

## Introducing IBM and Benchmarking Partners **Champion-Centered Campaign for Signature Selling**



**Webinar – August 8, 2003**

**Presenters:**

**Jack Wagner**, Global Solutions  
Marketing Executive, IBM

**Charles Rybeck**, Managing Director,  
Benchmarking Partners

**Pat Zilvitis**, Benchmark Practitioner,  
Benchmarking Partners

# Agenda



- **Introduction** ◀
- Key Take-Aways
- Case Examples
- Campaign Components
- Q&A / Follow-up



## Goals for Today



- Increase Your Sales Effectiveness
- Deliver New, Customer-driven Resources
- Feedback: Sales Force Requirements Gathering for Best Practices Roll-out



© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)

Jack:

Welcome.

My name is Jack Wagner (IBM Global Solutions Marketing Executive), and I'm hosting today's Webinar. Today's materials are being made available only to IBMers.

Having been involved in IBM sales for 29 years, I am very pleased to be bringing to you a program that can put us far ahead of our competition and can immediately increase your sales effectiveness by giving you new ways to meet the immediate needs of customer champions.

1. Today we are introducing new customer-driven resources—all complementary to Signature Selling Methodology. These resources will enable you to:
  - Reach out to customers and prospects in new waysand
  - Prepare for yourselves for leading your Selling Teams in new ways
2. In today's Webinar we will be introducing these new approaches and beginning to get your feedback.

In our follow-up conversations, we will be gathering the Sales Force Requirements for this Best Practices Roll-out.

## Intuitive



- What we are presenting today may seem familiar. **Experienced sales professionals have often arrived at similar conclusions intuitively.**
- At the same time, though, Benchmarking Partners found that only extraordinary IBM Selling Teams have adopted these approaches **programmatically.**
- This campaign will give every one of our Selling Teams **additional resources to reach out to customer champions in distinctive ways, further differentiating IBM from our competitors.**



## Win-Win Results



- Programmatically orienting around the customer champion's Business Initiative Goal...means you and your Selling Team will be able to:
  - **Recognize the indispensable role the champion** must play in mobilizing their own organization
  - **Define Selling Team roles**—uniting IBM Sales and Marketing as well as IBM Business Partners to ensure success
  - **More fully integrate Signature Selling with the buyer's process** so that it enables IBM to keep the Selling Team and the Buying Team aligned throughout the Opportunity Cycle



© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)

Jack:

We need to simultaneously

- Sell what On Demand will be able to deliver in the future

And

- Deliver on the buyer's most immediate needs

## Why Did IBM Collaborate with Benchmarking Partners on this Project?



### ■ Benchmarking Partners:

- Established as the leading expert in business value realization from complex initiatives
- Pioneered global best practices for a decade, giving it unique insight into the needs of our customers
- Demonstrated track record of world-class sales force enablement (e.g., IBM, Cisco, SAP, Oracle)
- Will now be applying their customer experience and research with lessons learned to create new opportunities for the IBM sales force



© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)

### Jack:

- I have been working with Benchmarking Partners for the last decade, and I'm please to know both of our presenters today.
- We're broadcasting from Benchmarking Partners headquarters in Cambridge, Massachusetts and are joined by a number of the folks from Benchmarking Partners who make up their IBM team.
- Why Did IBM Collaborate with Benchmarking Partners on this Project?
  1. The leading experts in business value realization from complex initiatives. They went further than others in the industry in measuring the successes and failures of many of the largest strategic initiatives.
  2. Pioneering global best practices for a decade, giving them unique insight into the needs of our customers
  3. They have now applied the Lessons Learned to create new opportunities for the IBM sales force
- They know the customer's experience: the good, the bad, and the ugly.

## How Did Benchmarking Partners Arrive at These Findings?



- Customer Analysis
  - Reviewed strategic IT-related investments of over 250 multinationals
  - Narrowed that to 110 successful initiatives at 81 enterprises as basis for the Championship Mobilization guide
  - Measured performance (in select cases) in terms of their Business Initiative Goals
- Sales Analysis
  - Reviewed Signature Selling Method and *e-business on demand* initiative
  - Compared IBM Sales and Marketing efforts to that of our major Business Partners and competitors
  - Interviewed IBM sales and marketing professionals from every part of the organization:
    - Sales & Distribution
    - Software Group
    - IBM Global Services
    - Systems Group
  - Reviewed over 1,100 IBM sales wins
  - Measured performance (in select cases) in terms of the customer's Business Initiative Goals



## Basis for Championship Mobilization Study



Solution Category	Number of Initiatives
ERP (Enterprise Resource Planning)	38
SCM (Supply Chain Management )	56
CRM (Customer Relationship Management)	30
PLM (Product Lifecycle Management)	8
Marketplaces	12
Infrastructure Enhancement	24
<b>Total</b>	<b>168</b>

*Note: Initiatives often crossed category boundaries, so this total of 168 is greater than the total number of separate initiatives reviewed (110).*



© 2003 Benchmarking Partners

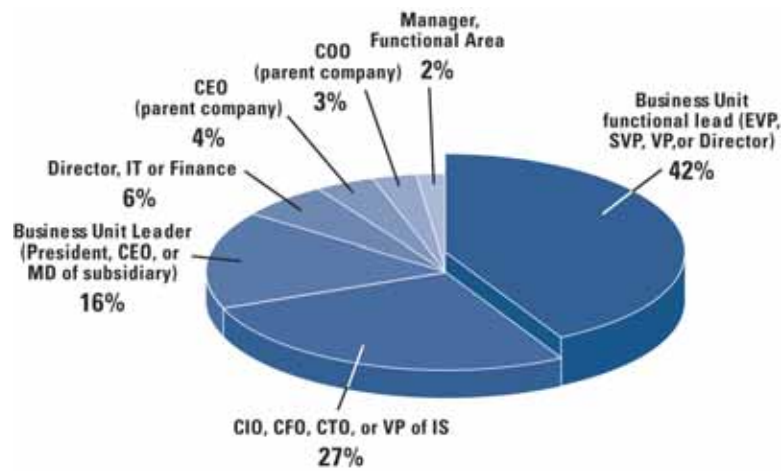
[www.benchmarking.com](http://www.benchmarking.com)

The initiatives we reviewed addressed the full range of solution categories.

Since they often crossed category boundaries, so this total of 168 is greater than the total number of separate initiatives reviewed (110).



## Who are Champions? Distribution by Title:



*Note: This breakdown includes 111 champions from a total of 110 initiatives at 81 enterprises.*



This breakdown includes 111 champions from a total of 110 initiatives at 81 enterprises.

# Presenter Introductions



## ■ Pat Zilvitis

- **Pat Zilvitis** is already well known to many of you from his work within IBM and elsewhere. After forming and managing Digital Equipment's global consulting services organization, Pat served as CIO and Corporate Vice President at Gillette. During his eight years there, he was a major IBM customer and became a Benchmarking Partners client. Pat has now joined Benchmarking Partners as a "Benchmark Practitioner" and he also serves as consulting CIO at Segway, the Human Transporter Company. As someone thoroughly familiar with both the seller's and the buyers view of complex solutions, Pat is heading much of Benchmarking Partners sales training efforts.

## ■ Charles Rybeck

- **Charles Rybeck** was part of the team that founded Benchmarking Partners in 1994. Rybeck has worked with multinationals in a variety of industries including, petrochemicals, healthcare, financial services, manufacturing, utilities, CPG, public sector, and high tech. (Charles is known to those of us who work with him by his nickname, "Chick".) Chick leads Benchmarking Partners work with IBM including the research teams that advance best practices in Champion-Centered Selling and Championship Mobilization. He leads Benchmarking Partners IBM Analyst Desk service.



© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)

**Jack:**

Introductions

- 1. Pat Zilvitis**
- 2. Charles Rybeck**

Let's begin by having Pat Zilvitis describe the background for our Champion-Centered Campaign.

## Initiatives at Gillette



### ■ When successful, they were champion-led

- Supply Chain Management – **VP SCM was champion**
- Web based sales channel – **VP Brand Management was champion**
- Manufacturing monitoring and optimization – **VP Manufacturing Engineering was champion**
- Time to Market improvement initiative – **VP Technical Operations was champion**
- CRM approach selection and implementation – **VP European Sales was champion**
- Global Business Process Integration – **VP selected by CEO from one of the businesses was champion. Corporate Executive Committee was Steering Committee. Looked at from another POV, the CEO was the champion.**



© 2003 Benchmarking Partners

www.benchmarking.com

### **Pat:**

**This slide shows several initiatives I was involved in while at Gillette.**

The common threads of successful initiatives surfaced quickly:

- The initiatives **must** be led by the functional business champion, with IT in a strong support role
- Broad based internal support is key, and requires on-going selling, re-selling and communications
- Motivation must be reinforced with intermediate results (90 days is a good target)
- “Good” vendors play a key role in education, best practices and project management

In each case, the champion was from the business. The largest initiative was an SAP implementation which touched every part of the global business as it integrated processes across the company. In this case, the Steering Committee was led by the CEO.

## Initiatives at Gillette



### ■ Not Always a Pretty Picture

- Centralized, global PC procurement. “Buy global, ship local”
- Data Warehouse project
- “Local” CRM project
- “Local” ERP initiative
- Selected acquisitions

At Benchmarking Partners, we systematically analyzed these pitfalls and measured both the champion’s performance and the Selling Team’s performance in relationship to the Business Initiative Goal.



© 2003 Benchmarking Partners

www.benchmarking.com

### Pat:

On the flip side, the common threads of “not so successful” initiatives also surfaced quickly:

- Don’t commit to what you can’t deliver e.g. global PC procurement program
- “Solutions” looking for a problem never succeed –Data Warehouse (vendor and I got black eyes)
- “Local” projects rarely gain broad based support (“Ownership”)
- A sales “event” is not an “initiative”. Lack of long term commitment from the business or a vendor is a recipe for failure

Our goal this morning is to provide you with some insight that will help you plot a course to successful initiatives with your customers, while avoiding the pitfalls we have seen and experienced.

## Initiatives vs. Solutions



- Why do champions think about “Initiatives” more than “Solutions”?
- Distilled feedback from executive champions:
  - “I will be measured on the ‘initiative’, not the ‘solution’.”
  - “Our vendors often talk about ‘solutions’ as the ‘be-all’ and ‘end-all’, when—in our enterprise—we organize our world around initiatives.”
  - “My work begins long before the vendor is involved and lasts long after the sales team has left.”
  - “In my solar system, you are not the sun.”



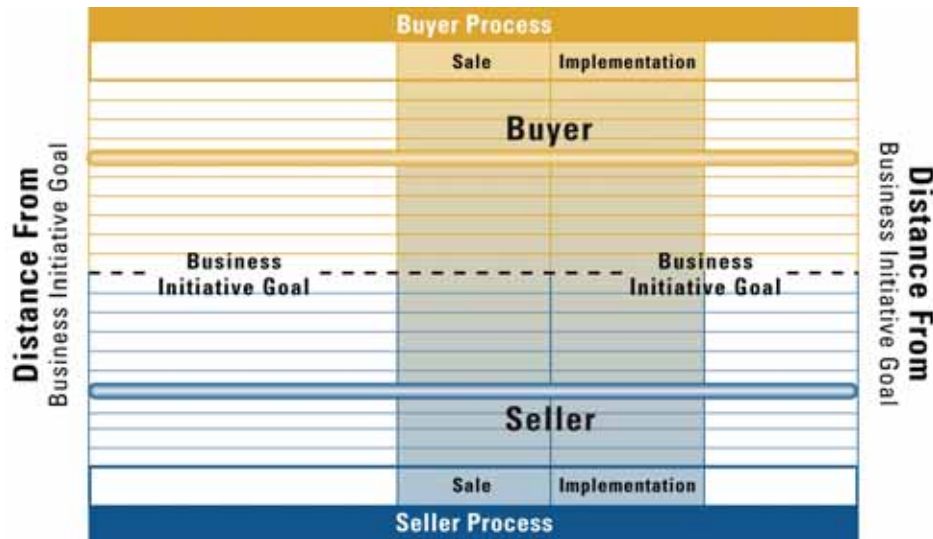
© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)

**Pat:**

**There is no such thing as “stability” in a successful company. Continuous improvement in sales, earnings, market leadership, as examples, require constant “process” improvement. This comes from on-going activity (usually organized as “initiatives”) not a one time fix (characterized as the “Point Solution” approach)**

# Mapping the Typical Buyer-Seller Relationship



© 2003 Benchmarking Partners

www.benchmarking.com



**Pat:**

We at Benchmarking Partners have used the following model to measure and map how closely both the buyer (in gold) and the Seller (in blue) are able to converge on the Business Initiative Goal.

## “Hit and Run” Incoherence Model



© 2003 Benchmarking Partners

www.benchmarking.com



### Pat:

- Not surprising to any of you who have been involved in complex initiatives after a sale, both the buyer and seller tend to get disconnected.
- Both buyers and sellers can “diverge”
- We refer to this pattern as “Hit & Run”. Chick’s team has done this measurement on a number of prominent implementations. Would you walk us through that “Hit & Run” pattern?

### Chick:

- Thanks, Pat.
- This situation wasn’t unique, in fact it was representative. Our conclusions from all the “troubled” implementations we assessed is best summarized in terms of this one representative example, a major ERP/CRM initiative at an Aerospace & Defense multinational. We see this “Hit & Run” pattern as what soured so many customers to the point of their current hyper-skepticism about IT-related spending.
- Here the lead buyer, the VP of Customer Service, spent approximately 70% of his time over 3 years leading up to the sale (represented in the middle of the graph). Not surprisingly, we see the buyer and seller converging at the point of the sale. If they hadn’t, there never would have been a sale.
- But immediately thereafter, the seller and the buyer each began diverging from the Business Initiative Goal. The ISV quickly arranged a series of remedial executive visits. Each resulted in a temporary “feel-good” blip on our tracking lines but didn’t solve any of the underlying discrepancies. In the end, the relationship between the buyer and ISV got so bad that the sales team was afraid to even call. And the SI blamed all the implementation’s problems on the ISV—while continuing to do very well, thank you very much, on an “hours billed” basis.
- The VP of Customer Service—who had spent the three years preparing for the purchase—spent another 18 months guiding the implementation. This gentleman saw the initiative as the high point of his career and described it as a success. The Board of Directors of this firm, however, saw it as the single worst initiative in the company’s history.
- How could there be such a discrepancy? Clearly the metrics that the initiative leader was using to judge his own performance differed substantially from the metrics used by the board. The ISV was using still another set of metrics. And the SI was using still another.
- Let’s take a look at what an alternative to “Hit & Run” might look like. We at Benchmarking Partners looked at hundreds of initiatives but based the following definitions on successful experiences at 81 companies described in the Championship Mobilization guide...including Gillette.
- Pat, would you introduce us to some of what we see if we look at all this from the customer’s point of view?

