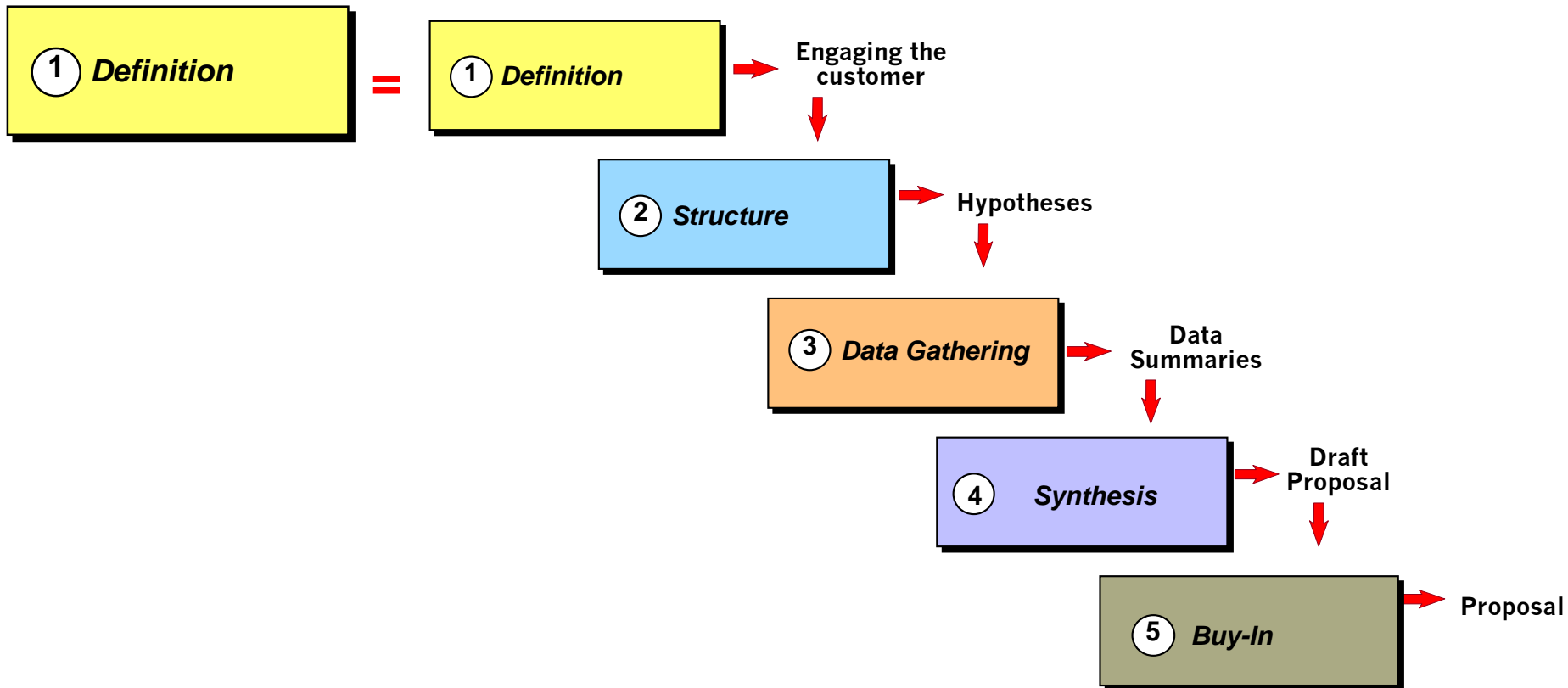




Executive Business Institute

Consultative Selling for zSSR's Software Group Student Handout July 15, 2008

But the **Definition Stage** in itself involves a shorter iteration of all the stages to ensure that the resulting proposal meets the needs of the client and takes into account all that is known about those needs.



Focus on the C-Level executive's interest and objective as you communicate the value of your solution.

