

# ENERGIZING THE SALES FORCE

*Growth Dynamics helps Rockwood Programs build a skilled, successful production team*

By Elisabeth Boone, CPCU

**R**ockwood Programs had a problem. Revenues at the Wilmington, Delaware, MGA were declining and Rockwood's president, Glenn W. Clark, CPCU, was at a loss as to how to instill a sense of urgency in the members of his underwriting staff. Rockwood does not have a traditional sales organization and relies on its underwriters to handle all customer interactions.

Part of the problem was that most of the underwriters were in their 20s and 30s and didn't seem to understand how to take an active role when it came to generating new business. Says Clark, "I know how to motivate employees in their 40s and 50s, but these young folks don't seem to respond to the same kinds of incentives that my generation does."

The solution to Clark's dilemma came from a chance encounter with Mike Shannon of Growth Dynamics, LLC, a specialist in sales force development. Today, thanks to

Shannon's intervention, two-thirds of Rockwood's underwriting staff is achieving 200% of their quarterly goals and in most cases receiving quarterly bonuses for the first time.

When they met in July 2008, Clark had one question for Shannon: "Can you help me create a 'sales culture' within my company?"

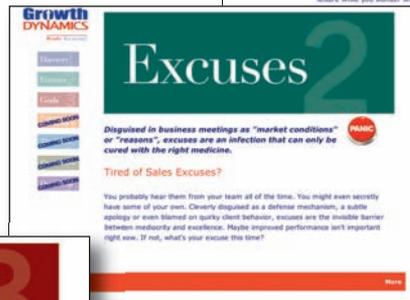
Shannon's response: "I won't know until I complete an assessment of your sales organization." He went on to explain that, at Growth Dynamics, "We use an evaluation tool developed by Objective Management Group (OMG) to determine the effectiveness of the people, systems, and processes used to generate new business." Rockwood's underwriting staff and sales manager both participated in the evaluation.

## A hidden gem

Clark was impressed by the accuracy and volume of information in the OMG assessment results. Results of the manager's assessment confirmed Clark's suspicion that Rockwood

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*Growth Dynamics leads clients through a strategic process to assess strengths and weaknesses.*

needed management development help. Underwriters’ reported ability to generate new sales correlated very closely to observed results. Surprisingly, the sales assessment rated one of Rockwood’s newer employees, who was working as an assistant underwriter, as a top potential producer. Clark told Shannon: “If it turns out that we have a great producer we didn’t know about, then this evaluation has already paid for itself!”

The assessment instrument Shannon used at Rockwood was developed by Dave Kurlan, founder of OMG, who sought to fill what he perceived as a gap by creating a sales-specific evaluation tool that could predict performance. Kurlan took an unconventional approach to the task by studying issues involved in sales failures rather than sales successes.

Since 1990, more than 450,000 salespeople have been evaluated using OMG’s product. As a result, business owners have been able to identify top-producing salespeople before hiring them, ascertain who among their current staff would respond to a sales development program, and determine in advance the return on investment of such a development effort in their company.

### Strengths and weaknesses

The OMG assessment identifies four specific Critical Strengths of an individual: Desire for Success, Commitment, Positive Outlook, and

Accountability. In Rockwood’s case, all of the underwriters had Desire for Success, which measures how high employees set the bar for themselves in their sales career. Clark’s hiring process was apparently successful in identifying people who have Desire for Success.

When the combination of strong desire and commitment is present, accompanied by a positive outlook, a salesperson will have tremendous incentive to change. Kurlan refers to a salesperson who has incentive to change as “trainable.” All but one of Rockwood’s underwriters who participated in the subsequent sales development program met the criterion of “trainable.”

Kurlan’s assessment also identifies five Hidden Weaknesses: Need for Approval, Difficulty Controlling Emotions, Money Issues, Self-Limiting Record Collection, and Unsupportive Buying Cycle. The degree to which a Weakness exists, called Severity, determines whether or not it is a problem. Each member of Rockwood’s staff typically exhibited two or three Weaknesses.

Self-Limiting Record Collection—negative beliefs about one’s abilities and prospects for success—was the

biggest issue among both the underwriters and members of management. Another was Money Issues, indicating that the person is uncomfortable talking about money, is reluctant to ask about a prospect’s budget, or has an unreasonably low concept of how much money constitutes “a lot.” Other weaknesses identified in the assessment were Difficulty Controlling Emotions and Unsupportive Buying Cycle, which means that the manner in which the person goes about the process of buying something for him/herself does not support the selling process.

### Changing the sales dynamic

To improve Rockwood’s new business development process, Clark realized that the firm needed a program to address the specific issues identified in the assessment and to shift management’s focus to reinforce different behavior patterns.

