CASE: Partnering Growth in an Equipment Trading organization

About the Client:

The Client is involved in the marketing, distribution, installation, and servicing of Hi-Tech Bio-Medical, Analytical & Diagnostic Laboratory products catering to the needs of Biotechnologists, Microbiologists, Biochemists, Pathologists, and other diversified Scientific/Medical fraternity. While the Client represents a range of global Principals in the Indian market current sales are largely from one Principal. The Client aims to grow the sales to four times the current scale in three years since the medical devices market is expected to grow rapidly in India.

Strategic Question:

- Is the organisation structure right to meet rapid growth?
- How can the client grow sales of new principals while protecting sales of the largest principal?
- Is the sales process right for rapid growth?
- What level of delegation should be instituted in decision making especially in discounts and terms to customers?
- How should the service process be strengthened, and service revenue leveraged?

Aira Intervention:

AIRA Consulting initiated one-to-one interaction with the team to understand their roles, responsibilities, processes, and gaps involved. Our consultants also collected the sales register for the last 3 years from ERP software consisting of inquiries, quotations, order status, and performance – salesperson-wise, product wise & Principal wise. Based on the study, AIRA Consulting did an in-depth analysis, highlighting the gaps in the system and measures which need to be adopted in order to plug them. This involved:

- ❖ Evaluating the opportunity for each Principal across each market and identifying growth areas. This led to the development of a sales strategy that would meet the growth plan of the client
- ❖ Identifying sales competencies and processes required to roll out the sales strategy
- ❖ Creating robust internal sales and service systems that are needed to manage the sales and service processes in a consistent way for the business across various principals and customer segments. This involved developing a set of SOPs for each process so that the customer touchpoints are consistent and predictable
- ❖ Developing a clear organization structure to ensure each member is aware of his/her position in the hierarchy and the growth path
- ❖ Developing structured job descriptions with specific performance parameters so that each individual is able to plan his/her performance towards meeting organizational goals

- Creating a robust performance appraisal system so that each role holder is evaluated objectively
- Developing an incentive system to reward performance in line with the sales strategy
- Developing and instituting review processes and data collation and analysis for decision making

Results/ Impact of intervention:

The sales team defined a clear roadmap for achieving their targets. The impetus was put on post-sales service as a revenue opportunity since data suggested it had a huge opportunity which had not been leveraged well.

A monthly meeting process was initiated to share the data on performance and define and agree on a plan for the subsequent month. This led to addressing shortfalls as also providing prompt support to meet performance goals.

Client Benefits:

- Robust internal processes were adopted thereby reducing gaps
- Started moving from an individual-driven organisation dependent on a few star performers to being a process-driven organisation
- Data collation and analysis process was implemented based on which joint meetings were being conducted for strategy and decision making
- Summarized reports were being provided by the department heads as against informal data being shared by various employees
- Due to defined roles, responsibilities, accountability, and delegation, management could allocate more time to focus on strategic issues while leaving the operational issues to the team

With defined roles and responsibilities and a sales and service plan in place, the client is very confident of the organisation meeting its target and thereby achieving the business goal of scale and profitability.