THE DILEMMA

These are troubled times for U.S. Hospitals. Under healthcare reform they will be required to provide coordinated and efficient care while simultaneously achieving quality and cost targets. Those that are successful will earn a bonus and those that fail will be subject to a financial penalty.

This isn’t their only dilemma. Health care is a very capital intensive business. Hospitals must be able to generate enough cash flow from their operations to fund short and long-term strategic investments in their facilities, people, service lines and technology. Access to the capital markets is a requirement that is difficult for many to achieve and for others to sustain.

Never before has the hospital C-Suite been so laser focused on improving its quality of patient care and patient satisfaction while decreasing its costs and improving revenue. The C-Suite today is willing to accept clinically acceptable products if the price, terms and conditions are favorable.

To cope with an ever changing reimbursement climate and regulatory oversight, hospitals have introduced new measures to contain and reduce costs. They have joined GPOs and formed IDNs and RPCs. They have engaged third party product evaluation firms to provide assistance with objective analysis, buying criteria and decision making tools for the selection of equipment, supplies and services. Hospitals have also limited access to their facilities and personnel and they have implemented supply chain management, six-sigma, purchasing committees and spend management initiatives to control expenditures.

By acquiring physician practices and treating them as partners, implementing value analysis committees and initiating RFPs they are decreasing physician preference items and standardizing the products and services that are purchased.

These changes have fundamentally altered the buying process. Department heads and influential surgeons who often made purchase decisions in a silo are now being replaced by new influencers, new decision makers and new objective selection and approval criteria. For the supplier that can provide measurable value and prove it - this will be an opportunity to prevent commoditization and allow them to become a strategic and trusted partner with the C-Suite. For those organizations with no strategic, clinical or economic evidence the future will be bleak. They will be fortunate to be a vendor.

THE SOLUTION

Selling within hospitals has never been more difficult. To sell within hospitals in the future the seller must identify all of the external and internal factors that drive buying decisions. They must thoroughly understand a hospital’s functional structure, management and governance.

Knowledge of how a hospital generates its revenue and spends its money will be a basic requirement. Knowing how and when they budget and plan for capital purchases will be a necessity. Understanding their financial and clinical performance and how your product, service or solution positively impacts it will be paramount.

Astute sellers will also need to continue to adapt their strategies when they call on federal versus non-federal hospitals and for-profit and not-for-profit institutions.

They will need to understand from the hospitals’ perspective the role of GPOs, IDNs, RPCs, purchasing committees, the Governing Board and other influencers have on their purchase decisions.

Armed with this knowledge the seller of the future will be able to develop a strategy that will make them comfortable in the C-Suite, confident with purchasing committees and convincing with clinicians.
“Sales excellence is not a one-time event it’s a continuous event.”

For clients that only desire a Sales Simulation we are here to help. We will work with you to design and craft for your organization a Sales Simulation based on a real hospital situation and business challenge that your sales representatives are encountering. This is a highly interactive session that requires pre-reading and preparation before the program.

When you are trying to win an important sales opportunity it’s imperative that you execute great sales calls on the right people at the right time, with the right message. Sales excellence is not a one-time event it’s a continuous event.

During a Sales Simulation participants are distributed into teams. Each sales team must develop an overall account or opportunity strategy and then modify it as the simulation progresses and they are forced to react to realistic and challenging client situations. We keep it lively by introducing new but realistic challenges to them.

Each team has a Strategy Advisor that works with each team to reinforce strategy principles and tools used by your company. The Strategy Advisor is usually a member of your sales management team. Typical buying influences are normally played by company personnel such as marketing or senior management. These people are provided in advance with buyer personas and thoroughly briefed to ensure the role they play is realistic. A professional facilitator leads the session and is an observer along with one or more senior sales leaders.

The Sales Simulation is unique because you work with us to define a series of parameters that will apply to the simulated hospital such as: the type of hospital, their operating margin, the various buying influences, types of committees, competition, and your position in the account, marketplace changes and typical objections received. Finally, you determine the individuals within the simulated company on whom the sales teams will have the opportunity to make calls.

The Sales Simulation is an experiential program so learning occurs at three primary points:

**Strategy Planning Sessions**

During each session, a Strategy Advisor works with each team reinforcing strategy principles and tools used by your company.

**Sales Calls**

Following each sales call during the simulation, the sales team members observing the call along with a facilitator provide call-specific feedback.

**Presentation or Strategy Session**

Here, each sales team gets to see “their competitors” — an opportunity we rarely enjoy in real life. Yet, by observing the other presentations, each team becomes acutely aware of the different solutions proposed, differences in sale strategies, and differences in information obtained during the sales calls.

In the end the facilitator and sales leadership that were observers determines the sales team that best navigated the complex buying process. They are the winners of the Sales Simulation.