



Best Practices in Sales Productivity, Goals and Accountability

Is an active, productive sales force ever a bad thing? Yes, if its ladder is propped against the wrong wall — selling blindly, out of sync with strategic goals, leading a company away from its goals. Following are some key elements for aligning sales with strategy:

- **Obtain accurate figures about your market and your sales performance.** Any objective understanding of your sales force's contributions begins with real numbers. Then measure continuously: Track sales efforts to be sure they're aligned with strategy.
- **Set the right goals with the right buy-in.** Sales goals must not only promise revenue they must also promote sales of the products a company wants to produce. And that's not enough: It's necessary to involve the sales force in the goal-setting process. There's a built-in tension, because salespeople incline toward modest goals they can easily exceed. It's up to management to continually raise the bar.
- **Reward gross margins, not just sales.** One sale tops a hundred thousand dollars, another half that — but which carries the highest value? That depends on their *margins*. Driving the most valuable sales should be the aim. Incentives should reward outstanding salespeople — the ones making those high-value sales. The way to establish a fair scale is to measure success based on gross margins.

- **Measure customer satisfaction.** Turn *somewhat* satisfied customers into *completely* satisfied customers, and they'll come back again. To do that, you must know which is which. This can pose a challenge — for a variety of reasons, customers aren't always truthful but it's critical to know the specific satisfaction level of each of your customers.

Are your company's sales efforts aligned with its strategic goals? Is your sales force achieving the productivity and quality you need? If you'd like to discuss performance-improving ideas, call us.