Your Sales Results

If they have changed, do you know why?

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I have been getting a rash of calls and emails lately from business owners and CEOs complaining to me that their salespeople "just aren't working hard enough anymore." When I ask why, the answer is always the same: "Because our sales are down." "OK," I say. "But how do you know that your sales are down because your salespeople aren't working hard enough?"

All too often, I get silence. Or, sometimes, I hear: "Well, that's what happens. When sales are down, it's because the salespeople have become complacent." At this point, I am pretty sure of the answers to the next questions I will ask, but I ask them anyway.

My next questions are about the sales team members' activity metrics: How many prospect meetings are they getting per week? How many attempts at meetings? How many discoveries/presentations/proposals? In response, all too often I hear: "I don't track that. My sales manager doesn't want to be a bean counter."

And there is the real problem. Sales activity metrics and tracking aren't just about being a "bean counter" — at least they aren't if you do it right. Knowing your metrics (not just results) is the only way of genuinely troubleshooting sales problems and helping you spot changes in patterns. If you do not track numbers, you have to resort to cracking the whip and screaming "Work harder!" at your salespeople.

Sales activity metrics mean that you are tracking and managing your salespeople to achieve certain quantities of activities that, based on predictable and historical ratios, will give you a desired result. For instance: X number of prospecting attempts leads to Y number of discoveries, leads to Z number of presentations, leads to A number of proposals, leads to B number of sales. If you know what these numbers are and the ratios between them, you can very quickly spot changes in sales patterns and buyer behavior, which means you can work to solve problems.

And here is where you may be finding yourself right now. The sales profession is undergoing fundamental changes that have affected our historical ratios. As an example, the last time I worked a sales territory was in the early 2000s. At that time, when I picked up the phone to make a prospecting call, I could predict that about one out of every three times I dialed the phone, my targeted contact would answer, giving me an opportunity to use my prospecting approach to get an appointment. If I did it well, I would get an appointment from one out of every three conversations. So, on average, I would

get an appointment every nine dials. Since I knew I could easily perform 20 dials an hour, that meant every hour of prospecting time delivered two to three fresh appointments into my funnel. I needed eight new appointments per week to hit my numbers, so in a normal week, after three hours of phone time, I was off to the races. That was not bad.

However, it is different now. Buyer behaviors have changed. Now, only about one out of 10 people is even answering the phone — and that is on a good day. Buyer skepticism is up too, which means that the successful appointment-setting call is happening one-fourth of the time instead of one-third. Remember those 20 dials per hour? Now I would be spending two hours to get one appointment instead of three hours to get eight. That is a big shift. I would be working just as hard (my inputs — dials per hour, the measure of effort — have not changed), but my results would be off. If you were not tracking sales activity metrics, you would not know this and you would think that I am not working as hard.

Our reality is that, for most sales environments, the ratios have changed — at the top of the funnel and down the funnel as well. Buyer access to information has affected your buyer's behavior at every step of his (or her) journey, which means that it is time for you to adapt to that change. Here are some recommendations to help you adapt:

(1) Track sales activity — I know you do not want to micromanage. However, there is no better way to know when change is occurring — and to get in front of it — than by knowing your activity ratios and your target activity metrics, and managing your salespeople to achieve those metrics.

(2) Get out in the field — Spend time in the field with your reps. See what they do, what questions they ask, how they present and how their customers react to them. Is it different than it used to be? Are your customers coming to the table with more information? (Here's a hint: yes, they are.) All of that has implications for how your salespeople sell. It is not 1970 anymore and you are not the only conduit of information about your products.

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(3) Research your own company — When I do sales audits with new clients, I always ask them what their companies' Google Review scores are. I get a lot of blank looks because they do not know. They usually know what a Google Review score is — they check out restaurant reviews and the like — but, often, it does not occur to them that their companies are reviewable on Google.

Sometimes, the scores are shocking. Not that long ago, a client was explaining to me that his company provided a premium service and deserved a premium price. But when I checked his company's score against the competition, it was a full star lower than any competitor. It is not just Google Reviews, either. Your customers and prospects are researching you. You should know what they are seeing.

(4) Update your methodology accordingly — If you are using a sales process or methodology that has not changed in the last three years or more, you are probably falling behind. You cannot sell to a 2024 customer as if you are selling to a 1994 customer — or even a 2019 customer.

When I hear a manager saying that the only problem is that his salespeople "aren't working hard enough," I know I am talking to someone who is out of touch. Do not be that person. Tune back into your current sales environment. Adapt to the changes, even if those adaptations are difficult. Once you do that, you can drive your market instead of being left behind. ■

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