

Selling Innovation

Ronald J. Bennett, Ph.D.

**Engineering and Technology Management
University of St. Thomas
St. Paul, Minnesota**

MISSION

We provide a practical, values-based learning experience that produces well-rounded, entrepreneurial engineers and technology leaders who have the technical skills, passion and courage to make a difference.

Introduction

As a fresh PhD in engineering at my first full-time job in industry I developed a new approach to a current problem. When I presented it to management, the President said “Great idea – now go sell it.” I didn’t know what he meant. Wasn’t the value of the idea intuitively obvious? Why should it need to be sold? And to whom?

Later, as manager of a national sales force, it became clear to me why technical professionals must learn to sell their ideas to the professional managers running their organizations (Gaines). Over time, experience has shown that the ability to sell ideas is the critical factor in enabling technical people, indeed anyone, to “make a difference.”

The management of technology requires innovation. Innovation involves new ideas and requires change. Centuries ago Machiavelli in *The Prince* warned of the danger of trying to initiate change. It is universally recognized that change meets resistance, for it upsets the order of things, and creates uncertainty. But change is happening, whether we like it or not. Change is a reality – it is how we respond to it and manage it that matters (Lever).

Change is risky. But failure to change can be more risky. As noted by Richardson, “our major problems are within our walls, not over in our competitors’ buildings.” Complacency breeds competitive disadvantage (Lever). It takes a leader with knowledge of the selling process – change management – to build support for change. The knowledge and skills to effectively sell are available to virtually all companies, yet they seldom are implemented among the technical professionals and used to more effectively gain acceptance of new technologies internally. In fact, the use of effective internal selling in technology management may just be the key to changing the basis of competition in an industry.

Those involved in managing technology must be leaders. One definition of leadership is “A leader is someone who will take you where you wouldn’t go by yourself.” The technology manager has this obligation. The ability to understand and implement effective selling is a key: it helps others see benefits for the organization and themselves.

Managing technology and championing change is a form of risk management, and “selling is just another part of the risk management job” (Cavallaro). No new discovery or idea (invention) has value to others until it is applied (innovation). In our telecommunications and power systems, a critical link is “the last mile” to the user. No matter how strong the total infrastructure, unless delivered “the last mile” to the customer, it has little value. Same with technical ideas – they must be delivered “the last mile.” Selling is how it’s done.

Technology Leadership

Technology leadership involves developing the ability to think differently, to look at a given situation and view it from several points of view. In addition to the technical perspective, technology leaders need to think like an entrepreneur, like an executive and like a salesperson.

Thinking like an Entrepreneur

Everyone is the sole proprietor of his or her own career. When thinking about any innovation, one must build a passion for that idea. There are many challenges, and many “obstacles” to overcome. (One entrepreneur recently defined an obstacles as “what you see when you lose sight of your vision”). Passion is needed to maintain momentum.

Thinking like an Executive

To communicate effectively with executives, one must learn to think like an executive. How does the new idea fit into the Vision, Mission and Values of the organization? What are the few critical issues that must be addressed? What are the objectives and the strategy for achieving them? One must understand the technology alignment with the business strategy (Lever).

Thinking (and acting) like a salesman

One of our adjunct faculty, an aerospace and manufacturing systems engineer by training, relates a story of when he was a boy. He would ask his father “What will I be when I grow up?” And his father would always answer “A salesman.” The boy was dismayed – he wanted to be an engineer. However, when he grew up, he realized that most of what he did was sell – sell his ideas to others in the organization. Dad was right after all.

Much is known about effective selling among professionals, yet little is actually practiced. “Sales is a board room topic ... yet, all too often, sales forces are populated by dispirited Willy Lomans and managed by short-term oriented and narrow perspective executives” (Slywotsky and Doyle). The ideas of relationship selling or consultative selling have been

around for some time, yet experts estimate that only 20% of companies have adopted these ideas (Cummings).

