



Is your sales operating model restricting your ability to engage closely with your customers?

By altering their sales operating model, IT service providers can significantly enhance customer engagement and position themselves as strategic partners to their customers



"Everyone thinks of changing the world, but no one thinks of changing himself."

Leo Tolstoy

Significant opportunity for IT service providers



As businesses prepare to disrupt their industries and foster innovation with the help of AI and new technologies, they are engaging with and placing greater reliance on their network of technology partners to generate ideas, provide solutions, supply talent, and drive cost-efficiency.

This presents a significant opportunity for IT service providers to become preferred partners for businesses.

However, achieving this requires a fundamental re-evaluation of their customer engagement and sales operating model.

The conventional operating model excelled in environments where customers primarily sought cost rationalization and quality resources from providers

The conventional operating model aims to accommodate the preferences of customers' IT, procurement, and vendor management teams who have already identified the business and technology solutions they require, and their focus is on selecting partners based on cost, experience, resource quality, and the resourcing model. As a result, customer engagement with providers is restricted to information sharing on these topics.

Consequently, the sales and account management teams of providers, who are responsible for customer engagement, find themselves engaged in a limited range of activities that require a narrow set of skills.

For specific strategic accounts, a dedicated engagement team would be involved, bringing a wider range of expertise to facilitate enriched customer engagement.

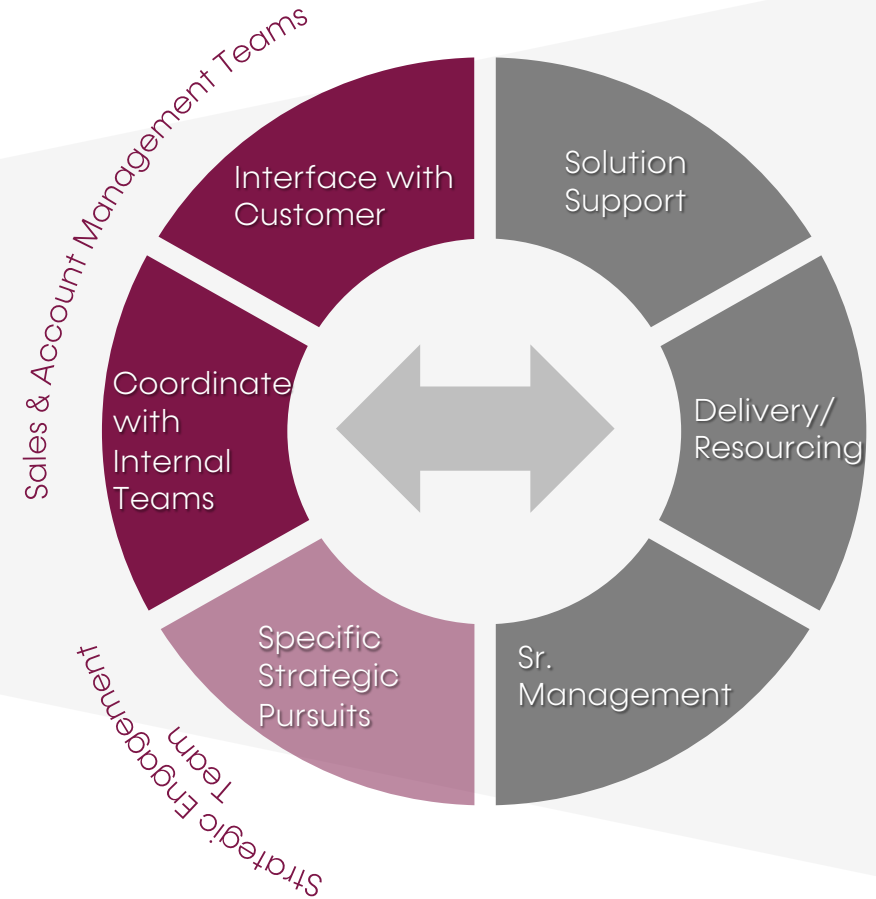


Conventional operating model

The sales and accounts management team actively interacts with customers, catering to their RFPs and inquiries. In certain key accounts, there is a dedicated team assigned to ensure personalized and focused customer engagement

Customers' criteria for partner selection

- 1 COST
- 2 RESOURCES
- 3 RESOURCING MODEL



Customer needs and expectations have changed

As customers embark on newer technology-led transformations, they now anticipate providers to provide guidance, collaborate on solution development, share insights into market best practices, present innovative ideas, and demonstrate a willingness to shoulder greater responsibility

Customers' criteria for partner selection

- 1 COST
- 2 RESOURCES
- 3 RESOURCING MODEL

4

Engagement Value

5

Engagement Experience

Joint Solution
Discovery &
Development

Customer needs and expectations

- broader stakeholder engagement
- collaborative solution development
- insightful content
- customer empathy
- creativity and innovation
- engagement team to demonstrate comprehensive expertise across various functional and technological domains.
- thought leadership
- ecosystem champion

The traditional operating model hinders providers from meeting the evolving expectations of customers and delivering significant value: Key Issues

Limited competencies of sales and account management teams

Typically, the sales and account managers perform relationship management role and lack deep business and technical competency to engage in problem solving discussions with customers

A thin layer of customer engagement team

The small team of strategic engagement is stretched thin and can only support a limited number of pursuits

Sales, solutioning, strategic engagement teams and other functions operate in silos

There is a lack of collective ownership for customer value and acquisition

Sales/ account management incentives are short-term revenue generation driven

In many cases, the incentives discourage them from prioritizing strategic and long-term potential revenue generation opportunities

