

Structured to sell



JAMIL RASHID explains why managing day-to-day tasks better is key to improving sales performance

The terms 'structure' and 'discipline' have somewhat negative connotations in sales and marketing, where people tend to regard themselves as creative and free-thinking. They may even be seen as stifling natural flair. But structure and discipline actually magnify creativity and benefit all sales and marketing activities.

Why are they overlooked? Structure forces you to look at what is really going wrong, which is never easy, particularly when you are forced to look at your own shortcomings. Again and again, analysis shows that even well managed sales organisations face a number of common problems, such as poor record-keeping and focusing on hot or friendly prospects at the expense of feeding the sales pipeline with new contacts or developing fresh leads. These problems are usually compounded by uncoordinated targeting and uncontrolled pricing.

Process-based approach

Take the recent example of a company whose specialist product was failing to meet its sales targets. When analysed, it was difficult to understand the sales team's customer contact history and almost impossible to determine which stage individual prospects had reached or even who had been spoken to. There had been bursts of activity, producing a high volume of quotes that had not been followed up effectively and were often left to go cold. There was also an alarming level of 'seat of the pants' discounting, which was undermining the company's ongoing ability to make profitable sales.

To address these failings, the salesforce was required to define key process stages and agree the target lead times for them. The team was then able to measure how well it was adhering to the process, identify where prospects had become stuck and see the rate at which new contacts were being fed into the process.

By developing a process-based approach, the company achieved more than twice its original sales target. It also brought the quotation process under control by applying a common pricing policy and it was able to

review the relative performance of different sales offices.

It is one thing to define a sales process, but to follow it week-in week-out requires a highly disciplined approach based on the creation of weekly contact plans, showing who needs to be contacted, by whom, and with what objective. Contact plans ensure that all prospects currently within the sales process are followed up at the right time, in the right way, and that the pipeline is continuously fed with new prospects at the necessary volume to achieve sales conversion rates.

Sustainable improvement

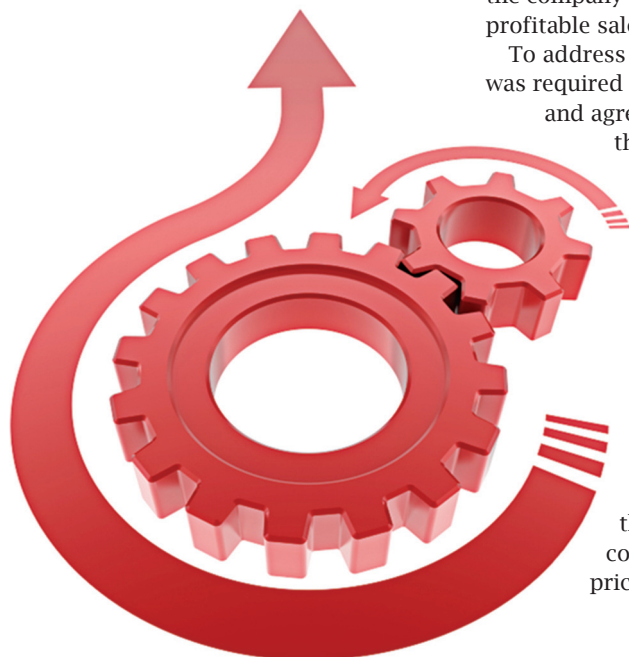
To improve, you need to capture the real reasons for unsuccessful contacts, and this requires a supportive management environment that promotes honesty — which can be challenging. But, by using a systematic approach, sales teams are gradually able to paint a picture of why they are failing to achieve the plan. This sort of analysis forces teams to address problems such as slow contacting rates, an inability to deal effectively with customer concerns and the selection of poor quality targets.

Once teams are able to connect bottom line results with their own behaviours, by collecting and analysing hard data, immediate efficiency gains of around 10% are common. In the short to medium term, the adoption of a structured and disciplined approach to selling can yield productivity gains of up to 20% and margin improvements of 10%.

This contrasts with the invariably poor returns gained from CRM systems when they are deployed as a 'bolt on' technology solution. Without the discipline to actively manage contact data and to continuously drive a clearly defined sales process, the benefits of such a powerful tool are unlikely to be fully realised.

But the real prize from structure and discipline is long-term, sustainable improvement, with sales teams and managers focusing on real problems and resolving them sooner, enabling the organisation to outperform competitors.

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