



Moving from technical to commercial excellence

The Client

Luvata are global leaders in engineered solutions with leadership in the industrial use of copper. They have divisions spanning Special/Electrical Products, Tubes and Heat Transfer Solutions. Luvata are a global organisation with major manufacturing facilities in both the USA, Italy, Finland, China, Malaysia and Thailand.

The Brief

Following the acquisition of Luvata by the Nordic Capital group a thorough review of the business was executed. This resulted in ambitious growth objectives being put in place – 10% top line growth accompanied by margin improvement to step change bottom line profit performance. A key to allowing the achievement of the company objectives was seen as being an improvement in commercial skills – Luvata people were technical experts with positive and longstanding customer relationships but needed to sharpen their commercial skills as customers evolved to more procurement/financially based decision making.

Luvata wanted a globally implemented “Luvata Sales Academy” in order to allow transparency/consistency in commercial execution.

What we did

The first critical phase of our programme was all about client understanding. Luvata is a large and complex business spanning many markets and divisions and we were aware that previous attempts at “one size fits all” solutions had failed. We simply had to understand the organisation – its people, products and challenges – before we could design a winning solution.

Using our Customer Management Assessment [CMA] methodology we audited operations in both China, USA, Italy and Finland before recommending a programme shape to the Luvata senior management steering committee.

How

Given the global spread of the business we proposed a “Train the Academy Champion” methodology in which each of the agreed modules was first trained purely to Luvata internal trainers before being co-trained to a wider audience. Our aim was to ensure that skills became quickly embedded within an expert team who could then undertake the ongoing training role.

Our agreed six modules are shown below and reflect the findings from our familiarisation – that Luvata operations span both commoditised and added value markets, that negotiations can be routine [small scale and limited planning] or enormously complex/important to divisional results. In addition we found that many Luvata operations were working almost to full capacity already – hence the route to margin growth is in careful customer selection and finding new added value customers[to replace lower value existing customers] and via better benefit based selling.

Programme Module	Competency
Finding New Business	Finding new customers
Managing customer growth	Planning for Growth
1. Selling in a Price-Based Market	Selling
3. Selling Added Value	
2. Everyday Negotiation	Negotiating
Strategic Negotiation	

The results

The use of Academy Champions to drive learning down into the Luvata organisation was warmly received and the skills covered within modules 1 & 2 above are now firmly established as “The Luvata Way of Selling and Everyday Negotiation”. The business is exceeding its ambitious growth targets – growing both top and bottom line in a market characterised by record commodity prices and rapid product commoditisation.

What next

The programme will continue to roll out new skills covering the four remaining disciplines through the balance of 2011/12.