



SALES EFFICIENCY

IS IT A REPEATABLE MATHEMATICAL FORMULA?

A Mercuri International White Paper

Page 1 (2)

More from less, is that credible?

Successful teams are always expected to achieve greater results, having outperformed already challenging goals. Often, management say “do more” without sharing how. In our experience, that is because management itself is not sure. The usual clichés of “work harder” or “work smarter” come up, but usually the weight falls on top performers to squeeze a little more from their clients. Does that sound familiar?



3 key dimensions of sales force efficiency:

- **Quantity** of activity: Achieve the base level of each key sales action.
- **Direction:** Focus that activity in the right sectors, talking about the right products at the right level within prospect organizations.
- **Quality:** Do these fundamentals to an acceptable standard of excellence consistently.

Sales teams need heroes!

Often the heroes in a sale teams are the leaders. They rescue bad situations, close tough deals and are in the thick of the action. But, while winning battles, they are often losing wars. Sales leaders must multiply

successes, not simply add to them. They need to recognise where improvements in processes, knowledge and behaviours can be scaled. Increasing a large number of performances by a modest amount is better than improving a small number of performances by a large amount.

Are your sales leaders soldiers or are they generals? The first has no hope if the second is not up to the task.

Having a sales strategy is good. Implementing a sales strategy is better. The best organisations know where they are going and how to get there. Their sales leaders manage resources, find efficiencies, implement change, and encourage their people to be self-sufficient.

Soldiers or Generals?

What role do your sales leaders fulfill?

Precise mathematical formulae cannot fully explain sales efficiency. Any process involving people must have an element of unpredictability. It is possible to improve sales efficiency by measurable amounts by doing enough of the right things.

Much sales analysis and reportage studies the past, which cannot be changed. Less focuses on the future,

is it a repeatable mathematical formula?. *CONT.*

wherein lies opportunity. The amount of direct influence we have on the future is greater than might first be imagined. Ask yourself:

1. Do our sales KPIs focus on results or activities?
2. If this year's target is more than last year's, what have we done to re-equip our people?
3. What does a "good sales day" look like at our company?
4. What changes could we make to give each salesperson one extra hour of customer face time per week?
5. Can we quantify the efficiency of our sales processes?

Many organizations struggle to maximize customer facing time for their sales teams.

Sales efficiency is closely linked to what the professional staff who face your customers do and how well they do it. But what is not often recognized is the influence of departments and functional teams who interface with sales.

Where are the "sales prevention" fault lines in your business? When new processes, tools and behaviours are introduced do you brief widely or let other stakeholders find weaknesses out by accident?

Alignment of functional KPIs across sales and supporting departments will increase overall sales efficiency.

Letting others in on your sales secrets strengthens the position of sales as a function. Common language, common understanding of the business acquisition process, and understanding of the interdependency of functions makes for a more aligned and profitable organization.

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Easy wins

Provide your sales force with a clear view of what kind of business is good for the health of your company and why. Reward sales activities and results that move your organisation closer to its strategic objectives. Every company has less attractive customers. If you don't know why you continue in such relationships, find out. Make conscious decisions about which customers to keep and why.

Finding an extra 30 minutes of customer face time per sales person per week could boost your sales efficiency by double-digit percentages. Manage **activities**, and **results** will manage themselves.

Conclusion

Improvements in sales efficiency are possible and happen every day. The starting point is objective and quantifiable benchmarking. From this position, realistic goals for change can be set and pursued. Once the process of continuous sales improvement has begun, it requires proportionately less energy to maintain. Although pure mathematical formulae are difficult to define, there is a clear relationship between quantity, direction and quality of sales effort, and activity-focused KPIs can be created around this framework.

Projecting the future by analysing the results of the past severely restricts opportunities. The secret of sales success lies in understanding what to do, how much of it to do, where to do it and with whom. The only thing left then is to do it better than everyone else!

