



Sell More & Grow Profitably

by William E. Conway, Chairman & CEO, Conway Management Company

Since becoming seriously involved in widespread process improvement and quantifying waste, we at Conway realized that the regular use of quantifying waste, followed by selected projects for process improvement makes both large and small improvements a way of life. We also know that the weakest area is Sales, Marketing, Customer Service, specifically in the area of **growth** - selling more with greater gross margin \$'s minus costs and expenses. In the last few years we have been developing Sell More & Grow Profitably; a public and private workshop. We have found the way to educate, train and sell managers and other people on how to bring Sales, Marketing and Customer Service into the main stream of widespread process improvement. We now teach people how to do this to both **transform** the business and **improve** the business, the business unit, the product line or other entity in rapid and effective ways.

The largest waste for most organizations is the lost gross margin from the lost sales. That waste can also be substantially increased by missed opportunities for increased pricing and value as well as lowered costs and expenses. Gross margin waste is usually larger than the material, capital, or time of people. Yet most organizations do not effectively use continuous process improvement to maximize this gross margin. They concentrate on manufacturing,

operations, administration, and sometimes service, purchasing, engineering, etc., because people are more familiar with the waste in these areas. They usually already know how to attack some of these wastes. They have often done it previously.

From Conway Management's perspective, any commercial or industrial company that is not heavily involved in removing the waste from Sales, Marketing, and Customer Service, in fact is not really seriously into continuous process improvement. In many cases it is the sales - the requirements for selling - that drive new and revised products and services with low costs and high consistent quality and service. Without Sales, Marketing and Customer Service input, most organizations substantially sub-optimize their potential growth and profitability. When I meet with senior managers of companies who think they are doing well, I usually ask them:

- "What are you doing to remove the waste that only Sales, Marketing, and Customer Service can remove or can powerfully influence required action?"
- What major projects of this kind did you complete last year?
- What was the value per year of your gains?
- What are you doing for this year?"

These questions are my Litmus

Test to find out if the management is really doing continuous process improvement.

In the Sell More & Grow Profitably Workshop we teach participants three ways to attack the waste through process improvements. They are the following:

The Assault

The urgent assault on wastes in a company, business unit, or major product and/or service. Helps people and organizations to identify the reasons that they do not sell more. These reasons are both in the areas of Sales, Marketing and Customer Service. Identify and quantify the major wastes. Helps people see the differences between what they have been, are currently, or are planning to do to develop the projects and project teams and remove the wastes with urgency.

Collect Data/Information

Collect data/information directly from your external customers and consumers regarding the most important opportunities for improvement and the problems, troubles, errors, complexities, wastes that need to be overcome. Examples:

- For each major product line collect data - collect data on why customers buy; why customers don't buy.
- Collect data for market share of product lines - collect data on why A,B,C, etc., have 25% to 35% market share and why product lines X,Y,Z have less

than 10% market share. What are the reasons for the differences? What actions should be taken? Prioritize. The market share can be quantified by geographic area, product line, business unit, customers, etc.

Sales, Marketing, and Customer Service. This is a local but widespread approach to identify and eliminate wastes.

- Collect the data on how Sales, Marketing and Customer Service people spend their time. Where does their time go? Usually people find that all these people spend lots of time doing rework on all the troubles, problems, errors, complexities, and wastes, handling customer complaints, expediting, explaining away past problems, etc. We need to eliminate all of this waste so that they spend their time to sell more. (This is data collection on a few key sales, marketing customer service processes to find the same substantial waste on what to work.)

Local Widespread Approach

Because the natural state of things, processes, etc., in every area is filled with troubles, problems, errors, complexities, wastes, the opportunities for improvement are enormous. This is true for Sales, Marketing, Customer Service, as well as all the associated and follow-on work in Engineering, Operations, Manufacturing, Administration, Finance, etc. The work and work processes are filled with all kinds of foul-ups. There is a waiting pool of things to fix by people at every level and every area of the organization, especially