MAKING THE CASE FOR RESOURCES

HOW TO DEMONSTRATE THE VALUE OF SALES TRAINING INITIATIVES AND CHAMPION IDEAS TO SENIOR MANAGEMENT

By Garry O'Grady
Training organizations are navigating increasingly challenging terrain. In many companies, training budgets are shrinking, and training is usually one of the first areas to be cut when companies face budget constraints. Often, training organizations face increased workloads and higher expectations from senior management. What’s more, they are asked to deliver their services at “bargain prices.”

When asking senior management for additional resources to fund new initiatives, training leaders often hear responses like:
• “It’s not a priority right now!”
• “How close can you get with what you have?”
• “We don’t have the budget for this?”
• “I don’t see the value!”

For training departments, the net result of this environment is clear: To improve the situation, they must become more proficient at defending their investments in core training programs, as well as providing sound business rationales for new training investments. This will require them to use more systematic approaches to demonstrating the value of their investments, as well as airtight business cases to demonstrate the need for more resources.

This article outlines a six-step process to help training departments make compelling cases for additional training resources. These steps are:
1. Understanding the organization’s situation and training objectives
2. Identifying and prioritizing training needs
3. Mapping potential solutions to those needs
4. Prioritizing the most attractive solutions
5. Building a business case to support proposed solutions
6. Selling management on the need for resources to implement solutions.

A STRATEGIC RATHER THAN TACTICAL APPROACH
Sales training organizations are primarily viewed as tactical groups that are given specific missions to accomplish. Therefore, sales training groups are usually in “execution mode.” The problem with the lack of a strategic view is that Training, more than any other function, directly affects the ability of sales reps to influence physician behavior and increase sales force effectiveness. For this reason, Sales Training must look at itself from a strategic perspective, and it must convince others to do the same. To do this, sales training organizations must ensure that they are closely aligned with their sales forces and their broader commercial organizations. They need to continuously look down the road to plan for changes in sales force needs, management training needs, the selling environment, new product launches, and other influencing factors. The approach outlined in Figure 1 focuses on thinking strategically to develop a business case rather than jumping straight to the tactics that will be used.
STEP ONE—UNDERSTAND THE SITUATION

Step One of the business case process is critical, as it helps training decision makers gain perspective on the connection between the company’s commercial strategy and its training objectives. It consists of two components:

1. An organizational assessment that helps the sales training group determine its standing within the commercial organization
2. Well-articulated training objectives on which Sales Training and senior managers agree.

Ultimately, this step helps Sales Training ensure that its strategy, objectives, and actions are directly linked with those of the larger commercial organization (and therefore, its programs are better positioned with senior management and easier to “sell” to decision makers).

As training leaders work through Step One, it may be helpful to consider the following checklist of key items. Note the need to gain management buy-in throughout the process:

1. Evaluate your position as a training organization: Is Sales Training perceived by senior management as highly effective or not? Has senior management demonstrated a high willingness to invest in training, or does it prefer a minimalist approach? The answers to those questions will help Sales Training determine where it stands, as well as which strategy might be most effective in improving its standing (and gaining leverage when it comes to advocating new programs).
2. Understand the commercial and sales strategies: Sales Training must understand the core commercial strategy for each brand in the portfolio. In addition, it must fully understand the sales force’s selling model, size and structure, rep and district manager roles, and key competencies. Subsequent training objectives and approaches should be positioned to mesh nicely with each of those factors.
3. Meet with senior management to gain agreement on commercial strategies.
4. Develop a list of training objectives based on commercial strategies.
5. Validate training objectives with selected decision makers.
6. Evaluate Sales Training’s current capabilities: Sales Training must ensure that it has the infrastructure and resources to meet the objectives that were jointly developed with senior management. Benchmarking data can help Sales Training determine how it stands up to competitors and industry norms.
7. Conduct meetings with key training stakeholders—for example, regional directors and brand directors—to discuss trends and issues, gain perspective on training focus, and identify early champions of the proposed training program.
8. Identify sources of information that will help determine specific training needs.

