



## Highly Productive Sales Members

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## What is Sales Productivity

- Sales productivity is defined as revenue/sales professional
  - It is a measurement of effectiveness of assets (sales professionals) deployed
- For equipment sales professionals productivity should average >\$500K/year
- \$500K \* 36% GP = \$180K
  - Provides enough margin to pay the rep, manager allocation and sales support and achieve a contribution from equipment sales
- How do you achieve strong sales productivity: Break the mental model



## Reasons Why Sales Productivity Isn't Achieved

- Hiring the wrong people
- Senior reps control all of the current customers (MIF)
- Territory design
  - MIF and zero based accounts (ZBA)
- Using the wrong sales model
- Driving the wrong metrics
- Poor sales management
- It is not because “kids today don’t want to work”
  - But they don’t want to do dumb work



## Today's Territory Structure and Business Development Efforts

- We allow sales professionals—some with little experience—to choose their territory (loosely defined by post office or highway department)
- We believe every rep needs to have (1,500-2,500) businesses in “their territory”
  - Despite the fact that after 30 years your company has 2,000 customers
- We think that somebody actually cares about saving money on a copier: When the average monthly expense is \$250
- We think that cold calling is good: Despite the fact all information gained from cold calling is available online



## Industry's Normal Management: Abdication

- Go out and touch every business in your territory
- When they don't achieve results we over simplify to activity
  - Add telemarketing days
  - Cold call blitzes
- "Development" is two meetings a week: Forecast and sales meeting
  - Many times the sales meeting isn't supported with sound planning
- Most companies have no way to measure territory value so we don't know what success looks like
  - It isn't NOPA or BEQI
- This model can't identify specific issues to develop the employee



## What is Good Sales Management: Employee Development

- How do you measure development: Retention and productivity
- How does the sales manager develop: Follow a sales process
  - Revenue
  - Prospects
  - Discovery meeting
  - Business development
  - Territory
  - Correct hire
- Where does the process break down by individual sales professional?
- At every step there are two measurements, quality and quantity



## People and Compensation

- You need sales managers focused to development
  - They need to be trained (developed themselves) in this art/science
- Without the correct sales professional hire you're wasting your time
  - What are the characteristics of a good sales professional?
- Most compensation plans are not attractive to today's candidate pool
  - What do you think is the average salary for a 2017 college graduate?
  - What do you think salary.com would indicate the medium salary for "account executive" in your zip code?
- What do you think a first year hire needs to earn to stay?



## Territory

- How many accounts—current and zero based accounts—can a rep handle (most)?
- What are the characteristics of the customers we want?
- How do we set quotas?
- How about other products/services with rep as quarterback?



- Starts with solid territory and goal
  - Singular goal is to get an appointment with the decision maker
    - Who is that? See next slide
- What does quality look like: Getting appointment with decision maker
  - Getting appointment at wrong level is a quality issue
- What would be success on quantity?



- < \$15M, owner
- \$15M < \$40M, owner or CFO
- \$40M < \$80M, CFO or CIO
- >\$80M, CIO, VP/IT, director of IT
  - The larger the company the further down the responsibility scale
- Law firms
  - > 50 attorneys (100 - 150 employees) executive director
  - > 400 attorneys (800 - 1,200 employees) COO/CFO
  - > 1,000 attorneys (2,000 - 3,000 employees) CIO



- Senior business management wants you to help their business
  - Talking about saving money will simply get you pushed far down stream
  - The real crime being this “crutch” prevents reps from actually thinking
- When do you answer your phone?
- How do you approach your email?
- What does the message need to look like?
- What is a good response?



- Research is critical to conducting quality discovery
  - Most of your reps don't know what is important and what isn't important
- The crime in developing our reps in this stage is the “show up and throw up” training
  - They don't care about the (insert dealership's name) story until they're buying
- Two examples: 40 employee estate planning law firm and four office real-estate broker
- Quality is finding sales opportunities! Building the pipeline
  - Poor quality is appointment at wrong level or not building pipeline



## Pre Call Planning/Post Call Debrief

- Pre-call planning
  - Who are you meeting (title and decision making)
  - What are your goals
  - What are you concerned with
- Post call debrief
  - Who did you meet with
  - What are your next steps (will tell you if achieved goals)
  - What surprised you



## Definitive Next Steps

- Every account should have a definitive next step in the CRM
- Call back on (date) is not a definitive next step
  - Even call back on Tuesday to set the appointment is suspect
- Most reps are extremely weak at setting next steps





- Revenue = Prospects X Close Ratio X Average Transaction Size
  - Our industry combines prospects and transaction size into value of sale
- The single easiest and single most important thing a sales person can do?
  - Grow their pipeline
- $1 \times 1 \times 1 = 1$
- $1.3 \times 1 \times 1 = 1.3$
- Make sense?



- 0 – 30 days is 5X quota/plan
- 31 – 90 days is 10X quota/plan
- 4 – 18 months is 20X quota/plan
- Total of 35X quota plan
- Increase your pipeline over time and you WILL grow your business
  - How many of you know pipeline growth numbers over last year?





## How Do You Grow Pipeline

- Account Planning Sessions (APS)
  - One hour per week meeting between manager and each rep
  - Rep provides complete overview on at least five accounts, customers and ZBA
  - Definitive next steps are developed for each account
  - Goal is gains in share or earn as customer
- Fantastic opportunity for manager to help rep
  - Difficulties getting into accounts
  - Inability to develop wider or higher relationships
  - Not identifying share of wallet opportunities
  - Doesn't have definitive next steps



## Productivity: Mental Model Change and Solid Sales Management

- Follows a process
  - Do they have the correct account focus
  - Can they get an appointment
  - Do they find selling opportunities
  - Can they move those selling opportunities forward
- It's about quantity and quality at each stage
- It's the sales manager's responsibility to identify and correct developmental areas
- Sales productivity is the ultimate measurement





## Thank you

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