

# Sales Operations

## Lean Sales & Support

CASE  
STUDY

### Transformation of the Sales Management Process

#### Situation – Implementing ways to reduce the cost of sales while increasing sales productivity and performance

The pharmaceuticals manufacturing division could meet the explosive demand for the company's blockbuster new products. But a dysfunctional sales management process was unable to increase sales productivity and performance to fully capitalize on the breakthrough market opportunities.

Sales collateral was often unavailable or incorrect. Product samples were outdated, unavailable or delayed. Compared to forecasts, order patterns were unusually volatile and quantities uneven. Customers complained of confusing, multiple points of sales contact. Productivity metrics were inconsistent and unreliable, making individual sales rep performance impossible to assess accurately.

#### Client Description, Project Scope, Objectives – How to implement lean sales process management

Executives demanded immediate, end-to-end lean sales process management to implement standard work. They saw The Lab's non-technology improvement templates as the fastest solution. The internal lean consulting team delivered small-scale continuous improvement, but a large scope required a new approach.

The firm is a Top 10 global pharmaceuticals company producing multiple, billion-dollar drugs. Field sales engages customers in more than 100 countries. Management's continuous strategic transformation efforts concentrated on operations in the Americas involving 2,500 employees.

The Lab implemented lean sales process management improvement templates to resolve many of the sales productivity and performance problems. These helped eliminate out-of-date inventories for product samples and sales collateral materials. Standard work for lean sales templates ensured that the right samples and collateral arrived on time at the right location.

Sales management process transformation began with a 7-week Phase I analysis. A self-funding, guaranteed work plan launched a 6-month, Phase II implementation.

#### Lean Sales Transformation Implementation Examples

The Lab implemented more than 300 non-technology sales management process improvements. Examples:

**Increased Sales Performance through Greater Uptime**—The Lab's lean sales process management transformation reclaimed the 40 percent of sales rep time squandered obtaining samples and collateral. Lean standard work for sales methods boosted productivity and performance. These continuous lean standard work improvements enabled the sales team to transfer administrative activities to support teams, resulting in sales cost reduction. Time spent with clients (uptime) doubled.

**Reduced Selling Expenses by Solving Avoidable Sales Errors**—Field sales' poor adherence to standard sales work policies and procedures generated avoidable errors for sales support teams. Missing customer and product information required several rounds of follow-up. Error reports, work quality KPIs, effective feedback loops and lean sales management controls helped to reduce this low-value, high cost sales process work by nearly 80 percent in 3 months.

**Lean Sales Management Process Liaison Team**—Marketing launched campaigns without adequate training notice to the sales force. Manufacturing created packaging that complicated sales efforts. Compliance requirements could easily be overlooked by sales reps. The Lab implemented a standard work process for sales to coordinate across the enterprise and reduce the downstream impact to the sales team.

## Top 10 Global Pharmaceuticals Company

### Field Sales & Support

North America

#### Project Sponsor:

#### Executive Vice President, Sales

Non-technology, self-funding operational improvement implementation:

- No new technology
- End-to-end product sales and support
- 6-month implementation

#### Project Objectives:

- Operational efficiency
- Lean sales management
- Improved service levels

#### Project Scope:

- Sales
- Product support
- Product literature development
- Shipping and distribution
- Operations support

#### Implementation Results:

- Operating cost . . . . . ↓ 15%
- Annual savings . . . . . \$10M
- Capacity improvement . . . . . ↑ 20%
- Sales uptime . . . . . ↑ 100%
- Break even point . . . . . 4 mos.
- ROI (12 month) . . . . . 5X

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