

Software Company

Private Equity Acquisition- Struggling Sales Transformation

Revenue generation strategy for a Private Equity software company struggling post-acquisition



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FAILING TO CAPITALIZE ON ITS GROWTH POTENTIAL

In the fast-paced software industry, an emerging company found itself at a critical juncture. Despite initial growth following its acquisition by a Private Equity (PE) firm, the company struggled with faltering sales execution. Recognizing the market fit for their product, senior leadership—comprising the CEO and the PE firm, which had acquired the company for \$5 million—failed to fully capitalize on its growth potential.

The core issues were multidimensional: an inexperienced sales team, inconsistent sales processes, a lack of sales leadership, and a compensation structure that did not incentivize desired behaviors. The company's unique product positioning had initially given the PE firm confidence that their investment could yield unprecedented multiples through a five-year invest-to-exit approach.

However, 18 months into their ownership, modest growth threatened their ROI vision, necessitating a dramatic change in the company's sales performance. This article captures the incredible story of how our Fractional Sales Leadership approach transformed the company's ability to achieve double-digit, year-over-year growth targets and significantly increase their market value. Through targeted, expert intervention, we laid the groundwork for a remarkable turnaround, demonstrating the profound impact of dedicated sales leadership.

Current Challenges

- High turnover within the Sales Department in past 12 months
 - VP of Sales
 - 3 Field Sales Team Members
- Non-Competitive compensation plans
- Inconsistent Sales processes and direction
- Lack of understanding of the competitive landscape and their ideal client
- Sales team was on pace to deliver, at best, 60% of the company's revenue target



TAKING ACTION



Private Equity Owner



Post- Acquisition CEO

The PE firm needed a strategy to elevate the sales team to elite performance levels. Rapid growth could only be achieved by establishing a systematic sales approach to guide the existing team and prepare for scaling. The CEO, a visionary leader, had relied on various sales strategies from previous sales leaders, but what worked for a start-up wasn't meeting their heightened growth targets.

After the latest sales leadership turnover, the CEO found himself back in the VP of Sales role. He realized he lacked the bandwidth and expertise to address their sales challenges, let alone design and implement an effective sales system.

Under these circumstances, our Fractional Sales Leadership expertise was the perfect fit. A colleague from my Fractional Sales Leadership group took on the assignment, which involved overhauling the sales organization that was stifling the company's growth. The objective was to create a sales infrastructure where solid players could seamlessly integrate, generating predictable and consistent success. This would eliminate the company's dependency on one or two sales superstars for most of their revenue.

A critical component was working alongside the current sales team as a coach to develop best-in-class sales skills. The goal was to build trust with the team and foster a culture of success. Through this approach, we aimed to create a sustainable and scalable sales system that would drive the company's growth and long-term success.

TRANSFORMATIONAL OUTCOMES

- **Strategic Sales Transformation:** A case where sales strategy and guidance transformed a sales team, enabling them to surpass revenue expectations.
- **Critical Sales Infrastructure:** Sales infrastructure is crucial for a company's success, encompassing motivational compensation plans, accountability-enabling systems, and processes ensuring consistent, scalable sales execution.
- **Impact from Skilled Sales Leadership:** The significant revenue growth resulting from an experienced sales leader who was capable of troubleshooting and rectifying sales processes, systems, and personnel deficiencies.

Evaluating the Current Landscape

The Fractional Sales Leader's mission was clear from the outset: to devise and implement a robust sales system that not only optimized the sales process but also nurtured the development of each sales representative, enabling them to achieve their individual targets. The company had a young, energetic culture, but it lacked consistent direction in harnessing the potential of its sellers. The issue wasn't a lack of talent or desire; it was that the sales team simply lacked the skills, direction, and coaching needed for success.

The revolving door of sales leaders and the CEO had failed to implement a sales operating system that consistently converted the sales team's raw talent into reliable performance. This disconnect between potential and achievement was a critical challenge that needed to be addressed. The sales department consisted of four representatives, but only one person was meeting what the Fractional Sales Leader diagnosed as an easily achievable sales quota. This discrepancy underscored a larger systemic issue: collectively, the team was achieving merely 60% of the targeted sales goal.

Value Elements to be Delivered for Enhanced Revenue Generation

- 01 Develop a Comprehensive Sales Strategy**
- 02 Implement a CRM System**
- 03 Define Ideal Client Persona and USP**
- 04 Sales Team Evaluation and Build Out**
- 05 Establish a Clear Sales Pipeline**
- 06 Align Sales Activities with Company Vision**
- 07 Streamline Operations and Processes**

In addition to these steps, the Fractional Sales Leader will streamline operations and processes to identify and eliminate inefficiencies, optimize productivity, and enhance profitability across the sales function.

