

The change management battle: **Sales vs. Senior Management**

Change management is a dirty word in the Consumer Packaged Goods (CPG) industry. It is, without a doubt, the biggest hurdle companies face when deploying new technology that will require the adoption of new processes, and ultimately new behaviors. A true Trade Promotion Management (TPM) solution, for example, is oftentimes opposed by the Sales team, which becomes the organization's first major battle in the quest for cultural change.

The bully tactic

At most CPG companies, the Sales team rules the roost. The team will leverage its clout to diffuse talks of moving away from spreadsheets in favor of a TPM solution. Without hesitation, Sales will present senior leadership with common "excuses" such as:

Sales should be selling, not relearning how to manage plans or sitting in front of a computer all day.

Spreadsheets are faster; a TPM tool will simply slow down processes and business will suffer.

Planning in spreadsheets doesn't require internet access and is more convenient for a Sales team on the road.

The list doesn't end there, but it's obvious these objections are deeply rooted in the fear of change, rather than the inability to navigate and comprehend a tool that can bring real value to the company. According to the 2015 TPx Survey conducted by the Promotion Optimization Institute, change management issues are far bigger than the technology itself. In fact, the act of change is the catalyst, not the TPM solution.

So, how can CPG companies help Sales reps get over their fears? First, organizations must break down the amount of change the Sales team can digest into strategic stages. (See Sidebar) Perhaps more importantly, senior management must stand up to Sales and stop being bullied to reject change.

Fight back with facts

Oftentimes Sales is successful at convincing senior leadership that learning and using a TPM system will take too much time and will slow down productivity. In reality, the time it takes to plan, track, manage and settle promotions in a TPM solution is equivalent or faster than static spreadsheets. If the planning process is done correctly, the Sales team should not be in a TPM solution longer than 30 minutes per day. Plus, a cloudbased TPM solution is accessible anytime, anywhere and on any device providing mobility, security and transparency on the road. With the insurgence of WiFi hot spots and affordable data plans, accessing the Internet outside the office is no longer a viable debate for sticking with spreadsheets.

Aid user adoption

Not all TPM solutions are created equal. In order to achieve 100% user adoption, organizations should select a TPM tool that is cloud-based, lightning fast and easy-to-use.

CPG companies need to ensure they choose a software solution that was built with the end-user in mind – the Sales team – and includes logical user interfaces and meaningful reports that take minutes to create, not hours. A nextgeneration TPM solution will offer online training guides and pop up screens built into the system to walk new users through each step of building a promotion.

Enforce consequences

There is a bell curve with any new TPM software system. Twenty percent will love it, 60% will learn it and 20% will leave it. Senior management must implement and enforce real consequences for ignoring new processes and managing trade activity “the old way.” Some of the company’s best (or favorite) Sales people may not be cut out to transition from sales manager to business manager. It is the responsibility of senior management to hold the line, demonstrate executive sponsorship, make tough decisions and not look back. If a CPG company can’t drive the successful completion of a TPM solution, which includes implementation, training and enforcing user adoption, the company will be stuck using spreadsheets to track trade spend 10 years from now. If spreadsheets aren’t working now, they won’t be working in 10 years either.

10 stages of change management

- 1 Evangelize benefit scenarios
- 2 Define strategy and process
- 3 Identify a TPM Solution
- 4 Create a team of “change advocates”
- 5 Distribute regular communications from the CEO
- 6 Establish a training regimen, incentives and KPIs
- 7 Rollout technology in phases
- 8 Enforce user adoption as a condition of employment
- 9 Reject plans not created in the TPM system
- 10 Require additional training

Embrace the change

Change management is riddled with behavioral components. A successful process requires many phases, most of which must take place prior to an official technology rollout. CPG leaders who do not manage change correctly will over-invest in technologies, incorrectly use them, and lose valuable market share to those who do. In the end, the purpose of moving to a TPM solution is to put all trade plans into one place, create better visibility, improve promotion performance and better compete at the shelf – all of which will greatly benefit the Sales team.

A game changer for change management

CPGvision is the first and only TPM solution offering GPS for TPM: a next generation onboarding tool, change management aid and proactive on-screen tutor to accelerate user adoption and improve the learning curve that comes with implementing new software. The built-in functionality is designed to walk users through each step of building a trade promotion using a series of on-screen pop-up balloons and call to action buttons, without the need to change screens.



92% of CPG companies experience change management issues during technology deployment.

Stat Source: POI 2015 TPx Survey

About CPGvision

In developing the CPGvision platform, PSignite offers the premier revenue growth management (RGM) solution designed to help consumer goods companies grow revenue profitably. The CPGvision solution suite features trade promotion management (TPM), trade promotion optimization (TPO), annual planning (AOP), as well as price elasticity and scenario planning capabilities. PSignite prides itself on delivering the most powerful combination of functionality and ease of use, enabling clients to realize benefits from day one.

To learn more about our ready-to-use trade promotion intelligence, TPx and RGM capabilities, [get in touch](#) with our team.