The Role of the CEO in the Sales Process
By Michael J. Webb

Many CEOs see themselves as chief revenue officer (especially in tech companies) or at the least feel very consumed by this challenge. Many have been very successful in their careers by bringing order to chaos, yet they can seem paralyzed by the chaos in sales and marketing. In this article, I'll provide some insight into the problem and offer some recommendations the CEO can use to make a difference fairly quickly.

The Problem with Sales and Marketing
Sales and marketing is slippery territory for most CEOs. Marketers and sellers talk past each other. It is difficult to hold people accountable (after all, no one can control the customer). Even if you do hold people accountable, it doesn't always make any difference. Facts and data are so scarce that most executives don't even know they don't have them. As a result major decisions are often made by gut instinct or are based on the opinion of someone the CEO trusts. Supposedly, this is all unavoidable because sales and marketing deals with people (customers), who are often driven by emotions (and relationships) in their decision-making process.

Some of those things are true: Sales and marketing does deal with people (customers), and people often do allow their emotions to drive their decision-making process. However, that does not mean we can't rationally define, measure, analyze, and improve this important business function. Far from it.

Most sales and marketing organizations differ from well run manufacturing organizations in at least two crucial ways:

- First is the lack of a production paradigm.
- Second is the failure to require precise use of language.

These two are related to each other, so let's address the issue of the production paradigm first and then come back to the language issue. Finally, I'll make some recommendations any CEO can use to help their organization move ahead visibly on these challenges.

The Lack of a Production Paradigm
Manufacturing organizations secure raw materials of a certain kind and add value to them (work-in-process) until they are ready to ship (finished goods). Anything that adds value the customer would pay for is good, anything else is waste. Everyone basically acknowledges this framework and uses it to determine what is good and what is not, what to measure, and how to identify causes and effects.

Now consider sales and marketing environments. Some companies seem to do well because of their "brand." Other companies seem to succeed because of the surprising success of certain new products. Some salespeople seem to bring in more customers and more revenue because of their "relationships."
What's the organizing principle that enables people to determine whether their decisions and their work will add value or not? Where's the production paradigm?

The answer in most companies is that people just do the best they can within a hash of functional assumptions they've been told to use. Sure salespeople have their "sales funnels," but what does that have to do with the marketing or customer service department? Isn't staying within their budget the standard of "good" in those functions?

**The Organizing Principle for Sales and Marketing**

Smart companies realize that they need to understand how their customers buy (or otherwise go about solving their problems) if they are to sell to them successfully.

The actions your prospects and customers take before they are ready to buy are called the Customer's Journey. It is the universal companion to the sales process whether you are in a B2B or B2C industry. We all go through similar stages as we: 1) realize we have a problem, 2) analyze and prioritize the problem, 3) search for alternative solutions, 4) gain consensus in our organization, implement a pilot test, and so forth.

Your company adds value when it aligns with your Customer's Journey and attracts or helps them through each stage. You must first get your prospect's attention, for example. Then earn their trust. These are necessary if they are to take your proposals (or quotes) seriously.

For a CEO to help his or her company make order out of the chaos of sales and marketing, they need to understand how the sales process works to generate a stream of prospects and convert them to customers. The Customer's Journey is the organizing principle, akin to the production paradigm in manufacturing. You can measure the actions customers take, assuming you are looking for them in the first place. Things that cause more of the right customers to move through their journey are good. Anything else is waste.

**Failure to Require Precise Use of Language**

Once you realize what value creation is in sales and marketing, you can't help but think more systematically. Why won't some prospects move to the next stage? Some are more "qualified" than others, of course. Well then ... what are the observable attributes of our "leads" versus our "qualified opportunities?"

Ask this of several people in your company, and you are likely to get a different answer.

Thanks to the lack of a proper organizing principle around sales and marketing, companies have been unable to properly define the language they use. Without the right framework, they can't easily determine what is good and what is not, what to measure, or how to identify causes and effects.
Language is the tool by which we identify reality. Every word and phrase must refer to observable, specific facts and attributes about your customers, their problems, and the value you can create for them. Every conclusion or deduction should be traceable to the underlying data that support it.

**What the CEO Can Do to Help Create Success**

Executives should lead the charge toward predictability and measurability for improvement.

- See that better measurement and better prediction is on the sales and marketing agenda. Help them tool up for this.
- Insist that sales processes be designed from the ground up, starting with the Customer's Journey and the goal of adding value to the customer in unique and unexpected ways.
- Build sales processes so well that you don't need to depend on extraordinary people being heroic. Make success the expected result for normal people doing their job every day.
- During reviews with S&M people, frequently ask "Lean Questions" to identify long and costly sales cycle times, work done in series instead of parallel, costly and low ROI activities, and opportunities to help sales people get more selling time.
- Spend time with field salespeople on the job. Ask them how the work of selling is improving in your company and have them show you how they know that.

Making revenue generation stable and predictable in an organization requires that the senior executive take on a systems-thinking perspective. Help the people in the organization learn to focus on facts and data rather than on assumptions and emotion.

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**About The Author**

Michael J. Webb, president and founder of Sales Performance Consultants, is the foremost expert on sales process improvement. Michael has helped business executives of both Fortune 500 and smaller companies apply the principles of Six Sigma and Lean to achieve greater sales and marketing results.

Michael delivered the keynote address to the first two conferences ever held on applying Six Sigma to marketing and sales. Michael has helped companies such as Thermo Fisher Scientific, MAQUET, Marriott, WaterFurnace, DDI, and many others to improve their revenue generation by identifying bottlenecks, changing behaviors, increasing close
ratios, and improving forecast accuracy. He also has extensive sales training facilitation and field coaching experience with hundreds of sales people and managers in the U.S. and Canada.

Michael is the author of "Sales and Marketing the Six Sigma Way" (Kaplan, 2006) and numerous articles. He holds several professional certifications. Michael has a BS in Mathematics from Southeast Missouri State University.