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to WIN, DRIVE, GROW



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Employee Details

Carsten Petry
Account Team Unit Manager

Phone: +45 44890739 X739

Country: Denmark

Industry: Public Sector

Training Taken

EMEA Readiness Course entitled *Developing a Value Proposition for the Public Sector*

Employee Profile

Carsten joined Microsoft when the company purchased Navision, a Danish ERP company. He has been in his current role since January 2006.

Business Situation

In an effort to control costs, the government of Denmark was delaying their technology upgrade or considering open source solutions.

Training

Carsten and his team members learned how to look at each sale from the perspective of the individual stakeholder and adjust their sales approach to that stakeholder's interests.

Benefits

- Closed a public sector contract worth over \$600k
- The ability to demonstrate and quantify the Microsoft value proposition
- The ability to communicate that value from the perspective of the stakeholder
- Increased awareness of building relationships by treating customers like partners
- Ability to demonstrate how Microsoft licensing can effectively reduce administrative costs

Developing a Value Proposition Leads to a Single Contract Worth over \$600k

Carsten Petry was facing a changing marketplace. Danish public sector buyers weren't buying. They were cutting back on upgrades or delaying them until the end of the year, a full nine months away. They were even thinking about open source solutions. But they weren't buying. So Carsten faced competition from two sources – other operating systems and his own installed base. If he didn't take decisive action, Microsoft would lose revenue immediately and might begin to lose market share.

Carsten took the action needed. He enrolled his team in *Developing a Value Proposition for the Public Sector*. The course taught them how to 'read' a stakeholder and better understand the individual values and motives of each decision maker based on his or her role in the organization. For instance, they learned that the Human Resources department will have very different values and interests than the IT or purchasing departments. Perhaps equally important, his team learned how to quantify the value of the proposed solution in terms of real money.

Now, Carsten leads the customer through the process of calculating the cost of each incident that would be prevented by a service contract. Then he compares that to the license and implementation costs for an upgrade. This has been a very effective approach.

Almost immediately after the course, Carsten secured a premier support contract worth \$600k over three years with a large public service agency. Now, he and his team are more confident that they can reach their revenue goals. In fact they have a large amount of business potential, and some of it is from public service agencies that had previously been unwilling to believe that Microsoft was the answer to their technology needs.



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“The course taught me how to calculate the true value of our product and services in real money, which led to a service contract worth \$600k over three years with a large public service agency.”

Carsten Petry, Account Team Client Manager, Denmark

Situation

The Danish government believes that IT can be used to improve the services the government offers. However, they also want to contain costs through delaying upgrades or employing open source solutions. In addition, any company that is going to compete in the public sector must negotiate the strict rules and regulations that govern the creation of three year enterprise agreements before it can then respond to specific tenders. In order to win an enterprise agreement, Microsoft needed to sell the value of licensing. In an environment currently interested in cost containment, this was becoming increasingly difficult. In this environment, Microsoft has two competitors – the status quo and open source providers.

Solution

Carsten and his team of three account managers and three solution specialists enrolled in a two-day instructor-led course entitled *Developing a Value Proposition for the Public Sector*. The course opened their eyes to the various perspectives and motivations of stakeholders in a solution sale and how to create a value proposition that would appeal to their individual roles and interests. In addition, they learned to calculate and present the monetary value of a solution. For instance, Carsten and the customer agree on a projected number of incidents per year, the number of employees affected, and the length of downtime caused by each incident. They then calculate the cost of these incidents. Now, they calculate the potential savings gained from eliminating some of those incidents through a service contract. Usually they are able to show that the customer

will save a substantial amount of money by upgrading or purchasing a service contract.

In order to ensure maximum applicability and results from the course, Carsten’s instructor asked him to invite an existing partner and an actual public sector customer to attend with his team and take part in the demonstrations. The Danish Rail system accepted the invitation. At that time they were resistant to upgrading and actually considering a move to a technology competitor. Having them there with Carsten’s team added real world insight to the class training and enabled the team to look at the challenges and issues of their partners and customers.

Benefits

From his thirty-five public service customers, Carsten now has a considerable amount of business in the pipeline. Shortly after the training, Carsten closed a large premier service contract with a very visible public agency. How did he do it? He used a formula learned in class to calculate the total value of the contract and potential savings in monetary terms. Then, he compared that to the cost of upgrading. The customer was convinced.