STEP TWO—DETERMINE TRAINING NEEDS

In Step Two, training leaders should leverage the work done previously to identify specific training needs—both strategic and tactical—and then prioritize them. Needs assessment methods can include surveys, secondary research and benchmarking data, third-party market data,
competitive intelligence, and sales force assessments, and interviews or focus groups. Typically these tools are used to assess needs in the following areas:

• Sales training norms and industry best practices
• Sales force effectiveness
• Individual rep performance
• Rep knowledge and skill levels
• Physician perceptions.

Although one-time needs assessments can be very useful, the training department should develop mechanisms for monitoring the sales environment continuously. This will enable the department to identify changing needs in an ongoing manner and is more effective than approaching senior management with individual needs on an ad hoc basis. Regular meetings with management to discuss training needs along the way will lead to more productive conversations when it comes time to suggest new initiatives.

Once training needs have been identified, it is important to prioritize them so that resources can be directed at the most critical ones first. In many cases, a simple two-by-two analysis can be used to separate critical needs from non-critical needs (see Figure 2).

Sales Training should validate the needs it uncovers, as well as the way it prioritizes those needs. Typically, a small group of district managers (DMs), regional managers, and brand directors can serve as an effective sounding board. Not only will this approach lead to a better-informed needs assessment, it will also help the training department build champions throughout the commercial organization.

**STEP THREE—IDENTIFY POTENTIAL SOLUTIONS**

During Step Three, Sales Training identifies solutions for filling the largest training gaps, based on a list of prioritized needs and its current training capabilities.

Sales Training should move immediately to address high-priority needs that it is capable of handling with existing resources. In some cases, however, the department may identify high-priority needs that it is not capable of addressing with existing resources. In such cases, Sales Training must identify which new programs, capabilities, or resources could meet those needs, and then advocate for them accordingly.

Senior management usually expects to be presented with more than one option for meeting a pressing need. When presenting a list of gaps and potential solutions, Sales Training should consider the completeness of its range of solutions. Solutions should be balanced, credible, and logical. Broader issues should be presented with a set of needs and solutions. For example, if it is evident that DMs need training in four new areas that have not been previously addressed, then it is likely that the DM training program needs to be revised. If Training identifies multiple solutions that require a distance-learning component, then it is probably time to invest in a learning management system (LMS).

**STEP FOUR—PRIORITIZE SOLUTIONS**

Prioritizing solutions is a critical step before building the business case. During this step, Training should analyze and compare potential solutions based on their likely effects. Then, each solution must be prioritized to identify those that should be presented to senior management.

Using cost-benefit-feasibility analyses is the most effective way to compare and prioritize potential solutions. The following components should be factored into each solution’s costs:

- **Financial Costs**—What are the one-time costs, maintenance costs, direct or indirect costs, fixed or variable costs, and opportunity costs based on time out of field? The number of personnel affected is a major factor in determining the total financial costs.
- **Organizational Impacts**—Are there any necessary changes in Sales
Training personnel needs? Any changes in support requirements from IT or other infrastructure groups? What effects will there be on existing processes in the commercial organization? Will it affect other groups within the company?

When determining a solution’s potential benefits, it is important to list both qualitative and quantitative benefits. Qualitative benefits might be better synchronization among the brands, sales management, and training; higher morale and motivation; better use of training resources, increased rep confidence in a particular skill; or an enhanced ability to understand physician-prescribing decisions. On the quantitative side, benefits might include reduced turnover, increased clinical knowledge, greater ability to sell within a given model, better understanding of the selling environment, and enhanced sales performance at the territory level.