Key Deliverables & Projected Value

01

Develop a Comprehensive Sales Strategy: Start by crafting a robust sales strategy that aligns with the vision and goals of the organization. Define target markets, set clear objectives, and outline actionable tactics to drive sales growth. Ensure that the strategy addresses the shortcomings in the current sales approach and emphasizes value creation for both the company and its customers. Formal delivery of a Sales Xceleration Playbook™ that will define the company's vision, sales strategies, ideal client's personas, target markets, value propositions, and the company's expectations associated with the process flow, sales system utilization and accountability for their role and defined deliverables.

Projected Value: Potential to drive revenue growth, improve operational efficiency, and enhance customer relationships, ultimately leading to increased competitiveness and long-term profitability. The Sales Xceleration Playbook™ is a comprehensive guide that outlines the documented sales process and provides an overview for both sales team members and company leadership. It serves as the standard operational protocol for revenue generation, ensuring consistency and clarity in sales activities.

02

Implement a CRM System: Invest in a Customer Relationship Management (CRM) system to centralize customer data, streamline sales processes, and improve team collaboration. A CRM will provide insights into customer behavior, facilitate lead management, and enable better decision-making based on data-driven analytics.

Projected Value: Centralizing customer data, streamlining sales processes, and enabling better decision-making, leading to improved customer relationships, increased sales efficiency, and ultimately, higher revenue generation.

03

Define Ideal Client Persona and USP: Identify your Ideal Client Persona (ICP) and articulate a compelling Unique Selling Proposition (USP) that differentiates your business from competitors. Understanding the target audience's needs and preferences will guide sales efforts and help position service and/or product offering as the solution they've been searching for.

Projected Value: Pinpointing target customers' needs, preferences, and pain points, enabling tailored marketing efforts that resonate with the audience and differentiate the business from competitors, ultimately driving sales growth and market positioning.

04

Evaluate Individuals and Build Out a Sales Team: Conduct 1:1 sessions with individuals to understand their needs and gaps that need to be addressed. Hiring individuals suited to their roles, creating results-driven job descriptions, and fostering collaboration through incentives and training. Encouraging teamwork and providing ongoing support will enhance individual skills and cultivate a culture of accountability and excellence within the team.

Projected Value: Expanding sales capacity, fostering specialization in sales roles, and leveraging collective expertise to increase market reach and drive revenue growth. Ultimately relieving the owner of sales duties, allowing for focus on strategic growth initiatives, and paving the way for scalability and long-term success.

Key Deliverables & Projected Value

05

Establish a Clear Sales Pipeline: Develop a structured sales pipeline that delineates each stage of the sales process, from prospecting to closing deals. Implementing a transparent pipeline will enable better forecasting, resource allocation, and performance tracking, ultimately driving efficiency and revenue growth.

Projected Value: Visibility into sales opportunities, improving sales forecasting accuracy, and enabling systematic lead management, thereby streamlining sales processes, maximizing efficiency, and facilitating sustainable revenue growth.

06

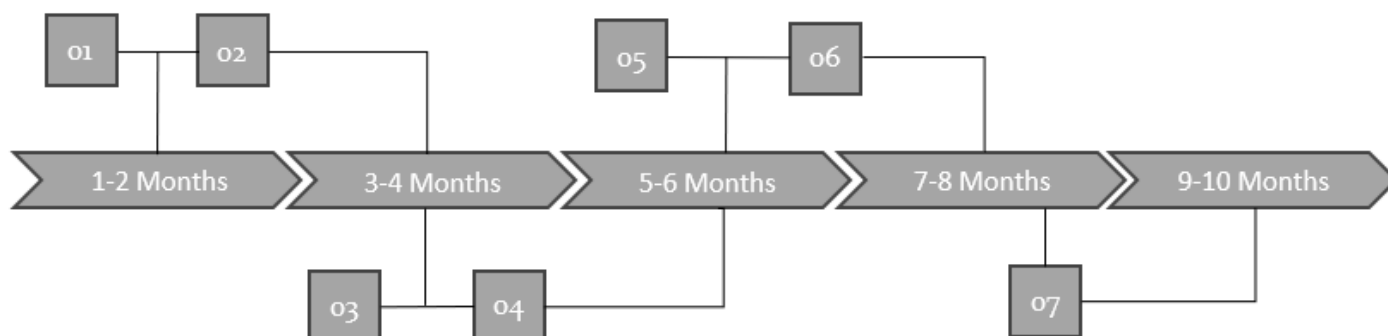
Align Sales Activities with Organizational Vision: Ensure that sales activities are in alignment with the broader vision and values of the organization. Encourage a customer-centric approach focused on delivering value and building long-term relationships rather than short-term gains. Emphasize the importance of integrity, professionalism, and ethical conduct in all sales interactions.

