

A Definitive Guide to Pain-free
Stakeholder Management

ARPEDIO

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“Who is the decision maker?” It’s a question salespeople have been trained to ask and answer since the dawn of selling. And, more often than not, that answer comes down to one or two powerful titles. The CXO. The VP of Something.

But, what if the answer is wrong? Spoiler alert: it is.

Selling to power and authority is fundamental to sales success – and that hasn’t changed. What’s changed is how power and authority have been allocated across the customer buying center. According to research from CEB, publisher of *The Challenger Sale* and *The Challenger Customer*, there are an average of 5.4 stakeholders in today’s buying groups – each having their own motivations, responsibilities and authority in the purchasing process.

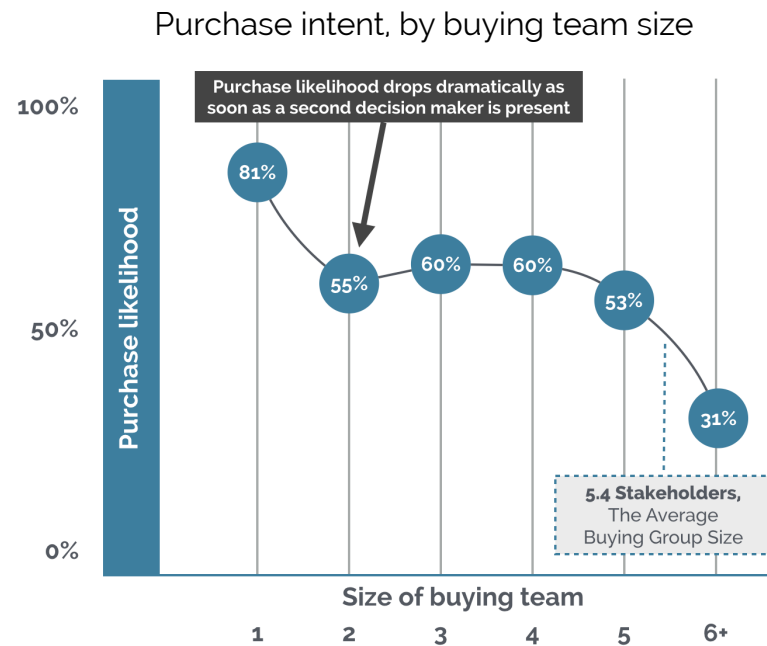
That means selling is no longer simply about reaching the right titles with the right message. It’s about consensus building and navigating group dysfunction.

It’s about stakeholder management – a notion that challenges conventional selling tactics and demands change.

Fortunately, these changes don’t have to be painful. In fact, they’re more tweaks than heavy lifting. Yet the byproducts of effective stakeholder management go beyond winning more deals. They include more accurate forecasts, shorter sales cycles, stronger deal quality and higher revenue per transaction.

So, where do you start? The good news is you already have. Keep reading.

Forget selling. Start consensus building.



Source: *The Challenger Customer*, CEB Global

It's important for sales professionals to understand how we've arrived at this new era of stakeholder management – and to acknowledge the relative recentness of this shift. Over the course of the last decade, several dynamics have changed how buyers buy. A greater focus on fiscal responsibility, corporate governance, regulatory mandates and technological requirements have shifted buying out of the hands of one or two qualified decision makers to a much larger group.

The primary reason? To mitigate risk.

Take a software purchase within a public company for example. Historically, the buying center consisted of the CIO and a departmental executive. Today, in addition to the CIO and department lead, it could include a compliance officer, the head of IT security, a representative from finance and a procurement manager. Each stakeholder plays an important role – but the primary reason for their involvement is to reduce the short- and long-term risks associated with change. Unfortunately, the potential for dysfunction and disagreement is high in this new buying structure as individual stakeholders have different concerns and motivations.

Consensus across the buying group is the primary goal; not a relationship with the CXO.

This goes against much of what sales professionals have learned about selling. Until recently, salespeople have been trained to sell to power making it easy for them to miss the consensus building that has to happen across the buying center. The problem only gets worse in the higher ranks of the sales organization – where sales managers and executives are even more subscribed to the sell-to-power concept.

However, the writing is on the wall. As the buying center expands, the nature of selling is changing – and salespeople (and managers) have to adapt. Salespeople have to understand each stakeholder's perspective and how the individual influences the group's perspective. They have to be intimate with each person's motivations, differences, authority and concerns.

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To that end, successful stakeholder management today requires three things:

- **A black belt in social selling.** Salespeople have to understand the personality differences and preferences of each stakeholder. They must know how to stalk the watering holes where stakeholders gather, then listen and respond.
- **Empathy, and lots of it.** Salespeople must demonstrate empathy for the stakeholder and ask questions that fall outside of their sales rhetoric. What risks do they have to take to buy? What do they stand to win or lose? What are their personal goals within the organization? How are they being judged by their peers and higher-ups?
- **An understanding of how to identify and coach advocates for change.** Termed “mobilizers” by CEB, these people are focused on growing the business and making the changes required to achieve that growth. Regardless of role or title, they inherently have influence across the organization and are ideal partners for building consensus across the buying center.

“Successful stakeholder management requires empathy – and a lot of it. This means salespeople need to sell less, listen more and uncover exactly what's motivating each member of the buying group.”

5 Steps to Identifying the Right Stakeholders in a Deal

With roles and titles thrown out the window, finding the right stakeholders in a deal can be tough. Fortunately, most high-performing salespeople are good detectives and even better amateur psychologists – two very helpful characteristics when qualifying power and influence within the buying group.