## “Champion”

- An executive change agent who drives innovation by galvanizing their organization around an initiative producing a strategic business result.



- **No single model**
- **Can be team and can change over time**



### Pat:

•For the purposes of this conversation, let’s get a few terms defined so we can use them and all know what we mean.

•The impersonal “Buyer” we have been talking about is really an ever-shifting team of people led by a “flesh-and-blood” person who is often brings continuity to the initiative over time: that is, the “champion”.

•By that we mean “An executive change agent who drives innovation by galvanizing their organization around an initiative producing a strategic business result.”

Obviously, there is no one, “right” definition, but we are here using the term in a tightly defined sense. It is intentionally different from:

- Common usage within IBM to describe subject matter experts
- Process improvement techniques (e.g., Six Sigma uses the term to mean anyone who has finished their 2 day course)

In my experience, we always had one champion responsible for an initiative at any one point in time.

Initiatives fail without

- A functional champion with “skin in the game”
- Broad-based business support, which has to be continually **resold**
- Selling Team alignment with the customer goals requires involvement and commitment



# “Opportunity Cycle”

- *The stages that every buyer and seller have to go through in sequence to realize value from an initiative.*



Pat:

- This chart describes a recurring pattern that we summarize as the Opportunity Cycle.
- Whether you use these words or not, you all have had experience with each of these steps.
  - We have named these stages here using terms the buyer would recognize.

## “Championship Mobilization”



- ***The process by which leading corporate executives align key internal stakeholders to successfully realize value from a complex initiative.***



**IBM**

© 2003 Benchmarking Partners

www.benchmarking.com

### **Pat:**

- **Championship Mobilization has to occur for a major initiative to achieve success! That champion drives this & must have “skin in the game”!**
  1. **Must assign Project Manager from their team, or they are not serious**
  2. **Funding**
  3. **Be on the hook for success and the celebration of success**
  4. **“Sell” cross functional sponsorship, including senior management if the initiative is on their radar screen as a result of cost or impact**

# “Champion-Centered Selling”



- *The process that the Selling Team uses to support and illuminate the way for the champion in pursuing the champion's Business Initiative Goals*



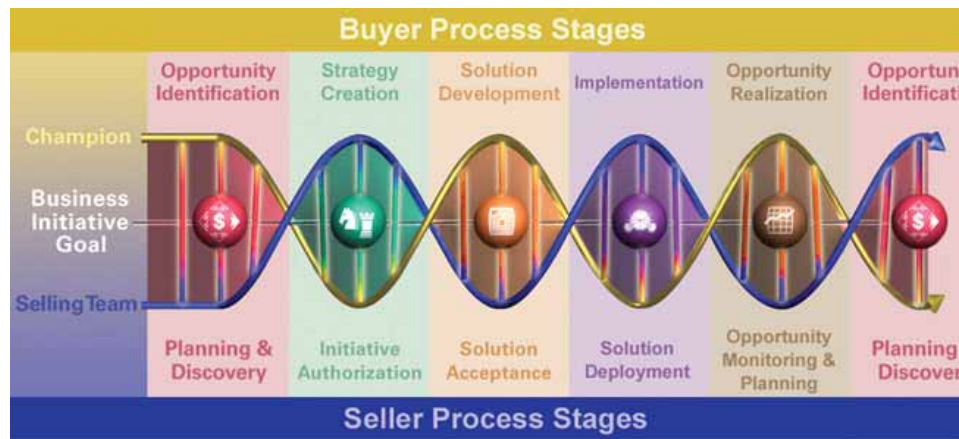
© 2003 Benchmarking Partners

www.benchmarking.com

**Pat:**

- “Selling Team” represents the vendor
- Champion-Centered Selling is the process that Selling Teams use to support and illuminate the way for champions in pursuing the champion's Business Initiative Goals.
- The “Champion” is usually the Business Unit executive sponsor, supported closely by the CIO
- Vendors play a key role in education – technology and best practices
- Communications are key to success:
  - Often
  - Cross functional, multi-level
  - On-going
- A CIO can manage less than a handful of vendors. These vendors make him/her successful and life easier. Only the best, most trusted vendors are in this category.

# Champion-Centered Selling DNA / Coherence Model



© 2003 Benchmarking Partners

www.benchmarking.com

Pat:

- As contrasted to the “Hit & Run” model, one way to view the way you want a successful initiative to proceed is what we call the “DNA/Coherence” model where the Champion (representing the “buyer”) and the Selling Team are in lockstep during each stage. This ensures convergence of goals and is absolutely consistent with IBM’s SSM methodology.
- Chick, could you tell us how this can be useful to the IBM Sales professional?

Chick:

Explain

1. Here we see the same players, recast as the Champion, the Selling Team, and the Business Initiative Goal
2. We see the Champion’s Opportunity Cycle drawn out linearly as both the Buyers Process Stages and the Seller Process Stages
3. Around the Business Initiative Goal at the center, you can imagine the three dimensional DNA—the champion and the Selling Team staying connected.
4. This pictures “Coherence” as contrasted with “Incoherence” (the seller and buyer both diverging from the Business Initiative Goal)
5. The Seller ↔ Buyer Connectors are the 3 lines connecting the Selling Team to the Champion around the Business Initiative Goal at each stage of the Opportunity Cycle. Just as Pat talked about the importance of Prioritization, Risk/Reward Ratio, and Alignment in his initiatives at Gillette, we found these three connectors to be critical for every initiative at every stage of the cycle.

# Agenda



- Introduction
- **Key Take-Aways** ◀
- Case Examples
- Campaign Components
- Q&A / Follow-up



© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)

## Chick:

- Let's look together at what IBM can learn from your most successful Signature Selling accounts.
  - What Pat just introduced was the customer's and champion's point of view—using the format you'll see in the Championship Mobilization guide written for your customers and prospects.
  - But we need to look at what this means to you, specifically, as IBM sales professionals.
    - When our early customer research into Championship Mobilization and the guide were first completed, Jack and I presented its contents to an attentive audience at PartnerWorld in New Orleans. We got all kinds of positive feedback, but after the talk, one fellow in the back row asked, “How, exactly, can I implement this in my dealings with the accounts I'm calling on next week?”
    - We took that fellow's request to heart and organized ourselves to answer his question in a form that could be accessible to all IBMers.



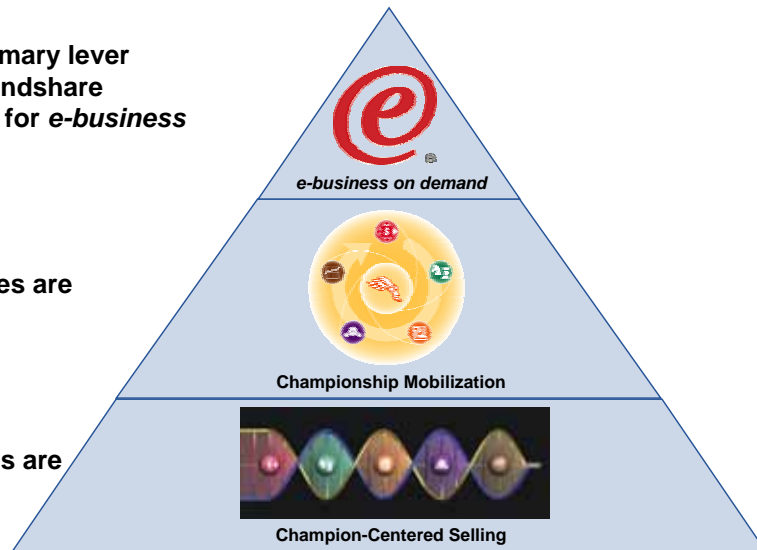
# Key Take-Aways



- What is IBM's primary lever for converting mindshare into marketshare for *e-business on demand*?

