OVERVIEW

How many corporations do you know of that have a Chief Sales Officer (CSO)?

The titles of Chief Financial Officer (CFO) and Chief Operations Officer (COO) are familiar as are the newer titles CIO/CTO, Chief Information or Technology Officers. But what about the sales title?

It is interesting that all companies share three primary purposes: make or deliver something, sell it and collect the funds. While most corporate leaders will see the value of sales, the title – and often the accompanying respect for – of the senior sales person as CSO has been lacking.

When we look at the typical organizational chart we usually see the top sales executive carrying a title that is less prestigious than the people in charge of other critical areas of the company.

The role of the CSO is similar to that of the other members of the C-Suite. They make high-level strategic decisions in their area of responsibility. They are usually invited to the important meetings and off-site conferences. Their input is as valuable as anyone else’s but their title indicates that the importance of their task is not as high as the people at the C-Level.

While they carry the title of Vice President of Sales (or Sales and Marketing) or even a title like Executive Vice President of Sales (and Marketing), they still have the same responsibility as the other C-Levels. They are ultimately responsible for the performance of the company’s sales team.

Or are they?
ROLE OF THE CEO

Think about this: what is a CEO? As Chief Executive Officer, the CEO is ultimately responsible for the decisions that are made at the highest levels of the company. This is the position where all of the other C-Level decisions and strategies come together for a final decision and corporate strategy. Therefore, the CEO takes input from each of the other C-Levels. Making a good decision requires having good data from good people. The CEO fills the C-Suite with good people who know how to find the good information.

“Without counsel, plans go awry, But in the multitude of counselors they are established.”

Solomon, Proverbs 15:22

The wisest man who ever lived, according to many, used the phrase “multitude of counselors” three times in his writings. Each time it was to show the value of being surrounded with good people and the danger of not doing so. Ultimately every leader must call the shot based on all of the counsel he or she has received.

So the CEO position is actually an amalgam of all of the other C-Levels. The CEO is ultimately for the corporate expenditures making this person the Super Chief Financial Officer (SCFO). They are also ultimately responsible for the operational efficiencies and effectiveness so they are also the Super Chief Operations Officer (SCOO). Regardless of their background or expertise in technology, the use or misuse of technology still falls on them making them, again, the Super Chief Technology Officer (SCTO).

The CEO who grew up in finance will find the SCFO role easier to play than the one who cut his/her teeth in technology. As a result, companies tend to become profit-oriented with a CEO who came from finance, operations-oriented with a CEO from operations and product-focused when the CEO grew up in technology. The CEO’s focus creates the corporate personality.

“The personality of an organization is a direct reflection of the personality at the top.”

There is more to business than spending and accounting for the money – the roles of COO, CFO and CTO. There is also the matter of revenue generation. That is where sales comes in.

In the pie chart above, sales is a no-show. But the sales results determine what the company has done and what the organization will be able to do. Sales results tell us about how our products and services are perceived in the market. Sales forecasts tell us what we can expect to have in expendable resources in the near future. Both of those are critical information that is important to have handy when major decisions are being made. The pie chart at the right includes sales participation but who is the sales leader? Lacking a true CSO, the next-in-command, usually the EVP of Sales, is brought in as another counselor. Still, the perceived value of the sales counselor is not as high as the others because of their title, not necessarily the value of their contribution.
When there is no formal CSO, the role defaults to the CEO. For many organizations this is not likely to change any time soon. So the modern CEO needs to understand how to serve in the CSO position.

There are two types of CEO’s: those who have sales experience on their resume and those who don’t. There are advantages and disadvantages for each.

