



# Implementation plan

Provider name / consortia members	<p style="text-align: center;"><b>City College Coventry and Stratford upon Avon College</b></p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Project title	<p style="text-align: center;"><b>EMBEDDING A COMMERCIAL APPROACH TO BUSINESS SALES</b></p>
Project summary	<p><b>To develop and embed a central sales team, which will have a portfolio drawn from across two colleges covering the West Midlands. This includes the establishment of a commercial KPI model as used in media advertising, an industry that underwent significant change in rationalising resources to maintain market leadership.</b></p>
What were the aims of the project?	<p>City College Coventry and Stratford on Avon College recognised the imperative to move to a more commercial approach to selling a whole portfolio of products and services drawn from the two colleges in order to make efficiency gains and provide customers with whole business solutions drawn from a wider portfolio of products and services. We identified that the work of the project fell into two distinct strands:</p> <ol style="list-style-type: none"> <li>1. Bringing together two previously competing sales teams to agree a portfolio of programmes for them to ‘sell’ with a simple sales and marketing plan across the project</li> <li>2. Introducing industry standard Key Performance Indicators (KPIs) to measure the success of the sales activity and therefore plan actions to redress any imbalance in activity</li> </ol>
What did you do?	<p>This LSIS funded project provided the opportunity for our two competing colleges to work together to provide a new approach to promoting and selling our respective training and development offers. Both City College Coventry and Stratford on Avon College colleges have established ‘commercial arms’ with a similarity in offers, as perhaps would be expected. These ‘arms’ currently trade respectively as Charterhouse Training and SBS (Stratford Business Services). In each instance, we trade in our own rights, independent to and complimenting our main college offers; our main focus of attention for this project was on the sale of our full cost recovery courses.</p> <p>Our locations are a mere 25 minute car journey apart and as a consequence, we share common customers including some large Warwickshire companies such as IBM, Tenet and Severn Trent, as well as having an overlap in our courses on offer. It therefore made commercial sense to consider the idea of ‘shared services’ so as to increase and improve our overall client offers, market penetration and hopefully decrease both colleges’ operational costs - although to our respective sales teams, this idea could have been construed as rather alien.</p>

The first learning point for staff was to remove that threat by developing the idea that increased sales = increased resources therefore providing a real opportunity for growth as in this area of full cost provision there are no public funding constraints, just clean income!

***Shared services are not just about cutting staffing but result in increased business and growth.***

Although only 20 miles separates our two college locations, we are both surrounded by a staggering amount of competing education providers within our immediate locality, each offering their services. These include two universities (both with an extensive range of continuing professional development short courses alongside their degree offer), three Further Education colleges (with 12 campus locations surrounding Coventry and Stratford), plus at least sixty private training providers within a 16 mile radius. There are also specialist providers offering residential programmes for disabled students and dedicated skills for life deliveries. To succeed in this recession hit, cash strapped, competitive environment, we know that an attractive, targeted training offer is essential. Our second learning point was that we needed to work collaboratively to provide a more comprehensive offer to employers, therefore making our sales process easier as more products are added to the portfolio.

***Collaboration and partnership working results in increased provision and improved economies of scale.***

To support this joint working we acknowledged that a neutral person driving the project forward would be less threatening than one of the colleges taking the lead. To achieve this, we appointed an independent Project Manager with considerable commercial sales experience who undertook a complete review of the product portfolios of both colleges so as to get a grasp of our offers and understand current performance measures and target setting. We then held the first workshop for operational teams to begin to analyse and map mutual overlap and share ideas. Individual USPs (unique selling points), college strengths and weaknesses were also analysed. Our third learning point was that we should acknowledge and respect the expertise of others; using an independent commercial sales manager to support the project brought many benefits and helped to open minds.

***Buying in expertise when needed should be encouraged – don't be afraid to be 'commercial'.***

Through one to one support and a number of facilitated workshops we analysed and mapped both provision and performance monitoring. This work was stalled in the first instance as both Colleges restructured as a cost saving exercise. However the driver of the project – to increase business and therefore protect and secure jobs - was used to great benefit in moving forward post restructure.

Our fourth learning point was that the business doesn't stand still whilst we reorganise; there is an imperative to keep moving forward. Successful sales teams will not hesitate if clear targets are set and individual performance monitored. If this performance is not continually monitored - weekly, monthly, quarterly - then it is too easy to stand still whilst things go on around you.