- Complex Initiatives are Sold Not Bought:

- Complex Solutions are Bought Not Sold:



© 2003 Benchmarking Partners

www.benchmarking.com



## Chick:

What did we learn from all our research that can make the most difference for you?

### 1. Complex Solutions are Bought Not Sold

- You, intuitively know that the customer's buying process is as important—or more important—than your selling process. The most important buying activities occur within the customer's organization out of the Selling Team's view, where the Selling Team can't participate directly.
- We all know there is room for improving how IBMers anticipate and meet the needs of the champion's process.  
The strongest performance in this area has been by the IBM Selling Teams winning the largest contracts. Extraordinary connection with an individual champion was decisive in the most impressive competitive victories.

### 2. Complex Initiatives are Sold Not Bought

- For a significant initiative to be successful, a champion has to sell it on an ongoing basis within their organization. So, from a customer's perspective, complex initiatives must be sold internally rather than simply bought from a "solution provider" ... if they are to successfully realize value.
- This ongoing internal "sales" process can be called Championship Mobilization. By "sales" process, here, we're referring to what it takes for the champion to keep their organization moving forward toward their Business Initiative Goal. It is not limited to any sales cycle. In fact, typically, it begins before any specific purchase is contemplated and continues long after any implementation.
- **Your Customers** know this from experience:  
We have found champion's immediately recognize "Championship Mobilization". Any customer, like Pat, who has realized value from a strategic initiative knows the internal "selling" they had to do to achieve success.

### 3. Finally, how does this relate to IBM's current *e-business on demand* challenge: converting mindshare into marketshare?

#### • That now hinges on programmatically anticipating and meeting the immediate needs of champions.

- *e-business on demand* is a powerful vision with a decade-long time horizon. But, **you need** to made it real to the champion—**right now**.
- Over and over again we've heard how successful sales were simplified around the customer's individual needs. Not just their long-run and ecosystem-wide needs, but around the immediate and situation-specific needs of the champion as an individual—i.e., "what it will take to advance this particular initiative?"
- **A Champion-Centered approach organizes your Signature Selling efforts around the same value objectives that the champion uses to mobilize their organization.**
- Identifying & supporting the right champions and then giving these champions what they need, when they need it—**That is *e-business on demand* for Sales.**
- **Customers are telling us—in no uncertain terms—that this is the way they want to buy.**
- Many of the best-known multinationals that have responded positively to IBM's *On Demand* initiative have done so on the basis of IBM's relationship with champions within those organizations. JP Morgan Chase, Whirlpool, Colgate-Palmolive, Charles Schwab, and UPS are all in this category and probably familiar to many of you.

# Agenda

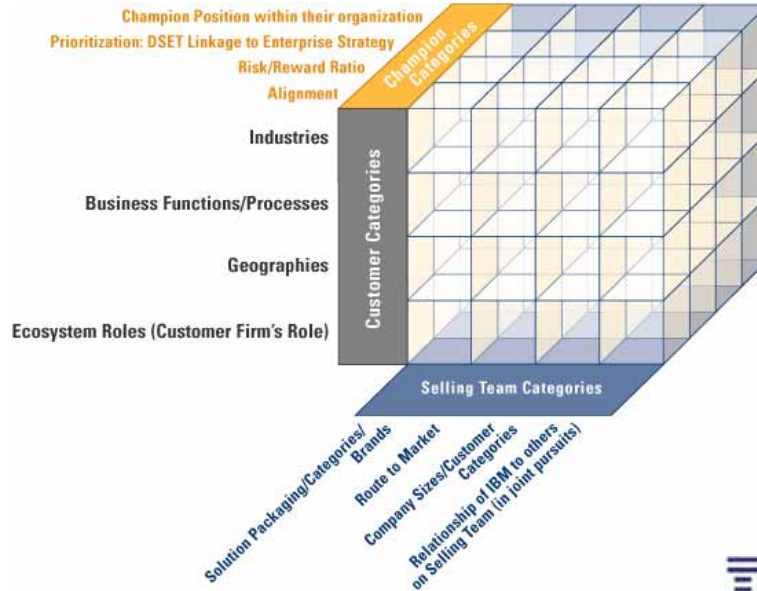


- Introduction
- Key Take-Aways
- **Case Examples** ◀
- Campaign Components
- Q&A / Follow-up





# Matrix View: Just How Complex?



© 2003 Benchmarking Partners

www.benchmarking.com



## Chick:

These are just some of the parameters we use to segment accounts. In an organization with commitments as far-reaching as IBM's, this complexity is unavoidable. But you, as sales professionals, have to simplify all this if you are to be focused and successful. Let's look together at how one IBM-led Selling Team simplified their efforts.

## Situation: Caterpillar



- Mid-to-late 1990's: IBM not held in regard within Caterpillar as a whole
- Estimated 10-15% of Caterpillar's "discretionary spend" in IT
- Account team missing its targets



© 2003 Benchmarking Partners

www.benchmarking.com

### Chick:

•When I was growing up back in West Virginia we were surrounded by Caterpillar earth movers. Wherever you are right now: in Austria, in Argentina, or in Australia—one of Caterpillar's 2,700 dealer locations is probably within hearshot...handling construction and mining equipment, diesel and natural gas engines, and industrial gas turbines. Caterpillar is the world's largest manufacturer of all these with over \$20 billion in annual revenue.

•Let me tell you a story about Caterpillar as an IBM account, about people just like you who were faced with challenges that may be very similar to the ones you are facing with key accounts at this minute. Just 5 years ago, Caterpillar was moving quickly in changing its infrastructure technology, but IBM was only a minor part of the picture. Major purchases from SAP, Siebel, PeopleSoft, Cisco, and i2 were all in the works but IBM was not even a part of the i2 purchase and IBM's reputation within Caterpillar as a whole was poor. Caterpillar's spend with IBM descended to about 10% of its "discretionary IT spend".

•The worldwide IBM sales team—coordinated out of Peoria, Illinois—was struggling. As Dan Dahms, the Client Executive in charge tells the story, they were "floundering" and "woefully missing their sales targets" "because they didn't have champions for any of the initiatives they wanted to propose. At least they recognized this as their primary problem. At the turn of the century—you remember just three years ago—Caterpillar like everyone else was raising the hurdles that any new spending would have to clear in order to move forward.

# IBM's Response



## Looking to future/ e-business on demand

- SCM- PLM



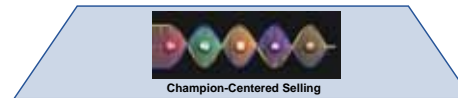
## Coordinated Selling Team support at each stage of each champion's Opportunity Cycle.