Experience, and the literature, indicates that these ideas have not even scratched the surface in the technical professional ranks. Relationship selling is a powerful tool (Wilson, Cummings, Trombly, Leigh, Rackham and DeVincentis, Cohen, Rasmusson). Think of the competitive advantage for those that employ relationship selling internally in their organizations: it can be the differentiator in changing the basis of competition in your industry.

It is with the Mission of our programs and these ideas in mind that we created a new course on Selling Innovation for our graduate students in Engineering and Technology Management at the University of St. Thomas. These students are working adults in industry with extensive experience. They are creative, motivated and want to be innovative. They know their companies and industries. What they need is to become consciously competent in selling their ideas. This course was designed to assist them in that goal.

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| Why it is necessary to “sell” innovation: |
| 1. There is nothing that cannot be done or made better. |
| 2. No new discovery or idea (invention) has value to others until it is applied (innovation). |
| 3. Every new idea meets resistance. |
| 4. People buy for their reasons, not yours. |
| 5. It is an obligation of leadership to take others where they wouldn’t go by themselves. |
| 6. It is goal of lifelong learning to become consciously competent at whatever we do. |
| 7. To be effective and to get support from others, technical professionals need to be able to “sell” their ideas in terms that resonate with their buyers. |

Structure of the Course

The course is taught in a seminar format. Students identify their projects and relate them to the business objectives of their organization. They interview and identify the social styles of their “buyers”.

Students are provided a variety of readings and must seek other relevant materials on their own. Each class session begins with a short lecture, but the real benefits come from the rich discussion of the concepts in the readings and their personal experience with “selling” their project in their company. During the semester, each student gives many presentations to demonstrate their ability to apply the learning. The class critiques these presentations, and all are videotaped. At the end of the semester, each student has a video record of his or her progress. This approach has been very effective at building student engagement and passion, and development of conscious competence.

Course Content

The two primary objectives of the course are 1) to teach the principles of relationship selling and 2) to teach how to give effective presentations. Students select two projects – one from their

workplace and one from their personal life. This helps build a broader view of the process and motivates learning. The discussion below will focus on the workplace project.

For each project, the student develops objectives and strategies. They identify how the project fits into the bigger picture, what its potential value is, what the overall culture is in which they must “sell” their idea and who will be involved in the decision process.

The objectives of the corporation are the drivers for the selection of each project. There must be “alignment” of the project with the organization’s objectives to achieve success. Students identify the value to the organization of the project, sometimes in quantitative terms such as ROI, but at times in terms of customer satisfaction or other measures associated with the Balanced Scorecard concept (Kaplan).

The culture of the organization plays a significant role in the approach to selling the project. There is a need to adapt the selling approach to the current culture of the organization (Lever). Some corporate cultures are open to new ideas, others are hesitant. It is important to realize that changing the culture is beyond the scope of most projects. The project stands a better chance of success if sold in terms relevant to the current culture.

The key to the process is relationship selling to individuals. The barriers to success are more often due to individuals and not the culture, the “jobsworth syndrome: my job’s not worth the risk” (Lever). To reduce the risk, and help build support among management and peers, the “buyers” or “customers”, there are a few simple ideas to keep in mind:

- “People buy for their reasons, not yours” (Larry Wilson)
- Identify what motivates the buyer: what’s in it for them?
- Understand the buying behavior of different social styles
- Put the proposal in terms relevant to the buyers. How can it satisfy their task and personal motivations?
- Help the customer realize a previously unmet and unrealized need (Lever)
- Learn to actively listen
- Become a conscious competent

It has long been recognized in marketing that the key to success of an industrial product is to demonstrate that it increases the competitive position for the customer (Porter). To do so, one must understand the customer. Understanding social style is the key to understanding the customer.

Different people respond differently to the same situation. Why? Because they respond based on their beliefs, many of which come from their youth. Can you see their beliefs? No. But you can observe other characteristics that are based on these beliefs.

