

Sales Transformation of mid-size Medical Device Company

Client Objective

The client was looking at increasing the revenue growth of the organization from high value products which had come into their portfolio via acquisition. Currently the sales force was organized as per region and there was a vision to reorganize the sales team so that the physician comes at the center of the sales strategy. The Managing Director wanted us to work on an incentive program to support the reorganized sales structure and support design of dealer incentive program.

Our Engagement

Our engagement was divided across three stages – Build, Operate and Transfer

BUILD

1. Analysis of the current sales organization structure and the challenges.
2. Built a new organization structure taking into consideration the client objective and the vision of the organization. Analysed challenges to change and build a risk mitigation matrix.
3. For the organization built a balanced scorecard which evaluated the sales team across hierarchy on multiple KPIs across customer centricity, revenue, learning and operational adherence.
4. Used a top down approach and historical analysis to determine the targets across the sales hierarchy.
5. Designed an incentive program for the various hierarchies of the sales force. The focus was to build a tiered incentive program so as to enable sales force to sell/build leads for high value products
6. Designed a dealer incentive program to enable revenue growth across products with focus on commodity products. The dealers were tiered based on revenue earning capabilities and based on tiers different incentives were provided.

OPERATE

1. As part of the program we managed the entire incentive calculation, communication and clarification for the distributors and sales force. Based on the feedback we optimized and planned for the incentives and dealer incentive program for Year 2.
2. Based on the data we also provided performance analysis reports to the top management which enabled them to make decisions
3. We built excel based tools for incentive calculations for both sales force incentives and distributor incentives taking into consideration the various terms and conditions which varied as per sales hierarchy and distributor tier respectively

TRANSFER

After running the sales incentive calculation, communication and clarification for the distributor and sales force for ~ 2 years we handed back the process with the tools and analysis construct to the client which was then managed by low band resources from their organization.

As part of the transfer we provided them with multiple knowledge transfer sessions, 1-month shadow support and 3 months of free of cost on call support.