- PeopleSoft - SAP - Siebel - Cisco



## Identified clear Business Initiative Goals & Connected with Functional Champions

- Director of Global IT Solutions for the Business Process Standardization & Consolidation initiative
- Director in HR for the PeopleSoft HR initiative
- VP, Systems and Processes and CIO



© 2003 Benchmarking Partners

www.benchmarking.com

### Chick:

- In line with what Jack and Pat said about this being intuitive, without prompting from us, Dan Dahms did many of the things we propose in the handbook at the precise point in the Opportunity Cycle we specify. We don't have time to go through all of what Dan's team did, but let's review a few.
- 1. The IBM team focused on identifying and cultivating champions. One of the folks they worked with was a widely respected and broadly experienced executive out of manufacturing, Sid Banwart. The team arranged for an IBM senior executive, Steve Ward, to meet with Sid and because the two shared similar transformational business experience and interests, began a process that has wound up influencing many parts of the CAT organization.
- 2. Sid was then named vice president of Systems and Processes as well as CIO. Because they had already been working together, Dan and the team were able to go to him and say
  - "Let's get our arms around your overall IT spend.
  - Let's calculate the best you can expect if you keep on with the multiple vendors you are using.
  - Let's compare that 'Business As Anticipated' spend (over the whole, broad spectrum of software, hardware, and services) with what we can do for you if this were consolidated and rationalized."
- 3. The preparation for dealing with several director-level champions at Caterpillar took the IBM team 3 years, but once a champion was in place, the sales cycle was driven by the Championship Mobilization process. In the case of the consolidation and rationalization championed by Sid Banwart, the selling and signing of a \$200 million contract was accomplished in 6 months.

## Multi-organization Selling Team



- Key Selling Team Players active in supporting the champions
  - Steve Ward (broadly experienced IBM senior executive, former CIO at IBM and now Senior Vice President and General Manager, IBM PC Division)
  - Brand Solutions Teams
  - Open Infrastructure Offering Team
  - ibm.com
  - PWCC PeopleSoft integration team (even before acquisition)
  - Cisco Alliance Team
  - IGS Automotive Sector Industry Value Proposition Team headed by Debbie Nemesi



© 2003 Benchmarking Partners

www.benchmarking.com

### Chick:

- All this coincided in time with the contraction of overall IT spending and the raising of hurdles to investment of all types. **In this climate, the IBM Team has been able to grow Caterpillar's total spend with IBM an average of 20% per year for each of the last three years**
- IBM is now winning between 25-30% of Caterpillar's "discretionary spend" in IT despite the fact that Accenture still controls the firm's substantial SAP integration efforts.
- The IBM team has continued to bring in resources to anticipate and meet the needs of these champions. The IGS Industry Value Proposition team headed by Debbie Nemisi, for example, brought best practices from the automotive industry and IGS teams have earned the opportunity to look at what *e-business on demand* could mean for Caterpillar in the Supply Chain Management and Product Lifecycle Management. Since Caterpillar's current governance looks a lot like IBM pre-Gerstner where divisions are each doing things differently, the opportunity—worldwide— is substantial.
- Dan and his team are passionate about integrating their "internal" and "external" resources.
- They used ibm.com extensively for tele-support on a worldwide basis.
- The IBM team got strong support from the Brand Solution Teams, the OIO (Open Infrastructure Offering) Team, and many others.

## Win/Win Results



- Based on Progress Toward Caterpillar's Business Initiative Goals :
  - IBM now key partner with "trusted advisor" status
  - \$200M (five-year) agreement signed in 2002 and on track for expansion
  - IBM earning between 25-30% of Caterpillar's "discretionary spend" in IT despite Accenture's control of the firm's substantial SAP integration efforts.
  - Caterpillar's total spend with IBM has grown an average of 20% per year for each of the last three years
  - Account team has exceeded its targets for each of the last three years



© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)

### **Chick:**

The team's results speak for themselves. What we need to do, though, is ask Dan what lessons he drew from all this.



- “Before we had a champion we were floundering. We were working hard but going nowhere...except to the extent we were preparing for what the champion would need.”
- “Only with the right champion could Caterpillar get its arms around the right scope and metrics.”

Dan Dahms, IBM Client Executive for Caterpillar

- Based on Progress Toward Caterpillar's Business Initiative Goals :
  - Increased number, speed, and accuracy in qualifying leads ◀
  - Increased competitive wins ◀
  - Increased deal size ◀
  - Decreased sales cycle time ◀
  - Increased repeat, follow-on, and related sales



Chick:

- We looked at the team's results in terms of our key Champion-Centered Selling Metrics. Here the team hit 4 of the top 5.



- “We were preparing for this sale for three years. But once the right champion was in place, it only took six additional months to sell and sign.”

Dan Dahms, IBM Client Executive for Caterpillar

- Based on Progress Toward Caterpillar’s Business Initiative Goals :
  - Increased number, speed, and accuracy in qualifying leads ◀
  - Increased competitive wins ◀
  - Increased deal size ◀
  - Decreased sales cycle time ◀
  - Increased repeat, follow-on, and related sales



### Chick:

- Again, the team hit 4 of the top 5.



- “In each of several cases, our connection with and support for the champion was decisive in winning the sale.”
- “We have to have the right champion for any major sale to be successful.”

Dan Dahms, IBM Client Executive for Caterpillar

- Based on Progress Toward Caterpillar’s Business Initiative Goals :
  - Increased number, speed, and accuracy in qualifying leads ◀
  - Increased competitive wins ◀
  - Increased deal size ◀
  - Decreased sales cycle time ◀
  - Increased repeat, follow-on, and related sales ◀



### Chick:

- Here the team hit 5 of the top 5.



# Agenda



- Introduction
- Key Take-Aways
- Case Examples
- **Campaign Components** ◀
- Q&A / Follow-up

© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)



Chick:

–Remember what we promised that fellow in New Orleans.

# Champion-Centered Campaign for Signature Selling Components



## Champion-Centered Campaign for Signature Selling Components



© 2003 Benchmarking Partners

www.benchmarking.com

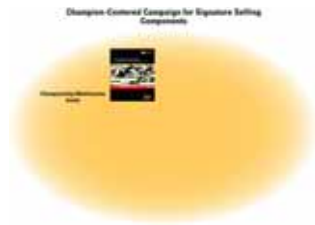


### Chick:

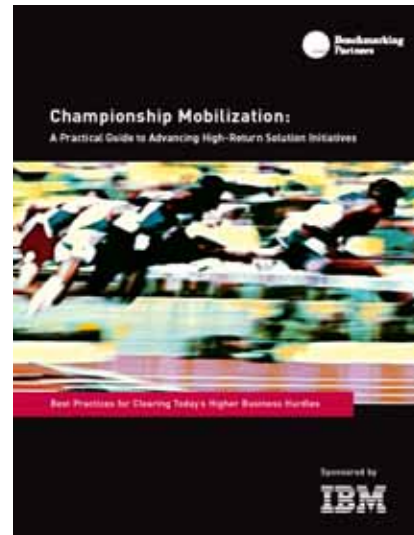
We've brought together five campaign components: Very briefly, we will introduce you to what is in each.

1. First, (at the upper left) the **Guide for Customers and Prospects** introducing "Championship Mobilization".
  2. Second, the electronic **Handbook for the IBM Sales Force**. This is where we spell out in detail why this is worth your time and what a champion-centered focus can mean for the Selling Team at each SSM step.
    - Although this was written for the sales professional, if the champion were to see the handbook, they would be energized by it.
  3. Third, the **Championship Mobilization Module** from the *e-business on demand* Collaboration Tool, a software version of the Best Practices for champions throughout their Opportunity Cycle....organized to allow champions to identify the critical success factors most relevant to them, personally, in terms of specific initiative under consideration.
  4. Fourth, **Benchmarking Partners** has set up an **IBM Analyst Desk Service** to offer you assistance in applying all the components of this campaign to your most promising accounts.
  5. And, finally, fifth, a white paper entitled "**Competing for the World Cup in Business**" that offers a best practice view of multi-firm collaboration for champions. The document highlights how the ROI from business solutions is affected by a firm's position within its trading partner network.
- Together, all five of these components form the initial elements of the Champion-Centered Campaign.
  - Now let's look very briefly at what is in each. At the end of this session, you will be able to print out this presentation as a pdf and download the components.