Two important characteristics are responsiveness and assertiveness. Combinations of these lead to four primary social styles commonly referred to as Analytical, Driver, Expressive and Amiable (Murray, Bolton). Each responds differently, but predictably, to a given situation. (See table below). A statement or claim that motivates one social style may indeed demotivate

another. So, when building support for an idea, it is crucial that one understands the social style of each decision influencer/maker and what motivates them. To be effective and to get support from others, technical professionals need to be able to “sell” their ideas in terms that resonate with their buyers.

| Social Style | Analytical | Driver | Expressive | Amiable |
|---------------------------------|--------------------------------|--------------------------|-------------------------|-------------------------------|
| Credibility | Image | Competence | Commonality | Positive Intent |
| Business Motivator (Advantages) | Increased Profits – Investment | Increased Quality – Best | Decreased Effort – Ease | Decreased Costs – Inexpensive |
| Personal Motivator (Benefits) | Respect | Power | Recognition | Acceptance |
| Fears | Mistakes | Failure | Pain | Rejection |

The process of selling a new idea involves four stages: Trust, Need, Help and Decision Anxiety. It is the salesperson’s job to help the customer through these stages.

- The buyer must trust the seller. Gaining sponsorship from respected individuals (Cavallaro) is one way of establishing trust. So is demonstrating ones credibility, in terms relevant to the social style, and showing that you want to help the customer achieve their objectives.
- The buyer must see a need for what is being proposed. What perceived unmet need would be satisfied by your proposal?
- The buyer must see how this helps them. What are benefits, both task and personal, to adopting your proposal?
- The buyer must overcome decision anxiety. How will their support for your proposal make them look good and not result in the “jobsworth syndrome”? How does the proposal minimize their fears? Positioning emerging technologies as enhancements to the current system, rather than “change”, can help. (Lever)

A trait of leadership maturity, and a goal of lifelong learning, is for each student to become a “conscious competent”. Understanding what motivates others, and being able to craft proposals in terms that accomplish this, is to become a conscious competent. A skill that is required to do this effectively is to become an active listener.

The signals are all around us; we just have to be “tuned” to receiving them. Effective listening saves time and money, and people who listen well make fewer mistakes, create fewer interpersonal misunderstandings and are more likely to make positive first impressions (Joyner).

Establishing successful two-way communication is done by initiating and maintaining a feedback loop (Joyner). Active listening is the process to establish successful two-way communication.

When beginning to propose a new project, one must build support among the key decision makers and influencers. Meet with them individually. Actively listen and determine their needs.

In this process, discuss the objective and determine their have and wants, their task and personal motivators and whatever barriers or objections they see. This enables each person to identify the aspects they support, to express their concerns and for the seller to address each individually. By doing this process, one is able to prepare an effective and compelling presentation that addresses the relevant issues and “sells” to each of the decision makers.

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| What it takes to become effective at selling change: |
| 1. Know ones-self: become a conscious competent. |
| 2. Be self-driven to make a difference. |
| 3. Develop the ability to think like an executive: Identify and articulate the few key issues. |
| 4. Understand the motivations of others: understand social style. |
| 5. Develop and implement the ability to ask relevant questions and to listen actively (identify the unarticulated needs of the customer). |
| 6. Become proficient at effective group (and impromptu) presentations. |
| 7. Bring passion and courage to your proposals. |

Effective presentations

For most project proposals, it will be necessary to do a group presentation. With proper preparatory work as described above, the technical professional has all the basic information needed to achieve a positive response. However, this is where careful thought, preparation and rehearsal are critical.

In Aristotle’s *Rhetoric*, he identifies three key factors to successful presentations: 1) predisposition of the audience, 2) credibility of the speaker and 3) quality of the message. If the preparatory work has been successful, the audience should be predisposed and you have had the chance to establish credibility. The final step is the quality of the message. The rule: keep it simple and focused.

