RULES OF THE ROAD for the SALES TEAM

The Manager's Essential Handbook
for creating the
self-correcting team

Rules of the Road for the Sales Team:

The Manager's Essential Handbook

Thanks are due to Brandon Toropov, Mary Jo McGowan and Laura Wilson for their professional assistance in writing and editing this text.

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The Sales System that Works

About DEI

DEI has been working with sales teams since 1979, when it was founded by Stephan Schiffman. We have delivered sales process, sales management and sales skills programs for over 9,000 organizations ranging from Fortune 500 companies to start-ups.

DEI is not just "sales training." We give sales operations a *way of thinking* and a *way of operating* that changes daily sales and sales management behaviors. What we propose is simple, intelligent and clear - and it works! Our main programs cover the critical sales tasks as follows:

- Sales Pipeline Management or Prospect Management
- Effective Prospecting (Appointment Setting and Cold Calling)
- Telephone-based Selling Skills
- Field-based Selling Skills

DEI's sales pipeline management assures a sales operation a very high standard of tracking, both for the salesperson and the manager. In other words, it gives them the true picture of what is going on. In many sales operations, the true picture is sometimes a lot worse than the picture that is presented at the weekly, internal sales meeting or the picture that emerges on the last day of quarter-end—hence the reason for this book.

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Introduction

No-one is ever too experienced to benefit from the approach adopted in this booklet.
(from a *Rules of the Road Guide* for drivers)

Most salespeople did not plan to be in sales. It's not that they didn't want to be in sales, it's more that they were never prepared for the career; they stumbled across it or somehow just ended up there. This seems like an almost unkind statement, but I think it is actually true for most salespeople, myself included. If you think about it, almost anyone can get into sales, and they do, at least for a while. Even socially, I come across people who, trying to identify with my job, tell how they "used to be in sales too" – for a year. There are no specified qualifications, no courses of study or learning, and no tests; in fact, there are no barriers to entry into the profession of selling.

The implications of this are profound for salespeople and their employers and managers. Many sales careers are very short, made up of a series of career hops that add a few dollars, and a slightly bigger car, every two and a half years. Eventually, the salesperson gets tired and ends up in a sales-sounding role that delivers little new income and generates no value for the company. In reality, most salespeople earn only average incomes when the public view is that selling is a license to print money.

For managers of salespeople, it's not much better. Salespeople constantly frustrate their managers with unreliable forecasts, missed targets and vague feedback. Managers deploy all manner of training, software and reporting to improve sales performance, most of which has no effect on activity or sales revenue. Training fads, gurus and techniques come and go; only the weight-loss industry offers more quick salvation.

I understand all this because I have been both salesperson and manager. In my current role, I get work with plenty of both. While selling and communication may differ across countries and continents, one thing is universal; **salespeople and their managers work toward different rules – or no rules**.

This isn't because any of us is bad—we're not, but sales operations *do* underperform. Companies *could* sell more without changing anything about their product or service. The return per salesperson *could* be universally higher. Many deals *could* be done far more profitably for the company. Many sales departments *could* sell as much - and more - with fewer people. Some sales teams should be bigger and the company should be taking a far higher market share. Unless there is strong, natural market growth, many established companies struggle to grow through the efforts of their sales team, and many new startups die an early death when they hire their first salespeople!

All of these challenges are rooted in what salespeople and managers believe constitutes "selling." The vast majority of the sales profession really doesn't subscribe to the notion that selling is like many other functions in a business, or that it requires a process approach, with steps, procedures, best practices, preparation, diagnosis and correction. It's assumed that salespeople *are* the process—they're not.

The sales process is about *how you work* in order to keep hitting the target and to grow revenue and profits. There are steps to be followed, just like in manufacturing, to deliver the end units, and there is more than one step in the sales process. Moving through the steps primarily involves organization and work—not some unquantifiable level of personality or poker skills. There are rules that will guide you through the sales process: rules about numbers, rules about classification of prospects, rules about what to ask and how to measure progress, rules about preparation, rules about reporting and rules about self-diagnosing.

That's what this book is about: ***giving the manager a set of rules to create a clear sales process that he or she can teach to the sales team.*** Managers will need to get buy-in to the rules, but managers also need to get buy-in on this issue: **the manager sets the rules**.