# Champion-Centered Campaign for Signature Selling Components



## Guide for Customers and Prospects Championship Mobilization



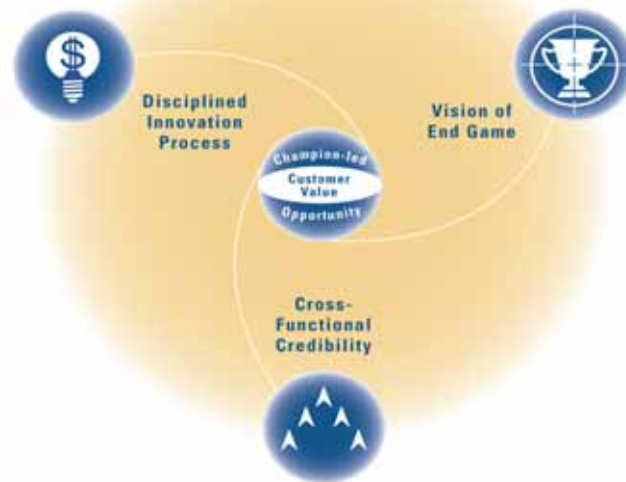
© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)

### **Chick:**

The Championship Mobilization guide gives you a fresh, relevant, and differentiated Reason of Call...allowing you to reach out to prospective champions.

## Defining Attributes of Champions



© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)

### Chick:

In the guide, customers and prospects will find an introduction to the role of the champion and a full description of the **Defining Attributes of Champions**. It has been inspirational for many executives who wish to become champions and reinforcing for those who have experience but have never seen all they accomplished laid out in all its complexity.

# Detailed Best Practices



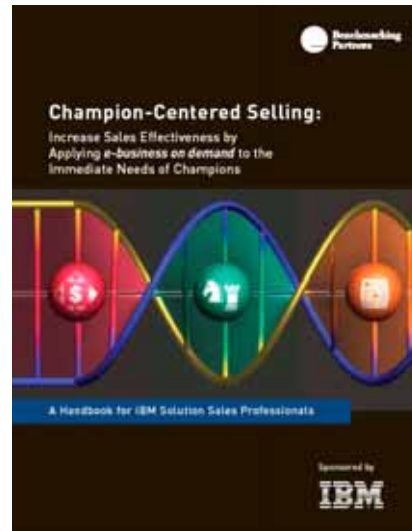
## Chick:

- And a wall-sized poster checklist of the Best Practices is available in the hard copy of the guide.

# Champion-Centered Campaign for Signature Selling Components



Handbook for Sales Force



© 2003 Benchmarking Partners

www.benchmarking.com

## Chick:

- This is the electronic Handbook we built for the IBM Sales Force. It is in pdf form, viewable on your computer, with navigable hyperlinks. It is comprehensive and over 100 pages long, but organized so that you can, with one or two mouse clicks get to exactly what you need.

# DNA of Value Realization



**The DNA of Value Realization from Complex Initiatives**

### "Hit & Run" / Incoherence

"Hit and Run" is better. In the 1980s, the large deals were often sold with a "hit and run" strategy. In the 1990s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2000s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2010s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2020s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal.

Business goals are defined and strategic goals are defined. In the 1980s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 1990s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2000s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2010s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2020s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal.

The absence of such "Hit and Run" activities is one of the key factors in the success of a deal. In the 1980s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 1990s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2000s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2010s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2020s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal.

### "DNA" / Coherence

Benchmarking Partners research shows that successful companies are characterized by "DNA" and "Run" activities. Companies that are successful in their markets are characterized by "DNA" and "Run" activities. Companies that are successful in their markets are characterized by "DNA" and "Run" activities. Companies that are successful in their markets are characterized by "DNA" and "Run" activities. Companies that are successful in their markets are characterized by "DNA" and "Run" activities.

Business goals are defined and strategic goals are defined. In the 1980s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 1990s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2000s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2010s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2020s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal.

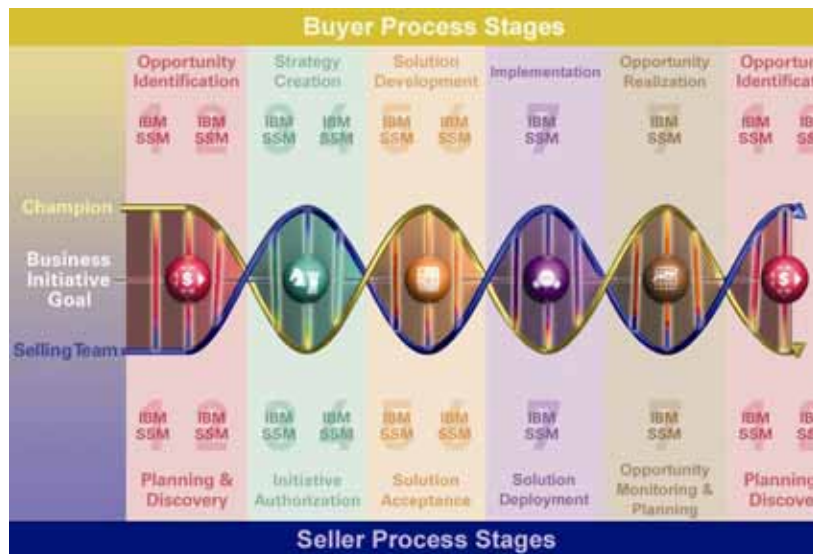
The absence of such "Hit and Run" activities is one of the key factors in the success of a deal. In the 1980s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 1990s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2000s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2010s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal. In the 2020s, the deal was sold as a "hit and run" deal, and the deal was sold as a "hit and run" deal.

© 2003 Benchmarking Partners [www.benchmarking.com](http://www.benchmarking.com)

## Chick:

- The handbook describes the problem of “Hit & Run” and the DNA antidote in detail.

# DNA Model for Signature Selling



© 2003 Benchmarking Partners

www.benchmarking.com



## Chick:

The DNA model is mapped to the Signature Selling Method and each of the Seller  
➔ Buyer Connectors shown here as the lines connecting the Selling Team and the Champion at each stage of the Opportunity Cycle.

These connectors change character at each successive stage, but they are always in the same three categories:

1. Prioritization
2. Risk/Reward Ratio
3. Alignment

Detailing what to expect in just these three areas at each stage allows a Selling Team to simplify its focus dramatically.



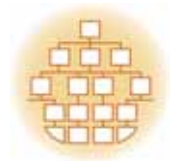
# Seller ⇨ Buyer Connectors



■ Prioritization



■ Risk/ Reward Ratio



■ Alignment



© 2003 Benchmarking Partners

www.benchmarking.com

## Chick:

### Seller ⇨ Buyer Connectors

- 1. Prioritization** is about linking initiatives to strategies. Prioritization requires a simplified executive backbone or summary that the champion can use to clarify how this initiative fits with one of the CEO-Team's top three strategic objectives.
  - This does not mean the initiative has to be at a high level within the organization. For example, a cost-saving consolidation project in one department of one division of a multinational can qualify because it is so clearly tied to the CEO-Team's priorities.
- 2. Risk/Reward Ratios** are about scoping and quantifying credibility. Many times, only the right champion is in a position to overcome the buying organization's legitimate skepticism about hypothetical ROI numbers.
- 3. Alignment** is about committing organizational energies. Here the champion displays their indispensability in the process of accelerating alignment.