CEO

- Increases Revenue, Profit, Market share & shareholder value
- Gains Competitive edge through Innovation
- Develops Business Strategy
- Enhances Customer Loyalty

CFO

- ROI & Cash Impact
- Overall Financial Goals
- Supports Strategy
- Addresses Compliance issues

CIO

- Supports Strategy
- Streamlines business Processes
- Enhances Company wide Productivity
- Align IT resources to support strategy

① *Definition*

OBQ helps us focus our thinking and define the key elements of the proposal.

① *Definition*

Objective: the client's objective, usually to resolve a problem or realize an opportunity

Barrier: the barrier or inhibitor to resolving the problem or realizing the opportunity (often a lack of expertise or resources)

Question: the critical question the seller asks, focused on overcoming the barrier to address the problem or opportunity. The question in statement form represents the **solution you are proposing.**

Some common barriers that you might hear from System z clients will trigger the need for an IBM solution.

① *Definition*

- We don't have the resources to take on our major supply chain integration project
- Cost-cutting here has taken a toll on our resources
- I want to get off my competitive software, but can't afford to re-train all my staff
- It's impossible to keep track of server backups/tapes
- We can't afford to hire a staff of people to take care of multitudes of servers
- Our servers are underutilized
- We have no ability to provide capacity on demand
- Our Total Cost of Ownership is rising at an increasing rate
- Our disaster recovery costs and complexities are unbelievable

Source: Baldor Business Update, 2007 System z Summit

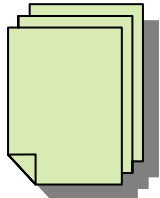
Now let's turn to the work you do directly, and try your hand at writing an OBQ.

① *Definition*



Objective: To turn theory into practice

Working in teams, identify the OBQ for a 'typical' situation you face



Deliverable: Client objective, barrier, question



Timing: 15 minutes, then we'll discuss

Hypotheses, the next smaller element in the structure stage, can be useful to determine what information is available to you about your client and their needs, and what is already known.

② *Structure*

- Hypotheses: A tentative conclusion, phrased as an assertion, that comes from a variety of sources, including past experience, industry knowledge, methods, and subject matter expertise. Secondary sources for sellers include:
 - System z Analyst reports
 - CBV Summary Report
 - References
 - KnowledgeGate

We use hypotheses all the time in our lives, but usually automatically and without the rigor we want in our work with clients.

② *Structure*

- What is the definition of a hypothesis?
- How do hypotheses help us in day-to-day life?
- How do hypotheses help us in our consulting work?
- What characteristics do strong hypos have?
 - **Relevant** to the issue; provide new insights; if true, the hypo would help explain what's going on
 - **Specific** detailed enough to provide value and direction; not so general as to be “universal truisms” (e.g., some factors are more key than others)
 - **Testable** can be fully investigated within the time and resources available; avoid future tense wording as it is not possible to test the future
 - **Coverage** set of hypotheses is “necessary and sufficient” to completely answer the issue question

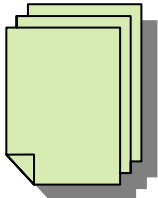
Now let's turn to the work you do directly, and try your hand at writing hypotheses.

② *Structure*



Objective: To turn theory into practice

- Working in teams, identify a starter set of hypotheses for one of the key plays:
 1. Business Flexibility and Modernization,
 2. Information On Demand or
 3. Enterprise IT Management