Sales Versus Business Development

Let me explain who I wrote this book for. It's for anyone—especially managers—who is interested in *business development*. I could have said that it is intended for anyone with an interest in *sales*. But, *sales* means many things, and here it refers to business development; in other words, getting more business from new and existing clients. I make this distinction because many people succeed in sales but fail at business development. Businesses need business developers—people who can initiate new relationships that lead to more business. These are people who can increase revenue and profits, not just because the products and brands work, but because as a professional salesperson, they cause growth to happen that would not have been possible without them applying their daily sales process.

I've met thousands of people who are or have been in sales, but not in business development. I meet very few seasoned "salespeople" who are still business developers. I meet entire sales teams who have moved beyond "basic" selling to relationship management, strategic selling and "who-knows-what selling" who bring in no new business, but cost a fortune to maintain. As a manager, you might need to become — anew — a champion of business development and sales growth. Growth is worthy and sales growth is necessary. That means the simple activities of prospecting, setting appointments and maintaining a sound pipeline are necessary and worthy pursuits. They are good for the company, the salespeople, their incomes and their families.

Finally, for sales managers…

No doubt you've read other books on selling and even sales management. You'll probably agree that there is no shortage of such texts! Very little is written for the sales manager by way of providing a *framework for structuring a sales process,* or for thinking more deeply about the sales role and what it is a salesperson is *really* supposed to be doing every day. This book will do all that for you and more. It can provide the basis for you to create a world-class team of "self-correctors" and re-energize yourself and the whole sales operation at the same time. Carry it with you and watch it become your **essential handbook**!

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P.S. I challenge you to try to read the book before your next internal sales meeting. You'll see why!

The Ten Rules in a nutshell:

RULE #1: ***The goal of each salesperson is to become self-correcting.***

RULE #2: ***Date-driven selling is mandatory: get to the next step.***

RULE #3: ***Use a common language throughout the sales team.***

RULE #4: ***Once a week, the salesperson gives an account of their sales pipeline.***

RULE #5: ***Salespeople must be able to answer the hard questions.***

RULE #6: ***Each salesperson must know their ratios.***

RULE #7: ***Calendars are 80% scheduled at least two and a half weeks ahead – all the time.***

RULE #8: ***Produce evidence that you planned your meetings.***

RULE #9: ***Sales process is bigger than sales personality.***

RULE #10: ***The last act of the selling day is a sales pipeline check.***

RULE #1: The goal of each salesperson is to become self-correcting.

Not long ago, I was working with a client and we began talking about his hiring routine. At the time, about three-quarters of his sales team were seriously behind quota, and the rest were "treading water" – just barely getting by, or about to have problems. I asked him to tell me what he generally looked for when hiring salespeople.

"I guess I just know good people when I see them," he told me. "I've nearly always picked winners."

We had just completed a review of each salesperson's pipeline, and I already knew that the sales pipelines had been consistently in poor shape for at least 5 months. Every forecast had been wide off the mark and the targets were missed (even though the sales forecast – right up to the last day of the month – promised that the target would be met). This was hardly the stuff of winners.

I put it to him that if these *were* the right people, why had they not corrected the situation before now?

"I'm almost afraid to admit it," he said, "but now that you put it like that, they probably don't even know what to do."

"Exactly," I agreed. They can't fix something, unless someone has shown them what to do. I went on to explain that at our own company we call this self-correcting: the process whereby a salesperson will gradually start to work in a way that ensures they will consistently hit the target.

Selling is a strange profession

When I meet a sales team, one of the first questions I ask each person is how they came to be in sales. All over the world, the answers are the same. "I just seem to have ended up here." "I stumbled across it." "I wasn't sure what career would suit me, so I took a sales job." This is an important point, because it is at the root of poor sales performance.

Ask one hundred salespeople how to qualify a prospect, and you will get one hundred different answers. Ask ten salespeople to make a forecast using the same data, and you will get ten wrong forecasts. Ask two salespeople working on the same deal to classify it in the sales pipeline, and you will get two entirely different classifications. Why does this happen? It's simple. Sales, selling, and salespeople don't really operate to any agreed set of rules, standards or benchmarks. The result is underperforming teams, stressed out managers and missed growth opportunities all over the place.

