Comparing the Two Newest Models of Sales Performance: Silent Edge and Corporate Executive Board

By Richard E. Plank

Two newer models of selling have been proposed by Silent Edge, a sales consultancy company headquartered in Great Britain and the Corporate Executive Board, a consultancy which is headquartered in the United States. Both companies provide a typology of salesperson style and argue for one specific type as being most productive. Each model is discussed, critiqued, comparisons are made and usefulness is analyzed. Each approach would provide value to those companies that are in a position to develop their sales force in the direction indicated by the models. Not surprisingly, the models are more similar than different, and each provides a somewhat unique window on sales performance.

INTRODUCTION

The performance of the sales force in developing revenues and profits for firms continues to be an important managerial factor. Corporate external training expenditures in 2011 are in the neighborhood of $60 billion (Anonymous 2011 p. 1), whereas sales training expenditures in 2007 were estimated at approximately $7.6 billion which constituted 13% of total training expenditures for that year (Peterson 2008). Actual total expenditures were about $130 billion in North America which equates to approximately 0.7% of total revenues of the firms (Hayward 2012). In general, technology firms spend more and service firms spend less.

During the past 20 to 30 years a number of selling performance models have been developed and implemented by firms worldwide. Both the E S Research Group and Training Industry, Inc. provide comprehensive lists of the major sales training companies. While the total number of firms, either in the US or worldwide, is not known, the industry is fragmented. It consists of many smaller companies with no one clear large provider of training services. E S Research provides a major service of evaluation of sales training and specification of training providers, whereas the Training Industry is a more generalized information provider that has developed top 20 lists in various categories including sales training. Companies such as Miller Heiman and Hurthwaite have grown through development of selling models for use primarily in the business-to-business sales arena and their efforts are covered by both sources above. Conceptual and Strategic Selling, Spin Selling, Value Selling, Solutions Selling, and Mastering the Complex Sale are a few of the titles that have been offered as sales models to improve sales force performance. Many of these ideas are incorporated within the companies that ES Research and the Training Industry observe. Other major companies listed by Training Industry, Inc. include: Customer Centric Selling, Achieve Global, Richardson, and Brooks. E S Research actually follows 40 different training providers and provides critiques.

Two new models, both research based, have entered the field and have been published in some form. However, neither of the two new models is currently covered by either E S Research or listed as a top 20 company by the Training Industry. The first model is called “Challenger Selling” by the Corporate Executive Board and is outlined by Dixon and Adamson (2011) as well as in Harvard Business Review (2012). Research to generate this model was done internally. The second new model has no formal label, but is offered by Silent Edge and has been outlined by Ryals and Davies (2010) in Harvard Business Review with a more complete report (Davies et al 2009). This research was done in concert with the Key Accounts Management Group at Cranfield University School of Management.

These two models were chosen for examination because both are relatively new presentations. Both models were developed following an extensive research process, however, “Challenger Selling” represents a completely new entrant in the sales training area; whereas Silent

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Edge has been in the industry for about 10 years, but utilizes a unique research approach. The Silent Edge research model relies on behavioral observation and thus presents a new paradigm from that perspective in sales training.

As noted above, both have been the subject of recent articles appearing in the Harvard Business Review and have been written for an executive level audience. Subsequently, the articles are concise and with minimal details. The purpose of this article is to provide a more in-depth analysis from an unbiased party which is readable by an operational manager who may be considering expending training money.

Both models will be discussed in detail; comparisons will be made and critiqued. Based on this analysis, potential value to the practitioner will be discussed. There are several contributions to be noted. This is the first time an analysis has been done of the two most recent products in the sales training marketplace. The analysis was done from the perspective of how relevant they are given the extent of changes occurring in the marketplace. The analysis also notes that while the presentations are different, there is more similarity between them than differences. While both tout a new approach, the newness is relative. While solid, these training programs do not really break any new ground. In some instances; however, their presentation from a new perspective offers a thought provoking outlook.

