Planning for Success in 2004 and Beyond

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As you begin planning and budgeting, it is worthwhile to consider how your company defines "success" throughout the organization. By grounding your company with a consistent definition of success, you will be more effective in helping your organization – and particularly your sales organization - to establish strategies and tactics that support your corporate goals and objectives. These definitions will be especially important as your organization drills down to developing lower level goals with your sales reps as you help them to create territory-level sales plans.

Defining Success

Success can be defined in a number of ways. You can define success in terms of revenue growth, profitability, market penetration and customer satisfaction ratings, to name a few. Any of these definitions of success can drive income for reps depending upon how their compensation plans and bonuses are structured. Is your sales rep's definition of success the same as the company's? If not, there may be a serious disconnect between your company's business strategy and goals, and the activities that the sales people are focused on in the field.

But, however you define success, in order to actually achieve it, a few things must happen:

1. You must have a plan. At the executive level and at the territory level as well.
2. Metrics must be established in order to set quantifiable success goals.
3. Systems must be implemented to measure and manage your progress against those goals (you can't manage what you can't measure!).
4. Processes must be defined in order to provide your sales team with a roadmap to follow. Tools and training should be provided to assist with the implementation of both sales and planning processes.

Extending the planning process into the field

Once your company's yearly goals and strategies are established, you can help to ensure that the company business plan is executed in the field by helping your reps to establish territory-level business plans of their own. If your sales people start off the next calendar year without a formal plan that includes an understanding of the key characteristics of their territory, activity and productivity goals (driven by income objectives) and growth strategies supported by tactical activity plans and targeted account lists, then they are not prepared for success.

Here are some tips for implementing an effective and efficient territory planning process:

1. Define the planning process. Just as you define your sales or opportunity management, define the steps of your planning process.
2. Make it easy. Develop straightforward tools and templates for your sales people to complete. Stress that this is YOUR investment in THEM, rather than positioning the exercise as another mandatory report to fill out or administrative task to be completed.
3. Prepare in advance. Provide your sales reps with a planning template that already has included:

   a. A brief Territory Analysis that summarizes key territory characteristics such as numbers of A, B and C customers, number of prospects, average order sizes & numbers of orders by customer segment and product group, etc.
   b. An updated customer list with historical sales data
   c. Key prospect lists

   Your sales team will love you for providing them with a "Dashboard View" of this information; and the statistics that you gather for each territory will help you set territory-based "Standards of Excellence" based upon actual data from your top producing reps and territories.
4. Schedule the planning activity. Schedule a one-day planning workshop, with time for one-on-one breakout sessions with each sales person to review personal income goals, past performance and expectations for the upcoming year.

5. Implement the plans. Schedule a call blitz for the day after the planning session. This way you know that your sales team has scheduled appointments with the accounts that they have targeted as strategic to hitting 2004 goals.

6. Follow Up. Once the planning process has been completed, the key to success is execution and follow-up. Leverage your CRM system to track results against the success goals that have been set in the territory plans. If you do not have a CRM system, develop your own system for tracking results and review progress monthly with your reps.

Establishing the right metrics of success
Establishing the right metrics enables an organization to quantify success and measure progress against specific success goals over the course of the year.

? Metrics of activity (phone calls, appointments, product presentations, proposals, etc.) measure what sales people need to do in order to generate results.
? Metrics of productivity (orders taken, revenue generated, new customers acquired, etc.) measure the results.

By comparing metrics against each other (calls to appointments, product presentations to proposals, proposals to orders, etc.), you can begin to establish measures of effectiveness in various stages of the sales cycle. By analyzing the effectiveness of your sales team, you can make better management decisions, and you can be more strategic regarding your investments in sales training by focusing on those areas that have the greatest need for improvement.

One word of caution here – you can get bogged down with metrics. Pick a few that are relevant to the strategic goals of the company, and focus on them. The goal here is to make sound data-driven management decisions that impact the performance of the team in a positive way. Too many metrics can turn good sales managers into nothing more than score keepers.

Management Systems
As with any plan or process, execution is key. Once goals are established and strategies are set, monitoring performance and managing change will be an ongoing necessity. Systems of reporting and accountability can be difficult to establish, and often come with substantial resistance from the field. If properly implemented, however, using any number of CRM or Sales Force Automation systems to automate the tracking of just a few key metrics against defined and quantifiable goals will minimize the pitfalls.

In addition to automating reporting, communication is key. Weekly team meetings, monthly goal tracking meetings and quarterly plan reviews should be established to gather feedback from the field and to review team and individual performances against established goals and strategies.

In Closing
To achieve success in 2004, it is clear that investing in sales skills training, product training and sales process d evelopment alone is not enough. The very best way to ensure success and growth in 2004 is to make certain that every one of your sales people start the New Year with a plan.

To assist sales organizations in the goal setting and planning processes, HarvestGold has developed a five-step sales planning process created specifically for field sales reps. The HarvestGold™ Sales Planning Process includes territory analysis and goal setting tools, strategy templates and management report templates to make developing and managing territory-level business plans easy. But whether you use the HarvestGold™ Sales Planning Process or develop planning tools and templates of your own, investing the time to help your sales people produce territory-level sales plans will greatly increase the likelihood that you will achieve success in 2004 – however you define it.

Steve Lippock has 17 years of sales experience and 9 years of sales management and executive experience in various industries. He has direct experience managing both inside and field sales teams, and has built top producing sales organizations for several companies from the ground up.

As a member of the Aceda consulting team, Mr. Lippock has held interim executive roles as the VP of Sales for many companies in variety of industries, including the manufacturing, high technology, hospitality, non-profit and retail industries. At ServiceWare, Inc., he established the company's first direct sales effort, and developed a hybrid sales model, successfully integrating direct field and inside sales teams with the channel sales effort. During Mr. Lippock's tenure at ServiceWare, the company's total sales grew from $3M to $15M in three years, and was twice recognized on the Inc 500 list of fastest growing companies in America. Mr. Lippock has experience combining the sales efforts of several formerly competitive sales teams into one integrated sales organization to accommodate an acquisition-based growth strategy for Delphi Information Systems, a turnkey automation vendor in the insurance industry. Mr. Lippock started his sales career selling financial products, including commercial loans for a Florida-based bank, and insurance and annuity products for a variety of insurance companies.

During his career, Mr. Lippock has participated in the development and delivery of various sales training programs, including "Building Your Sales Machine", which is now a standard component of the Katz School of Business' Entrepreneurial Fellows Center program for business owners. Mr. Lippock has had extensive sales process and management training, and has an undergraduate degree in Economics from the University of Pittsburgh