Quantifying the impact of a particular training initiative is extremely helpful in prioritizing options for training solutions. It is also a very difficult task due to the broad range of drivers that affect a product’s sales. Some productivity drivers include:

- **Sales force drivers**—Selling skills, relationship management, coaching
- **Operational drivers**—Targeting, territory design, incentive compensation plan
- **Promotional drivers**—Detailing, dinners and lunches, speaker programs
- **Patient advocacy drivers**—Patient education programs, patient influence
- **Clinical drivers**—Cultivation of key opinion leaders, scientific programs

### FIGURE 3: TECHNIQUES FOR MEASURING TRAINING IMPACT

<table>
<thead>
<tr>
<th>Technique</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training Outcomes</td>
<td>Demonstrates strength of training organization</td>
<td>It is quantitative but not linked to effectiveness or performance.</td>
</tr>
<tr>
<td>Primary Research</td>
<td>Provides firsthand perspective on training outcomes</td>
<td>It is difficult to quantify results, and perspectives may be biased.</td>
</tr>
<tr>
<td>Kirkpatrick’s Levels I-III</td>
<td>Demonstrates how skilled the training organization is at delivering training</td>
<td>Method focuses on training performance, not training outcomes.</td>
</tr>
<tr>
<td>Sales Performance</td>
<td>Drivers of performance are numerous and complex, and performance is difficult to track.</td>
<td></td>
</tr>
<tr>
<td>Sales Performance (with Target Group)</td>
<td>Provides potent and reliable data</td>
<td>It can take significant effort to acquire this data and the data usually must be collected through pilots.</td>
</tr>
</tbody>
</table>

### FIGURE 4: BUSINESS CASE FRAMEWORK

<table>
<thead>
<tr>
<th>Outline</th>
<th>Questions Addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Introduction</td>
<td>Why are we here?  Why do we need to do this?  What decisions does senior management need to make?</td>
</tr>
<tr>
<td>A. Overview</td>
<td></td>
</tr>
<tr>
<td>B. Meeting Objectives</td>
<td></td>
</tr>
<tr>
<td>C. Key Decision Areas</td>
<td></td>
</tr>
<tr>
<td>II. Background</td>
<td></td>
</tr>
<tr>
<td>A. Impetus for Change</td>
<td>What were the drivers behind this initiative?</td>
</tr>
<tr>
<td>B. Strategic Situation</td>
<td>How are these drivers relevant to our strategy?</td>
</tr>
<tr>
<td>C. Training Priorities</td>
<td></td>
</tr>
<tr>
<td>D. Current Situation</td>
<td>What does it mean to the Sales Training organization?</td>
</tr>
<tr>
<td>III. Gap Analysis</td>
<td></td>
</tr>
<tr>
<td>A. Methodology Used</td>
<td>What process did we use to develop our recommendations?</td>
</tr>
<tr>
<td>B. Research—Key Findings</td>
<td>What were our key findings?</td>
</tr>
<tr>
<td>C. Need-Prioritization Criteria</td>
<td>What criteria did we use to prioritize needs?</td>
</tr>
<tr>
<td>D. Prioritized Needs</td>
<td>How do those criteria map to our strategy?</td>
</tr>
<tr>
<td>E. Gaps</td>
<td>Where do our needs and our capabilities not align?</td>
</tr>
<tr>
<td>F. Priorities of Gaps</td>
<td>Which gaps need to be addressed most urgently?</td>
</tr>
<tr>
<td>IV. Recommended Solutions</td>
<td></td>
</tr>
<tr>
<td>A. Analysis Framework</td>
<td>What method(s) did we use to analyze potential options?</td>
</tr>
<tr>
<td>B. Prioritization Criteria</td>
<td>How did we prioritize potential solutions?</td>
</tr>
<tr>
<td>C. Major Recommendations</td>
<td>What are our most critical and far-reaching recommendations?</td>
</tr>
<tr>
<td>1. Gap A</td>
<td></td>
</tr>
<tr>
<td>a. Recommended Solution</td>
<td>What is the recommended solution?</td>
</tr>
<tr>
<td>b. Solutions Considered</td>
<td>What other solutions did we consider?</td>
</tr>
<tr>
<td>c. Results of Analysis</td>
<td>What sold us on this recommendation?</td>
</tr>
<tr>
<td>d. Summary of Benefits</td>
<td>What will this provide the organization?</td>
</tr>
<tr>
<td>2. Remaining Gaps</td>
<td>What are the remaining gaps? (repeat a-d above for each gap)</td>
</tr>
<tr>
<td>D. Summary of Minor Recommendations</td>
<td>What other recommendations will we make?</td>
</tr>
<tr>
<td>E. Preliminary Implementation Timeline</td>
<td>How long will it take to bring major recommendations to life?</td>
</tr>
<tr>
<td>F. High-Level Budget</td>
<td>What is the incremental cost of implementing recommended solutions?</td>
</tr>
<tr>
<td>V. Next Steps</td>
<td>What are the immediate next steps to initiate solutions?</td>
</tr>
<tr>
<td>VI. Appendices</td>
<td></td>
</tr>
<tr>
<td>A. Research Summary</td>
<td>Research findings that provided the basis of analysis</td>
</tr>
<tr>
<td>B. Supporting Analysis</td>
<td>Details from prioritization steps, cost-benefit-feasibility analyses</td>
</tr>
<tr>
<td>C. Minor Recommendations</td>
<td>Detailed breakout of minor recommendations</td>
</tr>
</tbody>
</table>