# Seller ⇌ Buyer Connectors



© 2003 Benchmarking Partners

www.benchmarking.com

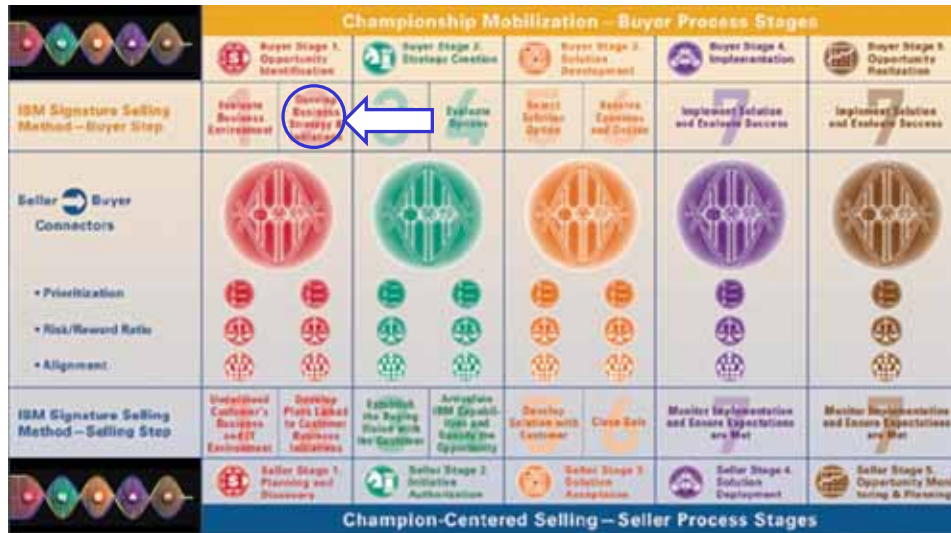


## Chick:

Here we see how these Seller ⇌ Buyer Connectors hold both the Selling Team and the champion true to the Business Initiative Goal.

The electronic document is hyperlinked to allow you, the IBM sales professional, easy access to specifically what you want. You can navigate using the Table of Contents, links of each page, or what we call the “Sales Map”.

# Navigable “Sales Map” from Handbook



© 2003 Benchmarking Partners

www.benchmarking.com



## Chick:

Here is the Sales Map with each of its icons available as hyperlinks. Here we have circled the icons in the first stage of the champion’s Opportunity Cycle, what the Selling Team usually thinks of as “Planning and Discovery”.

Here is the Sales Map with each of its icons available as hyperlinks. Here, if we click on SSM2 "Develop Plans Linked to Customer Business Initiatives“, we are taken to that section of the handbook.

If we click on the Risk/Reward Ratio icon in SSM 2, we go to that sub-section.

# Signature Selling Step 2



SSM Step 2: Develop Plans Linked to Customer's Business Initiatives

Where the Customer is Developing Business Strategy and Initiatives

Projected Returns: Customer demonstrates interest in working with IBM

Champion-Confined Selling can help the team achieve its goals in Step 2 by focusing on:

- Prioritization
- Risk/Reward Ratio
- Alignment

© 2003 Benchmarking Partners

www.benchmarking.com



## Chick:

We can then click on any one of the three Seller ➔ Buyer Connectors.  
Here we are choosing Risk/Reward Ratio.

# Risk/Reward Ratio Issues in SSM2



**Risk/Reward Ratio**  
SSM Step 2: Develop plans linked to customer's business initiatives

**Deal of this Stage**  
The champion scopes and quantifies high-level benefits and risks for potential opportunities.

**Champion's Role**  
The champion establishes a framework for an Initial Business Case for each strategy...

**Selling Team's Role**  
The Selling Team assesses the champion's assumptions, supporting, and presenting the case for considering the new opportunities.

© 2003 Benchmarking Partners

www.benchmarking.com



**Chick:**

We don't have time to review the handbook in detail, but we do want to point out how it outlines the Defining Characteristics of Trusted Advisors: that is **what the Selling Team is** at its best.

## Defining Characteristics of Trusted Advisors



© 2003 Benchmarking Partners

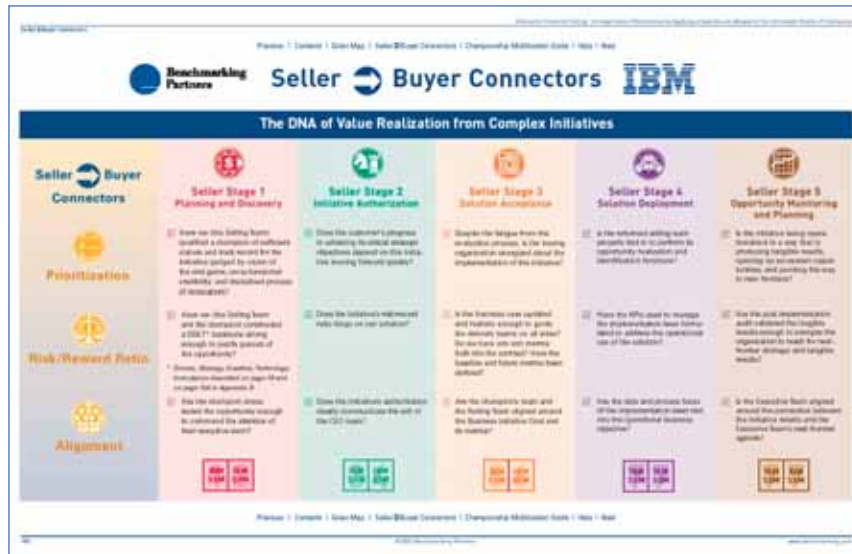
www.benchmarking.com



### Chick:

1. **Your credibility begins with your “Personal Commitment” to the success of the champion and their Business Initiative Goals**
2. **The Selling Team insures its connection with the strategic direction of the enterprise through a relentless CEO Team Focus**
3. **And finally, it is still through your Business & Technology Competence that you claim your place at the table.**

# Seller ⇌ Buyer Connectors



© 2003 Benchmarking Partners

www.benchmarking.com

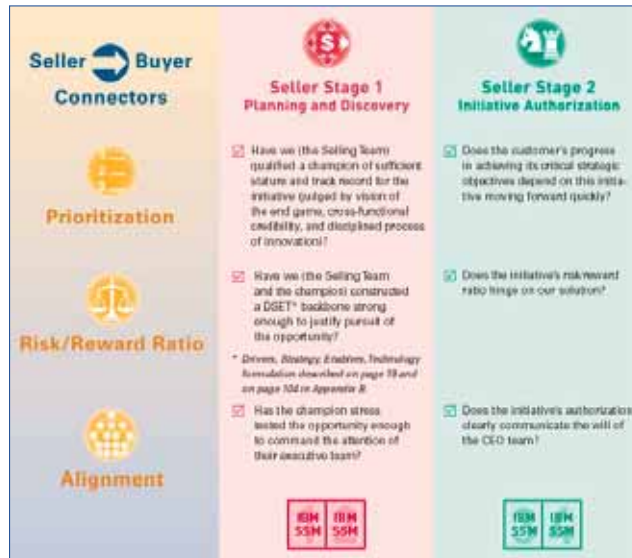


**Pat:**

I used to think this kind of thing couldn't be summarized, but I think we have something here that will allow you to put this into practice.

This "Seller ⇌ Buyer Connectors Summary" provides you with qualifying questions that lead to a successful sale and can be used as a "checklist" as you proceed through the initiative process.