Clark invited Growth Dynamics to work with selected members of Rockwood’s staff for a nine-month period to create the missing “sales culture.” The program developed by Growth Dynamics included two-hour sessions twice per month, plus weekly

e-mails that were followed up by individual coaching. The key objectives of this engagement were:

- Educate Rockwood's underwriters on their critical role in new business development
- Develop the mindset of an effective salesperson and instill personal accountability
- Define and implement a consistent and repeatable sales process
- Understand how to prospect effectively and track prospecting behavior
- Learn how to qualify prospects to minimize time wasted on "price shoppers"

"Growth Dynamics traditionally has focused on improving the performance of field salespeople in a variety of industries," Mike Shannon says. "Our engagement with Rockwood Programs gave us a unique opportunity to apply our principles to strengthen an inside sales organization. Our approach is effective in building a solid sales culture in both retail and wholesale insurance settings."

Throughout the sales development program, Growth Dynamics referred to information uncovered by the OMG assessment to help the Rockwood underwriters overcome their weaknesses. Proof of the program's success can be seen in favorable comments from the participating underwriters.

"I have learned that the customer is always right, but that does not mean they are always right for Rockwood," comments Tom Foulds. Notes Tabitha DeGirolano: "I spend more time in Discovery (asking questions) with each prospect, eliminating many before I go through the expense of processing their application. As a result, I am closing a much higher percentage of business I work on."

Glenn Clark notes that he has observed a greater sense of teamwork and personal accountability among the underwriting staff. Frequently a program offered by one carrier may not fit a particular client, but another insurer has a product that meets the need. After spending time with his underwriters throughout the sales development program, Clark has observed a more consistent pattern of referrals within Rockwood, resulting in more business bound.

Underwriter John Tobelmann's production has more than doubled over the same period last year, and about 15% of those clients came from internal referrals. Tobelmann is enthusiastic about the benefits of participating in the program. "I have learned to track my prospecting behavior and to hold myself

accountable for hitting daily performance goals," he says. "As a result, I have learned to like being in sales."

Darryl McCallin is the sales manager who participated in the program. Working with Growth Dynamics, McCallin developed a new bonus structure for 2009 that was easier for the underwriters and Rockwood to track. He also implemented monthly incentive programs to reward prospecting activity, such as "number of conversations with new potential clients." The result has been a dramatic increase in the number of outbound calls, which has increased both new and renewal business volume.

In studying the OMG assessment results, McCallin also became aware of specific management skills he needed to develop to increase his effectiveness. He learned that he was spending too much time on internal company issues—time that should be spent mentoring, coaching, and holding his people accountable for results.

When Clark reflects on the Growth Dynamics sales development program, he observes that McCallin has become more productive and effective. "Darryl now has a set of shared experiences via the group sessions, a common language for the sales process, and buy-in from his staff to do the daily prospecting required to make the phone ring three months in the future," Clark says enthusiastically.

### Vital market data

An additional benefit is the important product and market information Rockwood is obtaining as the underwriters take more personal responsibility for their book of business. During a recent meeting with the staff, Clark discovered that thousands of outbound calls made by one underwriter since the first of the year had not generated the number of new bound policies they had expected based on past results.

The market has shifted for that line of business over the past 18 months, and now Rockwood has activity-based data to support the business case for making adjustments to the product being offered. Another underwriter had been focusing on agents, when a direct end-buyer focus is required. Because of her inexperience in that market, this underwriter did not recognize that she was focused in the wrong direction. Again, specific details obtained by tracking

prospecting activity allowed management to catch what would have been a strategic error in time to make adjustments that will improve results for the current year.

Did the program help Rockwood create the desired sales culture? Clark notes that, while there is still more work to do, one thing is abundantly clear: "Each underwriter now looks to himself or herself as controlling much of his or her 'sales destiny' rather than looking to management to make the phone ring. We love to write bonus checks. Every bonus check we write means that the enterprise prospers, in addition to the individual receiving the check."

### Results, not excuses

The motto of Growth Dynamics is "Results, Not Excuses." That core principle is the engine that drives Mike Shannon and his colleagues as they work with organizations to enhance their sales performance.

For agency owners and managers who aren't getting the sales results they want but aren't sure why, Shannon suggests that they ask themselves these questions:

- Are we growing market share?
- How effective are our sales managers, sales process, and opportunity tracking?
- How many of our producers are overachievers?
- Who on our existing team can become an overachiever?
- What would we do if we had the chance to hire an overachiever with a 90%-plus probability of success?
- If our top producer left today, do we know how to replace him or her?
- Do we understand why we made our last hiring mistake?
- If we were to put in place a sales development program, what specifically would maximize our return?
- Even if we are prosperous, is it possible that there are gaping holes between our perceived success and the reality of missed opportunities?

By showing managers how to answer these questions, Growth Dynamics is a strong partner in helping organizations like Rockwood Programs build a skilled, motivated, accountable, and successful sales force. ■

### For more information:

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