

Smarter Innovation: Innovating the way we sell: Knowledge Coverage Models (*Abstract*)

Editor's note: Roberto Evaristo shows how re-examining a time-worn problem can generate radical results. He shifts traditional sales training by redefining it as an addressable knowledge gap – and shows how gaps can be solved by deploying a Knowledge Coverage Model. At 3M the model generated hundreds of million dollars in additional sales. The knowledge microprocesses developed not only drive the innovation in the selling processes, but also deliver measurable impacts on the top and bottom line of the organization.

-- Katrina Pugh, Columbia University

Traditional sales training targets a combination of behavioral and process focused capabilities, plus business-specific product characteristics. The combination of such knowledge enables solution and/or value selling in a consultative approach.

Training involving capability improvements is a life-long quest. For sales organizations, training becomes more burden than quest when the portfolio is too broad, too complex or just too difficult to comprehend.

Learning complexity is particularly high for companies that pride themselves on innovation, and where the portfolio is dominated by new products. One of the consequences is salespeople's preference for "go-to" products which may not be the most profitable or the most innovative.

The traditional solution of training every sales person on the full portfolio is not only wasteful, but it also does not deliver the desired results. Very rarely can individuals absorb the intricacies of a large and diverse portfolio in a short time.

Learning complexity is amplified further by contextual challenges. Delivery of the appropriate value proposition to the customer rides on situating a product in the customer's context. We think of context as (1) diverse needs and challenges across different roles along the value chain (2) different locations and (3) complementary suppliers to these customers with their own locations and roles and supply chains.

The "Knowledge Coverage Model" describes how to simplify the complex myriad combinations of context and product knowledge by identifying and prioritizing the most relevant expertise and awareness gaps that (if addressed) can bring the highest return. In doing so, it brings sales to the fore as the creative lynchpin of the "Commercialization" innovation dimension.

The practical result of the Knowledge Coverage Model is a rifle-focused investment plan to improve sales effectiveness. The plan matches existing resources to needs, and leverages skilled sales staff more efficiently. The range of solutions includes training (on product, customer context and supply chain), temporary redeployments of sales staff, and new skill-focused hires.

We estimated that the application of the Knowledge Coverage Model to sales at 3M has generated several hundred million dollars in additional sales.

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