A research briefing for CEOs and leadership teams

The Growth Hidden Inside Your Business

How a connected growth system unlocks more revenue and profit from the people and technology you already have.

Published by Bold Value Partners Center for Performance Growth Research

See how small improvements across sales, customer growth, talent, and margin add up to significant gains in revenue and profit.

Solving growth challenges with a connected system
Pages 2 to 4

Five moves growth companies make
Pages 5 to 9

What a connected system is worth
Pages 10 to 11

Assessment, worksheet, and leadership session
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Bold Value Partners

Where Growth Gets Stuck

Q **Which of these topics matters most to your plan for the next three years?**

Every department can hit its targets while the company still falls short of its growth potential.

As companies grow, sales, customer service, operations, and finance develop their own priorities, processes, and performance measures. Decisions that benefit one department can unintentionally undermine another. Leaders become so focused on keeping each function running that they overlook the revenue and profit opportunities hiding between them. Few have time to step back and ask how the parts work together, and that is often where the next stage of growth is found.

Common challenges

- **Profit that lags revenue.** Revenue grows, but price concessions and the cost of serving customers absorb much of the gain.
- **Pressure on price.** Customers expect a better deals so discounts creep into deals. But a 5% price cut takes about 21% more sales volume just to break even.
- **Talent that is hard to keep.** Replacing an experienced employee can cost 1x – 1.5x their annual salary.
- **Results that ride on a few top performers,** while most of the team performs in the middle.
- **Lack time to step back** to benchmark their approach to improve revenue and margin performance.

Common business goals

- **Reinvest** and fuel strategic growth initiatives
- **Grow market share** and enter new markets.
- **Grow the lifetime value** of existing customers.
- **Protect margin and price** as costs rise.
- **Invest in technology and AI** to work more productively.
- **Build enterprise value** for the next chapter: an acquisition, a succession, or a sale.

Most of these companies have the market opportunity. What they often lack is capacity: the time, people, and resources to solve these challenges in a connected way while running the business. Yet much of the revenue growth and profitability they need is often already inside the business, waiting to be unlocked by connecting the capabilities, frameworks, and disciplines that win customers, grow them, and improve margins.

What this briefing gives your leadership team

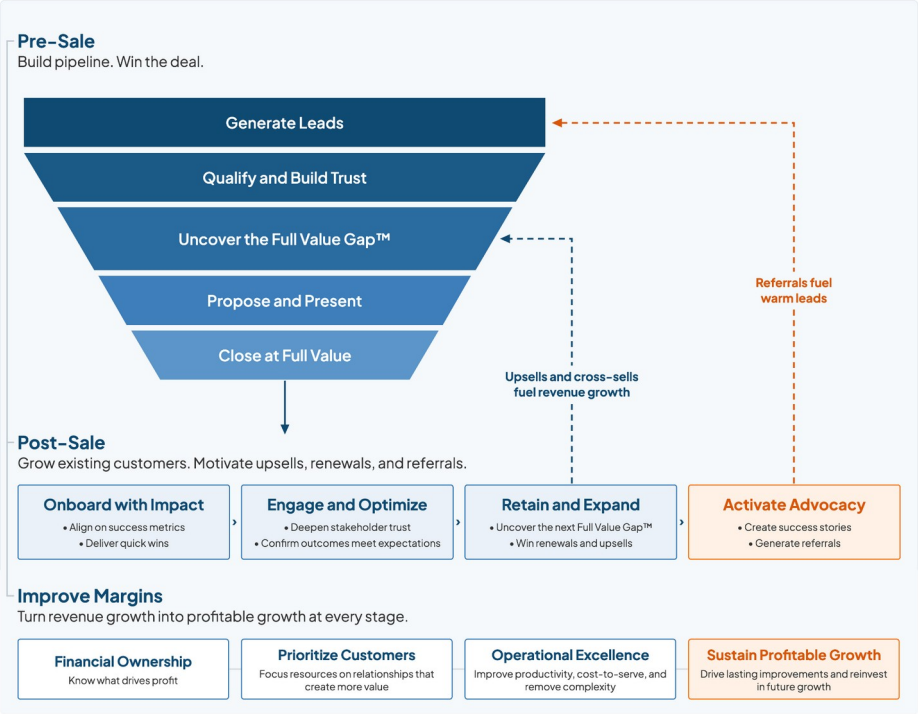
- ✓ A chance to step back and see how winning, growing, and profiting from customers fit together.
- ✓ Fresh ideas from how growth companies connect these parts of the business.
- ✓ The quantified benefit of a connected system at each stage, shown for a $200 million company.
- ✓ How to spot the gaps at each stage, and how to connect them.