Managing *is* teaching the rules

This brings me to the role of the sales manager. Remember, when you hire a salesperson – experienced or otherwise – you are not automatically hiring someone who has learned a standardized language or approach. You are hiring someone who probably picked up bits and pieces of knowledge, some tricks of the trade and a ton of myths. You'll assume that the salesperson knows how to sell—*they are* a salesperson after all. But you could well be wrong!

Even if the salesperson knows *how to sell*, it doesn't mean they will sell *enough*. Don't assume too much. Sales managers assume that salespeople know what to do, yet every single sales pipeline review that I have ever conducted tells me the opposite: salespeople *don't* know what to do. Notice that I prefaced my certitude by mentioning the sales pipeline review. If you use the right "system" to diagnose the salesperson's deals, you can not only see into each deal, you can see into the mind of the salesperson and how they think about sales. You'll also see if they are doing enough.

So, it's back to you, the manager. In sales – especially – managing *is* teaching. It's about teaching salespeople how to work each day. It's about giving the salesperson a process that they can use to self-diagnose and self-correct. Sales management is teaching the salespeople the *Rules of the Road* as applied to sales.

We are teaching our sales teams to self-correct based on the Rules of the Road. If they don't follow the Rules of the Road – as set by the manager - and use those rules to self-correct, they will eventually lose their "license" to sell for our team! I am not talking about approaching sales management in a legal or regulatory fashion. I'm talking about teaching salespeople a set of rules that they need to follow if they want to earn a reliable and consistent income. Like all rules, the rules in this book are both disciplining and motivating at the same time. The people who are the subject of these rules must adhere to them and own the responsibility for correcting their behaviors. Understanding this much is the first, essential step in creating a more productive sales operation.

Start testing this hypothesis today: *A self-correcting team will always outperform a team whose members cannot self-correct*.

Where do you start when the goal is to create a self-correcting sales team? Unlike many sales trainers and consultants, we don't start with the person; we start with the rules associated with a sales role and the overall sales process.

Before I came across the DEI sales system, I had been trained in several sales approaches and methodologies. All of them helped me to some extent, but looking back, they were all tackling the same issue: *how to sell*. We have all suffered through the lame acronyms and the mind-turning techniques so beloved of sales trainers, not to mention the "54 personality traits of the sales winner." All my sales training seemed to have this unwritten principle: that the role of a salesperson was to convince people to do things that they were too stupid to think of themselves. I call this the "influencing" school of selling: the school that says the clever salesperson "gets" you to buy - whether through doggedness, stealth or treachery.

Then I came across the "rules" I am about to explain in this book. Interestingly, these rules didn't seem "new" or hard to understand; in fact they were obvious. More interestingly though, no one had ever put them into a framework that I could use to direct my daily behavior, diagnose my performance, strategize my deals, make accurate forecasts and move more sales forward against pressing deadlines. No one had ever given me a process or a complete system that I could use 24/7 to improve my performance. In particular, no one had shown me how to use numbers to guide my daily behavior. They had used numbers to measure my end result, but not to show me how to get there. I never knew the right number of times to dial to get an appointment for example; I just made calls. I had never reflected on the right number of appointments to have at all times. I had never been shown how to use my time to make more money, but everyone wanted to teach me *how to sell*.

Now I had a system, but it came with obligations: I had to adhere to the rules of the system as laid down by the manager. That sounds rather authoritarian, but to deliver sales revenue and income consistently, you *do* have to adhere to certain rules. Although this book is for managers, I want to emphasize the reaction we get from salespeople when we teach these rules. Yes, some people resist them, and we have had some vigorous arguments over things like numbers, ratios and dates. But, the language that salespeople use to describe the effect of this system on their thinking is expressed in words such as: *structure, framework, organization, clarity, truthfulness, reality* and *simplicity.*

When you get your salespeople using this sort of language, they have already started to self-correct. Your first job as a sales manager is to encourage people to self-correct using your rules. In fact, you need to make self-correction the first rule for your team.

Suggested action for the manager:

Take any "top" prospect from any sales pipeline at the next internal sales meeting and ask each salesperson to classify it, e.g. place it on a continuum from 10% to 90% in terms of the "likelihood of the deal happening." Watch what happens!

RULE #2: Date-driven selling is mandatory: get to the Next Step.

