

# Case Example | Rightsizing the Sales Force with modus

Humatica's modus analytical tools are used to intelligently rightsize organizations so that they can master future markets – reducing current cost while building long-term, sustainable value.

## BACKGROUND & CONTEXT

- German sales organization of large health care multi-national
- Declining sales, increasing cost - Slow, steady margin squeeze
- Shifting distribution channels – channel margin, partners and behavior
- Growing low-cost internet channel
- Adding resources for new tasks and increased resources on old tasks
- Trapped by past successes

## MEASURES

- 20% reduction in sales force
- 12.5% overall headcount reduction
- Segmentation of organization & activities by customer segment/channel
- Restructuring and re-organization of sales force - expand key-account management
- Reduction / minimization of internet channel resources
- Re-organization of marketing activities between D, A, CH

## RESULTS

- Immediate cost reduction of € 2M
- Turnaround – achieved sales growth: moved from -4% to +5% p.a.
- Increase sales growth with new products and key accounts
- Improved ROS to 35%
- Sustained sales and profit growth 3 years after

## HUMATICA APPROACH

- Smart Rightsizing Sales & Service (modus)
  - Deep drill activity analysis, Productivity-Benchmarking
- Customer interviews to understand shifting needs & priorities
- Strategic requirements analysis – impact of shifting client and distribution channels on the organization
- Rigorous, individual assessment of the field sales force, KAMs
- Re-organization of activities, processes and positions around the specific emerging needs of different distribution channels, customer segments