See the Forest for the Trees

Each CEO leadership team member sees one part clearly: sales sees opportunities, customer teams see accounts, operations sees production and delivery, and finance sees margin. What is harder to see is how those parts affect one another. Discounts reduce margin, sales promises raise operating costs, and customers who do not realize the expected ROI are less likely to renew or expand. Growth companies manage these connections as one system.

What is a connected growth system

A connected growth system aligns how a company wins business, grows customers, and improves margins so each team strengthens the others. It combines a shared value-centric approach, repeatable customer-lifecycle processes, manager coaching, and leadership oversight. Winning and growing customers form one lifecycle, with margin shaped at every stage by how the company sells, promises, delivers, expands accounts, and prices.



How three well-known companies apply a connected growth system

MANUFACTURING

Illinois Tool Works

Focuses its people on its largest and most profitable customers and products, simplifies the rest, and grows those key customers with new products built from their needs. Operating margin rose from 15.9% in 2012 to 26.8% in 2024. (ITW 2024 Annual Report)

INDUSTRIAL

Danaher

Built one business system that applies the same disciplines to growth, sales, pricing, operations and leadership, with leaders reviewing common measures from the top line growth to bottom line profitability. (Harvard Business Review)

TECHNOLOGY

HubSpot

Connected marketing, sales, and customer teams across the customer lifecycle. Aligned teams with a coached sales process and retention incentives. Product-use health scores flagged at-risk accounts, managed customer lifetime value against acquisition cost to protect margins. (Harvard Business Review)

Unlock the Profitable Growth Already Inside Your Business

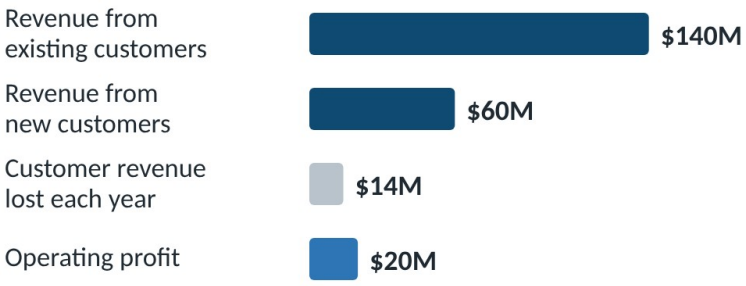
Q **Where is your company leaving the most profitable growth on the table?**

Much of the profit a mid-sized company needs is already inside the business. To show where it sits, this briefing follows one example company on every page that follows. Northfield Industrial is a composite drawn from patterns across Bold Value Partners client work, used to protect the names of our clients. Like many mid-sized companies, it wins about one in five qualified opportunities, discounts 5% to 15% to win and keep key business, loses about 10% of its customer revenue each year, and runs a 10% operating margin.

$200M	70%	22%	90%	10%
annual revenue	from existing customers	win rate	revenue retention	operating margin

Where Northfield stands before applying a connected growth system

Annual revenue and operating profit, $ millions



Assumptions on the Sources and Methods page.

How the next five pages work

Each move compares Northfield today with Northfield running a connected system, in revenue and operating profit. A running total on each move adds up the increases, and the final pages show the complete picture.

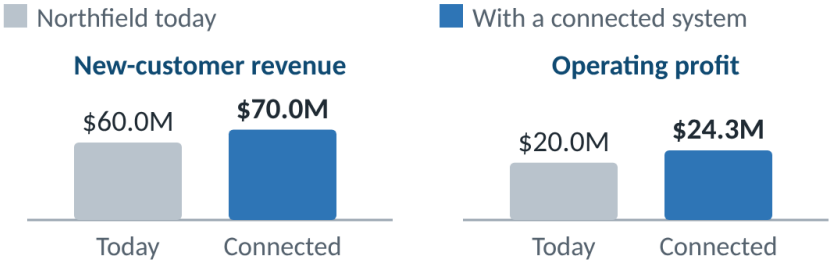
LEADERSHIP MOVE 1 OF 5 | WIN MORE BUSINESS

Are You Winning on Value or on Discounts?