I see a lot of sales processes throughout my work, and managers go to great lengths to tell me how many rules and criteria they use to implement their process. The week I wrote this chapter, one senior sales manager, in a public company, counted 43 criteria for me that she uses for defining an "opportunity." I put it to her that 43 was a big number for a salesperson to work with, and besides, her salespeople's pipelines were probably full of dead prospects anyway. Inevitably, she wanted to know how I could be so sure about pipelines that I hadn't even seen.

"It's simple," I said. "I bet you that where you have a great opportunity in your pipelines, the prospect has not given the salesperson a scheduled time and date to meet again." She replied that they "all have dates on them" and I replied, "Not the sort of date I'm talking about."

I was talking about date-driven selling, where the prospect puts the salesperson's name in their calendar, and not just the salesperson inserting some random date into a spreadsheet.

Date-driven selling is selling that habitually measures the progress of any given opportunity by posing two simple questions:

- Is there a mutually agreed-upon *Next Step* in place – a scheduled time and date that is in our calendar *and* in the prospect's calendar?
- If so, does that date fall within our current selling cycle? In other words, if that date is too far in the future, it might as well not be in place.

If the answer to *both* of these questions is "yes," the salesperson is working on what we call an *active prospect*. If the answer to *either* of these questions is "no," the salesperson is working on an *inactive* prospect, and cannot: (a) project income from this opportunity; or (b) count this opportunity against his or her quota for active prospects.

Setting that quota, of course, is your job as the manager. It will become easier for you after Chapter 3, which will discuss the COMMON LANGUAGE you and the team will use to discuss any opportunity. Different active prospects have different values. I'll explain the different pipeline values in a later chapter of this book. For now, all you need to understand is that we use dates and times to determine whether a "prospect" is active or inactive.

> **The core principle is this: If the *prospect has not agreed to put your name into <u>their</u> calendar, you cannot rely on that prospect for income*. It's a simple but very tough rule, and it's a standard of measurement that the best sales operations aspire to. That's what we've observed over thirty years of working with sales teams. All over the world, a business developer's sales pipeline should have no fewer than 10 active prospects and no more than 30 at one time. The most common range within that are 15 to 20 active prospects. When you see the sales process I am about to give you in the next chapter, you will see why these numbers make sense.**

This rule requires discipline

When I was introduced to this principle initially, I thought it was obvious—dates are critical. What was not obvious was that I was not applying it! I was *kind of* doing it, when it suited me, or when I liked the prospect or he liked me, but it wasn't the way I *lived*. When it became a way of thinking and a way of working, it completely changed every sales behavior and challenged every myth that I had picked up in my sales career. To live by this principle, (i.e. to make date-driven selling mandatory), requires discipline, but with this discipline comes a new confidence about one's role as a salesperson.

How did I adopt date-driven selling? Getting started was pretty easy. I took my sales pipeline and applied the date-driven, next step rule to all my "so-called" opportunities and prospects. To this day, I remember checking 34 of them – which was way too many—and realizing I had only 3 prospects that had a proper next step. If I didn't respond to this new information, then clearly I was in the wrong job.

This is where your role as a sales manager needs to be looked at again. Most salespeople will not voluntarily self-check against such a tough principle. You have to get them to do it, or initially, do it for them. One of the main purposes of your weekly meeting with the team is to separate active prospects from in-active prospects, and to reinforce the critical "DATE-DRIVEN" SELLING ONLY rule. If there is no next step in place, or the prospect has been in play for longer than your average selling cycle, the deal is no longer "on the board." Its pipeline value is "zero." No date, no deal.

Under this rule, each member of your team has a clear job: to meet your activity quotas for first appointments and active prospects, and keep deals in the pipeline only in accordance with the "DATE-DRIVEN" standard! Whenever a deal falls off - and this is, of course, a natural part of the pipeline management process - it is the salesperson's job to replace that deal with another first appointment or active prospect, (i.e. he has a scheduled next step with a definite date and time, which the prospect has naturally and voluntarily agreed to because it makes sense).

Here are some common situations which indicate that a member of your team has not yet mastered the concept of "DATE-DRIVEN" selling.