Commercial expectations largely drive ecosystem engagement

Typically, the relationship with ecosystem players is perceived as a channel for business development, limiting the scope of collaboration with them

The Key Result Areas (KRAs) for strategic engagement teams also revolve around revenue generation

The emphasis on revenue detracts strategic engagement team from the focus on customer engagement and experience

The implementation of a new sales operating model, that places customer value and experience at its core, is crucial and must effectively address three key areas

1

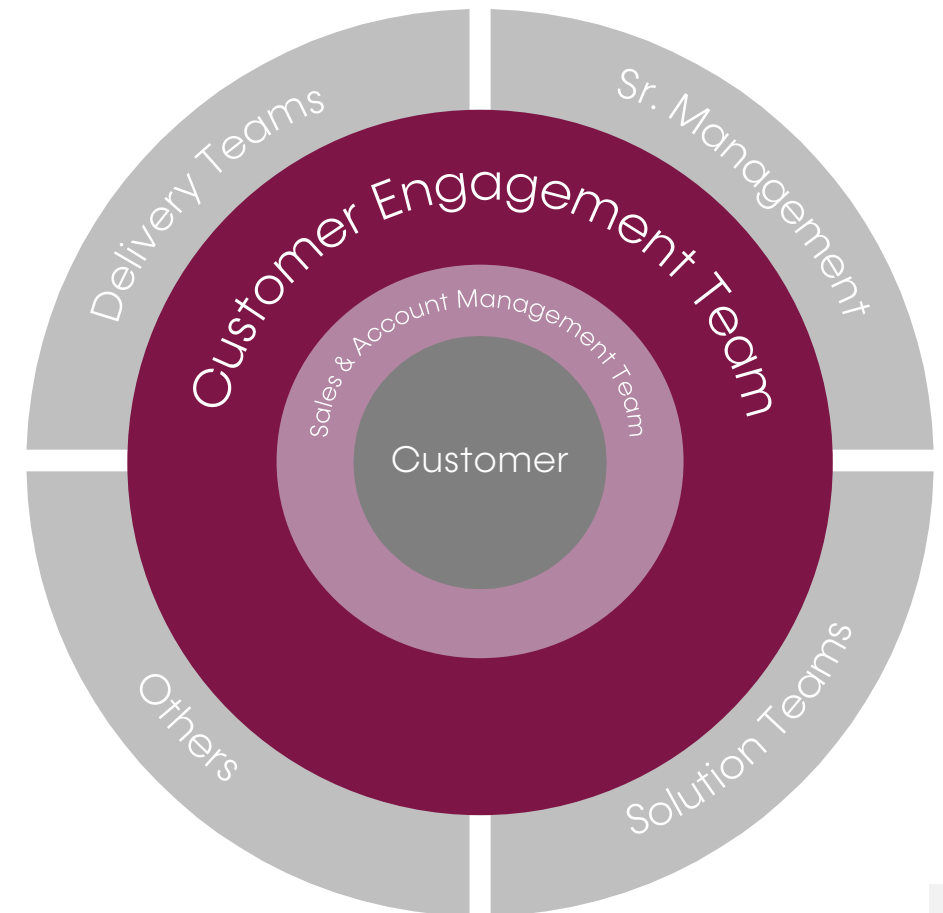
Elevate and broaden the customer engagement function, empowering it to play a significantly larger role

2

Forge a seamless integration between various sales functions and customer engagement by breaking down silos

3

Enrich the customer engagement function by bringing in individuals with a diverse and broad set of competencies



1

Broaden the scope of activities of customer engagement function



Stakeholder management

- Build and maintain positive relationships with stakeholders, both management and operational, ensuring that their concerns, needs, and perspectives are taken into account when developing solutions
- a customer-centric approach that involves modularizing responses and solutions, ensuring they are customized to meet various stakeholders' unique needs

Opportunity prioritisation

Ensure that efforts are directed towards the most promising opportunities, leading to better resource utilization, improved decision-making, and increased chances of achieving desired outcomes

Consulting & problem solving

- Address customer concerns by comprehending the existing situation, devising potential scenarios and solutions, crafting Proof of Concepts (PoCs), and assessing advantages through measurable performance metrics
- Integrate diverse inputs from customer teams throughout the solution development process

Research & insights

Gain understanding of the complexities of both business and technology challenges and uncover meaningful insights for customers to provide actionable solutions

Commercial innovation

- Offer cloud-based commercial models for a wide range of services
- Engage in co-creation to tailor customized commercial models with customers

Special topics

- Offer operating models encompassing EU regions and adhering to GDPR regulations

Ecosystem champion

- Proactively introduce curated partner solutions into the conversation
- Illustrate advantages and provide transparent access
- Proactively collaborate and engage ecosystem players to add value to customers, avoiding overly commercial partnerships

Thought leadership

Offer an expert perspective on customer topics of interest

2

Seamless integration of various functions with a clear focus on customer engagement



Sales & Account Management Team

- Customer relationship management
- Support and issue resolution
- Opportunity identification
- Monitoring and reporting
- Contract renewals



Solutioning Team

- Requirements analysis
- Design solutions
- Risk assessment
- RFP responses
- Cost estimation

3

Bring in individuals with a diverse and broad set of competencies



Business & technology:

Individuals possessing a strong combination of business and technology competencies.

Consulting:

The capacity to grasp customer objectives and requirements, enabling the creation of multiple solution options, and providing support in selecting the most suitable choices.

Leadership:

Individuals with confident and secure personality who prioritize the broader objectives of the company. They excel in fostering collaboration with teams and empowering others to shine, allowing for collective success.

Authors



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