



10 WAYS TO IMPROVE YOUR SALES TEAM'S PERFORMANCE

by Leigh Wallinger

Sales Directors are looking for more and more business to be generated from their existing sales staff. Simultaneously, the sales environment is becoming more and more competitive and differentiating your product or service in the marketplace is becoming more difficult. For Sales Directors, the way they motivate and reward their sales team(s) is a key factor.

The saying "what gets rewarded gets done" is one that all Sales Directors should keep at the forefront of their minds at all times. It is quite likely that if your sales team is not performing the way you would like, then somewhere along the way you are measuring & rewarding the wrong behaviour.

Here are 10 ways for Sales Directors to improve the performance of their sales teams.

1. Set targets and remuneration in line with your company's objectives.

If revenue growth is your objective then don't introduce a commission scheme that caps commission payments. Motivate your team to sell more by having an uncapped scheme in place where the commission rates increase as the sales person's revenue figures increase. Likewise, if you want to win new customers then encourage the sales team to look outside their existing customers by giving them a bonus for each new customer that is won.

If you are looking for customers who will stay loyal to you over many years, consider introducing a commission scheme that rewards sales people not only for year 1 revenues, but also year 2 and year 3 revenues.

2. Provide the right level of support to your sales team.

One of the biggest gripes of sales people, apart from the amount of bureaucratic paperwork they must complete, is the failure of senior company management to help them close deals. The "help" sales people expect ranges from adequate technical pre-sales support to time available from Directors for coaching and attending meetings. Sales Directors are often guilty of spreading their technical resources too thinly or simply not giving enough of their time to sales situations.

Don't be tempted to resource all the sales deals in the sales team's pipeline. Be selective. Focus on those deals that will close and that you can win. Allocate sufficient high-calibre sales support resources to each high priority deal to allow the sales person to win the order.

3. Get clarity into your sales pipelines and revenue forecasts.

Learn to work with your sales team to produce more accurate revenue forecasts. Get into the habit of delivering in line with your forecasts. This habit on its own will demonstrate that the sales process is under control and sales performance is predictable. This builds up huge levels of confidence both within and outside the company.

4. Encourage sensible risk taking

The key here is the word 'sensible'. There is little to be gained from taking risks that are so great that you end up gambling on the future of your business. However, great benefits can be realised if you get your sales team to think more creatively. Get them to take action outside their own (and the Company's) comfort zone, without fear of retribution should things not work out as expected. Many sales teams produce a stodgy performance because they are conditioned to conform to the norm, in terms of their activities and initiatives. Only by changing what they are currently doing will different results appear. It remains a mystery why



so many Sales Directors expect their sales teams to produce different (i.e. better) results simply by doing the same things year after year.

5. Turn your sales people into long-term employees

Avoid falling into the “hire and fire” habit that so many Sales Directors seem to catch. The secret is to spend considerably more time in the recruitment process to ensure you appoint the right person. Carefully assess the attitude of your potential recruit as well as their abilities and past achievements. This investment in recruitment time will be rewarded. Your sales staff will be a better fit for the business. They will be more successful and stay with you longer. This has the effect of reducing the cost of your sales team compared to one with a higher turnover of sales staff.

6. Establish the right level of administration

Sales people do not make good administrators, so keep their admin down to a minimum. Take great care with your CRM system as these are notorious for taking up sales people’s time. Similarly, when asking your sales people for their forward sales pipeline, be sure to avoid the usual pitfalls. In many organisations sales people are encouraged to “pad out” their pipeline – usually to keep their Sales Director or Sales Manager off their backs. Unfortunately, a Sales Director who has several sales managers as direct reports will usually consolidate these pipelines. The end result is very difficult to interpret with any certainty, which makes the forecasting of future sales with any degree of confidence virtually impossible.

It would be far better for everyone if sales people were encouraged to report in their pipeline only the deals that will close, and to drop the “fluff”. Not only will this improve your sales forecasts but your sales people will have less admin work to complete.

7. Invest in training and coaching for your sales team.

Establish a climate for on-going learning throughout your sales team. Encourage (by reward?) your sales people to read widely, listen to motivational and educational CDs and attend conferences to broaden their knowledge. Make your sales meetings more interesting by using the time to draw out new ideas from your team. Encourage creative thought and help each sales person to set ambitious, challenging goals for their own personal development.

8. Build the confidence and self-esteem of your sales people

Encourage your sales people to set more ambitious targets for themselves and to take action. Procrastination is far worse for confidence than taking action and finding the actions didn’t work. In the latter case, ensure everyone in the sales team learns from the experience. This means the action that was taken has produced a positive result in the form of a learning experience. Not necessarily the expected outcome, but one from which the whole team can learn.

9. Involve sales people in strategic planning

Get your sales people engaged in the long-term planning for your organisation. Their insight into the marketplace will be invaluable in assessing your strengths in the market as well as the competitive threats you face. At the end of the strategic planning process, it is critically important that your sales people are committed to the strategic direction chosen.

10. Measure the performance of your sales team

Don’t just use revenue as the sole metric of measuring the performance of your sales people. Look at how well they work with your customers. You can gather feedback from your



customers about their experiences of having your company as a supplier. Perhaps the use of feedback questionnaires will help you get consistency in the feedback you receive. Use these strategically to get an objective measure of customer satisfaction and introduce this as a component when assessing the performance of your Customer Account Managers.

Bonus Tip

It is likely that 20% of your sales team is producing 80% of your revenues. Don't do anything with this 20%, just let them carry on producing at their current levels. Concentrate instead on the performance of the next 60%. Your objective here is to lift their performance to that achieved by the top 20%.

The worst performing 20%, who currently get around 80% of your time, should be carefully managed to enable you to free-up some time to work with the middle 60% group. Your objective with this group is to move them into the 60% category, without investing too much of your time in doing so.

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