- The salesperson refers to a lead as though it was a live prospect, but has scheduled *no* first appointment.
- The salesperson refers to a lead as though it was a live prospect, but has no Next Step in place.
- The salesperson seems to be on the telephone a lot, but produces very few appointments.
- The salesperson is *near* the telephone a great deal, but not actually on it. He or she will occasionally pick the receiver up

and make a long call, but first appointments rarely or never result from these calls.

- The salesperson frequently reports "great conversations" that they have had on the telephone and then nothing more ever seems to result from these conversations.
- The salesperson says "I just need to confirm the appointment" with a prospect. This means there is no appointment. Make sure it stays at a value of "zero" in the pipeline.
- The salesperson reports a high level of no-shows on appointments. The appointments were probably not real in the first place or were conditional.
- The salesperson's appointments seem to re-schedule – a lot. The appointments were probably not real in the first place.
- The salesperson says that a particular appointment is a "huge" opportunity, but has no date and time for a next step.
- The salesperson was very excited and vocal before a meeting with a prospect, and then you heard nothing. The meeting was, in all likelihood, never actually on the prospect's calendar, or the salesperson was unable to secure a next step. (I prefer to say that we don't *get* a next step, we *earn* it!)

If the salesperson does not have an answer to the question, "What does the PROSPECT think is going to happen next?" … and if the answer does not include a specific date and time for the meeting (face-to-face or by telephone) that salesperson is in violation of the date-driven rule.

You — and just as importantly, your team — must *habitually* ask questions that confirm whether a given selling opportunity is in compliance with the DATE-DRIVEN SELLING standard. We're not just talking about a rule here; we are talking about a standard of behavior.

Just because a prospect gives you a date to meet again doesn't mean they will buy. It does mean that they are more likely to move through your sales process than if they hadn't given you a date. In other words, ten people who have *already* put your name in *their* calendar are a better bet – on average – than ten people who haven't.

I have also observed something else: prospects don't say "no," they just don't give you the date. Most salespeople interpret this as "it could still be yes, because I didn't *hear* them say no." With date-driven selling, you don't need to *hear* yes or no. You either get the next step or you don't.

When we use this principle in our various tools and methodologies, we get in excess of 95% accuracy in sales forecasts. We know we are "right" because we are invariably accurate when the quota is not going to be met, but the salesperson had been leading the manager (and himself) to believe otherwise.

Stephan Schiffman was the first person in the world of sales training and consulting to make date-driven selling a standard and mandatory part of a sales methodology. He explained it to me one day in his usual very plain style, "*you cannot make a sale on your own!*" His "next step" principle has stood the test of time; it cannot help but last. I recently took part in a blog and amazingly, a contributor who is a sales "expert" explained to me that selling had moved on from the "next step." I wrote back and asked where it had moved on to—I am still waiting for a reply.

Date-driven does not mean pressure-based selling

Sometimes salespeople and managers interpret getting dates from prospects as "hard" selling. "So you want me to force the prospect to give me a date?" is a common response I hear. Actually, I don't—absolutely not. I want you to *earn* the date first and then you won't have any issue getting the date from the prospects. I see earning the date as the measure of my performance; when prospects trust and respect me, they are more likely to give me dates. In fact, they will suggest the date themselves. It's not about "date-getting" techniques. It's about using a standard of measurement that drives effective and ethical sales behaviors and that lets both parties know where they stand.

Here is a more down-to-earth explanation of the next step, date-driven principle: *If people are not willing to give you a date, they are not going to give you their money anytime soon.*

When is the best time to get the next date?

It's pretty obvious. The best time – and place – to book the date for the next meeting is when you are in the current meeting! The salesperson is in a (much) weaker position once they leave a meeting (or hang up the telephone) without securing the next step. Therefore, toward the end of the meeting, the salesperson needs to position and ask for the next meeting. I usually position it by starting this way: "Here's what I want to do next …." That shows that at least I have a plan and a sequence in my head for moving the sale through *my* sales process. When I start to make this suggestion, I always have my calendar on hand. I don't rummage around. I don't blush. I don't get or look embarrassed. If another date makes sense, I will get the date. If it doesn't, I will not get the date. Then it's time for me to ask myself what I could have done better, or I decide that I have done the best job I could and move on. What I don't do is naively leave the meeting without a next step and convince myself that I do have a next step - or console myself with the excuses I accepted from the prospect.

