ICSC 2024 Case Addendum for Final Round

Case Addendum

Brian Murphy, CEO of ReliaQuest, recently caught up with a longtime peer who shared an impressive success story. His peer's company, previously struggling with stalled win rates, had undergone a transformative shift by aligning their sales team into dedicated industry sectors. With separate teams for Healthcare, Retail, Technology, and more, they noticed a marked improvement in their ability to connect with clients, tailor solutions to industry-specific needs, and close deals faster. Intrigued by this success, Brian started to wonder if this model might be a game-changer for ReliaQuest's Mid-Enterprise segment. A focused approach might allow his team to better address the distinct challenges of industries like Healthcare and Retail, where ReliaQuest has faced more resistance.

Brian brought up the idea with Chris Ellett, the VP of Sales, asking him to consider a reorganization by industry. Chris appreciated Brian's enthusiasm but was hesitant. He understood the potential advantages: a team aligned by industry could become experts in that field, speak the client's language, and offer solutions that felt tailored and relevant. Yet, Chris knew there were potential downsides, too. ReliaQuest's current team structure is agile and adaptable, able to shift resources to high-priority deals as needed. A more rigid industry-aligned structure might limit this flexibility, making it harder to reallocate top performers to close critical deals.

Moreover, Chris wondered if an industry reorganization would add complexity to the sales process, especially considering the cost and time required to train sellers on unique industry regulations, needs, and pain points. Would each team be able to ramp up quickly enough to make a noticeable impact in the next 12 months? And what if industry-based silos created inefficiencies or diluted the collaborative culture that had always been a ReliaQuest strength?

As Chris mulled over the idea, he knew that moving forward with an industry-aligned structure could bring significant rewards but also carried risks. The team had only a year to meet their 5% win-rate target, and any organizational change would need to show a near-immediate impact. Since you were already coming over to show your Mid-Enterprise improvement plan to other leaders at Reliaquest anyway, Chris asked that you take a minute or two to share your thoughts about whether re-organizing the Mid-Enterprise sales team to align with industry segments was a good idea or not. "Don't go nuts with your analysis here, just give some high level thoughts about this and if it would align with your plan at all," Chris said as he closed your last conversation.