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**Checklist for Step 1—Understand the Situation**
- Evaluate your position as a training organization
- Understand commercial and sales strategy
- Meet with supervisor and senior decision makers to understand training priorities
- Develop list of organizational training objectives
- Validate list with supervisor and selected decision makers
- Evaluate current capabilities at a high level—strengths, weaknesses, industry norms
- Schedule and conduct meetings with key training stakeholders (e.g., regional directors, brand directors) to discuss trends and issues, gain perspective on training focus, and identify early champions
- Develop overall approach to the initiative selling process
- Identify sources of information (internal and external) that will support the Needs Assessment

**Checklist for Step 2—Determine Training Needs**
- Develop research plan
- Acquire secondary research from internal (e.g., Market Research) and external sources
- Develop interview guides and surveys
- Conduct primary research with training stakeholders
- Summarize research results and identify emerging needs
- Evaluate and validate needs based on
  - Priorities of senior decision makers
  - Stakeholder feedback
  - Develop need prioritization criteria and validate with key stakeholders (gain buy-in)
- Prioritize needs
- Meet with senior decision makers to discuss need prioritization
- Share needs with emerging champions; validate and seek buy-in

**Checklist for Step 3—Identify Potential Solutions**
- Evaluate prioritized needs against current capabilities
- Identify and clearly articulate gaps
- If appropriate, group needs/gaps in larger bundles (i.e., identify key themes)
- For each gap, develop a small number of potential solutions
- For each solution identify
  - A short-list of stakeholders and champions
  - Potential obstacles
  - Potential effects on organizational workload
- Present potential solutions to senior decision makers; refine solutions based on input
- Share emerging solutions with champions and stakeholders
- If appropriate, meet with potential obstacles … If not, delay until business case is complete

**Checklist for Step 4—Prioritize Solutions**
- Develop a brief analysis plan
- Identify sources of data and information required to conduct cost-benefit-feasibility analysis
- Meet with source owners (internal) to discuss data and analysis needs (for example: Meet with Director of Sales Analytics to develop a pilot-measurement plan)
- Frame each solution by identifying key data points as outlined in this article
- Develop solution prioritization criteria
- Conduct cost-benefit-feasibility analysis; for each potential solution
  - Describe solution
  - Describe solution’s relevance
  - Outline benefits—backup with data
  - Determine related costs
  - Evaluate feasibility
  - Prioritize solutions
- Share prioritized solutions with senior decision makers and key stakeholders; receive feedback; get buy-in

**Checklist for Step 5—Build the Business Case**
- Review your analysis—understand strengths and weaknesses in data, understand and be able to articulate assumptions
- Assemble business case using the outline provided in this article
- Meet with key stakeholders and champions to bolster business case document

**Checklist for Step 6—Sell the Initiative(s)**
- Develop a high-level plan to sell the initiative
- Develop tailored messages for each stakeholder, champion, or obstacle
- Develop summary versions of your business case for use in brief selling conversations
- Identify potential trade-offs that you are willing to make within or across solution areas
- Schedule and conduct calls
- Gain commitment for the investment

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**FIGURE 5: CHECKLISTS FOR EACH STEP IN THE BUSINESS CASE PROCESS**

- **Co-promotional drivers**—Team collaboration, detailing coordination, partner performance
- **Market drivers**—Territory growth trends, managed markets environment.

