What is Sales Process Engineering?

By Paul H. Selden


The Sales Automation Association (SAA) has long supported the view that analysis of one’s entire sales process is an essential step in the journey to improving results of an organization’s marketing, sales and customer service functions. Process analysis is conducted to suggest better ways to serve specific business goals and should be well thought out prior to selecting the software and hardware involved in any automation-related effort. Since automation is not always the best solution for an organization’s problems, skipping such analysis can lead to costly mistakes.

As a whole, the profession seems to know where sales process analysis fits in, but what is sales process engineering? To answer that question properly, we need to examine the three major terms involved.

Let's begin with a term most modern authors on the subject have agreed upon already: "process." A process has been defined as an activity that adds value to one or more inputs and produces an output to an external or internal customer (see Harrington, 1991, p. 9 and Melan, 1993, p. 14). To achieve proper management and control of a process, modern observers suggest that processes have clearly defined boundaries. This rule is offered to make it easier to study and control a process. Unbounded processes offer more opportunities for things to “fall through the cracks.” This begs us to define what is meant by "sales."

The dictionary defines sales as the exchange of title to goods or services in exchange for valuable consideration. Unfortunately, close examination of the classical definition of sales reveals a serious shortcoming. The classical definition focuses too narrowly on a transaction, a
moment in time. A modern definition of sales must expand the scope to look at sales as a process which leads to (causes) an exchange of title to goods or services for consideration, and the process which will most likely cause that transaction to occur again in the future! To ensure that we look at the whole process involved, sales is defined for our purposes as the set of antecedents, behavior, and consequences involved with past, current, and future discrete sales transactions.

The new definition offered only uses the word "sales" as a place holder, if you will, because it sits in the "middle" of a chain of events encompassing marketing, sales, and service. To study sales as a process, we must include a chain of events such as (but not limited to) discovery of potential customers and their needs, the arousal of needs, and fulfillment of those needs, as well as critical ongoing acts surrounding the maintenance of a customer-supplier relationship (such as timely fulfillment and agreed upon product quality). We then see the proper study of sales as a process that includes behavioral as well as mechanical components.

The proper study of sales as a process may encourage us to break down barriers between traditionally organized departments, such as marketing, sales, service, accounting, and so on, that have not been uniformly focused on organizing their individual processes so that the system as a whole would tend to produce more sales in the most efficient manner. Most of us have known for a long time that everything people did in an organization, from marketing to sales, from production to billing, and from shipping to service, had something to do with whether a customer would buy from us again. Our expanded definition of sales gives us permission to look at all variables causally related to sales, wherever they may be found.

This leads us to the definition of the word "engineering." The dictionary defines engineering as the systematic application of scientific and mathematical principles to achieve practical ends. For now, we will leave well enough alone and suggest that this definition is quite serviceable.

So we arrive at a complete definition of sales process engineering. Sales process engineering is the systematic application of scientific and mathematical principles to achieve the practical goals of a sales process.

Students of the topic will likely observe that most texts on quality improvement, process improvement and engineering ignore or only lightly cover areas related to sales, marketing, and customer service. Most such texts are decidedly manufacturing and product oriented in their discussions. This raises a natural question: why the focus on manufacturing and production? Why
has the modern study of sales lagged so far behind?

There are many answers to this question, but they fall into at least two rough categories. One set of answers suggests that there are operational difficulties in studying the field of sales, marketing, and service that have not loomed as large in manufacturing. The behaviors and variables involved in sales are more difficult to observe and measure, and therefore, difficult to study from a systematic point of view. A second set of answers stems from motivational factors: post-WWII recovery has been strong for many of the world's nations; after recovery, even the most war-ravaged economies have grown complacent. Why study a field unless one needs to? Today, both of these answers are being swept away. Modern computers, modern techniques of field observation, and modern approaches to sampling are quickly lessening the operational barriers. Competition, the lack of job security, and a growing impatience with sales process problems are providing the incentive to overcome motivational barriers.

From a more fundamental point of view, this leaves an even more important question, namely, can sales ever be an engineered process, in principle? If not, we'd better give up before wasting too much time on the subject! Some people voice the concern that "sales is not like other disciplines," implying that "too much" study is indeed futile. This question will remain even when matters pertaining to technique and motivation are resolved.

Yet, saying that a sales process is not exactly like things we already know a great deal about is a poor excuse for failing to study further. This sort of answer would prevent progress in any field. People speaking about sales in this fashion display the classic symptoms of someone who "knows it all," by definition. Such people are really saying, "I know so much about sales as a process that I have proven that it cannot be approached systematically. The sales process defies the laws of cause and effect."

