Sales Management: How to Develop an Effective "Sales Report Card" - Part 2

by Alan Rigg

What do you do if you **don't like the results** a salesperson is producing? What do you do when a salesperson **shows some flashes of ability**, but his or her **performance is not consistent**? How do you determine what the problem(s) might be? For that matter, how do you determine whether **a brand new salesperson** is performing enough of the right activities to meet his or her 30, 60, and 90 day performance goals?

If you don't have results to measure, or if you are trying to trouble-shoot why a salesperson is not producing enough results, you need to inspect the salesperson's **activities**. Activity inspection provides **an "early warning system" for many performance problems**. Plus, when activity is inspected regularly and consistently, it helps create and reinforce your company's sales culture.

What is sales activity inspection?

Sales activity inspection is the process of inspecting a salesperson's day-to-day activities to determine whether they are **performing the correct QUANTITY of activities**, and whether they are **performing specific activities correctly (activity QUALITY)**.

How to inspect activity QUANTITY

To determine whether salespeople are investing time in the correct activities, ask them how they are spending their time each day. Are they performing **all** of the activities listed in their Prospecting Plans? What **proportion** of their time are they investing in each activity? What **quantity** of each activity are they performing?

Many salespeople don't have an effective means of tracking their daily activities in enough detail to provide accurate answers to these questions. One way to solve this problem is by using an **activity tracking form**. To construct an activity tracking form, begin by listing key daily activities in the left-hand column of a worksheet. Then, put the days of the week across the top.

Be sure to break activities down into a sufficient number of steps to make meaningful data analysis possible. For example, if you want **to determine why a salesperson's cold calls are not producing the desired number of appointments**, include the following activities in the tracking form:

1. The number of times the salesperson **dials** the phone
2. The number of times they leave **voice mail** messages
3. The number of times they **speak with a gatekeeper**
4. The number of times they **speak with a decision maker**
5. The number of **appointments** they book

Inspect each of these activities in sequence and **look at the ratios** between the numbers. If a salesperson is only making two "dials" a day, the problem is pretty obvious. If the number of "dials" is acceptable, but the salesperson is not getting through to enough decision makers or booking enough appointments, the cold calling script may need improvement, or the salesperson may need to practice to make his or her delivery sound more natural.

Each time a salesperson performs any of the activities listed on the tracking form, they should make a tick mark in the appropriate box. At the end of the day or week, they should total up the tick marks. **The data produced by this simple discipline can be a great aid in troubleshooting performance issues.**

Are you thinking, "I won't be able to get my salespeople to fill out an activity tracking form"?

If your sales compensation plan is 100% commission, you are probably right. However, if your sales compensation plan includes any type of income floor (salary, draw, guarantee, etc.), you have every right to hold your salespeople accountable for completing a tracking form. After all, **how much time does it take to make a tick mark in a box?** If a salesperson makes 50 or 100 tick marks in a day (this would be someone who does a lot of cold calling via telephone), how much time would be consumed by making tick marks? Probably less than one minute!

The value to both management and salespeople of the information collected using activity tracking forms far outweighs the "time cost" of completing the forms.

How to inspect activity QUALITY

To inspect whether salespeople are performing activities correctly, you either need to **see them in action**, or you need to **conduct post-activity inspections**.

To see your salespeople in action, you can:

- Go on "buddy calls" with them.
- Listen in on the telephone when they are speaking with suspects, prospects or customers.
- Sit in the audience when they are delivering speeches or presentations.
- Go to networking events together.

Post-activity inspection consists of asking detailed questions about completed activities. For example, you can ask a salesperson to explain **what** they did during a sales call, **how** they did it, and how the prospect or customer **responded**. Then you can offer feedback and suggestions to help the salesperson improve his or her performance.

Another form of post-activity inspection is **sales opportunity pipeline reviews**. To inspect the opportunities in a salesperson's pipeline, ask the salesperson the same questions you would ask if you were in front of the prospect. If the salesperson has done a good job of qualifying the opportunity, they should be able to provide meaningful answers to your questions. If they do not know the answers to some or all of your questions, they have more work to do to properly qualify the opportunity. This process will provide you with valuable insights into how effectively your salespeople are performing key sales-related activities.

Conclusion

If a salesperson is producing enough **results**, you can monitor his or her performance by focusing your inspection activities on those results. However, if a salesperson is not producing enough results, you need to inspect the salesperson's **activities**. Activity inspection provides an "early warning system" for many performance problems. Plus, when you inspect your salespeople's activities regularly and consistently, it will help create and reinforce your company's sales culture!