Accelerating Cost-Effective Growth

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CEOCFO Magazine

CEOCFO: *Mr. Kanter, what is the idea behind AuctusIQ?*
Mr. Kanter: As we have worked with CEOs around the world, it became apparent that B2B selling is harder than ever. What used to work does not work anymore. Buyers and organizations are becoming more complicated and more sophisticated, and buyer satisfaction with how they interact with sellers is continuing to drop year-over-year. There is just this constant drum beat and constant concern from executives around the world of how we really drive sustainable, cost-effective growth. There is an impressive history with the foundation of AuctusIQ. We built AuctusIQ to be a platform that is a combination of intellectual property, research technology and business process to help B2B organizations drive cost-effective growth through a more intelligent, better equipped sales force.

CEOCFO: *Why is it so hard for companies to recognize they are not doing it the right way? After all, most sellers are buyers as well.*
Mr. Kanter: I think the answer is a combination of a few major shifts in business, but the most important one is the onset of the digital age. We have more information, more data, at our fingertips than ever before, which means the buyer has more knowledge and more options than ever before. In a lot of cases, buyers actually understand the solutions better than a lot of salespeople.

When I started my first company in 1995, you only had to do $800 million in revenues to be in the Fortune 500. Now, you need to do more than $3 billion. The complexity of selling into these organizations has gone up by multiples, and there are multiple decision points during the selling process. There are also so many more business processes and systems in place for organizations to engage with vendors and for contracts to be signed and checks to be cut, which has dramatically increased the complexity for sellers.

CEOCFO: *According to the AuctusIQ site, there is not a single sales force in the world you cannot make better. Would you tell us about your platform and how it works?*
Mr. Kanter: AuctusIQ is based on a tremendous amount of research and a lot of practical, hands-on experience. I was the president, COO and co-founder of Kenexa, which was a human resource software company, and the IP from Kenexa helped formed the basis of AuctusIQ. We took Kenexa public in 2005, coming off a year in which we achieved about $40 million in revenue, and within seven years we had a $400 million run rate. At that point, the company was acquired by IBM in 2012. We had so many organizations that were coming and asking what it was that we did differently because our cost of sales was a fraction of the publicly traded companies we were competing against, yet our growth rate was off the

charts. From there I was the CEO of TwentyEighty, which was the holding company for the world's largest sales training and performance improvement organizations. When I left TwentyEighty, I took a few years to really study the sales training and performance improvement industry, and I realized there was something missing.

To fill the void, I teamed up with Courtney McCashland, one of the best business psychologists I have ever worked with, to acquire back intellectual property from IBM that explains the differences between high-performing sales reps – their knowledge, attributes and skills -- and the business practices that have the biggest impact on growth.

The new AuctusIQ platform has three key components. One is talent and intelligence, which allows sales leaders to hire the very best people possible. This is based on a model of excellence within a sales leader's organization, so that it allows companies to look at traditional and non-traditional candidates to understand their innate abilities. This method looks at ten critical selling competencies and the candidates' skill sets, and then it provides a playbook on not only who you hire but your current people, how to build a one-to-one coaching platform that is based specifically on the individuals in your organization. This alone drives an enormous amount of productivity.

> **"Sales is the only function of an organization that does not have set business processes. Most CEOs would never run finance without a business process, they would never run manufacturing or R&D without a business process, yet they choose to run sales without one. What we have done is take the smartest components that are not overly burdensome but are the things that lead to revenue growth and baked them into a sales process." - Troy Kanter**

The second is a coaching methodology that ties to the rhythms and cadences of the business practices of high-performing sales organizations. This methodology enables and equips sales leaders to become performance coaches, so that as they work with every sales rep, they drive performance improvement quarter over quarter. Coaching then becomes a day-to-day practice that the sales leaders deploy, not some training that is done once a year by the HR or training department.
Third, our methodology also has what we call a Deal Intelligence component. As I studied growth back at Kenexa, when we had that incredible run-rate, we discovered seven selling imperatives that, if regularly used, can improve win rates significantly. We have taken those imperatives and turned them into a dynamic selling methodology that overlays into a CRM. This is *the* playbook on seller actions that lead to high close rates. This playbook shows you step-by-step how to engage buyers and how to drive buyer reciprocation throughout the entire process. It really turns your sellers into true, trusted advisors. We know people buy from people whom they learn from, and we show you how to do that.

At the end of the day, these three things come together to really create a highly functioning, highly focused, highly metrics driven strategic advisor, selling model.

CEOCFO: *What types of companies are likely to engage with AuctusIQ?*
Mr. Kanter: B2B organizations looking to improve win rates, close rates and reduce costs of selling, from Fortune 500 companies to SMBs.