***Seize the day, make the most of your opportunities whilst others are gathering their breath.***

Our LSIS funded contract required the hosting of two dissemination events. At the first, we made our collective clients part of the project by hosting a joint college event where:

- 1) they learned from an existing major customer how our training and development deliveries had transformed their company, leading to huge cost savings by encouraging internal promotions and reducing recruitment spend, and other cost savings initiated by course work projects undertaken by the learners with nationwide financial impact
- 2) they enjoyed the opportunity to partake in one of two training vignettes delivered by two providers under one roof

Our second event was for both public and private education institutions where we shared information with regard to our collaboration with a potentially critical audience within the sector – with mixed reactions.

***Keep your partners and stakeholders informed along the way; clients may be happy to share their learning experiences and successes with some of your other contacts which is likely to result in increased business.***

The most important output of the whole project was the bringing together of two, commercially sensitive teams. Building the trust and discussing the barriers to sharing data – both formally and informally – was incredibly valuable - even down to car parking passes, staff badges, conditions of service and mileage allowances. All this needs addressing before meaningful working relationships can be built. If not addressed then the foundations of the partnership will not be strong enough to be sustainable. The top down and bottom up approach simultaneously applied paid dividends.

***Trust, openness and pragmatism bring more results than strategy and cost savings exercises.***

What did the project cost, including LSIS funding?

The LSIS investment was £25,000; the colleges have invested an additional £17,500. The return on this investment is acknowledged to be a medium term return with real impact coming through for September 2011. However, we can already demonstrate that business has increased by 17.5% for an individual member of the sales team as a direct result of the setting and monitoring of performance targets. Against a full cost sales target of £511,000 per annum this should result in an additional £89,425 worth of business to one college.

Impact

In our project bid, we proposed to measure the impact of the project under five different headings;

- Increased sales for each college
- Increased income for each college
- Increased repeat business
- Increased cross selling
- Increased customer satisfaction

All these are very tangible, measurable impacts. It soon became evident however, that the project could achieve much more.

At the first meeting of the two colleges, it was recognised that providers share many of the same aims (retention and achievement), products and development costs (courses) and even suppliers (CRM software, etc). It therefore quickly became accepted by all parties that there could perhaps be a future in 'shared services in FE' whilst still retaining individual recognised identities, brands and proven specialities. This acceptance provided us with a springboard to enter into amicable and fruitful discussions which centred on existing business, strengths and weaknesses, enhancing and expanding current offers, collaboration, sharing good practice, implementation of KPIs, exceeding the customers' expectations, increasing revenue and profits, and meeting the desired outcome as required by the LSIS funded project. As would be expected, it emerged that many operational similarities existed along with common customers - and also service providers. Immediate areas for potential collaboration soon emerged. Once tasked with actions and given a positive approach to success, college sales personnel met on regular occasions to discuss and plan 'the way forward'.

Sharing commercially sensitive information brings obvious hesitance and risk when two competitors come together, particularly when there are common clients involved. Such an approach may not work for all providers but there are very few secrets once prospectuses are published or programmes offered on the internet and thus appear in the public domain. We were encouraged to share carefully selected pockets of information so as to make it possible to move the project forward, identify opportunities for collaborative working and set KPIs for the sales teams so as to measure success going forward. The main focus was on the promotion and sale of full cost recovery programmes which are openly advertised – especially from a pricing viewpoint – in both our colleges' publications.

***By early acceptance that competitors have identical aims, pooling ideas and thinking outside the box comes easy; it is accepted however, that this approach may not work for all providers.***

Both colleges' sales teams agreed that all too often, full cost recovery short courses can result in low levels of interest leading to course cancellations, loss of income, potential learner and employer frustration and inconvenience. We approached this head on by agreeing to promote open programmes common to both providers on common delivery dates such that our learner numbers could be pooled should low levels of interest arise, leaving learners with a seam free path to learning at either of our delivery locations and employers knowing that good quality training courses would be delivered on the dates agreed. Our initial plan was to promote these common courses starting from an agreed date some four months in the future - but within weeks, we found the need for course mergers and learner cross referrals in areas like IT and First Aid thus benefiting all parties. Our plan was clearly working – and earlier than originally anticipated.

The first joint promotional event for employers held in February 2011 clearly demonstrated that we were two providers working together in a seam free manner. We did this by promoting the newly increased range of training and development opportunities and each college delivered a 30 minute training vignette (IT and Health & Safety) under the same roof! 19 employers / clients attended and 16

LSIS feedback forms were completed with very pleasing comments.