Q **What share of your deals close at a discount and how deep?**

In many mid-sized companies, each seller uses their own process, and when a deal stalls the fastest rescue is a discount. Mid-sized companies commonly discount 5% to 15% to win key deals, and at $200 million in revenue each point of price is worth $2 million a year. In a connected growth system, sales teams follow a unified, value-centric process that elevates their value at each stage, uncovers the customer's strategic goals, and shows how their solution helps achieve them, which keeps it out of the commoditization trap.

A connected, value-centric sales method adds $10.0 million in revenue and $4.3 million in profit



What changes with a connected system	Revenue added	Operating profit added
Win rate 22% to 25% on the same pipeline	+$8.2M	+$2.5M
Discounting 3 points less on new deals	+$1.8M	+$1.8M
Total	**+$10.0M**	**+$4.3M**

How to read this: Gray bars show Northfield today: a 22% win rate on its qualified pipeline and its current discounts. Blue bars show Northfield with a connected system: a 25% win rate and discounts 3 points smaller on new deals. Operating profit rises by about 30 cents for each added sales dollar after production and delivery, plus every dollar of discount avoided.

Running total of increases with a connected system: Revenue +$10.0M | **Operating profit** +$4.3M

What the research shows

- Companies with a formal, documented sales process grew revenue 18% faster than those without one (Harvard Business Review).
- A 1% improvement in realized price lifts operating profit by about 8% (Bain).

What growth companies do

- ✓ Run one documented, value-centric sales process across the team, so every seller qualifies, discovers, and proposes the same proven way.
- ✓ Each manager coaches to a one, repeatable process
- ✓ Quantify what the customer stands to gain before proposing, so price is weighed against results.
- ✓ Track every discount and what the customer gave in return, and review it monthly.

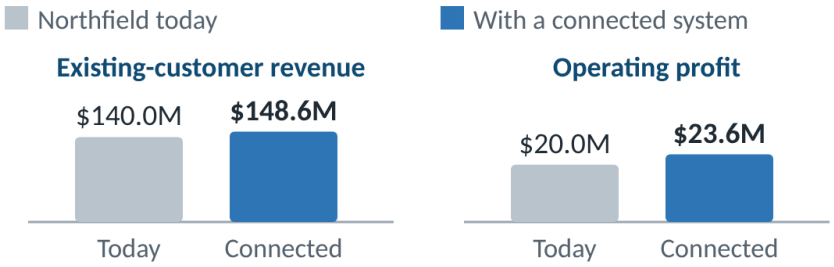
LEADERSHIP MOVE 2 OF 5 | GROW EXISTING CUSTOMERS

Are Your Customers Growing or Drifting Away?

Q **How many of your top 20 customers bought more from you this year than last year?**

Existing customers produce approximately 70% of a mid-sized company's revenue (depending on the industry), yet many companies manage them reactively. Service teams respond to issues, renewal notices go out without a motivating summary of the value delivered, and once a customer appears at risk the usual response is a discount. Growth companies run an intentional customer growth process: they review the value each customer receives every month or quarter, act on early warning signs, and plan renewals, cross-sells, and referrals, so customers see their value before those conversations take place.

Connected customer growth adds $8.6 million in revenue and $3.6 million in profit



What changes with a connected system	Revenue added	Operating profit added
Retention 90% to 93%	+$4.2M	+$1.3M
Expansion revenue	+$3.0M	+$0.9M
Discounting just 1 point less to keep key customers	+$1.4M	+$1.4M
Total	**+$8.6M**	**+$3.6M**

How to read this: Gray bars show Northfield today: 90% of customer revenue kept each year and its current discounts to keep customers. Blue bars show Northfield with a connected system: 93% kept, $3 million of expansion, and discounts 1 point smaller. Operating profit rises by about 30 cents for each dollar of revenue kept or grown, plus every dollar of discount avoided.

Running total of increases with a connected system: Revenue +$18.6M | **Operating profit** +$7.9M

What the research shows

- Companies that build growth around the customer experience grew revenue more than twice as fast as laggards, with 15% to 25% higher cross-sell rates (McKinsey).
- A 5% gain in customer retention can raise profits 25% to 95% (Bain).

What growth companies do

- ✓ Review each key customer's results every quarter against the ROI they expected.
- ✓ Act on early warning signs, such as a new executive or fewer orders.
- ✓ Give each key account a growth plan for renewals, cross-sells, and referrals, with an owner.