Projected Value: Ensuring that sales efforts are strategically aligned with the company's long-term goals and values, fostering a customer-centric approach that prioritizes sustainable growth, fosters loyalty, and strengthens the brand's reputation, ultimately driving increased revenue and positioning the business for success.

07

Streamline Operations and Processes: Identify and eliminate inefficiencies in sales operations and processes to optimize productivity and profitability. Streamline workflows, automate repetitive tasks, and leverage technology solutions to enhance efficiency and effectiveness across the sales function.

Projected Value: Increasing efficiency, reducing administrative burdens, and enabling the owner to focus more on revenue-generating activities, ultimately resulting in higher productivity, improved customer satisfaction, and greater profitability.





Building Out: Accountable and Confident

As is often the case when we enter underperforming environments, the arrival of the Fractional Sales Leader marked a pivotal moment in addressing the lack of accountability and confidence that plagued the sales team. The first step involved establishing a sales system that not only streamlined the sales process but also developed a new strategy.

This methodology was encapsulated in a customized Sales Playbook, providing comprehensive guidance on the company's value proposition, ideal customer profile, buyer personas, competitive positioning, and more. This playbook was instrumental in building the sales team's skills and confidence.

To instill accountability, the interim leader introduced a range of metrics and performance indicators that clearly outlined expectations for each team member. This granular performance measurement identified individual sales representatives' strengths and weaknesses, fostering a culture where each member understood their contribution to the company's overarching goals.

Through consistent sales leadership, hands-on coaching, and the implementation of a structured sales system, senior leadership began to see a positive shift within six months. Not only were leading indicator sales metrics improving, but there was also a growing belief that the existing team had the capability to achieve the company's rapid growth goals. The transformation was unmistakable and set the company on a path to sustained success.

THE PAYOFF

By addressing the pivotal issues head-on—streamlining the sales team’s approach, refining the compensation plan to align with core sales activities, and fostering a culture of accountability—the Fractional Sales Leader laid the groundwork for a radical transformation.

The results were astounding. **Within just one year of the Fractional Sales Leader’s entry, the client more than doubled its top line revenue run rate, skyrocketing from \$7 million to \$15 million, underscoring the effectiveness of the deployed strategies.** The introduction of a demand generation agency further accelerated momentum, capturing and converting leads more effectively than before.

This strategic overhaul didn’t stop at rallying the sales team; it extended to hiring the Fractional Sales Leader’s successor, ensuring that the company’s sales engine would continue firing on all cylinders long after the interim leader exited. This remarkable turnaround not only solidified the company’s market position but also dramatically increased its valuation

Despite their slow start, just a few years later, this once-struggling business was sold for an impressive \$50 million!



The resounding success of this strategic sales revamp showcases the transformative power of targeted, expert sales leadership intervention. This remarkable achievement underscores how dedicated, skillful guidance can drive significant growth and elevate an organization to new heights.

About Tidewater Solutions Group, LLC



TOP-LINE revenue is the lifeblood of any business, serving as the foundation of every P&L statement. Yet, it's surprising how many small to mid-sized business owners overlook the critical importance of a cohesive revenue generation system, team, and activities. At Tidewater Solutions Group, LLC we're dedicated to filling this gap by empowering businesses to optimize their sales strategy, processes, and execution. From assisting with hiring a dynamic sales force to transforming company sales cultures, implementing streamlined processes, and instilling best practices, our mission is clear: to align every aspect of the sales organization with the vision and needs of the business. With a focus on both strategic direction and tactical execution, we ensure that transformation within the sales organization is not only comprehensive but also sustainable, driving unparalleled growth and success.



Meet Shawn Dunahue, CSL the founder of Tidewater Solutions Group, LLC, where he serves as a Fractional/Outsourced VP of Sales & CRO. Shawn specializes in optimizing sales strategies, processes, and execution for small and mid-size companies, driving record-breaking sales results. With a focus on both strategic and tactical levels, he assists clients in areas such as sales force recruitment, transforming sales cultures, implementing new processes, and instilling best practices.

