

Building a Sales Team

11/13/06

We've been stalled for awhile, at the same sales number. We do have a sales person, whose production has flattened out. We've been selling the same services for a number of years, and we have customers who renew with us each year. But that just isn't enough. I fear that if we don't break through this roadblock, we'll start losing ground. What is the most efficient way of increasing sales?

You're right to fear that the company could fall backwards. One of the best ways for any company to make money is to

- have a thriving marketplace in which to work
- build a growth oriented sales plan
- define and implant a solid sales process
- put in place a solid sales team, and
- make sure you have a well rounded toolkit to support sales efforts.

Put things in place, to make sales happen. It beats the alternative – waking up one day and finding out you don't have enough sales to keep going any longer. So, let's get to work.

Start with your market. Is the market you're in growing? Not sure? Look up statistics on those markets you plan to sell into. Sign up for an online service that sells data on companies, or go to the research librarian at your local library for help.

Are there more buyers today versus a year ago? Are they buying more each year? What's the average age of the players? Are there any new entrants? These questions, all answered with a "yes" will lead you to markets with expanding potential.

If the target market isn't expanding, stop. Think about how hard you'll have to work in a shrinking market, where the only way you can grow is to steal from competitors. That is tough, and often expensive work.

Rethink your approach to your target market. How could you change your offer, in order to appeal to newer entrants? What can you do to attract people with no pre-existing loyalty to a competitor of yours? How can you spin what you do, so that it looks different from anything else that's out there? And how can you use that spin to jump from a crowded or tired market to one that is more lively and ready to expand?

Resolve to do your homework, to find significant growth opportunity, so you can move forward with a much higher chance for success. Pick a marketplace that has money and willingly spends it for good solutions. It's a lot easier to re-tool your offer, or re-design what you produce, than it is to change how a marketplace operates.

Next, you want to build a growth oriented sales plan. If you aren't at breakeven, get there fast – do whatever you have to do to sell enough to pay your bills, and have some money left over to invest in growth. Once you're past break even, consider a 15% growth rate, to double the business within 5 years, without taking on too much risk.

Put a plan in writing describing how you plan to increase sales, each year. Get someone to pick holes in your plan, and try to defend it, or fix the holes. The exercise will help you make your plan even stronger.

What should go into a sales plan? Yearly sales targets, who you're selling to, who will do the selling, how much marketing will be supplied to support sales, a budget to cover the cost of sales and marketing, any outside resources you plan to use, commission plans and other revenue sharing arrangements you expect to implement – these are all things you need to document.

Define the level of satisfaction you expect customers to express regarding your product or service, and your company. Remember, generally, the more satisfied customers are, the easier they are to deal with, and the more likely they are to renew and pay a premium.

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Once you have a written sales plan, it's time to take a look at your sales force. Who inside your company will be involved in sales? Don't forget to include customer service people, and anyone else who touches the customer, including the finance department and administrative people. How many of these people truly understand how to talk with a customer, in a way that gets their point across, and leaves the customer feeling rewarded and willing to return. If you have a concern, make a note to explore some kind of training, to sharpen up communication skills.

If your sales people have hit a plateau, you have to evaluate why they've maxed out. Are they out of prospects? Are they stretched too thin, and carrying all they can carry on a very full plate? Are they frustrated, and giving up? Do they need to find a different job, or is it just a matter of building sales skills so they can perform better?

Find out what motivates each person and set goals. Know that if you find a way to keep them motivated they will have a reason to be energized while on the job, and more likely to produce more for you.

Some sales people are merely looking for you show some interest in what they're doing. If the team is maxed out, you may need to add people to the sales

or administrative team. Training or coaching can help some people break through barriers. Find out what are the issues, and build a solution to fit each situation.

It is helpful to lay your sales process out on paper – the steps to go through in order to make a sale. The standard list includes: direct mail to introduce, call to follow up and ask for an appointment, schedule the appointment, uncover and qualify needs, follow up to review issues and make decisions.

Focus on specific, measurable activities with your sales team - the next step, and the step after that. Do each activity well, get agreement from your prospect to continuing to move forward, eventually you'll have a lot of valuable sales prospects saved up on the side, all starting to come together.

Look at your product or service mix. Do your sales people have enough solutions to offer, to meet varying customer needs? Conversely, are they spread too thin, offering too many things? Or are they missing the mark by offering the wrong product or service to the wrong customer? Depending on your answers to the above questions, you might have to add products or services, or weed out poor producers. Or you might want to consider splitting sales people into

different groups, so they can focus more.

Mapping out your sales process, will help you and others in your organization perfect what you do to approach and close prospects. Track results and learn how to replicate what works. Set some performance targets. Compare results to the target. Follow the steps of your model. Look for the good customers who play nicely within your model.

Make the sale team a true team. Get rid of any dissension. Encourage the group to recognize and celebrate each others' successes, work through the break downs, stick with the agreed upon sales process. Sales is truly an area of your business where people can be stronger, and produce more as a group, than they can alone.

Set individual as well as group goals for the sales team. Think in 3's: approach 3 prospects / day, close the next 3 accounts, conduct 3 review sessions / week. Keep people in sales focused on the next one, and the one after that.

Make sure that all on the team are constantly learning and never stop. Try out new ideas. If people think they need help, ask them what kind of help they think they need. Find a sales class that includes a regular, ongoing program, where people can come

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back, again and again, to practice and hone skills.

Look at your sales force management system. Who sets, and checks on goals? How clear is everyone involved, as to what is expected. Do everything you can to make it crystal clear, no misunderstandings, everyone signs off as committed. Then hold people accountable for delivering what they've promised to do.

Review performance regularly. If you check on things weekly, you have 52 chances to make a change. If you check on things monthly, you're down to 12 chances. Be ready to make changes if you're not seeing progress within a reasonable period. Give people tools so they can track and report on their progress, and keep up to date records on who they're calling on and what they have to do next. Use computers to automate routines, do grunt work, save time, and look professional.

Get someone to look at your sales and marketing materials. Don't try to overhaul everything at once. Work on one piece at a time. Have one intro letter, one follow up letter, one brochure, one elevator speech. Pick the most important piece – for example an introduction letter or a description of what you do – and get that done first.

If you're unsure how to tackle or improve sales management, look

for someone to teach you. There are great consultants out there, with lots of experience helping organizations improve sales performance. Look for one with a track record.

Whether searching for solutions, setting goals, or defining your sales process, try to keep things as simple as possible. The more time you spend explaining things, the more time you waste. Cut out mistakes by simplifying everything you can in your sales process. Build a machine in sales, and you'll be able to get your business to the next level.

Looking for a good book? Try, Sales and Operations Planning, The How to Book, Second Edition, by Thomas F. Wallace.

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