CORPORATE EXECUTIVE BOARD: CHALLENGER SALE

The Corporate Executive Board (CEB) is a larger consulting company with sales of about $485 million in 2011. The CEB has eight core function practice areas including sales and service, as noted on their website (Corporate Executive Board 2014). One practice area is sales performance. In addition to the book by Dixon and Adamson (2011), a number of supplemental materials are available for download on their website. The company also uses a blog as part of their marketing efforts. With the 2012 purchase of SHL, a leader in the general assessment of employees, their offerings cover many sales practices (Berson 2012).

Challenger selling began with a research project started in early 2009 to try and determine how effective salespeople, defined as those who managed to increase sales and/or margins on sales, were coping successfully in a downward economic climate. Poorer salespeople were facing decreased sales and lack of quota attainment. What they found was this was not so much about the down economy, but the ability to perform well in complex sales situations. This was about the changing world of solution selling and the ability to be successful within it. The research project initially started with 700 respondents, and grew to 6000 (Dixon and Adamson 2011 p. XII-XIV); however, the details of the research, samples, questions, and performance measures are known only to the company. One could conclude the company considers that information a trade secret and does not wish to disclose more details.

The first finding discussed is their discovery of the following five types of salespeople. The percentage of the sample indicated from the CEB was rounded up, driving the total to 101%.

- Hard worker (21%)
- The challenger (27%)
- Relationship builder (21%)
- Lone wolf (18%)
- Reactive problem solver (14%)

The hard worker does not give up easily and is self-motivated. The challenger has a different view of the world, understands the customer’s business, and is able to push the customer. The relationship builder gets along with everyone and is good at building advocacy in the customer organization. The lone wolf follows instincts, is self-assured, but difficult to control. The reactive problem solver is detail-oriented, responsive to stakeholders, and dogged in getting a problem resolved.

The second finding is that from a performance perspective, there is one clear winner and one clear loser. A total of 39% of challenger type sellers are high performers whereas only 23% are core or average performers. The low producer is the relationship builder where only 7% are high performers, whereas 26% are core performers. The lone wolf is the second high performance group while the others are significantly lower in their linkage to above average performers.
The study tested a total of 44 attributes, but only six were statistically significant in defining someone as a challenger salesperson. The attributes were:

- Offers the customer unique perspectives
- Has strong two-way communication skills
- Knows the individual customer’s value drivers
- Can identify economic drivers of the customer’s business
- Is comfortable discussing money
- Can pressure the customer

This led to the third finding that the challenger salesperson is the new solutions selling salesperson. The research notes that in complex sales the challenger type is 50% of all top performers. A challenger, by definition and by the attributes demonstrated, can challenge the customers to develop a mutually satisfactory value/solutions based sale.

SILENT EDGE

Silent Edge is a privately held consulting company of indeterminate revenues founded in 2002. It has trained over 15,000 salespeople and developed over 450 competency networks (Silent Edge Website 2014). While they offer no book and have not named their model, their research has been done in concert with faculty at the School of Management in Cranfield University and is reported in public forums as noted above. They also provide a number of white papers on their website.

They begin by focusing on three types of salespeople: new business generation, account or relationship managers, and telesales persons. To conduct this analysis, they measured 24 different competencies in terms of behaviors and correlated them to some measure of success. Data collection was observational with seven trained observers recording a total of 170 observations at a “real” sales meeting. Each respondent was measured at two different sales meetings. The sample size was large, 539 in new business generation, 199 account managers, and 64 telesales people. The sample was 75% male. All were from “blue chip” organizations with base salaries of from 35,000 to 75,000 pound sterling with the sample completely from Great Britain. Surprisingly, they found only minor differences between the three types and make a point of noting that telesales people are, on average, just as talented as the other two types. They conclude, in general, that “average salesperson is a pleasant individual who is knowledgeable about their products, but fails to position themselves in such a way as to distinguish either their company or product from the competition or to solve the customer’s problems”.

New business salespeople are more apt to use storytelling and are more into sales value propositions, but they score low on these indicating they need more training. They were also very low on negotiation and objection handling. Observations demonstrated they need to learn how to listening more effectively and then capitalize on what they determine.

