that thinking in depth. While a proposal might be useful to help outline the bare-bones agreements of what makes sense, they do not give you an opportunity to advocate for what you're offering as the best solution.

Proposals are also narrow-band communication. They lack the potency of face-to-face meetings. You miss valuable feedback; the opportunity to ask and answer questions and

to develop rapport and mutual understanding. Most importantly, they lack the opportunity to come to resolution.

Get agreement in advance
- Let the client know in advance of the proposal stage what your process is. Tell them you'd like to inquire until you feel certain you understand what their challenge is.
- Then, tell them you'd like to work with others in your organization to prepare a solution that meets their specific needs.
- Let them know that you understand that there will be things in the oral proposal that will resonate with them and things that they will want to modify — and that you look forward to that process, in person, together
- And that, after the meeting, you'll write up a document of agreement, that outlines the solution as you have co-crafted it. OR that you will decide that your organization is not a good match, at this time, or for this job.

What if they say no?
Some companies will tell you they can't do this. What's the real message there? Are they telling you that it's not important to them to have a clarifying discussion about a solution that meets their needs exactly?

If necessary, explain that a significant amount of your company's time, energy and money will go into preparing a solution. In return for that investment in a mutually beneficial relationship with their company, you'd like to get an opportunity to present that solution in person.

If their number one priority is the best possible solution–this will make sense. If their number one priority is to follow an already-established practice, then it may not. Your best clients will eventually come from the businesses who value training and are actually looking for solutions that work.

Clients may say that if they do this for you, they'll have to do it for everyone and that they don't have time to do it. Let the client know that you think it's fair for each client to present in whatever way they think best expresses their solution — but that for you, experience has shown that a paper cannot communicate anywhere near as well as you can, face-to-face.

Plan B
If they demand a written proposal, ask if you can bring the document for their review, but present it in person. Chances are if this doesn't fly that this client has already made the

decision or is a company more entrenched in protocol than in good solutions. It most likely lets you know that their number one priority is something besides the best solution–or that they've already found it and are collecting proposals as a matter of policy.

What if they still don't agree?
If they still won't agree to a face-to-face presentation, ask if you can have a pre-submission meeting to go over the draft. Tell them this is so you can ensure you submit a proposal that makes good business sense, or that you learn why you are not the right vendor for the job. Either way, you have done a service to the client.

Presenting a solution
In the presentation, your goal should be to:

- Describe briefly your understanding of their challenge;
- Give evidence that you have the capacity and experience to implement this solution;
- Show that they have the resources to implement this solution;
- Show that your solution is sensitive to their decision-making criteria; and
- Help the client decide if this is the right solution, from the right vendor.

In each step of the presentation, your goal should be to keep the client involved and to ferret out and correct any way that the solution needs adjustment.

Ideally, you will get the client to buy into each of the steps above with agreement that you have satisfied their needs or with a modification to your proposed solution.

Here is a list of steps to follow for a successful presentation:

- Thank them for the opportunity to present in person and for their help in learning enough about the company to make a good proposal.
- Tell them why you're here. The purpose of the presentation should be to see if your solution meets their needs or how it would have to change to meet them.
- Discuss your understanding of their challenge and any limiting factors they face in meeting the challenge (budget, timeline and so on).
- Discuss the cost of having the problem in place (or of not realizing the opportunity).
- Review the criteria they will use for choosing a solution. Be sure this is a discussion — if you got this information wrong, this may be your last chance to correct it.
- Present your solution.

- Bolster their confidence that you can really deliver.
- Disclose the fee for the service.
- Ask, "In light of what you've heard so far, does this make sense?"

If it does not — and your goal here should be to hear whether or not it actually does at this point make sense — you should ask what would have to change in order for it to make sense.

There is a tendency at this point to work for agreement, honest or not. This is a mistake. Instead, watch for all the clues of a client's concern. This information is gold. If you can get a client to honestly tell you at this point why it doesn't make sense, you are in a position to either change the proposal or to not waste time in further negotiations, both of which are of great value to you *and* the client!

Objections
One of the show-stoppers at this point may be price.

In many cases, experienced clients will try to get you to lower price just because it has worked with other vendors in the past. From this perspective, they'd be remiss to not at least try. It can also be the case that you have not made a good enough case of how the value of the training is related to what you're charging. It's a good time, then, to restate how this solution benefits the client and what it's worth to implement it. If you've done your homework on a big contract, you may be able to convert this value to actual dollars.

Never lower the price without a reduction in services. Sometimes a request to lower the price is really something else in disguise. But if you've determined to the best of your ability that price is really the show-stopper, then be ready to offer a modified version of your solution — with a reduction in service, whether by offering less hours or less value-added services — for less money.

It's also a good idea to have a more sophisticated version of your solution already worked out so you are ready to articulate it and why it's a better value. This might seem odd, but it can be useful when price is raised as an objection but when the real issue was that you had not yet convinced the client of the *value* to them of what you were offering.

The resolution
At this point, the client is either ready to buy the solution or they are not.

- If they are not ready to buy. If the solution or you as the vendor has not proved to be a good match for this job, at this time, then thank the client for the opportunity

to compete for the opportunity to serve them and ask if there is anything you should carry away as learning. Was there something that you could do better next time? At the very least, if you don't get the job, you might get advice that will help you win the next contract.

- Remember to add that if the client, for any reason, is not happy with the vendor they choose that you'd be glad for a chance to talk with them again.

- <u>If they decide to buy your solution.</u> At this point, both you and the client have invested a considerable amount of time in the solution and the relationship. More than ever, it's important to make sure the job goes well. Check the section on quality assurance to see how you can make this happen.

- <u>If they decide not to decide.</u> If you did a good job making a case that this problem is having an impact (financial or otherwise) every day it goes unsolved, this step will be easy to work with.

First, check in and see if they are really deciding not to decide, or whether they have actually decided that it's not you. If it's the latter, thank them for their time and follow the "no-go" advice above. If it's just not the highest priority for the moment, then make a brief list together with the client, of how you will get to the "go" point. What things need to transpire before you can commence with the implementation of the solution. If the client really needs the training, this is the only service that makes sense. It's your job to follow up on that list by staying in communication with the client so the moment they're ready, you're ready too.

Summary

If you've done these steps in real-world selling, you'll be doing everything you can to help the client succeed. This focus on their benefit will help you earn long-term relationships with the best "star clients."