

## Sales Training Technology focused on Developing Interpersonal Skills



**Dr. Dale Olsen**  
Founder, President & CEO  
SIMmersion LLC

**CEOCFO: Dr. Olsen, what is the idea behind SIMmersion?**

**Dr. Olsen:** The principal idea stems from the fact that interpersonal skills are extremely difficult to train. That means every skill you can imagine, from performance coaching to firing, to hiring, to suicide intervention, cross-culture communications, interviewing, interrogation, and so on. The technology is aimed at teaching faster, better and at a lower price.

**CEOCFO: What do you understand about training for interpersonal interaction that perhaps others do not get?**

**Dr. Olsen:** First, it is very difficult to provide communication training that has a lasting and real effect. Let's talk about why that is. If we're talking about training a skill here, as opposed to just passing knowledge, that's a huge difference. You can read, memorize and have knowledge of a subject. Building a skill is completely different. The fundamental element of training of any skill is gaining the knowledge of what you should do, practicing applying that knowledge and then getting feedback as you practice and develop the skill. I can give you a thousand different examples. I want to teach you to play the violin. Telling you what to do does not teach you how to play the violin. Watching other people play the violin does not teach you to play the violin. If you practice playing the violin, but you have earplugs in so that you can't hear what you are playing and get no feedback, you can't learn to play the violin. The essential elements are the knowledge, the practice and the feedback. Watching someone else apply the skill doesn't really help. That is fundamental in the training world. What distinguishes us is that we provide all three elements including the repetition with feedback. We developed simulations to allow people to learn skills like sales or performance coaching and practice them repeatedly until the skill is strong. There are formal research studies of our simulations done independently by universities that found not only significant behavior changes with people developing these skills, but also that these skills affect their performance in the real world.

**CEOCFO: Who is using your service? Is there a common thread among the types of companies and people that turn to you?**

**Dr. Olsen:** The range of people using our services is as broad as you can imagine. FedEx is using our coaching to improve performance. Our systems are used to train drug counselors at Kaiser Permanente. Most of our systems are built for the federal government. These systems train cross-culture communication, courtroom techniques and screening potential employees. They've been developed for the Army, the Navy, and the Air Force, the FBI and others. Special systems were developed for teaching counselors to work with people who have been sexually assaulted. Even performance coaching has been used by the Air Force. Suicide intervention training is used by the National Suicide Lifeline, so, when someone calls in for help, the person answering that phone might've been trained with one of our systems. The common thread is the importance they place on maximizing their people's performance.

**CEOCFO: Was it a deliberate strategy, working with government agencies or was it more opportunistic?**

**Dr. Olsen:** It is both. I characterize myself as a rock turner, if you will; looking for things and looking for opportunities as opposed to developing a master strategy to go out and follow that strategy to the letter. I don't think formal strategies work very effectively in our business. I know in some situations, it does, but that depends on the nature of the business. When smaller companies deal with the federal government, it is usually one sale and then you start again, almost as a newcomer. You build a reputation by building quality products, but you get a contract and you are done when the contract ends. There is no automatic renew or follow on or extra pay, so you always have to go out and win new business. Another

reason is that the government, especially the DoD, is constantly changing staff and reorganizing to meet new demands. Therefore, you have to go out and win every piece of business one at a time often when there are no written requirements for what you have. It's very challenging and yet we've been doing this for thirteen years. We've been very fortunate, because we have great technology.

