

August 22, 2017

Dr. James C.
Vice President of Sales and Marketing
XYZ Company

Dear James:

It was a pleasure to finally meet you, Joan and Susan. We appreciated the opportunity to learn more about **XYZ Company** and the role that sales and marketing play in the expansion of the company's business in the USA. Our conversation helped us develop a better understanding of your situation and how we might be a resource for you. I would like to review your situation, as we understand it:

Current Situation

XYZ Company is the world's largest supplier of services, fuel, engineering, and heavy components for power plants. The company is headquartered in Barcelona, Spain with principal subsidiaries in the United States and Germany. In 2011, XYZ USA was formed in xx. Through the years, XYZ USA merged and acquired other organizations, one of them being XXX Company in 2013. By March of 2014, XYZ Technologies Group (holding company) was renamed as XYZ Company. Headquarters for the US company is located in Houston, TX and Tom C. heads this organization. Tom was brought into the organization in June of 2012. Since then, he has re-organized XYZ and has put in place very aggressive goals. One of those goals was to grow sales by 25% annually, starting with a relatively small profitability. This goal has been achieved and profitability has gone up considerably.

One of Tom's main goals as CEO of XYZ Company USA is to help XYZ's customers power the world with safe, clean, cost-effective energy. He sees this happening by:

- Building relationships
- Understanding and anticipating customers' needs
- Developing and deploying responsive solutions
- Responding as a team with global resources
- Creating and actively demonstrating value
- Absolutely delivering on XYZ's commitments
- Supporting the company's people to make it happen

His imperatives for 2016/2017 are to focus on:

- Personal selection and coaching
- Resource sharing and integration
- Cost reduction without destroying morale
- Follow thru and attention to detail
- Motivation and morale

Since Tom came on board, the new organizational chart has been established to reflect the following structure for XYZ Company USA:



Tom established a separate sales and marketing organization that has been designed to generate sales that will contribute to the Senior Vice Presidents and Vice Presidents' goals for the year (P&L Centers). This group's main function is to continue to develop existing business and look for opportunities in other areas that have not been explored by the company in the past.

This new sales group is facing some challenges when working with product line managers. A lot of the challenges are due to the changes that have taken place in the past two years. People were very comfortable working at a level of expectation that was set by the old organization, which is now XYZ Company. A lot of changes have happen in the past two years in the market place and industries targeted by XYZ Company, such as bankruptcies, industry deregulation and economic changes.

These changes have caused the company to be more aggressive with its goals and rate of growth, as well as make some internal financial changes regarding salaries and bonus structures.

Work has been increasing and so far the sales group is on target. However, this group highly depends upon the product line managers and business development groups in order to deliver proposals on time and with

accurate information. Some salespeople have encounter reluctance from the part of product line managers in helping them meet customer's expectations. Product line managers, on the other hand, are feeling a bit overwhelmed since the work flow has increased. Since internal changes regarding salary and bonuses have changed, morale has been affected. People are working longer hours, having to meet higher expectations and bonuses are decreasing every year.

James is extremely concerned that without everyone on the same page, his group will not be able to achieve its goals for this year, and neither will the other groups. These groups have to work as teams and currently they have not been doing that to the extent that is necessary to ensure that they will be on target by the end of this fiscal year. The sales group might sell what is expected to sell, however product line managers and business development people have to be able to ensure timely delivery of proposals, pricing, and product.

Desired Situation

XYZ Company Senior Vice Presidents and Vice Presidents are aligned with the company's vision. They are achieving their goals and excelling in agility, speed of response, flexibility, customer sensitivity, follow thru, depth and quality of responses. Costs are fixed and low and XYZ is considered to be the leader, not only in Europe but in the United States as well. All employees that come in contact with customers speak the same language and are delivering the best solutions. These solutions are creative and customized to XYZ customer's needs. The company is making these solutions happen by providing a full scope of services that allow customers to rely on the XYZ expertise.

Because of its extensive global resources XYZ Company is a window on the world of nuclear technologies for its customers. The company's engineers and salespeople are more interested in helping the customer solve problems than in marketing to them. Whenever an answer is not available, XYZ engineers, product line managers, business development people and salespeople will get it from somewhere else because that is what is best for their customers.

XYZ Company's successful delivery of world-class products and services rests in the hands of highly trained and qualified people and efficient, quality management processes.

XYZ' greatest asset is their people, so the business is built on responsiveness and relationships. The company is communicating its strategies to employees and these employees are connecting their functions with the overall vision of the organization. People at XYZ Company understand how they, as individuals, impact the overall results of the organization, therefore they understand the value of working in teams to make things happen. Morale is high, and employees are doing what it takes to ensure customer satisfaction.

Salespeople and Product Line managers are working together to ensure that proposal going out to potential and existing clients are meeting and exceeding their expectations. Communication between salespeople and product line managers is on-going.

XYZ Company USA is living up to its vision of helping power the world with safe, clean, cost-effective nuclear energy.



Next Steps

James, Joan and Susan this is my understanding of your situation. I would appreciate your feedback letting me know whether I am on target. Once I receive your feedback, I would like to have a conversation with James regarding how we can help him use this document to approach Tom in a way that will create some changes internally that might greatly impact the sales group.

Joan, I will call you tomorrow afternoon to answer any questions you might have.

Sincerely,

To learn more about these concepts and how Strategic Enhancement Group, Inc. can help you in addressing these issues, contact us at (630) 377-4300, (888) 668-9382 outside of IL or StrategicEnhancement.com.