***Sharing of information is not alien – most of it is already in the public domain. Trust will only be broken once. Internally, cost savings can be made whilst externally, employers and learners can benefit from a seam free approach to their required learning.***

Very soon, other collaborative opportunities emerged naturally; these included:

- Cross promoting specific NVQs not currently offered by both colleges thus increasing each college's product range and offering a single solution to clients
- Jointly promoting one day open programmes offered by both colleges
- Collaborative working enhanced further business usage of our respective CRMs, which we discovered have software common to both colleges but used in different ways and levels
- Working together e.g. in creating on line lead generations; (again, we found we were working with a common service provider and thus incurring double development costs for an identical product / outcome)
- Adding Skills for Life deliveries to support existing learners

***Remind yourself regularly of the original reasons for collaboration but be prepared for the emergence of other areas where working together can prove mutually beneficial – although that may not be the view of your common service providers.***

Sharing sensitive information with regard to the number of companies engaged with, the income generated, and the number of learners we engaged within those companies, helped us to identify areas where KPIs could feature going forward. Working with established and respected media industry connections - who had already exercised a similar approach to collaboration - helped in the design and implementation of KPIs that would fit in the world of education. These included tracking successful tenders; measuring impact of sales calls to conversion; comparison of income across two organisations year on year; benchmarking of resource etc. Some initial difficulty was experienced in measuring the impact of KPIs due to the lack of base data being available in a measurable format and we recognise it will take time to build up an evidence base to start to set meaningful targets. However, a start was made and some data can already be tracked weekly.

***If targets and KPIs do not exist – invent them and implement them; if they do, be prepared to modify them. There may be benefits to be gained if you look outside the world of education for new ideas.***

What were the benefits of the project?

**Here are ten benefits we have identified:**

1. Embedding a commercial approach – includes use of language and presentation
2. We work smarter not harder – turning it into a reality with real examples
3. We collaborate rather than compete – creating a basis for developing other initiatives once the links have been forged
4. Developing and maintaining trust – creating a basis for development between our two organisations, with a track record behind us
5. Sharing good practice and ideas – together and with others who attended the dissemination event
6. Procurement, buying power and resource utilisation – we see the opportunity for improved purchasing power
7. Access to other initiatives together – e.g. Skills for Life support for Employers not originally offered by both colleges
8. Improved reputation internally and externally – between our colleagues and customers
9. Opportunity to listen, learn and evaluate – TIME
10. Extending our activities to include promotion of a wider offer – joint promotion of NVQs and open programmes

What were the savings and benefits?

In employment terms, by cross selling each other's offer and increasing the overall product portfolio, the salary of one member of staff at one college was saved, equating to circa £25-30k.

The main return was in terms of increased business which can be measured, and finally the benefits and spin offs from improved effectiveness which can't be easily measured e.g. improved customer relationships, enhanced reputation etc.

How did you calculate them?

Against the savings set out in the project we can measure the following:

<b>Target set September 2010</b>	<b>Achieved by March 2011</b>
10% increased sales for each college	17.5%
5% increased profit margin	8%
10% increased business	Not yet measured, annual outturn figure
25% increased cross selling	25%
3% increased customer satisfaction	Not yet measured, customer satisfaction survey May 2011

Cost saving impact became apparent to us when course cross referrals arose – albeit in small numbers – even earlier than had been envisaged. This was a direct