Based in Sarasota, Shawn extends his expertise to clients across Florida and the United States, leveraging his dynamic entrepreneurial spirit and visionary leadership. **Throughout his career, Shawn has consistently showcased an unparalleled passion for innovation and demonstrated exceptional business acumen.** His dedication to excellence has established him as a prominent figure in the business community, inspiring others to embrace change and pursue success in today's rapidly evolving landscape.

Experienced Background:

- Manufacturing- 30 Years
- Construction- 30 Years
- Energy Conservation- 15 Years
- Automotive- 10 Years
- Aerospace- 6 Years
- Consumer Package Goods- 20 Years

Key Roles: Plant Manager, General Manager, National Sales Manager, North American Business Manager (VP of Sales), Divisional CMO-Americas

Company Types: Large Private Family, Fortune 500, Global Private Equity Owned



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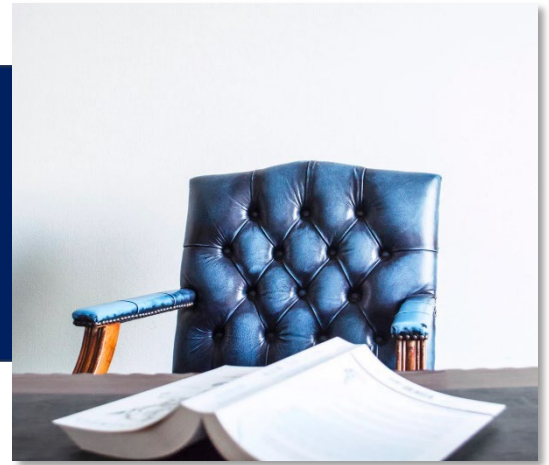


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Fractional/Outsourced VP of Sales & CRO Services



Tidewater Solutions Group tailored services for Startups, Private Equity, Investment Capital and Exit Planning

- **Sales Agility Assessments** that identify and address sales readiness of a client or prospect.
- **Sales Discovery Reports** which consist of a written evaluation of 12 key sales Drivers
 - Sales Strategy: Industry Positioning, Competitive Landscape, Value Proposition & Points of Differentiation
 - Sales Management: Sales Coverage, Sales Process, & CRM Utilization
 - Sales Analysis: Sales goals and quotas, metrics, reporting and dashboards & Compensation and Incentive Plans
 - Sales Organization: Sales Training, staffing and hiring plans & defined roles and responsibilities
- **Sales Xceleration® Playbook** is a comprehensive manual designed to empower sales teams with deliverables like the messaging, points of differentiation, ideal customer profiles, discovery questions, sales stages, and a consistent sales process.
- **Sales Infrastructure** which develops and implements elements such as forecasting, budgeting, compensation plans, job descriptions, organization charts, sales process, CRM implementation and/or usage enhancement, onboarding new hires, pricing review, and sales plans or strategy enhancements.
- **Sales Recruiting & Hiring** utilizing existing recruiting staff or our recommended retained Amplify Recruiting services to have the “right” individual in the right seat within the sales team or organization.
- **Sales Management** which may or may not encompasses Sales Infrastructure while managing all aspects of the sales organization included teams, processes and systems.
- **Sales Training** utilizing “Best in Class” training techniques and modules from the RAIN Group and can be provided for individuals and groups. This can be provided as self-guided or coached services.
- **Sales Xceleration Framework** is a hands-on process where we work with the executive leadership and sales teams to ensure there is a solid strategy, action plans and accountability to achieve revenue targets and departmental goals.

Based in Sarasota, FL, Tidewater Solutions Group offers services to clients locally, regionally, and nationally. Let's delve into how our services can assist you or your business in surpassing established revenue targets.

Schedule a free consultation today.

TSG walks alongside you to achieve your sales goals.

Our goal is the same as yours, to provide the right sales tools, processes, and team members to achieve your revenue goals with a sales growth strategy that works.