Deliverable: A set of hypotheses for one of the plays

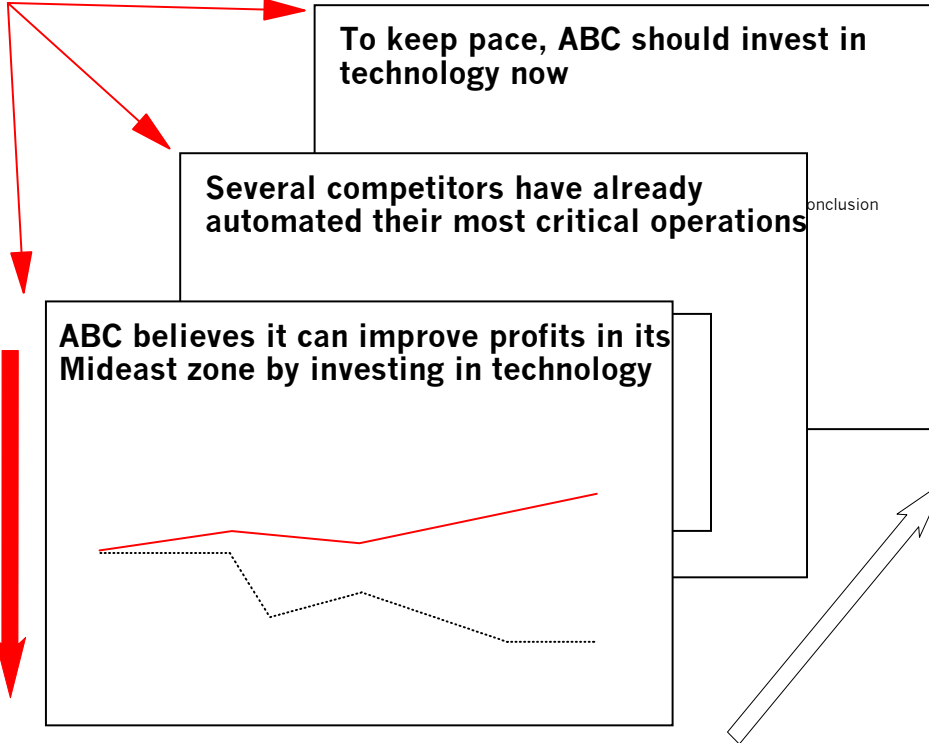


Timing: 30 minutes, then we'll discuss

The prevailing IBM standard for client reports specifies landscape pages that demonstrate strong horizontal and vertical logic; this format lends itself well to a proposal or discussion document.

4 Synthesis

Landscape pages



Vertical Logic: the pyramid logic that structures powerful pages

Horizontal Logic: the internal logic that connects a headline to the one that preceded it and to the one that follows it

Take a minute to order the following into a brief story, using the transition word clues.

Headline	Order of pages (1, 2, 3 etc.)
<p>To capitalize on this complex offshoring opportunity, we must develop a partner ecosystem that can address our clients' complex business and IT issues.</p>	
<p>Conversely, the offshore services market continues to grow, and represents a significant opportunity for IBM.</p>	
<p>In conclusion, prudent, targeted investment with key business partners will allow us to take advantage of the growth opportunity that faces us.</p>	
<p>Regional SI's and ISV's are a critical part of the ecosystem, as the mid-size companies are most likely to consider these local and regional service providers.</p>	
<p>The U.S. services market has stabilized, and moderate growth is projected for the next several years.</p>	

Since our hypotheses are tentative conclusions, we need to ensure they are formulated on a base of solid facts and findings, and point the way toward a solid solution recommendation.

4

Synthesis

- **Facts** are individual data points, like annual sales revenue or profit margins by country. It is a fact that someone said something; even if they merely stated an opinion (for example, Manager A is unaware of the company's new mission statement).
- **Findings** are patterns or aggregations of facts, often obtained by math (for example, 45% of managers aren't aware of the company's new mission statement), rather than the use of judgment.
- **Conclusions** are usually business problems or opportunities, with a "so what" impact to the client. They are derived with creativity and insight. (For example, the lack of awareness among a large percentage of the management team has hindered the ability of the firm to achieve its goals.)
- **Recommendations** are like the prescriptions received from a doctor - they have two parts: the medicine, and the way the patient should take it (based on skills, timing, budget, and so forth).

To test your logic and understanding of the elements of data analysis, see how you do in building a logic diagram.

- Let's look together at some sentences that make up a logic diagram
- Take the sentences and determine which are:
 - Facts
 - Findings
 - Conclusions
 - Recommendations
- **Timing: 5 minutes**



The set up for this exercise is that it represents the results of a banana soda focus group.

