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Deregulation Forces Utilities to Change Traditional Culture: Training your Staff to Respond

By Bill Scheessele, President of Mastering Business Development, Inc. (MBDi), UMA Member

Utilities that are entering a newly competitive marketplace must shift their traditional business model to survive. The deregulated environment requires marketing professionals to refocus from the traditional mindset, where ratepayers were assumed, to a competitive mindset that strives to retain current customers and attract new ones. Changing this culture entails embracing an externally focused, proactive business mentality—an Everest leap beyond traditional utility thinking.

The "How to" of Culture Change

Utility companies that want to take advantage of the opportunities deregulation presents must commit to proactive investment in people and process. In many cases, utilities have already tried to shift to a more proactive role by charging technically oriented utility professionals with the additional role of business developer. Electrical, mechanical, petroleum or chemical engineers, computer scientists, architects, or communications managers may now be expected to court current clients, find ways to grow accounts, and mine new business opportunities. To help move these professionals into their new role as business developer, some utilities have tried to run their folks through traditional sales training, often with mixed to disastrous results. An engineer may not be comfortable having to think, act, or be perceived as a salesperson. Other companies go the expensive route of hiring marketing professionals to be point persons in the sales process. However, these individuals often lack the technical expertise to manage the business acquisition process efficiently and effectively. The outcome is usually a demoralized tech professional unsure of his or her role; a disillusioned, unsuccessful marketing executive; a frustrated management whose revenue forecasts don't materialize; and a confused prospect not sure who to buy from. The end result is lost opportunities.

Crafting a Culture Change

Learning how to develop business requires a 180-degree turn from the typical selling perspective of giving presentations, asking for orders, overcoming stalls and objections, and maybe closing sales. Instead, the process of true business development requires a change in corporate business culture.

5 Tips for Becoming a Business Development Professional

These are steps that marketing professionals can put into practice immediately to put them on the road to establishing "partnerships" with their customers.

1. Treat Business Development as a profession . . . not a pastime.

Don't wait for the phone to ring. Be proactive and make the phone calls, set the appointments, and see the prospects and customers. Make business development a first priority. Use "other" time to finish the paperwork, update the database, do research on the Internet, etc.

2. Stop talking . . . and start listening.

That means leaving marketing materials behind, or at least out of sight. The less you take on the call with you, the less talking about it you'll do and the more information you could get. By asking the right questions about real business concerns, you could potentially uncover more opportunities over and above the one program or service your marketing literature boasts about.

3. Be externally focused . . . not internally focused.

Look outside your company's revenue goals to what's happening in your customer's world. Find out about industry problems. Put yourself in their shoes and try to see their needs from their perspective. Make a point to know the full range of your company's capabilities, so you're aware of all the current or potential problems you can solve or prevent as the company's representative.

4. Think long-term . . . not short-term.

Salespeople are often so focused on the short-term sale, they miss developing the long-term business relationship.

Business developers know and act in their customer's long-term best interest . . . even if it means foregoing a short-term sale. It's what trust is built upon.

5. Think like a business person . . . not a salesperson.

There is a significant difference. Develop the thinking to operate from the mental perspective of a business professional conducting business on a long-term, win-win basis, not just in a buy-sell situation. The professional in business development helps customers identify their concerns and then helps them to determine whether or not those problems require a solution, now or later. By moving beyond solving clients' problems, to preventing them, utilities can, in effect, become an indispensable business partner.

To successfully shift your company's culture to this level, the entire organization must adopt a proactive business development mentality. When management provides the conceptual as well as mechanical training that goes beyond traditional sales, business development professionals can sharpen the thinking, processes, and skills that enable them to capitalize on their considerable technical expertise to provide invaluable client consultation and bottom-line results.

The Utility Outcome

The transition from technical professional to business professional is a logical, doable, and duplicative process. Providing true business development training can produce long-term relationships between your utility and its customers and bottom-line corporate results in the new marketplace.

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