Technically trained people tend to want to go into great detail. That’s the way we’ve been trained. However, in a presentation to get support for a project, “the objective is not to teach anyone technology, but rather to explain how technology fits into the overall corporate strategy” (Lever). It is an old adage that too often, when technical people are asked what time it is, they explain how to build a watch. The objective of the presentation is to get to “yes”. The key is to sell benefits and advantages, not features. Make the presentation no longer than necessary. Remember, when selling the \$2 billion idea of the Neon to Lee Iacoca, the project team had just 15 minutes.

It’s impact that is needed. Practice the one-minute elevator speech. Imagine being in the company elevator alone with the CEO and you have one minute to get her support. What would you say? Focus on the issues of importance, the benefits and advantages.

Oh, yes, and don’t forget to ask for the order.

Final comments

As part of the course and instructor evaluation at the end of the class, students made the following comments.

“The class enabled me to really see a different side of the business world than I have been exposed to. The learning has already become important to me in meetings to be able to concentrate on understanding people and how to deal with issues.”

“I have improved the ability to read the readiness of my engineers to accept the direction that I am pushing them. I have also gained a better understanding of how to interpret what individuals say given the knowledge of their social style.”

“ I have gained a better understanding of how to prepare to meet the needs of individuals with different social styles. I have been using the techniques interactively with my organization and I’ve started to see my managers moving at a faster rate toward buy-in and action to improve our training systems and business processes.”

“I’ve learned that the subtleties of communication will make a significant difference. My take-aways from this class will give me the tools necessary to understand other people’s motivations and help me predict their actions.”

Students were again contacted six months after the course ended and asked “How did the Technical Selling course help them?”. They responded with the following comments.

“The class has made me go into most presentations with specific expectations rather than "let's see what happens".”

“It has helped me sell a proposal rather than present information- too often in the past I would ask "what do you think?" at the end of a presentation rather than a solid "any comments on this proposal?". What a difference!

“The class was good in its practical application of the sales techniques to just about any situation – learning about predictable patterns of behavior, driven by one's individual personality type is extremely helpful.”

“ Your class helped outline how to identify one's personality type and the best way to address that person to get the best communication chain possible. The benefits of this are NOT to manipulate, but rather to establish the best line of communication with people who often communicate differently. That distinction helped people to overcome their discomfort with the perception that these techniques were merely a way of getting what you wanted at all costs.”

“The class helped me in just about every situation in and outside of work. I tend to think about it when I speak to people and there is a 'information blockade' somewhere.”

“The principles taught apply in life almost everyday. In particular for me, I find myself really trying to use the personality typing and relating that to what I need to do to accomplish my goals. I truly believe that by understanding how others think/feel allows me to make accurate predictions about how they will react to a given circumstance. Then, it is also possible to change what/how I say something or when I do something to maximize the probability of getting a favorable response.”

“ In my work role as a sales engineer, I now use this is nearly all of my customer interactions and, according to my boss, the results are increasingly positive. I know that due to this tech selling class, I am better at my current job, and more likely to continue to be successful in any other endeavor as well.”

“The class has helped me change my perspective in terms of how I approach different people. I think I've become more "in tune" with personal styles. I've gotten better with how I prepare presentations (I'm more focused, better prepared, however I still need to move around more). I have no interest in sales, but I am getting better at "selling myself." I may have a job change in the near future because of it.”

Based on these responses, the goals of the course seem to have been met. Students report that thinking entrepreneurally has bolstered their passion. Becoming consciously competent fosters their courage. And, indeed, they can make a difference.

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KEY WORDS

TECHNOLOGY
RISK MANAGEMENT
SELLING TO TOP MANAGEMENT
RELATIONSHIP SELLING
EFFECTIVE PRESENTATIONS
CONSCIOUS COMPETENCE
ENTREPRENEURIAL BEHAVIOR
UNDERSTAND THE BUSINESS CONTEXT
CHANGE THE BASIS OF COMPETITION
THINK LIKE AN EXECUTIVE