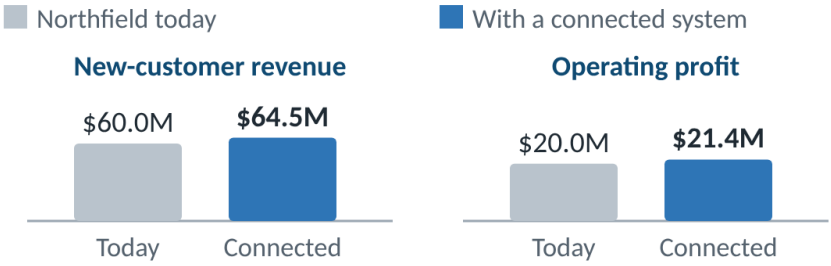
LEADERSHIP MOVE 3 OF 5 | MAKE GROWTH REPEATABLE

What If Your Top Two People Left Tomorrow?

Q **What would it mean to your revenue if the middle 60% of your team performed 15% better this year?**

Most companies neither document nor teach how their top performers succeed. What if they leave? At the same time, new hires often bring methods learned elsewhere. Following a connected methodology across pre- and post-sale teams creates a consistent approach to winning and growing customers, gives managers one coaching standard, delivers a seamless customer experience, and helps shorten ramp up time for new hires who contribute to revenue sooner. Although many managers were promoted for individual performance rather than coaching skill, consistent coaching can improve results for the middle 60% of sellers by up to 19%; this case study assumes a 15% lift.

A stronger middle 60% adds $4.5 million in revenue and $1.4 million in profit



What changes with a connected system	Revenue added	Operating profit added
Middle 60% perform 15% better on about $30 million of new-customer revenue	+$4.5M	+$1.4M

How to read this: Gray bars show Northfield today. Blue bars show Northfield when the middle 60% of the team, who produce $30 million of the new-customer revenue, perform 15% better with one shared method and weekly manager coaching. Operating profit rises by about 30 cents for each added sales dollar after the cost of delivering it.

Running total of increases with a connected system: Revenue +$23.1M | **Operating profit** +$9.3M

What the research shows

- An explicit system that each team member follows helps new hires become productive sooner and reduces dependence on individual stars (McKinsey).
- Quality coaching can lift the performance of the middle 60% of sellers by up to 19%, with little effect on the top or bottom performers (Harvard Business Review).

What growth companies do

- ✓ Write down how your best people win and grow customers, and make it the standard everyone learns.
- ✓ Use one methodology across sales and customer teams, tailored to each role, so managers coach to the same standard.
- ✓ Equip managers to coach every week on live customer work, with time protected for it.

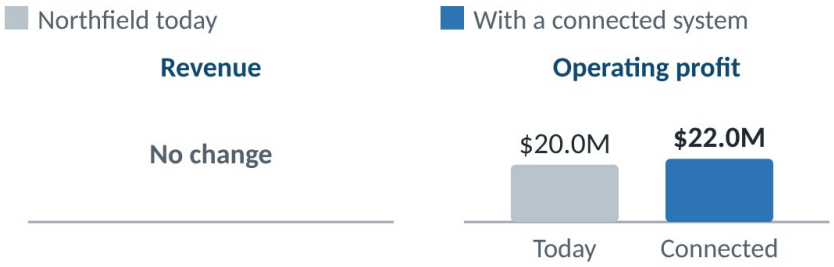
LEADERSHIP MOVE 4 OF 5 | IMPROVE YOUR MARGINS

What If You Could Find $1 Million in Margin Without Selling $1 More?

Q **Which 20% of your customers and products produce most of your profit, and where does your team spend most of their time?**

Revenue growth can mask a margin problem. A concentrated number of customers and products typically produce most of the profit, while others absorb sales time, service effort, custom terms, and complexity that never show up in the price. Growth companies measure profit by customer and product, then focus their teams on the relationships that create the most value. **For Northfield, trimming exceptions, unprofitable products, and time on low-value accounts lowers cost to serve by 1% of its $200 million revenue: $2 million that flows to operating profit.** The gains hold only when sales, service, operations, and finance act together.

Lowering cost to serve adds $2.0 million in profit with no new sales



What changes with a connected system	Revenue added	Operating profit added
Cost to serve 1% of revenue lower	No change	+$2.0M

How to read this: Revenue does not change in this move. Gray bars show Northfield today; blue bars show Northfield when sales, service, operations, and finance lower the cost to serve by 1% of revenue together. Every dollar of cost removed reaches operating profit, lifting margin from 10% to 11%.

