



# How sales leaders can **survive** and **thrive** in uncertain times



**Challenger**



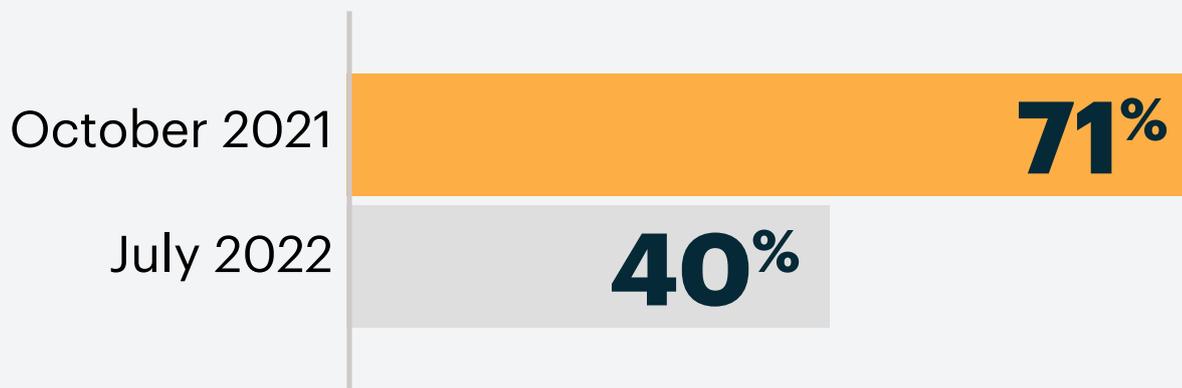
While curveballs and uncertainty loom large over economic forecasts and balance sheets, businesses can still meet ambitious sales goals in 2022 and into 2023. As we discovered during the Great Recession, organizations that identify, support and replicate the behaviors of a certain type of seller – the Challenger – will thrive, even in uncertain times.

## State of the market and the sales industry

Two years ago, economists predicted a recession as a result of the pandemic. Yet business-wise, 2020 and 2021 fared better than many expected. Now the market appears to be softening.

Challenger observes this trend in multiple ways. Business optimism, rated by sales organizations in our Pulse survey, **fell from a high of 71% in October of 2021 to a high 40% in July of 2022.** Moreover, clients tell us large deals have been postponed, “just in case.” A wariness has settled over the market and the sales industry.

### Business optimism



# Time to dust off the recession playbook

According to Challenger's research, the best sales organizations systematically reduce risk in their operations during times of stress, dusting off their recession playbooks. With careful planning, these businesses not only survive but thrive during uncertain times.

**Among sellers, those who harness Challenger-driven behaviors – grounded in the ability to teach, tailor and take control of the sales conversation – win deals.**



# Shift sales strategy

The last few years of low interest rates and easy money have encouraged an emphasis on sales volume and growth, with less concern for profit. In good times, sales organizations benefit from momentum. They cover territory fast and bet on sectors that show high growth potential. Revenue quality might matter less. In challenging times, sales organizations often look to their installed base for revenue opportunities as new customer acquisition becomes more difficult.

When this change occurs, sales teams may find it difficult to pivot from a strategy focused on getting new customers. To guide the necessary shift in sales strategy, leaders should coordinate with marketing and finance teams to direct sales teams in three critical areas:

## 1. Accounts.

Sellers need to drill down into four “rights” early in the process: the right accounts and the right buyers, in the right places with the right fundamentals. If this step goes awry, not much else matters. Questions to ask include: How many of our existing accounts truly align with our Ideal Customer Profile (ICP)? Where does our solution provide significant business benefit and where do we see strong potential for lifetime customer value?

## 2. Insights.

Insights remain critical to decision making and sellers. More specifically, sellers need insights for different accounts, along with a strategy to communicate them during prospecting and initial sales interactions. It is important to note that a stellar insight derived during a period of growth might sound like a luxury to customers concerned about reducing organizational risk.

## 3. Realistic forecasts.

Based on a new revenue plan, leaders should assess whether forecasts are attainable or if it is time to plan for slower growth. Then re-budget accordingly.

To ensure organizational alignment, create predictable and well-run sales processes with clear guidelines for reps to follow. Revise account plans to acknowledge the reality of January 2022 no longer holds. With structure, reps are less likely to waste time and the business will discover more quickly what works.





# Re-engage high performers

Challenger's groundbreaking research a decade ago revealed that a specific type of seller – the Challenger – thrives during uncertain times, especially when that person receives the right support and resources. Moments like these make the careers of great sellers. Leaders should embrace their highest performers and solicit their support for commercial pivots. Here are some tactical steps for guiding this process:

## 1. Assess individual capabilities to know your team's strengths and weaknesses

In this environment, business leaders need trusted hands, sellers who can deliver revenue time and again. Identify high performers. Watch how they pivot during uncertain and turbulent times. Extract the specific knowledge, skills and behaviors they activate. Then teach other sellers those winning attributes and reinforce them throughout the year.

Simultaneously, be aware that these high performers have shouldered a high level of responsibility over the past two years to hit high growth targets. Relying on them repeatedly can lead to burnout. To avoid an exodus of talented sales professionals, ask about and supply the tools and internal resources they need.

## 2. Prepare sellers for tough conversations

In times of stress, buyers become risk averse. Some erroneously assume the wisest course of action for sellers during this period entails watchful waiting. Instead, Challenger has found that the most effective response to buyers' inaction is simple: empathy – to a point. High performers acknowledge buyer's concerns. But they also press the importance of a solution. They explore the customer's pain just enough to spark action, while skillfully leveraging constructive tension to drive conversations. Then they lead the customer to a relevant solution, nurturing an openness to new ideas in the process.

## 3. A clear plan to success

To succeed in uncertain times, leaders need a clear plan to invest in talent, remain nimble in sales strategies and engage in challenging conversations with their sales team.



# Future-proof your sales team

While there is no surefire way to avoid stress and tumult during periods of uncertainty, you can future-proof your sales team by understanding and then reinforcing the behaviors, skills and systems that propel high performers to win deals. Challenger partners with organizations to set and achieve ambitious sales goals. Reach out to us to learn more.

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