	<p>result of open and successful collaboration between two former competitors. Pooling needs to be carefully balanced but customer satisfaction is paramount and is enhanced when programmes are delivered as advertised, rather than when re-scheduled to better suit the college. We believe this also impacted as an improved learning and learner experience in terms of delivery to larger groups, again leading to reduced delivery costs. We envisage that there is much more to come in terms of savings going forward with common programme advertising, along with the promotion of an extended range of NVQs for both colleges and more.</p> <p>We strongly believe that client satisfaction is paramount and is being measured on an ongoing basis with the annual customer satisfaction survey being carried out in May which will provide a benchmark measurement. Benefits to both colleges, to clients and learners arose by virtue of less course cancellations, reduced learner / employer inconvenience, a seam free approach to local learning opportunities for a wider audience and the emergence of the originally desired extended whole business solution. As a result of our collaboration, a further identified potential cost saving could emerge in the creation of an on line lead generation tool which we could both roll out but with just one development cost from a supplier common to both our organisations. We are confident that other areas of cost savings and decreased costs will emerge in the future as a result of this collaboration.</p>
<p>What were the lessons learned?</p>	<p>We know in some countries and some specific industries that talking to your competitors is considered either as alien or in the extreme, as collusion which could result in severe consequences. Here in the UK where FE providers are openly advertising identical programmes (e.g. one day IT courses at specific levels), we found that it can make sense to work with another respected and closely geographically located provider to pool numbers from time to time to suit all parties.</p> <p>Increasing our own profile as a seam free, one stop shop for customers by including product(s) offered by another reliable and local source contributes towards customer loyalty and satisfaction.</p> <p>Pooling and sharing of learners needs to be carefully balanced – this is the area of risk and the need for trust. Collaborating on full cost recovery programmes is easier to balance in financial terms compared to funded learners.</p> <p>It can make sense to talk to your competitors rather than alienating them as it may be possible to learn a lot about your suppliers and how similar products and services are being offered to your competitors – perhaps at more favourable price levels or terms.</p> <p>Of course we accept that a sharing of services and a collaborative approach to sales may not work for all providers but there are very few secrets once prospectuses are published or programmes are offered on the internet and thus appear in the public domain. The aims and constantly measured targets of retention, achievement and profitability remain common to all providers; surely all ways of meeting these deserve consideration.</p> <p>Our LSIS funded contract required a second dissemination event – this was for public and private institutions and was hosted in March 2011. We decided to add this to the final of four Labour Market Indices workshops delivered by City College Coventry as lead provider under a strand of the LSIS funded Skills and Employer</p>

Responsiveness project. Fourteen delegates attended this event – 8 from the public sector and 6 private providers. We gave them an insight into the initial successful tendering of this LSIS funded project, our methodology and results to date; questions / comments arising included:

- It would be more difficult to adopt this sharing approach to funded provision – who would own the learner? Would a finder's fee be paid, etc?
- Some public providers were aware of shared services becoming more fashionable in FE particularly in areas like HR, Finance, etc and saw this as an interesting move
- Some delegates were encouraged to see that LSIS were trying to pull providers together whilst other funding agencies are fragmenting. In some respects, this is going back to how colleges worked and partnered before
- Sharing and promoting other providers programmes helps towards the TQS requirement of recommending an alternative provider if the course sought is not currently offered
- Fairness and risk should not be ignored - but trust will only be broken once

Our findings were well received by a potentially critical audience drawn from colleagues within the sector, made even more impressive with outstanding feedback. We detected that some delegates were perhaps as sceptical as our sales personnel were when this project was first launched on them but we had sowed some seeds in their minds.

***Taking clients, learners and even competitors on the journey helped us to review the impact of our actions at every stage and keep our minds focussed on what we were doing and why we were doing it. Positive client feedback in an open forum can only lead to increased business opportunities.***

#### **Ten Tips on what to do**

1. Ensure you have open and honest dialogue throughout, even if it is not working
2. Remember - simple ideas are often the best
3. Ensure your activity meets the criteria naturally and is not manipulated along the way
4. Agree together how you will measure success and recognise boundaries which cannot be crossed
5. Be prepared to really listen to industry, colleagues and partners
6. Ensure industry really understands what you are saying and why you are doing it; check and verify

What tips do you have for other providers?



7. Ensure all partners understand what is expected and are realistic
8. Make use of the support and experience available along the way (as we did from LSIS and an independent Project Manager); acknowledge this support
9. Have a plan but be prepared to change it
10. Have fun!

**Ten tips on what not to do**

1. Don't break the trust of your partners
2. Don't think you know the answers before the end of the project
3. Don't take on the world
4. Don't try to achieve everything in the first period of activity, prioritise and plan
5. Don't poach customers, clients or ideas
6. Don't act commercially without thought, reference or checks
7. Don't struggle on alone – access the support available
8. Don't ignore the competition
9. Don't think you can't do it!
10. Don't make things too complicated or complex

To conclude, this collaboration worked for our two colleges; it led to the creation of a wider sales portfolio, increased sales income and reduced operating costs for both partners. An interesting spin off was that it also put both colleges in a stronger negotiating position with our respective supplier base. Both colleges have enjoyed these benefits and ultimately, so have our customers. We are sincerely grateful to LSIS for funding this initiative and look forward to yielding even more mutual benefits in the future.

Further information and key resources



Team members from City College Coventry and Stratford upon Avon College at the Joint Employer Dissemination Event, February 2011

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