



SALES FORCE PERFORMANCE - IS YOUR REVENUE VULNERABLE?

It's reasonable to assume that your top line figures are looking pretty good at the moment -yes? Generally these good or even great performances do not get the same attention that the not so good performances get. So could you look at these four pertinent questions:-

- *Do you have the right sales people?*
- *Are your people capable of selling your products/services at higher margins?*
- *When the market turns down will my sales people still perform?*
- *Which of your people are trainable?*

whom have a major interest in growing their company's revenue. While most senior managers are familiar with a range of psychometrics for recruiting and developing both new and existing staff, across a range of skills and competencies, until now there has not been such a tool that focuses exclusively on Sales - until now.

Imagine for a moment a tool applied to your existing sales force that you knew with 95% accuracy would give you

- 21 Competency Measures (incl. Desire,

that you could action? If that tool would allow you to, as Jim Collins bluntly says in his book "From Good to Great", get the right people on the bus, in the right seats and the wrong people off the bus, wouldn't that greatly increase your sales force potential?

Taking it a stage further. Imagine for a moment, if you will, a tool that would tell you in advance with 95% accuracy which candidates for sales and sales manager positions would succeed in delivering your sales strategy and revenue targets, how many would you hire? - and it will provide a recommendation as to whether that candidate should be hired or not, plus questions you should ask at the interview stage. Wouldn't that be invaluable in eliminating mistakes when hiring sales people and sales managers? Now stepping it up again, if as a VP or CEO you could have at your fingertips information that gave you a "radar screen image" in a variety of flexible custom designed graphics that portray exactly the state of your sales pipeline in terms of orders pending, probability rating of likely outcome, value etc by person, by team, overall, segment etc, wouldn't that be vital and valuable management data for taking timely action? It's neither a Customer Relationship Management nor Sales Force Automation application but a tool that helps sales people sell more, prospect better, communicate better and make data entry more efficient and effective. It's designed by sales people for sales people.

The cost of hiring the wrong person runs into hundred of thousands of dollars. For a sales person the average cost of a ▶

"Do you know who will sell and who will not sell?"

There are another 14 similar questions and what do you think is the answer that is common to all 18? - Yes, you guessed correctly and worryingly it is "I don't know". Occasionally when a definitive 'yes' reverberates to the first three questions and a list of names is forthcoming to the fourth, then the riposte is "how do you know?" The answers to that are less than convincing and are tantamount to "I don't really know it's just a gut feel"

Well, if the insights that follow give your gut feel 'indigestion' you may well be grateful by the time you finish reading these insights. They provide crucial, timely and unique information that help companies make more intelligent decisions to develop their sales force thus protecting and growing their revenue.

Without question the structure of Sales Forces has changed dramatically over the past 15 years and continues to change for one primary reason. Markets continue to evolve and more pertinently buyers are demanding these changes. Whilst some companies have been proactive to buyers needs, it would appear the majority have been slow in their reaction or in some cases no action.

Now science is lending a welcoming hand to the VP Sales or CEO both of

- Commitment, Outlook & Recovery)
- Who will actually sell
- Who is trainable
- At what price point your sales people stop selling
- Who sells the way they buy
- The effectiveness of the sales pipeline
- Identifies specific training needs - no more guessing
- A forecast of growth potential for each sales person
- Sales Manager's priorities targeted
- Sales Organisation issues identified
- Effectiveness of Sales Processes

Wouldn't that be key information?

For sales managers the measurement is somewhat different depending on whether you need a "selling" sales manager or a "managing" sales manager. In the case of the latter specific data is revealed on the effectiveness of sales managers in 5 key areas:-

- Coaching
- Motivating
- Accountability
- Recruiting
- Growing.

If you were able to extract such information on your existing sales force, wouldn't that be vital and valuable information



The Value of a Sales Force Evaluation



wrong hire in Singapore is U\$125,000, conservatively, and the larger the unit sales price the bigger the loss.

By now I am sure you would have realised these tools exist today providing exactly the sort of insights referred to above.

What other information do these tools provide? Based on 340,000 sales people and sales managers covering 8,500+ sales forces evaluated:

- approx 40% of existing sales people in a team cannot sell!
- most sales forces teams do not have enough new business seekers i.e. hunters.

It may surprise you to know that some sales people in a team will sell in the same way that they buy meaning if they “think about it” when making their own purchases they will readily accept that from a buyer and not challenge it because “hey that’s exactly what I do and it’s ok”. Only it isn’t ok because the deal goes to a competitor.

Other key insights look at a sales person’s ability to do the following:-

- Recover from rejection
- Change their negative habits and limiting self beliefs
- The difficulties that sales people have discussing money with clients

revenue figure per person when the issues identified with these tools are fixed, thereby providing a concrete ROI.

So in summary the need to ensure that your Sales Force can and will deliver your sales strategy and revenues is I would suggest paramount. However good the figures are now it is almost guaranteed your revenue is vulnerable in a number of areas. Waiting until those figures actually go south is too little to late – think about it. ■

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“Do you know exactly the value of your sales pipeline at any given time?”

There is also evidence that the best sales person on paper isn’t necessarily the strongest sales person after all –why? Because they have been “to busy” looking after existing accounts with little or no time to prospect. In the current climate “a rising tide raises all ships” so maybe the sales people do not have to work to hard!

The data collected reveals that when sales people are hired using the specific sales recruitment tool they outsell the sales people, who were hired using traditional methods, 92.4% of the time, which is an impressive figure.

It gets better. For the CEO, VP Sales or VP Finance there is a projected increased