A focus group was done for a small soft drink manufacturer, to evaluate the public response to a new banana soda. The following questions were among those asked:

1. What is your opinion of the soda's taste?

Excellent / Very Good / Good / Fair / Do not like

2. Would you buy this soda if it were available?

Yes / No / Not sure

3. If you said you would buy this soda, what would you be willing to pay, compared to national brands?

Would only buy for less / would only buy if it were comparable / willing to pay a more

4. Would you want this soda available in a diet version?

Yes / No

1. Q1 Respondent 1 said Excellent
2. Most respondents who would buy would want the price comparable to national brands.
3. Q1 Respondent 3 said Good
4. All positive respondents would want the soda in a diet version.
5. The banana soda would be a well-received product, if priced correctly and offered in both diet and regular versions.
6. Q2 Respondent 4 said No
7. You should offer the new banana soda, in both regular and diet versions, either priced competitively with national brands, or with coupon incentives to lower the initial price.
8. Q4 Respondent 4 said No
9. More than half of respondents would buy the soda if it were available.
10. Q4 Respondent 5 said Yes
11. 80% of focus group respondents reacted positively to the new soda.

The audience should be able to understand the key messages of your story by reading through the pages at the headline level without having to 'see below' to the supporting data.

4 Synthesis

Each headline:

- tells a key message with a "so what" implication
- requires authors to know the "what" and "why" contribution of each page
- Has strong horizontal logic, including transition words, that builds an effective story
- allows time-constrained executives to easily understand your message

Use these questions to ensure the horizontal logic of your storyline has cohesion and follows a logical flow.

4

Synthesis

- Can you describe your proposal strategy? When do you plan to deliver the good news? The bad news?
- Have you set appropriate context?
- Are your headlines high impact "so what" conclusions, rather than just observations about data on the page?
- Do your transitions help the reader follow the story?
- Do your headlines flow logically and linguistically?
- Do you end with a summary and next steps?

Developed for IBM by SOE Inc. 2004

Use this checklist to check your vertical logic.

4 Synthesis

- Does the headline contain the most important idea on the page?
- Does the headline answer the question "so what"?
- Does the vertical support include what is "necessary and sufficient" to support the headline?
- Are bullets parallel in logic? Language?
- Does the exhibit support one message?
- Does the exhibit immediately relay its key message?

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Think "natural, clear, concise and relevant" to help avoid the most common pitfalls of business writing.

4

Synthesis

- Does your written language sound natural?
- Do you avoid unnecessary jargon?
- Do you use the active voice?
- Do you limit prepositional phrases and avoid extra words?
- Do you establish the appropriate tone?
- Do you emphasize the essential message?

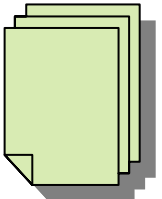
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Now let's turn back to your hypotheses and turn them into pages.



Objective: To turn theory into practice

Working with your previously developed hypotheses, 'mock up' pages that are vertically and horizontally logical.



Deliverable: 3-4 Powerpoint pages that tell a story and display strong vertical logic.



Timing: 15 minutes, then we'll discuss

Hopefully, this taste gives you a few hints and tips you can use; here are more ways to build your skills on this method of thinking and writing.

- **Global Blue Consulting – e-Learning course**
 - In a client simulation, using a ‘graphic novel’ interface, observe, and give guidance to, a team working on an engagement using the issue-based approach.
 - Learning@IBM course code BLG0214; No tuition

- **Consultative Skills and Action-Oriented Communication: 3 days**
 - In a client simulation, solve an unstructured problem, and, as a team, develop and present an interim report to the CEO of the client.
 - Learning@IBM course code 76767; Tuition: \$1835

I'll leave you with some references I've found useful.

Block, Peter, *Flawless Consulting*

Lanham, Richard, *Revising Business Prose*

Minto, Barbara, *The Pyramid Principle: Logic in Writing and Thinking*

Morrisey, Sechrest & Warman, *Loud and Clear-How to Prepare and Deliver Business and Technical Presentations*

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Strunk, William and White, E.B., *The Elements of Style*

Tufte, Edward, *The Visual Display of Quantitative Information*, *Envisioning Information*, *Visual Explanations*

Wainer, Howard, *Visual Revelations: Graphical Tales of Fate and Deception from Napoleon Bonaparte to Ross Perot*

Zelazny, G., *Say It with Charts*

Zelazny, G. *Say It with Presentations*