Running total of increases with a connected system: Revenue +$23.1M | **Operating profit** +$11.3M

What growth companies do

- ✓ Measure profit by customer and product mix, so leaders can see which create value and which consume it.
- ✓ Prioritize sales and service time on the customers and products that create the most value.
- ✓ Review margin by customer with sales, operations, and finance together, and reinvest the savings in growth.

LEADERSHIP MOVE 5 OF 5 | LEAD THE CONNECTED SYSTEM

Lead the Connected System to Drive Greater Growth

Q When do you coach your team on how to harness each other's strengths to drive growth?

Each move belongs to a different leader. The CEO's role is to coach them as one team, so each move strengthens the others.

A coaching scorecard for Northfield: today and connected target

Sales leader

Win rate 22% to 25%; discounting 3 points less

Goal: Win more qualified deals at full price.

Challenges to expect: Salespeople each use their own approach, and a discount is the fastest way to save a stalled deal.

Coaching tip: Before discussing price in deal reviews, ask what strategic goals the solution better equips them to achieve and why they purchased from you instead of the competitor (beyond "stronger relationship"). Ask how many deals are sold at a discount, and what was received in return.

Customer service / account leader (Operations)

Retention 90% to 93%; $3 million more expansion

Goal: Keep and grow key customers.

Challenges to expect: The team is busy responding to issues, so proactive and structured customer reviews slip and renewals turn into price talks.

Coaching tip: For each key account, ask when the customer last saw a summary of their results against the original expectations, what it helped them achieve (saved time, saved cost, etc.) and what the next growth step is.

Managers of sales and service teams

Middle 60% performing 15% better

Goal: Raise the performance of the middle of the team.

Challenges to expect: Managers step in to close deals or rescue clients themselves, and urgent work pushes coaching aside.

Coaching tip: Ask how employees are being recognized for their key contributions each week. In one-on-one's, how are their abilities to execute the connected methodology being sharpened and measured?

Finance and operations leaders

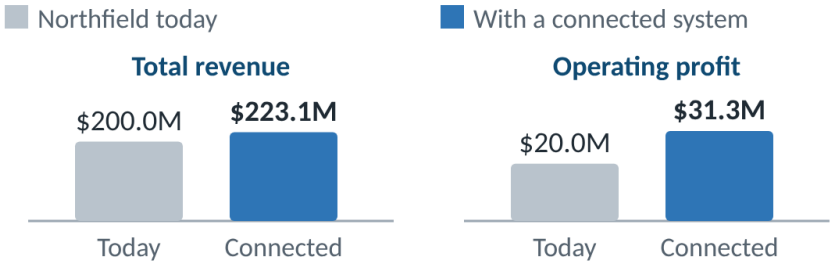
Cost to serve 1% of revenue lower

Goal: Raise margin by customer and product.

Challenges to expect: Profit by customer is hard to see, and exceptions are approved one at a time.

Coaching tip: Each month, review the most profitable customers and least profitable customers with the sales and operations leaders and agree on one action for each.

Leading the connected system adds $23.1 million in revenue and $11.3 million in operating profit



How to read this: Gray bars show Northfield today. Blue bars show Northfield with all four moves in place: revenue rises from $200.0 million to $223.1 million and operating profit from $20.0 million to $31.3 million, lifting margin from 10% to about 14%.

Benefits of a Connected Growth System

Q **Where is the biggest gap in your growth system today?**

Profitable, durable growth

Profit grows faster than revenue as price holds and customers stay.

For Northfield

Margin from 10% to about 14%

Cost and productivity

The same pipeline and team produce more.

For Northfield

$2.0 million from lower cost to serve

Talent

Less turnover and dependence on a few stars.

For Northfield

Middle 60% performing 15% better

Resilience

A growing customer base cushions demand swings.