To refute such a position is relatively easy. One cannot empirically prove the negative; one can only say that such and so has not been observed yet. Further, since all known natural phenomena obey laws of cause and effect, stating that the sales process is somehow exempt from such laws would be tantamount to saying that the sales process falls into the realm of the paranormal or supernatural. While there are portions of the sales process that may fall into this category, we are confident that enough remains in the realm of the normal to continue our studies. The heavy rock standing in the way of progress has been moved often enough by the levers of knowledge and engineering to give us confidence.
We are confident enough that the answer to this question is "yes" that we will proceed while awaiting still more compelling quintessential proofs. Assuming that sales can be a well designed, purposeful, and controlled process in a manner similar to other processes allows us to make use of Ockham's razor: we'll take the simpler explanation for what causes events to happen in sales processes, namely, natural events. We'll opt in favor of the overwhelming everyday evidence that suggests sales may be viewed as a process.

Notice that engineering is not defined as a science, and that it is practical in nature. We are therefore free to make use of existing scientific information and the work found in long-standing engineering disciplines. This should help us grow the body of knowledge related to sales process engineering more quickly than otherwise. In time, we're sure that sales process engineering will become a profession unto its own. The economics involved with the promise of increased profitability and corporate survival should spur the development of this nascent discipline like gasoline feeds a fire.

However, we must emphasize that sales process engineering is not yet a formally recognized, separate engineering discipline. Until formal certification procedures become available from a recognized professional association such as the SAA, it would be premature to anoint oneself with a title such as "sales process engineer" or to use such a term in an organizational name. Knowing the goals of the SAA's committees, part of the SAA's purpose will be to develop the body of knowledge and related certification procedures in the near future. As of late 1994, professional ethics suggest that we not anoint ourselves as 'sales process engineers' in the meantime.

Having said that, it is still possible to outline the field of sales process engineering, since it is likely to share certain key characteristics with other engineering disciplines. First, it is likely to exhibit an empirical as well as a pragmatic approach to problem solving, that is, it is likely to stress the systematic use of data and controlled tests to verify assumptions and determine such practical information as process operating limits. Second, it will be supported by the skillful use of available mathematical and scientific tools. Third, it is likely to use quantitative as well as qualitative specifications to guide the development and improvement of sales-related processes. Fourth, it is likely to be conservative, especially in matters relating to safety and health.

This last point deserves special mention. Although engineers do not always control the goals or the jobs they are given to serve, as a whole, we feel the field of sales process engineering has much to offer humanity. This is because through careful study it is likely to be shown that many of
the tangible problems in any given sales process stem from the ability to *decouple language from behavior and the world around us.* It is possible to say and write things that are not true. When applied to a poem or a piece of fiction, we can have beauty. The world we speak and write about poetically offers a vision of things that are not yet present, or that may never be. In sales, this wonderful human capability gets us into trouble when we do things such as promise what we cannot deliver. Therefore, the *conservative nature of sales process engineering points to a new world of ethics made possible,* where all of us involved in sales -- customers and suppliers alike -- have a greater *ability* to treat our neighbor as we would like to be treated. In turn, we also stand a better chance of being treated as we would like to be treated. We would not be surprised if some of the classic cases of sales *mis*engineering have occurred simply because the applications failed to serve this goal.

Agreeing on what a discipline is, and strongly suggesting its proper boundaries and directions is not the same as defining the kinds of tangible problems a true engineering discipline needs to work on. Does sales process engineering offer us anything, other than a fancy-sounding name? What genuine questions does it promise answers to?

At least 11 such questions immediately come to mind, with many more to follow.

1) What are we really producing of value in each step of our sales process?
2) How much time does it take to produce those outcomes?
3) What does it cost?
4) Are we prompting and rewarding the essential buying and selling behaviors?
5) Is our process producing consistent results?
6) Are we meeting our customer's specifications and expectations?
7) Are there further ways to satisfy or delight the customer?
8) Is anyone doing this better than we?
9) How could we do it even better?
10) Can our people do what we're asking them to do?
11) Is it worthwhile to close any performance gaps?

In other disciplines, these questions have been answered using familiar tools such as auditing, cycle time analysis, cost accounting, behavioral engineering, statistical process control, quality engineering, benchmarking, industrial engineering and financial analysis, among others. In the past when people were confronted with questions such as the 11 raised above regarding their sales process, much hand wringing and wishing has occurred. Somehow, we've known that the
answers have been important all along, but we have not been able to get them in a practical fashion. In this article, we are delighted to present this brief vision and definition of sales process engineering. As we look at what the field is likely to encompass, we predict that yes, practical ways to answer those answers will indeed be forthcoming.

Those of us close to the field have known that such a discipline as sales process engineering would have to emerge, sooner or later. Knowing there is a place its theoreticians and practitioners can “come home to” should provide the confidence needed to take both small and large steps to support the profession as it emerges.

References


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