

POWERING REVENUE ENGINES

Re-focused Sales Model Helps Generate 60% Increase in Value

Top-line revenue growth is frequently the most powerful lever for increasing a company's value. We are specialists in finding new ways for companies to accelerate profitable revenue growth. This is one in a series of case studies that describes our work and demonstrates the value we create.

A software and services provider to the banking industry faced declining revenue from mainstream products and maintenance services to their most important client base — large US banks. Their sales force was struggling to curb the loss of revenue at these traditionally strong clients.

The CEO asked Blue Ridge Partners to design a new sales model for addressing this threat and improving revenue growth. We analyzed the current sales model, designed improvements, developed and then tested new model components in sales group working sessions. After implementing the new sales model, revenue growth improved and the company agreed to an attractive buy-out at a valuation 60% higher than at the start of our project.

The CEO noted that “Blue Ridge identified weaknesses in our sales model and recommended practical solutions that we implemented to improve revenue and increase our value in the current fiscal year. We would not have seen results this quickly without their assistance.”

What we recommended for accelerating revenue growth.

- ▶ Segment clients and prospects according to key revenue factors including probability of producing



revenue in the next 12 months and opportunity for significant on-going maintenance revenue

- ▶ Assess selling skills and focus “hunters” on new clients/prospects with less sophisticated technology staffs and “farmers” on current customers with significant maintenance revenues that may be at risk
- ▶ Eliminate internal sales “silos” and promote collaborative account planning and selling
- ▶ Allocate sales resources dynamically to focus on the most attractive opportunities – those producing revenue in the next 12 months
- ▶ Align selling approach to client buying processes
- ▶ Align sales commissions to promote high value products, deal profitability and collaborative selling
- ▶ Strengthen sales performance measuring process

HEADQUARTERS

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INFORMATION

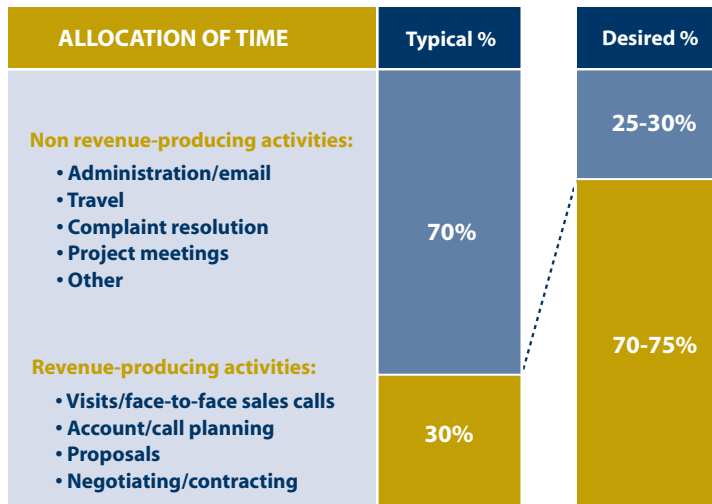
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Tools we used to improve their revenue growth

- ▶ Our *100 Behaviors of High Performing Revenue Engines™* as the basis for measuring effectiveness of the client’s sales force and identifying improvements in areas of weakness including:
 - Prioritizing sales activities
 - Managing the sales pipeline
 - Eliminating unnecessary time spent in non-revenue producing activities (see below)
- Using alternative “low touch” sales methods for expanding market coverage;
- Implementing special sales contests and non-monetary incentives to supplement commissions
- ▶ Interviews of thought leaders and small group working sessions to quickly build support and buy-in for solutions at each step of the project.

We analyzed sales personnel activities and identified inefficiencies...



...and uncovered many behaviors that were diluting sales productivity.

- ▶ Sales personnel spent inordinate time monitoring client projects and replicating functions performed by project managers
- ▶ Revenue-based incentive compensation obscured need for profitability focus in sales and proposal activity
- ▶ Silo organization inhibited dynamic assignment of best sales personnel to high priority opportunities
- ▶ Lack of a comprehensive sales pipeline prevented prioritizing sales resources to highest value customer/prospect segments

If you aren't seeing superior growth in profitable revenue, contact us for an actionable evaluation of your company's revenue engine.

