

Management Shorts #24: Meeting the Everyday Challenge of Innovation

A case study on how one start-up made the weekly sales meeting more fun AND more effective in driving sales (and some larger lessons about leadership and innovation)

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IN THIS ISSUE

- I. INTRO: Meeting Madness
- II. MANAGEMENT SHORT: Turning the Weekly Sales Meeting on its Head
- III. LARGER LESSONS: The Everyday Challenges of Leadership
- IV. UPDATE: New Teaching Gig at Stanford Business School

I. INTRO: Meeting Madness

Take a look at your calendar for this week. How many meetings are on it? How many are you looking forward to? How many of them will accomplish something useful? (Sorry to bring up unpleasant thoughts.)

I call this "meeting madness" and one of my personal missions is to "stop the madness".

This issue of Management Shorts is the second on practical ways to make your meetings more effective (and less boring or painful). Last month's issue was a short exercise for Re-engineering Your Weekly Staff Meeting. [underlined text should be alive link to http://acorn-od.com/shorts/archive/shorts-23.html](http://acorn-od.com/shorts/archive/shorts-23.html)

This issue of **Management Shorts** provides an innovative approach to re-structuring the weekly sales meeting as well as some larger lessons on innovation and the everyday challenges of leadership.

II. MANAGEMENT SHORT: Turning the Weekly Sales Meeting on Its Head

The Conventional Approach

Victor is the CEO and acting VP of Sales at an early stage technology company. Like any other sales manager he holds a weekly sales forecasting call to put each sales person on the spot about his numbers. It's a grim call when things aren't going well, but conventional wisdom says this is the only way to pressure sales people to perform, and is an essential tool for enforcing accountability. **This approach is so standard that Victor hasn't stopped to question it.**

A Crisis

In a recent conversation, Victor told me that the initial success with early adopting customers is fading and that growth has stalled. He is losing sleep trying to figure out what to do next. As we talk, I'm reminded of something Victor said to me when he first joined the company and I replay it back to him:

"My company's biggest challenge right now is how fast we can learn. It's not just about being innovative on the technology side, but about figuring out who the target market is, what that market wants, and what sales approach will work best."

I ask him if this is still true and he replies that it is.

"So why aren't you using the sales meeting to learn?"

After a long pause, Victor says, "Good question. What would that look like?"

The Experiment

We talk a bit more and come up with an experiment to shift the format of the weekly sales call from a *grilling on the numbers* to a *learning conversation*. This is a small experiment – with no expensive software, elaborate preparation, or paid consultant 😊. **All he does is start the weekly call with the question: "What did we learn this week?"**

The first time Victor does this he elaborates with a few sub-questions:

- * What did we try this week?

- * What happened as a result? (What did customers say or do?)
- * What conclusions do we draw from this? (About the market? About the product? About the features and value proposition? About sales strategies?)
- * What do we want to try next week?

That's it. That's the meeting format.

The Results So Far

I talk with Victor a few weeks after he starts the experiment and he is brimming with enthusiasm:

"It's pretty amazing how one question has transformed the sales call. We've always scheduled it for 2 hours, but in the past we were often done in 30 minutes, and even then people would jump off the call early saying they had to be somewhere else. Now we take the full two hours and I can't remember a single person leaving early.

"The other nice change is that I talk a whole lot less now. All of the sales reps are very active in the conversation and for the first time they are really helping each other with ideas and materials. *[Take a moment to reflect on this. How often are you tempted to assume that people aren't stepping up or participating because of something wrong with them or their attitude? Victor's team changed their behavior significantly when he changed how he led the meeting.]*

"The sales engineers have asked to join the call and I can tell when I go out on customer calls with them that they've learned a lot from the weekly sales call. This is so much more efficient than developing training materials for them!

"It has also really accelerated the process of figuring out whether or not I have the right team in place. With one sales guy, the funnel has improved substantially with real opportunities starting to surface. With another sales guy, it's now crystal clear that he isn't suited to early adopter selling – he won't try anything new and doesn't respond to the coaching he gets from

his peers – and I can let him go without second-guessing myself or feeling guilty.

"We've rapidly refined our sales pitch. We're all clearer on how to address technical objections, the real value proposition, and where the limitations in the product are (which we can share with marketing and engineering).

"The biggest change is that people are much more forthcoming about where they are in the sales process. When we frame it as learning, they are much more open about what they don't know (such as whether the project is funded, who the real decision maker is, what the org chart looks like, etc.) and that makes it much easier for me to coach them and push them to keep at the basic blocking and tackling. **This is both faster and more effective than pounding my fist, shouting about accountability, or trying to embarrass people in front of the team.**

"The bottom line is that we're learning a lot more about the market AND we've improved the sales funnel."

