

Keys to Success: Salesperson's Internal Relationships

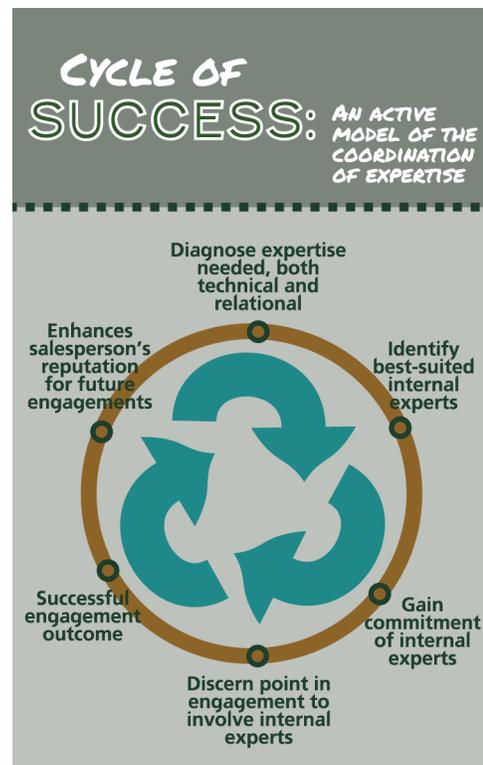
By Michelle D. Steward, PhD, Beth A. Walker, PhD, Michael D. Hutt, PhD, and Ajith Kumar, PhD

Salespeople have myriad experts within the organization whom they can recruit to create a successful customer engagement. However, in companies in which experts are scattered across geographies and divisions, the tasks of both identifying the best-fitting experts for a specific customer engagement and gaining the support and commitment of the experts are challenging.

Further, these experts are often individuals over whom the salesperson does not have formal authority. This complicates the process. To be successful, salespeople need to develop effective skills in coordinating expertise.

Defining the Coordination of Expertise

Through interviews with salespeople and their sales managers at a *Fortune*-500 high-technology company, we uncovered the process followed for expertise coordination and found striking differences between higher and lower-performing salespeople (Steward, Walker, Hutt and Kumar 2010). Transcribed interviews produced over 1,000 single-spaced pages of data. From the data, four components of the coordination of expertise emerged: 1) diagnosing the customer's requirements, 2) identifying the experts, 3) assembling the experts, and 4) managing the ad hoc team of experts. When salespeople were grouped based on revenue, profit, and customer satisfaction generated, we found that higher-performing salespeople are better than lower-performing salespeople at coordinating expertise. The research is generalizable to situations in which a salesperson is responsible for managing an ad hoc team of experts for a customer engagement from the point of initial prospecting through the final delivery of the service. For agents helping clients with one of the largest financial decisions that they will make in their lifetime, the process of coordinating expertise may extend beyond the boundaries of the real estate agency to include experts such as appraisers, loan officers, city planners, construction companies, etc. Successfully coordinating expertise in this environment can offer agents an edge over competition.



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Diagnosing the Problem

The results of our study illustrate that higher-performing salespeople are better at diagnosing the nature of the expertise needed for a customer engagement. Instead of selecting team members solely on technical expertise, higher performers also consider other relevant factors when selecting team members such as the customer organization's culture and the customer's experience in the co-production of the service. Higher-performing salespeople consider the technical *and* relational nature of the customer's problem; whereas, lower performers focus on the technical needs of the customer. Real estate agents need to consider more than just the technical needs of a buyer, and also consider factors such as the buyer's level of experience, the personality of the buyer, as well as the group of individuals who may influence the buyer's decisions. A complete diagnosis of the problem, both technical and relational, is critical because it guides the remaining process involved in the coordination of expertise.

Identifying, Assembling and Managing Experts

High-performing salespeople leverage their reputation for success both in their search for the right experts and as they work to gain the commitment of the desired experts once identified. Lower performers often relied on a formal database that the company provided to find available experts. The database did not take into account relational expertise skills such as effectiveness in working with new clients or the ability to work well in a negative customer culture.