For Northfield

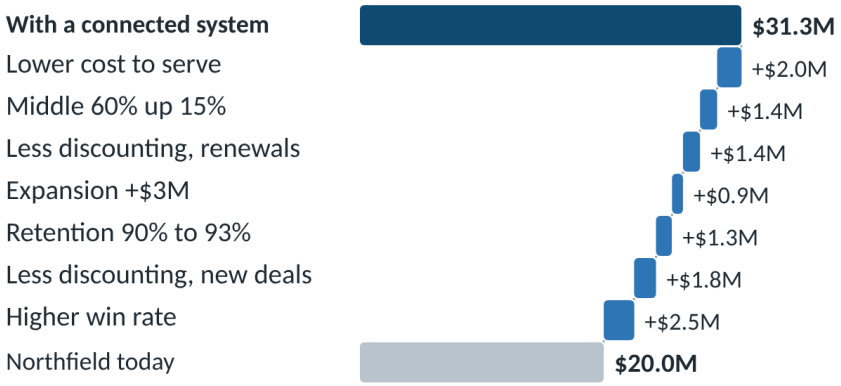
$8.6 million more customer revenue a year

The quoted price holds when discovery builds a credible value case, retention rises when customer teams follow a proactive process that opens the door to cross-sells and renewals, and margin improves when sales, operations, and finance agree on targets. Led as one system, the moves add $23.1 million in revenue and $11.3 million in operating profit.

Revenue and operating profit added each year, by move, with a connected system

Leadership Move	Revenue added	Operating profit added
Move 1: Win more business	+$10.0M	+$4.3M
Move 2: Grow existing customers	+$8.6M	+$3.6M
Move 3: Make growth repeatable	+$4.5M	+$1.4M
Move 4: Improve your margins	No change	+$2.0M
Total: revenue $200M to $223.1M, profit $20.0M to $31.3M	**+$23.1M**	**+$11.3M**

Northfield's operating profit rises from $20.0 million to $31.3 million



How to read this: Read from the bottom up. Each blue bar is operating profit added each year with a connected system. Figures rounded.

Achieve Strategic Goals With More Profitable Growth

$23.1M	$11.3M	14%	Goals Funded
More revenue a year	More operating profit a year	Operating margin, up from 10%	More capital, capacity, and talent to put behind them

Challenges it helps solve

- **Profit that lags revenue:** margin rises from 10% to about 14% as price holds and cost to serve falls.
- **Pressure on price:** less discounting on new deals and renewals adds $3.2 million a year.
- **Talent that is hard to keep:** a shared system and weekly coaching are associated with almost 30% lower voluntary turnover.
- **Dependence on a few top performers:** the middle 60% perform 15% better.
- **Uncertainty:** a retained, growing customer base cushions demand swings.

Business goals it helps fund

- **Win share and enter new markets** with $23.1 million more revenue and $11.3 million more operating profit a year to invest.
- **Protect margin and price,** with every discount tracked and approved for value received.
- **Grow customer lifetime value** through a planned process for renewals, cross-sells, and referrals.
- **Invest in technology and AI** from operating profit, without waiting for new capital.
- **Build enterprise value:** companies that grow in the top half every year are valued at about 4.2 times revenue, compared with 1.7 times for slower growers.

Bring this to your next leadership session

Invite Bold Value Partners to present this and bring fresh ideas to your next leadership meeting. Bring your top two business goals. The working session connects the findings in this briefing to each one.

Where Your Leadership Team Sees the Greatest Opportunity

Ask each leader to rate these statements separately, then compare. Differences between leaders are some of the most useful findings.

Red (R) = absent or unreliable. **Yellow (Y)** = partial or inconsistent. **Green (G)** = consistently used and supported by recent evidence.

Statement	CEO			Sales			Customer			Ops / Finance		
Win more business	R	Y	G	R	Y	G	R	Y	G	R	Y	G
We follow one documented sales process, and every salesperson applies it and effectiveness is tracked.	○	○	○	○	○	○	○	○	○	○	○	○
We track what share of our deals close with a discount, how deep, and why.	○	○	○	○	○	○	○	○	○	○	○	○
Grow existing customers	R	Y	G	R	Y	G	R	Y	G	R	Y	G
We have a process to lead customers from onboarding to deepening stakeholder relationships.	○	○	○	○	○	○	○	○	○	○	○	○
Each key account has a growth plan for renewals, cross-sells, and referrals.	○	○	○	○	○	○	○	○	○	○	○	○
Make growth repeatable	R	Y	G	R	Y	G	R	Y	G	R	Y	G
We follow one method for sales and customer teams to win, grow, and onboard new hires faster.	○	○	○	○	○	○	○	○	○	○	○	○
Managers coach customer-facing teams on capabilities to consistently execute the methodology	○	○	○	○	○	○	○	○	○	○	○	○
Improve your margins	R	Y	G	R	Y	G	R	Y	G	R	Y	G
We know our profit by customer and by product.	○	○	○	○	○	○	○	○	○	○	○	○
Sales, operations, and finance review margin together and act on it.	○	○	○	○	○	○	○	○	○	○	○	○
Lead the connected system	R	Y	G	R	Y	G	R	Y	G	R	Y	G
Our CEO coaches leaders on how to harness each other's strengths to achieve their goals, beyond reviewing their numbers.	○	○	○	○	○	○	○	○	○	○	○	○
Each priority measure has an owner, a baseline, a target, and timeline.	○	○	○	○	○	○	○	○	○	○	○	○
Total selections	0	0	0	0	0	0	0	0	0	0	0	0

