



SPIRITED STRATEGY, MARKETING, COMMUNICATION

Are You a Shark?

by Tom Sant, Sant Corporation

The following is a newsletter article written by Dr. Tom Sant, founder of the Sant Corporation, a leading authority on writing winning proposals and presentations.

Somebody once said that a business is like a shark. It has to keep moving forward or it will die. The analogy is less than perfect, but it seems to make a point. If we don't continue to grow, to innovate, to close deals and invest in the future, we're not likely to make it.

But what do you do when everything around you has fallen into narcoleptic immobility? Nothing is moving. Nobody is buying. Money has dried up, funding is limited, and decisions are being postponed indefinitely. How do you keep moving forward in that kind of environment?

It's a big problem, one of the reasons that economies get stuck. Recessions become self-perpetuating because so much of economic behavior is predicated on economic *attitudes*.

Well, here's a little known fact: Sharks don't have to keep moving all the time. That's a myth. People believed it for a long time, but scientists discovered not too many years ago that many species of shark can stop swimming, resting quietly on the ocean floor, and still breathe. Apparently they choose spots where the ocean currents are strong enough to pump water over their gills so they stay alive. Think of it as a Blue Ocean strategy for sharks.

The equivalent behavior for our business might be to remove ourselves as much as possible from the economic turmoil and allow the natural waves of economic activity to help keep us afloat? How do we do that?

Carter Schelling, a consultant and economic advisor, recommends taking specific steps to protect your business during a recession. Here are a few of his ideas:

First, fire some of your customers. Which ones? The customers who are most likely to struggle themselves during the recession. Identify the customers (it's usually a pretty small list) who provide you with 80 percent of your gross profit. Which ones are likely to survive or even thrive during a recession? Focus on doing business with them. Which ones are likely to see their sales or cash take a precipitous drop? Which ones are too far in debt, too leveraged, too dependent on the bubble? Drop them. They're not going to make it anyway, so don't tie your fate to theirs.

Second, take a look at the products and services you offer. Now is the time to





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focus more than ever on making your customers successful. Mack Hanna, author of *Consultative Selling Skills*, has argued for years that if we are going to run a successful sales organization we need to understand what our customers do, how *their* customers benefit from what they do, and how we can strengthen the relationship between them. If we can give our customers a competitive advantage in a recession, they will give us their business.

Third, thin the herd. During prosperous times it's hard to find good people. As a result, we sometimes put up with poor performers, including sales people who never make their numbers. Now is the time to make changes. Drop the ones who don't produce and enlarge the territories of those who do.

Fourth, look for opportunities to drive waste out of the organization. Schelling recommends implementing Lean Principles so that you can lower your price without lowering your profit. I recommend looking at the waste in your sales organization and getting rid of non-value adding activities. A decade ago, George A. Smith published *Sales Productivity Measurement* through the American Society of Quality Control. He found that on average sales people spent about half of their work week in activities that kept them from talking with clients or prospects! Mostly they wasted time traveling, doing price checks, handling correspondence, and preparing proposals. Does anybody think that travel is less time-consuming today? That our e-mail is less burdensome? Or that creating a winning proposal is easier?

Well, actually, proposals are a lot easier if you're using Sant Suite, which automates the creation of client-centered persuasive proposals, presentations, and other sales documents. And that's a great example of how you can drive waste out of the organization.

So be a shark! Keep moving. Or slow down if you must and take advantage of the ripples of change washing over us during the current economic slowdown. But do it in a way that assures you can flash into action instantly and become the mighty predator of the deep waters of business that you were always meant to be.