Account managers are lower in rapport building and seem to not understand what is referred to as “customer pains” or “customer problems”. Account managers also seem to suffer from listening problems which may account for poor understanding of the customer problems relative to the customer’s business.

Telesales people were only measured on 15 competencies. This reflects the nature of their job and what can be measured. They were similar to the other two groups on those 15 measures, suggesting that they could make the transition, but they too had weaknesses in articulating differentiation, developing value propositions, and understanding customer pains.

The data were then analyzed to try and develop salesperson types and put the sample into a category. Performance was measured three ways: closing to the next stage, timeliness in getting to the next stage, and closing the deal. How these were ascertained; however, is not explained. In all likelihood they are observation based. The data indicated eight types of salespeople with the percentage of the sample for each indicated. The order is least to most successful.

- Socializer (15%)
- Deal-Maker (6%)
- Narrator (15%)
- Product/Service Focused (19%)
- Storyteller (7%)
- Consultant (15%)
- Product Closer (13%)
- Expert (9%)
Socializers are good at presenting themselves but significantly weaker on all the other basic sales skills. Deal-makers are hard price negotiators but are significantly lower on interaction with customers and poor at handling objections and creating solutions “on the fly”. Narrators are typically disorganized and have little understanding of the customer and are poorly suited for dealing with complex clients and sales processes. Product/Service focused salespeople are very good at using product service knowledge but poor in negotiation and sales propositional development. Storytellers are great presenters and general good all around, but are poor closers. Consultants are high quality salespeople, good at most things, but a tendency to be poorer presenters and also poor planners. Product closers are very high quality salespeople who focus on selling the product, not the service, and their only real weakness is their lack of ability to position sales against competition or use case studies and stories very well. Finally, experts are the best all-around salespeople scoring higher on most everything and having no real discernible weaknesses.

COMPARING MODELS

Both models are more similar than different. Each is based on research and while the Silent Edge model is far more documented, the Challenger Sales model has a degree of face validity when one examines facets of academic research which come to the same general conclusions. Both programs present a typology of sales types, a model not unfamiliar with most practitioners. There is some overlap with both typologies. The expert and the challenger are quite similar, as are the consultant and the reactive problem solver. From there it digresses, which is probably just indicative of the kinds of questions that are asked or, in the case of Silent Edge, the choice of which behaviors to observe and how to evaluate them. Both models identify what is clearly an important issue for many firms, especially in business-to-business; the sales process and buying process is becoming more complex and buyers continue to demand more and know more. To that extent, they are both proposing somewhat similar solutions to a problem they identify consistently across both presentations.

Both solutions seem to be directed toward the same end. Challenger is more direct and their model is more parsimonious: teach, tailor and take control of the sales process. Silent Edge gets to the same place. They also recognize the importance of having insight, being able to change the way a buyer thinks about value, and in effect, control the sales process by providing the kind of value to both buyer and seller that provides the best solution for both. Less directly, both understand the nature of co-creation of value; however, neither is direct about it. The outcome of both the challenger and expert salesperson is they are able to lead the co-creation process (Prahalad and Ramaswamy 2004).

The training that each offers to their clients revolves around developing the challenger or expert salesperson type within their client’s organization. This conclusion comes from an examination of their websites, white papers, and in the case of challenger, their blog as well as other comments from various blogs who have sought to comment on both Challenger and Silent Edge.

The Corporate Executive board offers what they call the “Challenger Program.” They position it as more than a single training exercise, but more as an organizational transition type program which, among other things, seeks to align marketing and sales. The key, they argue, is to start off applying new skills so that salespeople become challengers and sustain skill-building over time by enhancing the coaching abilities with the firm.

Silent Edge takes a somewhat different perspective. One product they offer is a train-the-trainer type orientation. A company can also license the behavioral evaluation schema and use that. The model is similar to what the American Society for Training and Development (ASTD) does with their program (Lambert, Ohai, and Kerkhoff 2009), but with the observational model that Silent Edge uses which is unique to their presentation. They also sponsor shorter term sales and sales management programs and, in line with the train the trainer idea, will help their clients develop and run their own sales academies geared to its organization, but involving the Silent Edge model and methodology.