CEOCFO: *How do you work with a client?*
Mr. Kanter: Here's a good example of how we work with a client. Tim Geisert is the chief sales officer at Engage2Excel, a corporate recognition and employee experience solution provider to large organizations. Tim was tasked with trying to transform the salesforce in a highly competitive marketplace. He turned to AuctusIQ to understand what differentiates wins versus losses. We helped Tim implement the Seven Imperative Selling Methodology, so he had a data-driven approach to selling, a common language and a common framework. This allowed Tim's team to better engage customers throughout the sales cycle. Tim could also focus his reps on actual actions and actual conversations of the selling process. By transforming the selling process, his reps were differentiating themselves from the competition by adding significant value to the prospect during the entire sales process. That behavior gets reinforced and replicated on a day-to-day basis. Everyone Tim hired would go through our methodology so he would know where they were at skill-wise on day one, which dramatically increased their chance for success.

CEOCFO: *How do you help salespeople stay on course and not fall back on old habits?*

Mr. Kanter: How most sales training is done is by showing up at a conference that takes place inside an airport hotel, you learn for a couple of days and then you leave, ready to take on the world with a different approach. This feeling maybe lasts a week.

What we do is bake our methodology into your system on a day-to-day basis. We turn your sales leaders into performance coaches, making sure they have a system to track progress and interact with reps to reinforce what is being learned. Every rep, every quarter, within this coaching system has one to two competencies that they are going to work on, has one to two critical knowledge points within their industry that they need to become smarter about. And they are encouraged to practice every single day.

We also coach sales reps to track their day-to-day activities, such as the number of presentations they make, the number of phone calls and activities they have. These are captured and measured every day. This includes a daily update on the desired business outcome, where you stand on quota, where you stand on your learning for the week and where you stand on your activity. This is facilitated by weekly check-ins, so your progress is measured. Sales is the only function of an organization that does not have set business processes. Most CEOs would never run finance without a business process, they would never run manufacturing or R&D without a business process, yet they choose to run sales without one. What we have done is take the smartest components that are not overly burdensome but are the things that lead to revenue growth and baked them into a sales process.

Our seven imperative deal technology overlays the coaching and allows you to track in real-time the differences on the conversations that you are having with your prospective prospects that lead to win rates. You have real-time data on everything that impacts the growth of your reps, close rates and deal cycle times. The result is every conversation with a prospect is of high value and is data driven so that the process sticks better and becomes part of how you work on a day-to-day basis.

CEOCFO: *You recently launched your performance-based technology platform. Would you tell us about the launch and how it changes what you are doing or how you are reaching out?*
Mr. Kanter: For the last couple years, we have been working diligently on the science behind our platform. The Kenexa IP that we re-acquired from IBM has been strengthened by comprehensive studies of the world's leading salesforces about the latest generation of B2B salespeople and leaders. Then we put that on top of the 20 to 30 years of history that our IP is based on to really refine the models. Our measurement then, in terms of understanding each individual seller, their skills, competency and attributes, is without competition. As we refine these coaching and deal methodologies and incorporate them into a scalable platform, they have transformed into a valuable learning and insights platform that can help the largest companies in the world scale. And within the last three months, we have launched the products in more than 15 languages around the world.

CEOCFO: *What did you learn during the 24 months you were putting things together and what surprised about the AuctusIQ platform?*
Mr. Kanter: The biggest surprise is that sales organizations do not know how to consistently measure metrics that will actually drive performance. Once you figure out the handful of metrics that will move the needle, and you figure out how to document that, it is amazing how it enables the sales leadership team to focus. The problem with most salesforces is that they are confusing activity with actual business outcomes, and that was a surprise that there is such lack of measurement visibility in the entire selling process. Once you can put those measurements in place, it is incredible how quickly you can move the needle.

CEOCFO: *What is your strategy for the next year or so?*
Mr. Kanter: We will continue to help our clients exceed their revenue goals and continue to invest in our platform and grow our customer base.

CEOCFO: *When a company implements your program, is this an ongoing situation?*
Mr. Kanter: There is initial setup, and then clients become self-sufficient as their salesforce evolves. Some clients choose to engage with us on an as-needed basis.

CEOCFO: *What, if anything, might a potential client miss when they first take a look at AuctusIQ, and how do you present a complex program without overwhelming potential clients?*
Mr. Kanter: The people who instantly see the most value in what we do are executive committee members, CEO, COOs CFOs and CROs. They are trying to think about spend on selling as a return on invested capital. Once executives understand that you need to think about every dollar of sales spend as running an ROIC model, the light bulb comes on. They start to focus on things they can control, like who I hire and how I hire them, how I onboard them, how I coach them, how I ensure that I am measuring their knowledge and skillset to increase productivity. They realize they can turn sales leaders into performance coaches, creators of revenue, and then, deal by deal, they start to understand the interactions that are accelerating win rates and close rates. That is key. It starts with the executive leadership team.