Higher performers are also sensitive to the timing or when to involve each expert throughout the sales cycle. For example, salespeople involved some team members early in the sales process during contract negotiations, while using the skills of other team members behind the scenes, and reserving others to be trouble shooters. Other experts were involved from start to finish. This discernment of when to engage team members, versus involving all members throughout the sales cycle, is a differentiating feature of higher-performing salespeople as compared to their lower performing counterparts.

In managing these engagements, which could take months to years from the initial contact with the customer to the final delivery of the service, higher performers often selected a point-person to keep up-to-date daily with the next steps with the customer. Lower performers often carried out this role themselves, meaning less time to prospect or manage other customers in their portfolio of active engagements.

A Salesperson's Social Network and the Coordination of Expertise

Three key factors of the salesperson's social network helped to explain the salesperson's ability to coordinate expertise: 1) the reputation of the salesperson's social network, 2) the diversity of the salesperson's social network, and 3) the strength of the relationships with members of the social network.

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While a salesperson may be able to identify the perfect expert to help with a specific customer, the expert may not be available when needed. Salespeople with a social network that has a positive reputation have a greater ability to successfully coordinate expertise. The reputation of the salesperson's social network can engender commitment and support of desired experts.

The diversity of the salesperson's social network, or the degree to which the social network contains people with non-overlapping skills and knowledge, enhances the salesperson's ability to coordinate expertise in that he/she has a greater pool of people from which to select and seek referrals of other experts.

Finally, stronger relationships with the social network help the salesperson to gain more tacit, often sensitive, information that can be critical when coordinating expertise for a client.

Conclusion

Higher-performing salespeople are better at coordinating expertise. The ability to coordinate expertise is enhanced if the salesperson has a social network known for being successful, containing diverse talent, and strong relationship ties. The resulting success of the salesperson improves his/her reputation, and aids in garnering the commitment of experts in the future.

Accordingly, real estate agencies should develop mechanisms to help agents: (1) diagnose the particular expertise that a client may require, including both the technical and relational needs; (2) identify the best-fitting experts; wherever they may exist, and (3) determine the most appropriate times in a nuanced sales cycle to involve organizational experts.

Reference

Steward, Michelle D., Beth A. Walker, Michael D. Hutt, and Ajith Kumar, "The Coordination Strategies of High-Performing Salespeople: Internal Working Relationships That Drive Success," (2010) *Journal of the Academy of Marketing Science*, 38 (5), 550-566.

About the Authors

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Dr. Michelle D. Steward (Ph.D., Arizona State University) is an Associate Professor of Marketing at Wake Forest University in Winston-Salem, North Carolina. Dr. Steward started her career at Wake Forest University in 2004, where she has received both the Faculty Scholarship Award and the T.B. Rose Fellowship in Business for Instructional Innovation at Wake Forest University's school of business.

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Dr. Steward's research has been published in the *Journal of the Academy of Marketing Science*, *Journal of Business Research*, *Journal of International Marketing*, *Journal of Business-to-Business Marketing*, *Omega: The International Journal of Management Science*, *Journal of Marketing Education*, *Journal of Marketing Theory & Practice*, *Business Horizons* and *Marketing Management Journal*. Dr. Steward is an editorial review board member of the *Journal of Marketing Education*.

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In terms of service to the marketing discipline, Beth is the current president of the American Marketing Association Academic Division, has served as a co-chair of the 2005 AMA Summer Educator's Conference, and is serving as an elected member of Academic Council, the governing board of the AMA for educators. In addition, she was the co-chair of the 2007 John A. Howard Dissertation Award which recognizes excellence in dissertations that advance marketing knowledge and serve as a stimulus for research and teaching.

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Assuming a variety of leadership roles for American Marketing Association programs, he co-chaired the Faculty Consortium on Strategic Marketing Management. He is a member of the editorial review boards of the *Journal of Business-to-Business Marketing*, *Journal of Business & Industrial Marketing*, *Industrial Marketing Management*, *Journal of the Academy of Marketing Science*, and the *Journal of Strategic Marketing*. For his 2000 contribution to *MIT Sloan Management Review*, he received the Richard Beckhard Prize. Dr. Hutt has consulted on marketing strategy issues for firms such as IBM, Motorola, Honeywell, AT&T, Arvin Industries, ADT, and Black-Clawson, and for the food industry's Public Policy Subcommittee on the Universal Product Code.

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