Turn the ratings into a priority: count the ratings, but do not average away a critical gap. Choose the red or yellow statement with the greatest customer and financial consequence, or the widest disagreement among leaders. It becomes the focus of your 30-day test.

Put Your Numbers Beside Northfield's

Fill in your own figures. Blank lines become questions to bring to your leadership team.

Measure	Northfield	Your company	Notes
Annual revenue	$200M		
Share of revenue from existing customers	70%		
Win rate on qualified opportunities	22%		
Typical discount to win key deals	5% to 15%		
Gross revenue retention	90%		
Expansion revenue from existing customers	Your estimate		
Operating margin	10%		
Profit from one point of price	$2.0M		

Test One Connection in 30 Days

Improve one connection, measure it, and decide with evidence.

WEEK 1

Set the baseline

Start with your highest priority from the assessment. Record where each stands today.

WEEKS 2 AND 3

Change the behavior

Translate that strategic priority to one new standard to apply to new sales or existing customers. Managers coach it weekly and note what's preventing optimal results.

WEEK 4

Decide with evidence

Compare adoption, customer response, and early financial signals with the baseline. Extend, revise, or stop.

Revenue, retention, and margin effects take longer than 30 days to show in full. The first month shows whether the practice works and what it takes to sustain.

Your leadership commitment	Your answer
Priority connection and customer segment	
Accountable owner and participating teams	
Baseline and success measure	
Day-30 review date	

Bring These Ideas to Your Leadership Team

A 90-minute working session that applies the research to your business, built around your assessment and your business goals.

What happens in the session

- We compare your leadership team's assessment ratings and find where views differ.
- We trace one recent win, one stalled deal, one at-risk customer, and one margin opportunity through the system.
- We connect the gaps to your top two business goals.
- Your team leaves with two or three priorities, one 30-day test with an owner, and fresh ideas for your 2027 plan.

Who to bring

Your CEO or president, sales leader, customer or service leader, and operations and finance leaders.

What to bring

Completed assessments, your worksheet, and the four customer examples above.

The session is valuable on its own, with no sales presentation.

Your facilitators

Walt Melcher

34 years of B2B sales leadership, including leading teams to drive profitable top-line revenue growth.

Hans Bachmeier

35 years of hands-on experience. Has led manufacturing businesses through acquisitions, portfolio changes, and operational and margin improvements.

Schedule your session

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BoldValuePartners.com

Bold Value Partners

Sources and Methods

This briefing synthesizes published research with Bold Value Partners client experience. The research supports each move; the combined system and the Northfield model are a management framework for leaders to test in their own business.

Research sources

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12. Matthew Dixon and Brent Adamson. The Dirty Secret of Effective Sales Coaching. Harvard Business Review, 2011.
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The Northfield Industrial model

- Northfield Industrial is a composite drawn from patterns across Bold Value Partners client work, used to protect client names. The name and figures are hypothetical. The 5% to 15% discount range reflects Bold Value Partners client experience and varies with deal size.
- Today: $200 million revenue, $140 million (70%) from existing customers, $60 million from new customers, 22% win rate, 90% gross revenue retention, 10% operating margin ($20 million).
- Added revenue from win rate, retention, expansion, and the middle 60% contributes 30% to operating profit. Price and cost-to-serve changes flow fully to profit; one point of price equals 1% of the related revenue.
- With a connected system: win rate 25%; discounting 3 points less on new deals and 1 point less with existing customers; retention 93%; expansion +$3 million; the middle 60% (about $30 million of new-customer revenue) perform 15% better; cost to serve 1% of revenue lower. Revenue added $23.1 million; operating profit added $11.3 million.
- Each improvement is modeled separately; some gains overlap in practice. Figures are annual, before implementation costs, and rounded.