A CRITICAL ANALYSIS

The analysis is framed by asking the simple question: “Is the work new?” The answer is simply no, the work is not necessarily new. There is nothing in Challenger
Selling that is not provided in Miller, Heiman and Tuleja (2005a, b). The same can be said with various value selling books that have been published such as DeRose (1989), Shonka and Kosch (2002), and even DeVencentis and Rackham (1999) while more sales management focused deals with the same issues. Similar sentiment can be said for customer centric selling or solutions selling, the titles of some books which all focus on providing value to the customer as a focus, not a sales focus. Although counselor selling research has not progressed past the original work (DeCormier and Jobber 1993), much of that model is inherent in the more recent works.

One might argue, as Rackham has in the forward to Dixon and Adamson (2011 p. XII), that this is what he refers to as the fourth breakthrough and in response to a purchasing revolution. Therefore, the difference is in competency set three, control. While not new, the idea of how it is done: understanding value drivers and the customer’s business and using that to get control is attractive. This is called business acumen by some and actually has a history in the academic literature of at least 70 years. A recent white paper (Green and James 2014) provides an argument for the power of salespeople using extensive business acumen for higher levels of success. The fabled marketing concept is an abstract way of thinking about what the customer wants and then providing it. At best we are talking about a more explicit value approach. The academic literature has only recently used the term value from the perspective of how the customer perceived it (e.g., Anderson and Narus 1999). However, a close reading of early organizational buying behavior theories, e.g. Webster and Wind (1972) and Sheth (1973) show a preoccupation with models of how buyers think about value even if the terms are not explicit. Again, Rackham and DeVincentis (1999) approach this from the purchasing revolution with a more strategically focused argument directed at the entire sales function.

It is also probably useful to examine in some detail Miller Heiman and their approaches called conceptual and strategic selling (Miller Heiman and Tuluja 2005 a,b). Miller Heiman provides a number of training programs to salespeople, but the two core programs are strategic and conceptual selling. Strategic Selling, as the title suggests, provides the “bedrock” for the salesperson to think strategically about the sales problem and identifies six key elements. Understanding the buyer and providing value are at the center of strategic selling. The emphasis in conceptual selling is more on the face-to-face skills needed to implement the sales strategy. While they don’t explicitly deal with controlling the sales conversation directly, that is embedded throughout their presentation in various areas: differentiation, joint venture selling, dealing with basic issues and commitment, and their entire notion of what you want the customer/prospect to do.

Academic literature has recognized the rise of purchasing to a strategic level in the organization for over 30 years (Spekman and Hill 1980). It could be said that being explicit on controlling the sales conversation is a more direct approach. Insights on how Challenger Selling proposes to accomplish that are outlined in chapter seven (Dixon and Adamson pp. 119-139). This can be summarized by their notion of clarity of direction and creating real value for the customer.

The same could be said for Silent Edge. The approach to teleselling is somewhat unique and the findings do support the many companies who have trained people as inside salespeople before sending them out. Dividing the sample by types of salespeople, new business oriented, account managers, and telephone salespeople is also somewhat unique. Again it might be argued that while some skills and competencies overlap, much as the ASTD study (Lambert, Ohai, and Kerkoff, 2009) found, there are some differences according to context. Much of what Silent Edge proposes is already part of major training programs as noted above in the Challenger critique. What is unique is the measurement model they used to determine behavioral performance outcomes. They did not use the typical self-report questionnaire method, but had trained reviewers evaluate at least two instances of each behavior in the field and had at least two reviewers for each behavior. One can only assume, but it appears they used versions of behaviorally anchored rating scales for each measure and had 170 of them. Again, as with Challenger, they do consider these measures to be the core value of what they sell so they are trade secrets in essence.
Typologies of different types of salespeople have been a central focus of much research in selling. Both of these efforts establish another typology and while the two presented have some overlap as noted above they are not the same. Those familiar with marketing research practices in depth will realize that the nature of the typology depends on both what questions are asked as well as the sample. In addition, how categories are actually named is an art and different people looking at the same data may very well come up with different naming conventions. We have no idea how the Challenger typology was developed, but it looks to be traditional in terms of methodology. The Silent Edge typology methodology is outlined (Davies et al 2009) and is traditional.