Would you like results like this? (I'll give you a minute to think about it . . .)

Does This Mean I Should Run All My Meetings This Way?

Well, yes and no.

- * Yes, every meeting should be driven by a clear and important purpose (in this case helping the company move up the learning curve in a new market).
- * Yes, you need structure and the structure should be focused on the purpose.
- * And, yes, it should be structured in a way that everyone is fully engaged and is getting something out of it.

But, no, this isn't the right format for every weekly meeting or for every sales team or even for Victor to use at every sales meeting. That gets us back to the problem Victor was having with his sales meeting in the first place. **He was using a format he had seen in the past and was applying it without stopping to ask what his purpose was and**

whether that format served his purpose. (Yes, he had the purpose of driving sales, but at a strategic level his most pressing need was to learn a new market as quickly as possible and get his sales people up a steep learning curve in selling something new.)

Victor's purpose was to increase the rate of learning so he used a format focused on learning. For a refresher on learning from experience see "Learning How to Learn" **The underlined text should be a live link to <http://acorn-od.com/shorts/archive/shorts-22.html>**

What is your purpose?

The biggest mistake I see with most meetings is that they start with format or agenda, with purpose as an afterthought or not articulated at all.

Look at any meeting on your calendar and ask yourself the following questions?

- * What is the purpose of this meeting?
- * What outcomes do we need?
- * What do I want people to think/feel/know/do after this meeting?
- * Which of these outcomes benefit the most from having everyone together in the room (or on the phone)?
- * Does the current structure fit the purpose?
- * Does everyone at the meeting know how their presence contributes to accomplishing the purpose?

Not sure about the answers or what to do with those answers? Give me a call at 650-329-8923 for a quick phone consultation.

III. LARGER LESSONS: The Everyday Challenges of Leadership

This whole newsletter and the previous one have been on the mechanics of meetings, but it's really not about something as simple as getting the agenda right. **It's about leadership and the everyday choices you make that have such a huge impact on the results your company is capable of delivering.**

Whole books have been written on this subject, but let's look at the case study of Victor and his sales team as an object lesson on a few larger principles of leadership:

1. Everyday interactions are strategic – if you can't see the larger goal (in this case, moving up the sales learning curve) you'll miss the everyday opportunities to make progress.
2. Conventional wisdom is often quite useful, but you need to think about whether the standard approach serves your goals. (See #1 above!).
3. How you lead has enormous impact on how others respond. (Consider sales reps who go from silent and defensive to engaged and collaborative.)
4. You don't have to figure out everything yourself if you know how to get your people engaged in learning.
5. Most leaders get so caught up in accountability and results that they miss the easy opportunities to create value.
6. Innovation isn't just for engineering – it is one of the key ways companies create value (See #5 above!)
7. Innovation and learning need space to happen, and will go into hiding if you focus only on the numbers – or signal that mistakes are always a sign of failure. (My favorite article on this is "The Failure Tolerant Leader" [The underlined text should be a live link to http://harvardbusinessonline.hbsp.harvard.edu/b01/en/common/item_detail.jhtml?id=R0208D&referral=7855&requestedid=17034](http://harvardbusinessonline.hbsp.harvard.edu/b01/en/common/item_detail.jhtml?id=R0208D&referral=7855&requestedid=17034) by Farson & Keyes in HBR.)

This case is just one example of the strategic impact of small choices. Magnify it by the number of interactions you have every week in your company. This is the everyday challenge of leadership. Ready to meet the challenge? Give me a call. 650-329-8923.

IV. UPDATE: New Teaching Gig at Stanford Business School

As many of you know, I am a regular member of the staff for several courses and executive education programs at Stanford Graduate School of Business. In recent years, the school has increased its emphasis on leadership and on experiential learning. ([Click on this link to see an article](#)

on this major curriculum revision The underlined text should be a live link
to
http://www.gsb.stanford.edu/news/headlines/new_mba_curriculum.shtm

I.) Starting this fall, I will be a workshop instructor for a new leadership program that will eventually grow to include the entire first year class.

I use my experience at Stanford to enrich the leadership and interpersonal skills workshops I develop for my clients. I hope you'll keep me in mind when you review your company's management and team development programs.

Until next time . . .

Warm regards,
Andrea

About Management Shorts

Management Shorts is a free newsletter for senior managers on essential strategies for meeting the everyday challenges of leadership. Copyright 2006, Acorn Consulting

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