To help quantify the impact of a training initiative, Sales Training departments should measure current training programs against results on an ongoing basis. The data received from such efforts will prove invaluable to future decision making, and will enable the department to make better-informed and more compelling business cases to senior management when the time comes to request additional resources. Existing data can be used to help prioritize a list of potential solutions. Some techniques for measuring training impact are outlined in Figure 3.

Finally, training leaders must determine whether the solution is feasible. Even a low-cost, high-benefit solution that is not feasible due to time constraints or corporate culture barriers will not be a good solution. Feasibility can be analyzed through interviews or review of past initiatives.

After prioritizing solutions based on the cost-benefit-feasibility analysis, Training should share its prioritized list with senior management to receive feedback and gain buy-in.

**STEP FIVE—BUILD THE BUSINESS CASE**

When building a business case for new training initiatives, it is critical to understand the strengths, weaknesses, and assumptions...
associated with the data used to make the case. It is also important to frame the business case using a logical flow that senior management can easily follow and that highlights the value of the initiative in question. The training organization can increase the likelihood of success by presenting compelling cases that mesh nicely with the overall commercial strategy; employ a sound methodology; isolate key training needs; and provide logical solutions to meet those needs.

Figure 4 outlines the typical components of a business case, as well as the key question(s) addressed in each component.

**STEP SIX— SELL THE INITIATIVE(S)**

All the work from Steps One through Five leads to presenting the case to senior management. This presentation entails more than just walking through your business case document, it includes convincing them that the initiative in question deserves additional resources and gaining their commitment to provide the funding.

Training must develop a tailored approach to selling its recommendations to key decision makers. For example, it is sometimes helpful to use a grid that identifies which key messages must be delivered to specific members of the senior management team.

For example, if “Senior Manager A” is one of the true champions of Training’s ideas then the message might be, “We need this solution just to bring us on line with competitors.” Training might consider speaking with this manager prior to the “official” meeting with the larger group. It is important to continue building on the relationship with this manager, and he or she should be considered Training’s highest priority.

In the case of “Senior Manager B”, a moderate champion and key decision maker, Training might deliver a slightly more urgent message such as: “With BRAND X launching in Q2 of next year, we need to address this training gap now, or we may not be able to meet our launch expectations next year.” Training can drive this point home by presenting Verispan data on physician perceptions of the company’s reps.

Now, consider “Senior Manager C”, a potential opponent to Training’s request for additional resources. The best chance of converting him or her to a champion is through an endorsement from a fellow manager at the company. Perhaps “Senior Manager A” presents a case for the initiative in his or her presentation at the National Managers Meeting, such as: “District Managers and Regional Managers overwhelmingly support this initiative. It’s our best option to increase effectiveness in the short term. Here’s what we saw in the pilot program…”

For executive briefings with members of the company’s management team that are likely to last no longer than 15 to 30 minutes, developing a summary version of the presentation will be beneficial. It is important to always present recommendations with confidence and work to gain commitment for the training investment.

If a strong business case that is presented in a compelling manner still yields an ultimate “no” from the final decision maker, it is important to not give up. Try negotiating the scope, cost, or timing of the initiative with the decision maker so that the training need can still be met.

**CONCLUSION**

Selling an initiative can be a long and arduous process that requires detailed analyses and continuous internal promotion. Selling is easier if Training “stays between the lines”—in other words, gives senior executives what they are looking for, or at least frames all recommendations in that context. If Training must go against the grain, it must have a thorough case and tailor the delivery of this case to the specific audience. Training must understand its perceived value to the organization and, if necessary, take action. And, if a training department does not have a training assessment plan, it should initiate one as soon as possible. Without the ability to use some solid, quantitative data in its business cases, Training’s job of selling becomes far more difficult.

Garry O’Grady is Vice President, Sales Practice, Campbell Alliance. Garry was an award-winning sales professional before becoming a consultant to pharmaceutical and biotech companies. As the leader of the Sales Practice, he helps clients address business problems across the entire sales function including sales force design, assessment, and training. He can be reached at <gogrady@campbellalliance.com>.
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