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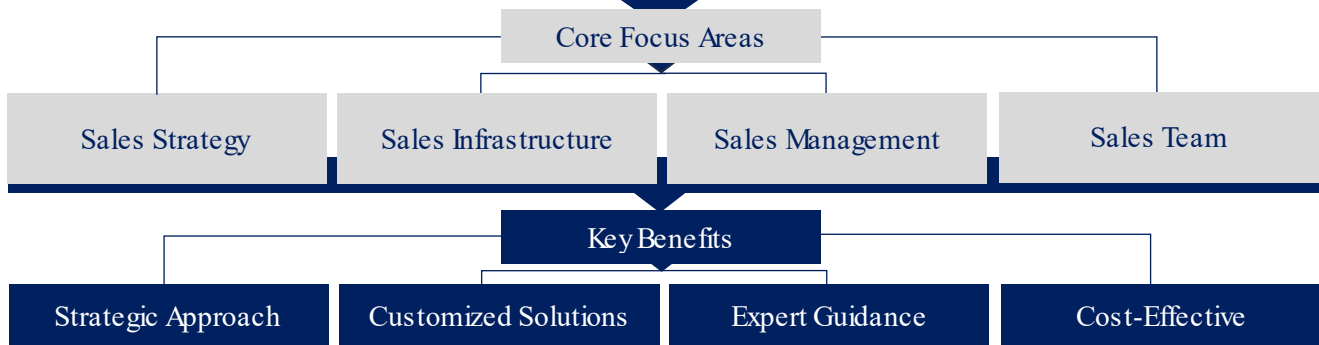
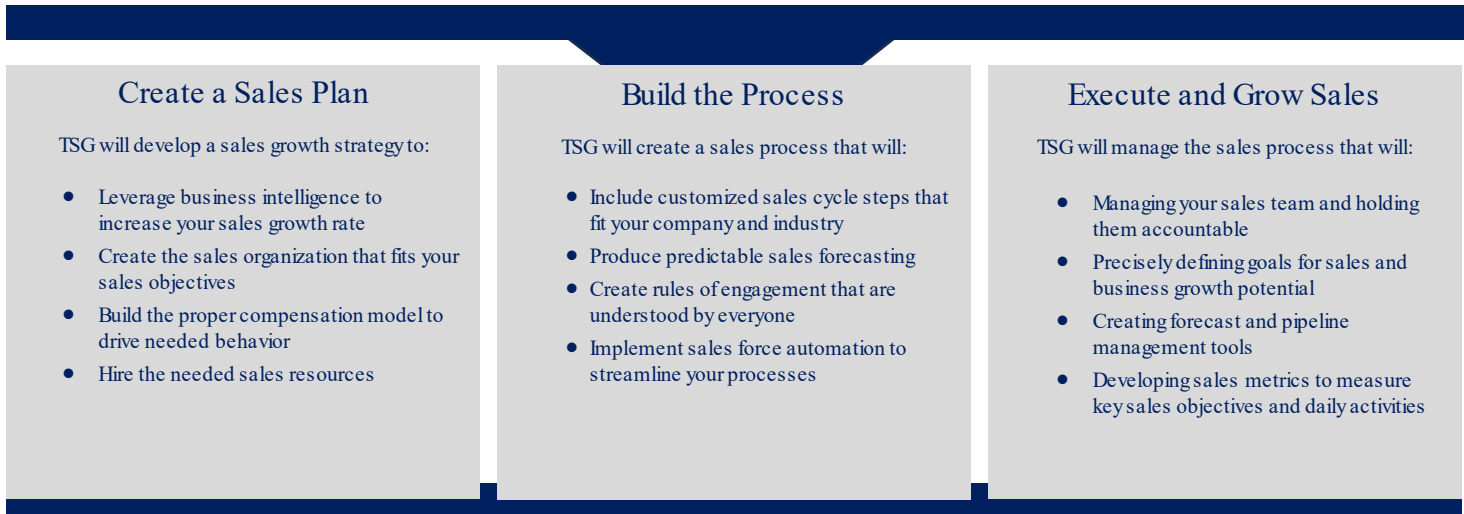


Fractional/Outsourced VP of Sales & CRO Services



Other Companies consult...at Tidewater Solutions Group, WE BUILD

TSG is more than a consulting company; we become a part of your team to help build a solid sales growth strategy by implementing our Certified Sales Operating and Management System powered by Sales Xceleration® to drive revenue. Our consultant does this by combining his certified sales leadership experience with the Sales Xceleration systems, tools, and processes to deliver results. TSG's service offering can do all or a portion of creating, building, and executing on your sales plan.



The answer to hitting and surpassing sales goals lies with having the right sales growth strategy in place. Time is critical. When hiring a full-time resource, it takes time to get up to speed and answer the question of can the individual deliver. Alternatively, hiring an experienced sales leader, at a fraction of the cost, who knows how to do this and can do it quickly is an option.

TSG walks alongside you to achieve your sales goals.

Our goal is the same as yours, to provide the right sales tools, processes, and team members to achieve your revenue goals with a sales growth strategy that works.