



ODA / TOPLINE "Building Sales Capacity"

A Note From Joel

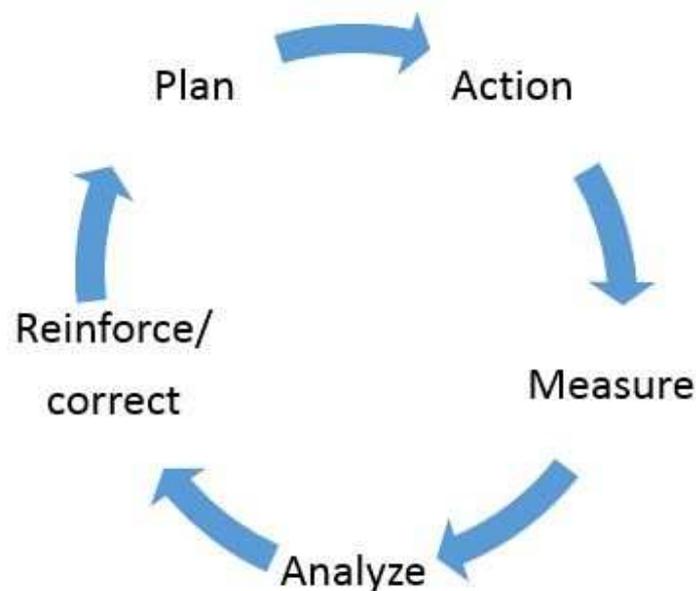
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In the August Newsletter we discussed the Action part of our Sales Loop. We covered some of the planning we do and the approaches we take. This month we will talk about the Measurement Step.

*Welcome,
Joel McFadden*



The Sales Rep in Action



What should we measure in the Sales Process? What should our focus be for this critical aspect of managing?

- **The System Approach:** Managers understand that every process has its own unique characteristics of timing, scale, units of measure, etc. The "Systems Approach" recognizes that there is dynamic tension between in process measurements and final results. Too much focus on the end of the process causes corrections to be too late. Equally, early corrections cause over and undershooting.

The example of paddling a canoe helps illustrate the point. Any change in paddling has an immediate and obvious effect.

The canoe responds quickly to the paddle. But an ocean going luxury liner must use sophisticated devices and controls to not rock the boat to assure passenger comfort.

The System Approach designs a process with an appropriate balance between activities and results. "In process" adjustments are calibrated to produce the desired result at the right time.

- **Sales Process Measurement:** Even the most results driven Sales Managers recognize that simply waiting for the orders to come in is dangerous. We must look at the activities which take place within the sales process, assess their individual value and measure that in process activity.

Some examples of in process measurement have proven to be very valuable for our clients. Retailers track incoming store traffic at the beginning of a season or even a long holiday weekend to plan their stocking of shelves.

Construction firms track permits, bid calendars and public funding indices to anticipate upcoming workload.

As the sales cycle begins sales managers track selling activity by monitoring the number of sales appointments, sales calls and sales expenses. Quotation and Bidding activity are carefully charted both to assure follow up and to plan purchasing, staffing, production and delivery needs.

At the time of sale, results can be measured in a variety of ways including: quotation closing ratios, purchases by shopper, and bidding results.

As we improve our understanding of what to measure and when, we can make more informed decisions on how to manage our sales process.

It has been our experience that effective measuring leads to several benefits:

- better decisions on price and other selling variables
- more effective evaluation of the quality of the work done in sales
- more appropriate sales compensation
- improved customer satisfaction
- effective resource allocation

The Closed Loop approach we recommend puts particular emphasis on Measurement. Effective Measurement of the right sales variables is a critical tool in Building Sales Capacity.

Joel McFadden

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Let's Build our Sales Capacity!

Give us a Call today!