E-book

Newsletter #3

An Effective Sales Reporting System is Essential

Counting down my 10 most popular newsletters, here is #3.

A complete library of my newsletters can be found here on my website.

Introduction

As I ran the analytics to determine my Top 10 newsletters, I thought, "One of the reader's selections will be unexpected." Number three took that honor. Really? This subject? It seems like such a simple topic – creating effective sales reports such as Daily Call, Productivity and a Sales Forecast. And yet, why am I surprised? I spend an outsized number of hours convincing clients to create and run these basic sales reports.

Clients often say to me, "I have no use for those reports. I hired adults and adults should do their job. I don't want to track this kind of minutiae. I need them to close more sales." After much back and forth, I convince them that they very much need, and should be monitoring, this fundamental information.

When we review the first round of reports, the initial results shock and disappoint company and sales leaders.

"I had no idea how few calls they made each week." Or "He's just sending out random emails all day. There's no plan." Or "This rep hasn't spoken with her top prospects in months."   The list goes on and on.

After dealing with the understandable let down and frustration, the leaders I work with come to appreciate – and rely on – these critical reports to help direct and manage the sales effort.

Enjoy the eBook!

Suzanne

Newsletter

A client asks, "I manage a sales force of six, but don't have a good grasp on what they are doing on a daily and weekly basis. What kind of information should I ask them for? How often should it be turned in? What should I do with it?"

Running a sales organization without effective reporting is like driving with your eyes closed: you won't get where you want to go. The three reports that are essential to any well-run sales organization, no matter what the size, are the daily call report, the productivity report, and the sales forecast.

The Daily Call Report

The daily call report tells you how and how often your sales representatives are calling on the accounts in their assigned territory. The specific data asked for in this report varies by company and industry but most commonly includes what companies the salespeople called on, who they spoke with, whether the calls were in person or by phone, what they talked about, what the next action steps will be and when the next scheduled calls are.

Daily call reports should be turned in (or run, depending on your level of automation), on a daily basis and read carefully at least every other day. Reviewing them every few weeks does not allow you to verify information in the report on a timely basis.

The Productivity Report

The purpose of the productivity report is to keep you informed about the level of activity taking place within the sales organization and to make sure that each salesperson is meeting or exceeding the productivity standards you have established. The data often includes the number of outbound calls, conversations, voice mails, customer meetings, and sales presentations. The report should compare actual results against the benchmarks you have established for each activity.

Productivity reports should be turned in (or run) and reviewed on a weekly basis. Many managers compare the activities on the productivity report to both the phone bill and the daily call report to verify what is being reported.

The Sales Forecast

The sales forecast has multiple purposes including helping to estimate revenue, determining what opportunities need executive attention, and paving the way for post-sale product or service delivery. The accuracy of a sales forecast strongly affects the entire organization and is therefore the most important report generated. This document generally contains prospect names, sales opportunity sizes, indications of where the sales opportunities are in the sales cycle, and what the customers are buying. It is the sales representative's best estimate of which sales will close during the next 30, 60, or 90 days and, in most companies, is due at the beginning of each month with occasional revisions due mid-month if the need arises.

Each sales representative must clearly understand what criteria a potential account must meet before they are allowed to put it on the forecast, otherwise the data will be meaningless. Once an account has been placed on the sales forecast, it must not be removed without the salesperson having discussed it in detail with their manager.

Reviewing these reports is time consuming. But keep on top of them. If the sales staff suspects that you don't review the reports, they will make a token effort at writing them and you will start to lose touch with the sales organization. Remember the old adage "inspect what you expect." By setting goals and letting your salespeople know you are committed to tracking progress toward them, you will vastly increase the performance and predictability of your business.

Additional Resources
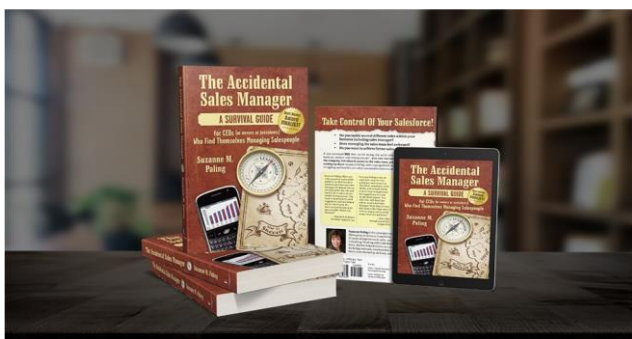
The Accidental Sales Manager

Chapter 11: Tracking Progress and Performance

MORE ABOUT THE BOOK >

Further reading:

Attack the Maybes

Diagnose Selling Challenges Using Pipeline Report

Vary Reports to Unearth Trends (Part 2)

Vary Reports to Unearth Trends

What's the Difference Between a Pipeline and a Forecast?

Adopting a CRM System