

# DO THE RIGHT THING

WHAT'S THE QUICKEST WAY TO GENERATE PROFITABLE REVENUE? IT'S SIMPLE – MAKE SURE THAT YOUR SALES TEAM IS FOCUSED ON THE RIGHT ACTIVITIES, SAYS PETER HEREDIA, MANAGING DIRECTOR OF MAX SALES SOLUTIONS.



It's a scary fact but, on an average, a salesperson spends between 5 and 10% of their available time on actual selling activity. This means that in an average week, less than half a day is actually spent selling or working on revenue generating activity.

Visiting customers is the activity that is most directly related to increasing revenue results, so sales people and their managers need to remove "time stealers" and plan to spend the maximum possible time in front of potential customers.

"What is revenue generating activity?" you may well be asking and what is stopping your sales team from doing more? Take

back and ask yourself some more questions to find the right answers. Should a salesperson be:

- looking at e-mails or at their sales pipeline?
- on the road or in the office?
- worrying about admin or how long it takes to close deals?
- talking to other departments or talking to customers?
- recycling activity to managers or recycling business?

Of course all of these things need to be done, including some of the less productive activities, but the question is how to increase the focus on the tasks that actually generate revenue.

## Should a salesperson be looking at e-mails or at their sales pipeline, and talking to other departments or talking to customers?

### What is revenue generating activity?

It is about two things:

- Making proposals for your products or services in face-to-face meetings with genuine, qualified prospects.
- Carrying out any activity that is directly related to arranging face-to-face meetings with genuine qualified prospects to make a proposal of your products or services.

### What are the main time stealers for salespeople?

*Fixing things that don't really matter:*

Most people like to be seen as busy. Very often this means working on things that are very visible to others or that they have simply reacted to rather than planned – dealing with a customer issue that should be dealt with by another department for example.

### *Operating in their own comfort zone:*

That means seeing the people they know and like or doing the things that they like doing as opposed to the challenging job of selling.

*Internal distractions:* Take a look at the activities that are directly dictated by the organisation,

meetings, bureaucracy, admin, training and so on. You will probably



be amazed at the amount of time spent busily talking to each other.

**Failing to prioritise:** Every action should be tested or challenged against its impact on the two revenue generating activity areas mentioned earlier. If the action isn't contributing to achieving progress on either then it is most likely a waste of time.

**Poor planning:** This covers all aspects of organising themselves to do their job, from territory organisation, call planning and customer segmentation to making sure that customers are visited according to a well thought out schedule.

There are many others but this group would cover a large part of what is normally stealing revenue generating time from a salesperson.

### Getting your sales team focused

You can guide and coach a salesperson to focus on revenue generating activities and what is stopping them from doing more, however, the best approach is to ensure that they are aware of what revenue generating activity is

**Step 1:** Clearly identify the revenue generating drivers of your business

**Step 2:** Ensure that all salespeople completely understand every driver and the activity related to improving each of them.

**Step 3:** Provide every salesperson and manager tools to provide clear visibility of their activity so that at all times they are aware of what they need to do tomorrow, the next day, next week, or next month, to drive revenue.



Peter Heredia, Managing Director of Max Sales Solutions



customers, the impact on revenue is huge.

With all other things being equal, if the salesperson in this example can increase their daily visits from 3

to 4, through better focus on time management for example, this will mean that they can improve the number of opportunities that they will work on each month from 12 to 16. This will deliver an increase in revenue from 60,000 to 80,000 – a 33% increase with no increase in fixed costs. ■



and ensure that they want to change their focus.

How do you do this? Well it is quite straightforward but it may not be easy. Here are three steps to focus on:

### How optimising your activity will improve your revenue

If we look at the example below, it is clear that by focusing on only one of the revenue drivers - visiting

### ABOUT:

Peter Heredia is the Managing Director of Max Sales Solutions. He has worked with sales teams around the globe for more than two decades and has worked in the Middle East for the last ten years. His passion is helping smaller businesses to significantly improve revenue performance by focussing on the productivity and efficiency of their sales teams.

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