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<tr>
<th>CEO WITHOUT SALES EXPERIENCE</th>
<th>CEO WITH SALES EXPERIENCE</th>
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<tr>
<td>ADVANTAGES</td>
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<td>The CEO is less likely to be too sympathetic to some sales weaknesses. They are less likely to give in on some common objections, such as the price objection, at least initially.</td>
<td>The CEO knows what is needed to make a sales team successful and appreciates the value of non-quantifiable aspects of sales such as motivation, recognition and sales tools.</td>
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<td>DISADVANTAGES</td>
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<td>The salespeople may not trust the CEO or take the CEO’s ideas seriously. It will be necessary for the CEO to build credibility with the sales team. Ways to do this include:</td>
<td>The CEO will have a tendency to think their way of selling worked well for them and, therefore, will work well for everyone else. In fact, there is no one right way to sell. To overcome this tendency:</td>
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<td>• Meet regularly with sales leaders, occasionally with salespeople</td>
<td>• Teach the PRINCIPLES, not the techniques of selling that worked</td>
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<td>• Make sales calls with and without the salespeople (usually with)</td>
<td>• Be open to new ideas</td>
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<td>• Congratulate successful salespeople who sell differently</td>
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**THE REAL WORLD**

In the real world the division of the CEO’s time is rarely as neat as the pie chart might suggest. The aspect of the business with the greatest need usually gets a larger portion of the CEO’s mindshare, time and effort.

For instance, when an entire industry is in a slump, a company within that industry will need to focus on expense controls because sales are not as viable an option. Example: when Congress levied an excise tax on yachts, sales of the big boats plummeted. Anyone supplying boat manufacturers had to either find a new market of had to pare back. In that scenario the CEO would want to focus on cost controls and would apply more of his/her resources towards being a SCFO. This is where many airline CEO’s seem to be spending much of their time.

Another scenario would be a company that is implementing Six Sigma as an approach to developing their next generation of products or implementing Lean Manufacturing to develop a stronger differentiation in their industry. That is a time when many of the company’s resources would be devoted to the operational areas of the business thus creating a need for the CEO to focus there.
HOW TO LEAD AS A CSO

Improving sales can often be a part of the cure for other corporate ills. When the organization needs to boost sales, the CEO finds their time moving toward the Super Chief Sales Officer role. Regardless of their competence or confidence, they are now leading the sales effort. How can they function better in the sales leadership role?

Trust and credibility go a long way with sales professionals. It is important that they believe they are being heard. Since more than 70% of selling is done at the subconscious level, salespeople must have an ingrained belief that the company they represent and the products and services they are offering are exactly what they are telling their customers they are.

“We cannot fool kids, dogs and customers.”

Customers know when the story they are hearing is accurate. Any doubt in the salesperson’s mind will be communicated to the customer directly or indirectly. At the same time, the salesperson may want to say something to the customer in a way that may seem to be “embellishing” and would not sit well with the analytic mindset.

For instance, suppose the CEO were to accompany the salesperson on a call. In this case let’s assume the CEO came up through the financial side of the business and is most comfortable “when all of the columns and rows add up”. The salesperson may open the call with a statement like, “Mr. Customer, we can have a positive impact on your bottom line. At this moment in the sales process the salesperson may not know how his or her product or service might impact the customer’s bottom line. Their experience has taught them how to ask the questions that will uncover the customer want or need that will lead to the sale. Lacking a clear understanding of how that impact might come about, the CEO would feel uncomfortable with the statement.

So what is the CEO-as-CSO to do? Here are a few tips based on some value-added selling principles:

- **Ask your salespeople good questions.** Rather than asking them how many sales calls they are going to make or how many units they are going to sell, ask them questions like, “What are the top three problems your customer is facing right now and what can we do to help them?”

- **Take the same sales training and refresher courses.** Stay on top of your game as a sales officer by keeping your sales skills sharper. You will understand the principles and techniques your salespeople are using and you will be supporting the concept of continuous sales improvement.

- **Think strategic but use street smarts.** The CSO is exposed to the latest ideas in the market and in the industries they serve. Balance the “latest and greatest” with the wisdom of the streets. Ask the salespeople before implementing new ideas and programs. Occasionally you may need to override their input but usually it is solid advice.

- **Network with other CSO’s.** There is nothing new under the sun – share your ideas and concerns with other people in your same situation.