**CEOFCO: *How do you reach out to potential clients or do people know you and come to SIMmersion these days?***

**Dr. Olsen:** In the beginning it was actually just cold calling federal agencies and describing our capabilities. At first people did not believe we could do what we claimed because they thought that nobody could do it. No one was even close to developing simulations at our level. When we went in and demoed the products the customers were blown away. Still, without federal contract vehicles with the government, it was nearly impossible to sell products even if the customer wanted our products and even if there was some sort of funding source. The work still has to be placed in an existing contract or the customer must go through a very difficult sole-source justification. There are so many hurdles in the government. It's extremely difficult, but that was where our business base was when we first started. In the corporate markets, we're pretty much working through channel partners. We're always looking for people to help us sell these high-end products for a reasonably low cost. We're in so many different markets, we can't think about marketing them all. We've got some products that are off-the-shelf designed for industry. For example, sales training, performance coaching and investigative interview are all designed to support corporations. In the healthcare markets, we have a whole fleet of products, but some of them are aimed at physicians and some are aimed at counselors. We're selling these products ourselves and through channel partners.

**"We developed simulations to allow people to learn skills like sales or performance coaching and practice them repeatedly until the skill is strong."- Dr. Dale Olsen**

**CEOFCO: *Do you find that companies are doing more training these days? Is it becoming more important? Where does it stand in today's world?***

**Dr. Olsen:** We're relatively new to the corporate market, so I don't have a good feel for that market yet. We've been more focused on government. As we, as a nation, have all gone digital, our communications skills have deteriorated and other problems have become more prevalent, so the need for our communication training is greater than ever. For example, fighting the wars of today and tomorrow requires better communication skills than ever. Human intelligence provides a great example, but there are many more. I'll give you a totally different type of example of a need for communication skill training. I developed a system on drug screening and drug intervention for someone who is using cocaine. That system has the equivalent dialogue, just within the video part of the training of about fourteen full length feature movies. It helps build a critical skill that can save lives. That level of work makes our training very effective, yet we have gotten to the point where we could be very reasonably priced, too. For SIMmersion to really break through into the corporate markets, we needed to have a nice suite of commercial off-the-shelf products and we needed to have a lot of research behind us to show that our training really is extremely effective. We are at that point now, so we are just really starting to look more into the corporate market.

**CEOFCO: *Why now?***

**Dr. Olsen:** We're ready to place more emphasis on the business market because we have extensive research showing the products are amazingly effective. We have suites of products, both in the corporate and health markets. Because we have products that are available—I mentioned FedEx using our coaching system—our business is ready to bloom. Other major corporations have used the coaching system too, but they've required non-disclosure agreements, so we can't name them.

**CEOFCO: *One of the things indicated on your site is that you combine the world's most realistic simulated experience with highly interactive training content and extensive user feedback. How so?***

**Dr. Olsen:** There are many reasons. The fact that we use video instead of avatars is huge. You can, maybe in a movie theater, over a period of time, become engaged with a cartoon character. However, I can take our suicide intervention and bring you to tears within five minutes. You can't really do that with an avatar. It's that video and the fact that you're using speech recognition—what we're doing is putting you in the movie. You're not just watching the movie passively, you are in it. That has a very significant training effect. The other thing is the logic in our conversations is much farther beyond what anyone else is doing. That is really its biggest discriminator. First of all, our people on the screen have simulated emotions which can be very real in terms of the way they react and the way they carry the feelings throughout what can be a lengthy conversation. The characters also have memory. In a real conversation, everything you say affects the other person from that point on, and everything that person says affects the nature of that conversation from that point on. We

allow the users to do the same thing by selecting from a long list of options in almost any order they want, within logical reason, within the scope of the topic we are dealing with. That complexity is something that no one else can begin to approach. It started in 1997 with the first breakthrough system that was actually used to train an estimated 100,000 law enforcement agents. Since then, we've been evolving the technology and authoring tools to take it to a level that's always been ten years ahead of the rest of the industry. Our characters with their emotions and their memory are very real and have an engagement factor that is just unparalleled.