# Seller ⇌ Buyer Connectors SSM Steps 1-4



© 2003 Benchmarking Partners

www.benchmarking.com



**Pat:**

As an example, in stage 2, you can solidify prioritization of an initiative if you can link a really important business objective to this initiative. An example that comes to mind in my tenure at Gillette is achieving a high level of customer satisfaction with “orders shipped complete” for a customer like Wal-Mart. The initiative was to implement “just in time” packaging in the Distribution Centers, a radical change from packaging to forecast and ending up with the right product in the wrong quantity package and having to rework them. Wal-Mart, by the way, would not accept substitutions and would “short pay” invoices for a modified shipment, causing all sorts of problems...



## Organizing the Selling Team Around the Champion's Opportunity Cycle



© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)



**Pat:**

**The handbook also introduces many of the practical considerations and elements required to organize the Selling Team around the champion's Opportunity Cycle .**

**Don't be hesitant to bring in an IBM expert to describe how he/she improved a business process or addressed a cost issue within IBM with a unique approach as IBM is viewed by many as a "best practice" company. This is an example of how a vendor can assist in customer education.**

# Champion-Centered Campaign for Signature Selling Components



**Championship Mobilization  
“Critical Success  
Factors” module  
from the e-business  
on demand  
Collaboration Tool**

### Championship Mobilization

What is Championship Mobilization?

Where can I learn more?

How do I use this tool?

See All Behaviors

Clear All Behaviors

**The Opportunity Cycle**

Enterprises depend for their survival on the renewal that comes with innovation. The Opportunity Cycle is the champion's roadmap for designed innovation. Within it, we see the enormity of the champion's challenge: it begins with Opportunity Identification and ends with Opportunity Realization. Seeing the Opportunity Cycle in full enables the champion to assure the completion of each stage's multiple work steps.

Benchmarking Partners

© 2003 Benchmarking Partners

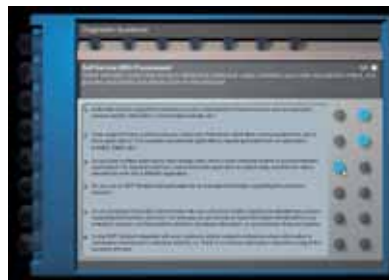
[www.benchmarking.com](http://www.benchmarking.com)



## Chick:

You will now have access to a software module that allows the champion to consider the vast array of best practices associated with Championship Mobilization and decide which are most important to them in terms of this initiative. This software is part of IBM's *e-business on demand* Collaboration Tool...

# IBM's e-business on demand Collaboration Tool with Championship Mobilization "Critical Success Factors" Module



© 2003 Benchmarking Partners

www.benchmarking.com



**Chick:**

and this module is detachable as a leave-behind for the champion.

## Champion-Centered Campaign for Signature Selling Components



### Benchmarking Partners/ IBM Analyst Desk Service

Phone: 617-225-7800  
Hours: 8:30 A.M.– 4:30 P.M. (Eastern US time)  
email address: [IBM-AnalystDesk@benchmarking.com](mailto:IBM-AnalystDesk@benchmarking.com)



© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)

**Chick:**

We've already introduced the [IBM Analyst Desk Service](#) and [World Cup in Business white paper](#).

# Champion-Centered Campaign for Signature Selling Components



## Champion-Centered Campaign for Signature Selling Components



© 2003 Benchmarking Partners

[www.benchmarking.com](http://www.benchmarking.com)



## Accessing Campaign Components



- Campaign Component Downloads are available at <http://w3.ibm.com/ebusiness/champion-centered>

- **Note:**

"Championship Mobilization", "Champion-Centered," and "Champion-Centered Selling" are Benchmarking Partners trademarks. "e-business on demand" and "Signature Selling" are IBM trademarks. These marks should only be used by authorized personnel under the guidelines of the two organizations.



© 2003 Benchmarking Partners

www.benchmarking.com

Jack:

Announcing the availability of everything for download and inviting email feedback through the Analyst Desk address.

## Resources

### ■ e-Business Advisor

<http://w3.ncs.ibm.com/solution.nsf/markrespage?openview>

### ■ Global Solutions Newsletter

To subscribe: send a note to  
Global Solutions News/Durham/IBM@IBMUS

### ■ e-business on demand

#### Assessment Tools

<http://w3.ibm.com/ebusiness/tools>

### ■ Solutions Survival Guide

<http://w3.ibm.com/ebusiness/survivalguide>

### ■ Alliance Solutions University

[http://lt.be.ibm.com/servlet/Gate/Offering?  
action=index&customer=ibmintra&offering=asu](http://lt.be.ibm.com/servlet/Gate/Offering?action=index&customer=ibmintra&offering=asu)



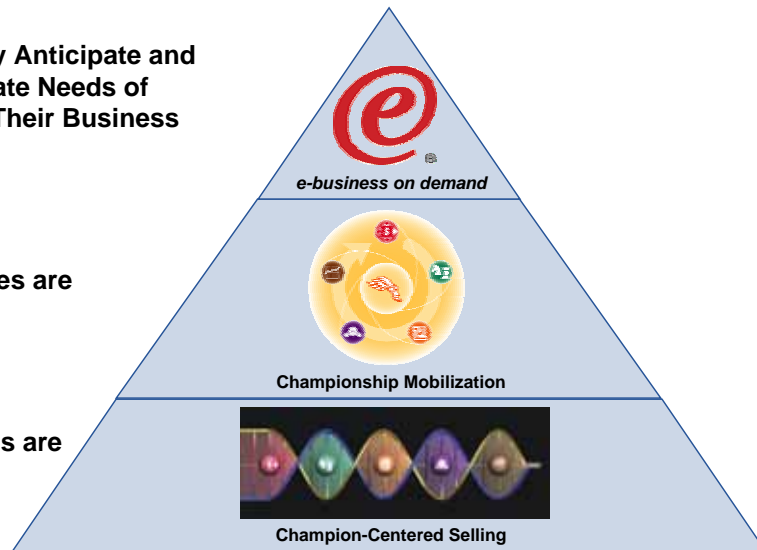
# Key Take-Aways



- Programmatically Anticipate and Meet the Immediate Needs of Champions and Their Business Initiative Goals

- Complex Initiatives are Sold Not Bought:

- Complex Solutions are Bought Not Sold:



© 2003 Benchmarking Partners

www.benchmarking.com



## Pat: Concluding comments:

As I look back over years of being a customer– the best vendor teams I dealt with had the following characteristics:

1. Valued vendors are members of the team. You know you are there when team members don't know who you work for and view you as one of them. You want to be in this position.

2. You can't become a valued vendor formally with appointments for every meeting. You need to work yourself into a relationship where business is carried on informally; in the halls, plant, cafeteria and local watering hole.

I always had time to spend with my true “partnership” vendors because they contributed to my company's success, and, in turn, my success.



## Goals for Today



- Increase Your Sales Effectiveness
- Deliver New, Customer-driven Resources
- Feedback: Sales Force Requirements Gathering for Best Practices Roll-out



© 2003 Benchmarking Partners

www.benchmarking.com

**Jack:**

**Our converting *e-business on demand* mindshare into market share hinges on our enabling our customers to consistently experience IBM's On Demand message.**

**How?**

**By better supporting buyers in overcoming the hurdles they face in advancing *their initiatives***—making *On Demand* real on Monday morning—in terms of the customer's Business Initiative Goals.

As we said from the beginning, we are looking for your feedback. That process will begin now and we invite you to contact the Analyst Desk by email or phone.

# Agenda



- Introduction
- Key Take-Aways
- Case Examples
- Campaign Components
- **Q&A / Follow-up** ◀