ENGAGING THESE TRAINING APPROACHES

If you are engaged in complex sales you have probably already seen how changes in your industry are impacting your ability to be competitive and profitable. If you believe your sales force, or at least portions of your sales force, would benefit and improve their sales by developing and using the skills inherent in both of these solutions, then either program is a candidate. Rather than believing such, one might be interested in doing competency analysis of their existing sales force. A knowledgeable baseline will allow the manager to make a decision as to which program, if any, is viable. Such a baseline would probably use the 29 core competencies from ASTD (Lambert, Ohai, and Kerkoff 2009), and use that to examine both Challenger and Silent edge, although it is likely not all 29 need to be used nor may be appropriate for the sales force being analyzed. Since both organizations base their programs around the ability to create significant value propositions they both should be able to analyze or help you analyze your situation and provide for you an estimate of the value you are likely to garner for your investment.

Another important issue is the maturity and overall skill level of your sales force. If their skill levels are high in relation to competitors in the industry, then the return on investment is not likely to be very high as improvement opportunities. An important issue to consider is the linkage between aptitude and skills, especially in the hiring function related to sales. If you are going to be adding a good percentage of new salespeople either through attrition, turnover or growth, both programs provide an important linkage. Challenger provides a series of questions (Dixon and Adamson 2011 p. 210-214), that are useful in understanding if the potential candidate has the requisite aptitudes and skill development in the six competencies they argue are critical. Silent Edge is more advanced given their program is built around 170 measurable behaviors, thus providing the means to construct behavioral interviews with measures already developed. In general, structured interviewing has been shown to provide more valid results in terms of employees who can do the job, but behavioral interviewing increasing the likelihood of hiring a successful employee (e.g., Salgado 1999; Schmidt and Hunter 1998).

Both programs are more geared toward an overall solution and a restructuring of your sales force and are not positioned as a simple several days training solution. The Corporate Executive Board is very explicit about this, whereas Silent Edge is less explicit and provides several shorter two-day sales training seminars. Therefore, you must be willing to engage in a lengthy and probably expensive process over time to improve your sales force.

Obviously if you are not engaged in complex selling and your industry faces a different competitive structure where there will be no advantage to such training, then it should not be considered. What is missing from both programs, at least explicitly is training on planning. Planning sales presentations has found to be very important in driving sales success (Reid, Pullins, and Plank 2002), and in being successful in negotiation which is a large part of selling (Peterson and Lucas 2002). It should be noted that planning was an important factor in the competency framework developed by ASTD as well (Lambert, Ohai, and Kerkhoff 2009).

Another important consideration for some companies might be how to incorporate this material into a self-directed learning program they might have developed (Artis and Harris 2007). From their websites it does appear that Silent Edge might be more amenable to such an arrangement. However, one would have to contact the organization.
SUMMARY

Both organizations have the ability to provide significant value to their clients. While neither presents a new paradigm, both have provided significant focus that relates to the changing landscape of organizational buying and selling. While both organizations provide services that will likely help the buyer get to the same place, there are differences in how they approach that process. The Challenger Sale is narrower in its competency framework, whereas Silent Edge has a broader model. Silent Edge has more history in this area (2002), whereas the Challenger Sales dates from 2009-10 as a product offered by the Corporate Executive Board. The Corporate Executive Board is an international company with headquarters in the United States and can provide these services worldwide. Silent Edge is a United Kingdom company, and there is no indication of their ability to offer their services outside of the UK. Both approaches are timely and provide a significant competitive challenge to many of the other companies in the sales training industry.

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