Here are five steps to help you identify and develop relationships with the right stakeholders:

1. **Find who's willing to talk and share pain.** Who's willing to share information beyond what's covered in an RFP or documented requirements? To speak deeply about the pain your solution can remedy? These people demonstrate a strong connection to the problem – and, most likely, the solution. Their willingness to share with you demonstrates trust.
2. **Discover how buying and change has happened in the past.** It's important to understand the organization's track record of buying solutions of similar size/scope. It's your best indicator of how things will go down in the future and who will be involved. Who drove the buying process internally? Was anyone hired or fired as a part of it? What conversations and meetings had to happen beyond what's scoped out in the formal buying procedures?

3. **Identify the mobilizer(s) willing to steward the group to common ground.** Who is most passionate about the problem and willing to challenge the status quo to solve it? This is the person you will partner with to create a plan for building consensus. Selling begins once (and only once) this person has been identified.
4. **Once common ground has been established, broaden stakeholder relationships with peer-to-peer matches.** Once your buying group has reached initial consensus on pain points, goals and objectives, you can broaden your relationships across the organization. This is when peer-to-peer conversations begin happening (e.g. CEO-to-CEO, technical team-to-technical team).
5. **Don't drop the ball.** The further along the sales process, the more pressure is on you and your team of resources to be responsive. Unfortunately, this is where many sales efforts fall apart. Your technical sales and delivery teams need to be accountable, focused and timely in handling requests. Under-promise, over-deliver.

Questions to Ask When Qualifying a Mobilizer

- Does your organization accept the need to change?
- Where do you get involved in facilitating that change?
- Do you like to work alone or in a group setting? Can you give me an example?
- Can you show me your org chart and the people involved in the buying group?
- How does each individual first accept the need to change and how the group executes to that change?
- Who are the visionaries?
- How often does the buying group meet and agree on the need to change?
- What is your role in those sessions?
- Can we meet on a regular basis to coach each other on how to execute on our common vision?

One important note – throughout this process, salespeople need to have the discipline to know when they should and shouldn't "sell" to the stakeholder. They must know when to listen and dig deep into the stakeholder's perspective. How will this person be judged in their role in the buying group? Are there compensatory or political implications? Salespeople must also have the discipline and empathy to listen to the buyer's thoughts and opinions on alternative solutions – without interrupting too early to sell their own.

These factors often have more influence over the purchase than anything covered in a sales presentation.

Become intimate with them!

How to Manage Your 5.4

Once you've found the right stakeholders (including the all-important mobilizer), how do you manage your relationships with each and push them towards consensus? This probably wasn't a problem when you were dealing with one or two people in the buying center. But relationship management for a group of four, five or ten is a different animal.

Effective stakeholder management comes down to tracking a handful of key indicators. These indicators reflect how invested each stakeholder is on solving the problem and the influence they have within the group. They include:

Access. Face it – you can say you have a great relationship with a stakeholder, but the truth is in how responsive they are.

Are they responsive when you need something? Or do they go dark?

Cadence. You can't leverage stakeholder value without having regular, meaningful conversations. Are they happening? How often?

Support. The true test of stakeholder support is whether or not a stakeholder is promoting your solution when you're not around. What is their personal commitment to championing your solution and the change it will bring about?

Power. What kind of influence does the stakeholder have on the purchase? Are they driving the group towards a common direction?

Stakeholder management isn't limited to what happens between you and the buyer; it also includes managing stakeholder-related activities across the sales organization. Your executives and project/technical resources need to be coached on how to talk to stakeholders within a specific deal. They need to be aware of the intricacies of each relationship and personality.

Internal cadence is also important. Are your executives and project resources talking to the right people on a regular basis? Are they being responsive to requests? Salespeople should function as air traffic control to ensure the right conversations are happening at the right time, and that all tasks are being completed according to plan.

Modernizing Stakeholder Management Isn't Hard. It's Simple.

When it comes to selling behavior, sales professionals have been conditioned to push back at change – and for good reason! There are hundreds of selling methodologies and tools all promising transformation, but rarely delivering.

Sales consultants and solution providers are eager to point the finger at the sales organization for these failures. But, the reality is that most require too much change too soon and with too little payoff. Who wants to rebuild a ship mid-sail?

Fortunately, modernizing stakeholder management doesn't have to be a painful, rip-and-replace endeavor. It requires only a willingness to stop chasing titles and start building consensus. This has to happen at all levels of the sales organization – from the CEO to the feet on the street.

There are tools available to make this shift easier and to streamline accountability for stakeholder management. These don't have to be mammoth sales enablement solutions. It's possible – and advisable – to start small with low-investment tools that sit on top of any existing sales automation and CRM solution.

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How Can Better Stakeholder Management Improve Your Selling?

Got 20 minutes? Learn how your sales organization can benefit from better stakeholder management with this quick exercise.

1. Perform a loss/delay analysis of the past two quarters within your sales organization.
2. Were the right stakeholders involved? Were there any missing?
3. Was there an internal “mobilizer” or strong change advocate?
4. Did that person have the proper influence across other stakeholders?
5. Did you and your executives have a strong cadence?

ARPEDIO's Matrix solution meets these requirements. It goes beyond organizational chart mapping to help you manage and leverage stakeholder relationships throughout the sales cycle. **It drives accountability and consistency and – most importantly – is built to speak your language (not a sales consultant's).** ARPEDIO Matrix is easy to use, affordable and configurable to the nuances of your sales organization (including management preferences and selling methodologies)

If sales professionals want to succeed in the decade ahead, they need to shift their focus away from conventional selling tactics. The name of the game is consensus building and those that excel at it will find themselves closing more deals, more quickly and at higher revenues. Making that shift doesn't have to be difficult. With the right guidance and tools, it can be simple, painless and immediately rewarding.

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