**CEOCFO: *Why is that so hard for people to understand?***

**Dr. Olsen:** Our users do understand what they are experiencing. However, creating the ever-changing logic and making it work is a different story. Creating a simulated conversation, where you can say what you want, when you want, and you can say things in any order you want, is difficult. When you say something to the characters they may have between two and twenty choices of how to respond to you. Whatever they are about to say, the logic has to be consistent with what they said in the past. Therefore, if you ask one of our characters, "Are you married" and at one time the character says no, then everything that comes next has to assume the character is single. If your character says yes, then after that everything needs to be consistent with being married. Considering that our conversations have between fifty and one hundred fifty exchanges, the complexity of the system would be challenging for most people to recreate. Our authoring technology is essential in supporting the development of these realistic simulated conversations.

**CEOCFO: *Is it the technology factor?***

**Dr. Olsen:** It is the technology that makes it all possible. However, there is a huge human factor. The people that we hire as script engineers have to have two capabilities. They must be able to write dialog that is realistic and believable even for people not like them. Then they have to be able to handle this very complex logic that usually would be roughly equivalent to some of the most advanced software development. Therefore, we need people who are strong in both in order to be really successful. The fact that we have been developing this technology and offering systems since 1997 helps find the right people. We have come so far in the development of supporting software. Someone could invest ten million dollars and they could not come close to what we have got. The bottom line is that we are successful because of all this complex stuff we have done over time, learning lessons along the way. We're delivering training that is unparalleled in its effectiveness. If I were to send someone to a class in sales and they get really good sales training, they would have heard about what to do, but they don't really walk away with any skills. For our sales training, we've created an advanced sales model based on a whole lot of research in various influencing techniques. That model is called the Supportive Selling model and is available in book form, but just reading about how to sell does not build a skill. Therefore, the user of our Supportive Selling system will sit down and try to sell to our simulated character maybe ten or fifteen or twenty times, and the process of doing that will develop a real skill. They utilize that model to learn how to listen and draw out a person's needs and get them to explicitly state those needs. That's something you just don't get from PowerPoint or role plays. I'll give you one more piece of evidence on why the technology is critical. We developed a system on job interview training. It was funded by the National Institute of Mental Health. It was to train people with disabilities how to do a job interview. The disabilities range from paranoid schizophrenics to people with autism to people coming out of jail with prison records to people with other disabilities. Many of these people are long term unemployed because they can't get past the job interview. Therefore, what Northwestern University did was they took a bunch of these people and they ran them through job interviews and videotaped them. Then some of them got the training with our Job Interview Training system and some of them did not. All of them had another set of videotaped job interviews. Then the University blind scored all of those videos. They found that the people who had the job interview training using our simulations did much better during the second round of job interviews. However, what was more important was that Northwestern University tracked those people six months after the training sessions. The people in the control group who didn't get the SIMmersion training were compared to those who did. Those who used the simulation were nine times more likely to get a job offer. We would've been excited with a factor of two, twice as many job offers. A factor of nine is incredible!

**CEOCFO: *So many people find services through online search these days. What terms or keywords would someone search under to come across SIMmersion?***

**Dr. Olsen:** The best way to find us is to search for our company name, SIMmersion. Otherwise, that is really hard to answer. I have always found that people have a specific application in mind. Therefore, if it is sales training and there are many sales training companies out there, how would they find us? Why would they find us? The answer is that it is pretty difficult, because there are so many businesses all trying to get attention. We do get a lot of traffic, about eighteen hundred hits a month on our main site. People do find us and then read a little bit about us and then call us up. That is the way we get most of our off-the-shelf business. That, or they have someone they are used to doing business with that resells our products. For example, we work with a company called Blueline Simulations. Their whole business is to sell

simulation products. Blueline has many connections in the business world and can match our products with customer requirements.

**CEOCFO: Why choose SIMmersion?**

**Dr. Olsen:** People don't acquire communications skills through PowerPoint and role plays. That's been documented in a lot of research. It requires practice with feedback. SIMmersion provides an opportunity for repeated practice and feedback meeting all the criteria for effective training, and independent scientific research shows it creates a real world result. SIMmersion systems don't just expose people to information, we provide a real return on training investment.

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine

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## **SIMmersion LLC**

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[www.simmersion.com](http://www.simmersion.com)**