

Three steps to modernize salesforce talent and rewards programs to better align to business priorities

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With the convergence of increased computing power, big data and breakthroughs in machine learning, AI is poised to transform how people work. While some researchers predict automation driven by AI could impact nearly 50% of job activities and eliminate approximately 5% of jobs, new data from IDC research suggests AI could also augment and increase employee productivity, specifically in customer relationship management. From predictive sales lead scoring, to service chat-bots, to personalized marketing campaigns, AI could increase productivity and provide smarter, more personalized customer experiences.

– A Trillion Dollar Boost: The Economic Impact of AI on Customer Relationship Management, White Paper by Salesforce, 2017.

At the turn of the century, technology sparked a sea change that threatened to slowly eliminate the solution seller as a “middle-man”. Now, Artificial Intelligence (“AI”) is driving an unprecedented seed change across the sales landscape that is threatening to swiftly wipe-out entire sales job families. We have already seen sales jobs disappear, such as the human “lead generator” being replaced by AI. The remaining, reimagined sales jobs are now challenging conventional sales talent management and rewards approaches.

The knee-jerk reaction to sales environment changes most typically is to promptly counter with new and different sales incentives. The inadvertent result of such a reaction is a growing suite of ever-more-complex sales compensation plans that do not pass the “elevator test”. At Willis Towers Watson, we believe that the modern sales compensation approach needs to be agile, represented by plans that are simple and focused. These plans need to be reinforced by a broader suite of talent management programs tailored to the sales force.

A holistic approach to sales talent management is critical to seize the opportunity from this seed change. Sales professionals are increasingly expected to be flexible, to be more consultative when needed, to effectively and uniquely add value dependent on each customer’s journey.

The evolving sales environment will continue to challenge effective sales management, reinforcing the need for thoughtful, simple and clear talent management programs for both individual contributor and people management sales roles. Don’t wait to act. The time is now.

A three step approach

Talent management and rewards programs can be complicated. In fact, a recent survey on sales effectiveness practices¹, found that 56% of sales representatives have only a limited understanding of their remuneration. Traditionally, sales programs have been designed individually, and perhaps in isolation from the broader perspective. This approach has often led to complexity, variability and ultimately, programs misaligned with each other. At Willis Towers Watson, we know there is a better way. Imagine for a minute, the possibilities when a broad canvas of stakeholders from Compensation, Talent Acquisition, Talent Management, Line of Business Human Resources, Finance, IT, and Sales all agree on the focus and mechanics of each program. We propose a three step approach that harmonizes talent management and rewards program design to align sales behaviour with business priorities (Figure 1).

“When designing a talent management program, organizations often make the mistake of designing in isolation. Aligning key stakeholders and key programs ensures that organizations set the right conditions to facilitate the desired behaviours in the sales force, aligned with business strategy.”

– Louis-Philippe Beupré, Sales Effectiveness & Rewards consultant with Willis Towers Watson.

Step one: Develop a differentiated employee value proposition

To create the value proposition, organizations must answer two questions: What do you expect from your sales force? What will you give them in return? Organizations should also determine the optimal allocation for each component of their value proposition to differentiate the various elements (Figure 2).

“Organizations must be able to answer the fundamental questions about behaviours they want to facilitate and how they will reward these behaviours”

Step two: Better align the sales force profiles with the business strategy

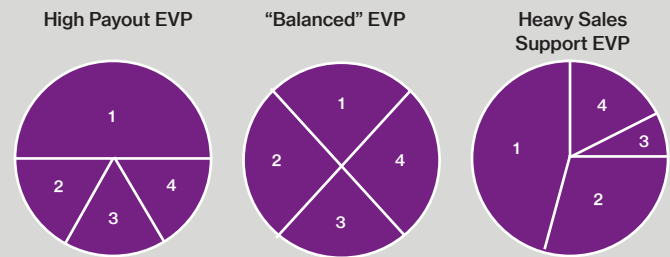
Leading organizations identify key sales behaviours for profiling, recruiting, developing and benchmarking sales talent (Figure 3). There is now an array of tools such as the suite of psychometric Saville Assessment® tools from Willis Towers Watson tailored specifically for sales force employees.

Figure 1. Sales compensation and talent management modernization themes



Figure 2. The continuum of sales EVP

Developing a differentiated employee value proposition



1. Compensation and Benefits
2. Support and Productivity
3. Market Access and Development
4. Training, Coaching and Development

Figure 3. Aligning sales talent with strategy

Solving problems		Influencing people	
Identifying needs	Developing solutions	Developing leads	Closing deals
Asks the customer questions to better understand their motivations and needs, and looks to improve things by analyzing and interpreting information.	Applies technical expertise and uses creative thinking to offer original ideas and solutions to customers.	Puts customers at ease and builds strong customer relationships through networking and attracting attention	Presents information eloquently, handles challenges confidently and uses persuasion to change customer views
Adapting approaches		Delivering results	
Staying positive	Working collaboratively	Being disciplined	Results focused
Copes well with change, handles pressure and remains positive when dealing with setbacks in the sales process	Supports others and works co-operatively to ensure group targets are achieved	Takes an organized approach to sales, ensuring standards are maintained for the organization and the customer	Takes decisive action when identifying sales opportunities and ambitious pursues sales targets to ensure they are achieved

¹ 2017 Sales Effectiveness Practices Survey, Willis Towers Watson

"The best organizations identify the key behaviours in their salespeople, and use them in drawing up the profile and designing recruitment, development and evaluation."

Step three: Simplify the rewards program

The rewards program must align with the stated objectives (e.g., managing a territory or block of accounts or acquiring new customers). Organizations should start by aligning the program with the key characteristics of the role. Do the sales representatives work with rapid transactions in which price is usually the determining factor, or are they working on value-added consulting involving a longer, more complex sales cycle?

The rewards program should also diversify the offering and give special attention to other factors that can engage the salesforce. Contests, professional development programs, long-term profit-sharing plans, employee ownership programs, etc. are all tools that can allow organizations to diversify their offering and stand out as employers in a competitive job market.

When the program has been implemented, it must be periodically reviewed and tested with a few strategic key metrics.

Getting started

The business world and the way organizations sell products and services to its customers has changed. Digitalized sales channels, increased customized access to information, and greater transaction speed are just some of the changes that demand a strategic, harmonized approach to managing and rewarding an organization's sales force.

Leading organizations understand that they must re-examine the status quo. These questions will help establish the road map as you start on this journey in your organization:

1. How will your sales teams need to evolve to align with future business priorities?
2. Where are the opportunities to align the profiles of your sales talent with your organizational strategy?
3. What role do your rewards programs play in the full suite of tools your organizations uses to facilitate performance and develop a sales culture?

"The best sales people are those who take control of the sales process. They desire not only to understand the customer needs but to question them. They seek to understand the customer's current and future objectives to present the best possible solution – not simply the one the customer asked for."

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