

Opportunity Management

A recent sales article dealt with the important issue of qualifying in any sales process. However in large complex sales involving many decision makers, basic qualifying skills fall far short of what is required.

 By [Peter Gilbert](#) 28 Nov 2005

Salespeople are, of necessity, born opportunists, but this optimism also has a huge downside. Ask the managing, financial or sales director of any organisation involved in large complex sales about the correlation between the sales pipeline, the sales forecast and actual revenue delivered. They will probably burst into laughter or tears or both. Forecast slippage is endemic in many sales organisations and many sales pipelines are wondrous works of fiction and fantasy. Why? Because of poor opportunity management.

Quite simply, opportunity management is a rigorous business discipline and a process for determining whether a sales opportunity actually exists, whether it is worth winning, determining the chances of winning, and evaluating competitive positioning and strategies.

Opportunity management poses four critical questions:

1. Is This A Real Opportunity?

Too often we neglect to dig deep enough and establish whether there is budget available, whether there is executive support from one or more influential players, what degree of political and financial risk is involved and whether there is a strong business case for making the purchase.

2. Will We Be Competitive?

Secondly we need to critically evaluate our relationship with the client, look at whether our solution stands up to scrutiny, understand how the buying decision will be made and establish whether our company has the necessary resources to win the deal.

3. Can We Win the Deal?

Thirdly, there are a number of factors that influence our ability to win a deal. Track record, executive relationships, corporate politics, competitors' strength, cultural fit and other factors.

4. Do We Really Want This Deal?

Finally, we have all won deals that turned out to be 'customers from hell' - deals you wish the competition had won. So it is vital to ask the tough questions. What is the upside and what is the downside? Will it be profitable and will it have strategic value for our business? Is the deal big enough to justify the sales effort?

Ask these and other high impact questions and you will find that many deals 'vanish like the mist in the desert sun'. On the plus side you will be able to focus your efforts where they really count, and earn an equitable return on the time, money and effort you invest.

ABOUT PETER GILBERT

Peter Gilbert is MD of sales and management consultancy HR Chally SA.
View my profile and articles...

For more, visit: <https://www.bizcommunity.com>