There are ten rules in this book. That's a lot of rules for a salesperson—at least nine more than they are normally used to. One way to start the process of buy-in is to challenge your salespeople to book a scheduled next step during their meetings *this coming week* with a prospect, instead of driving back to the office, writing one of those interminable proposals and then trying to secure a next step. It only requires one or two successes and you already start to see the motivation rising. Why? This occurs because salespeople love things that actually work. It will also be unusual for them to follow a piece of advice – and find that it really *does* work!

The Next Step principle can become your mind-reader

Since I bought into the next step principle myself, and have had to try and get other people to do the same, I have observed something. The willingness and the ability of a salesperson to secure scheduled next steps is one of the best ways to assess motivation, skill and emotional intelligence. Let me put that another way—where I have had to part company with a salesperson, they have *never* had very many, if any, prospects with a scheduled next step in their pipeline. Now that is sometimes the result of low activity, but I find that low activity is usually accompanied by unwillingness or an inability to secure the next step. (Alternatively, they have scheduled next steps with the wrong people, or people with whom they have developed a temporary friendly relationship, and who are too nice to tell them they are wasting their time).

This unwillingness or inability to fix the next step issue is deeply related to how the salesperson sees their individual role. You don't have to be at the top of the traditional IQ hierarchy to get into sales, but you *do* need substantial self-awareness when running a sales conversation that can deliver a mutually scheduled next step. It's no mean feat to call up a stranger, who then decides to schedule more time with you in order to move towards closing business. If you use the next step approach, you will quickly know if you are any good at it!

Suggested action for the manager:

At your next internal sales meeting, ask each salesperson this question: In how many calendars does your name appear this morning?

If it's fewer than 10, there could be a serious problem. If it's more than 30, it's probably not true!

RULE #3: Use a Common Language throughout the Sales Team.

When a salesperson tells you he had a "great meeting" with a prospect, what exactly does that mean?

When you stop to think about it, you realize that a phrase like "great meeting" is so vague as to be almost meaningless. In sales, it's a dangerous use of language. Consider the following scenario:

> *Your salesperson walks into the office, and you ask, "How did the meeting go?" She says, "Oh, it was a great meeting. There was great rapport, and the prospect did a whole lot of talking. He asked me all kinds of questions about our products and services, and the meeting went on for a whole lot longer than I expected; he took pages and pages of notes."*
> *"Wow," you say. "That's really great. When are you going back?"*
> *"Oh, I'm not going back," your salesperson says. "The meeting went so well, the communication was so strong and because I gave him all the information he requested, he told me there was no need for me to come back at the moment."*

Was that really a "great meeting?"

Is that really a "prospect?"

We have found that the root cause of an underperforming sales team - and sales process - lies in an underperforming vocabulary or language - a vocabulary that leaves people on all sides uncertain about what is really happening with prospects. It is management's responsibility to establish and reinforce a vocabulary that clarifies what each salesperson has *going on,* and it is each team member's responsibility to use it. From now on, I will refer to this vocabulary as the *common language*.

What do the words that salespeople use actually mean?

Here's some typical sales language for you to decipher:

I'd say the deal is at or around 30%.
I wouldn't say it's as high as 50%, maybe 40%.
I couldn't put a number on it, but we're heading in the right direction.
You never quite know with this guy until the last minute.
He's on vacation for three weeks and will definitely do something after that.
The Board meets at the end of the month.
They'll know at the end of the month.
If I had to put a number on it, it's around 75%.
We're one of two suppliers on the list, so it's 50/50.

For a manager trying to make a forecast, this type of language is nightmarish. A nightmare that the manager has to endure each week, each month, and that leads to, not shortened sales cycles, but shortened sales management careers. The words your sales team uses have to mean something specific **and those words need to mean the same thing in every conversation**. Each and every member of your team must agree to adopt the following real-world definitions for each of the important terms below.

A Reality-Based Sales Glossary

PROSPECT: Someone who has spoken to your salesperson - on a scheduled basis - at least once about doing business with your company, and has agreed to meet* again at a specific date and time, in order to knowingly move the sale forward.

GOOD MEETING: A meeting that delivers a mutually agreed next step, with a scheduled time and date to engage again. It's a meeting that produces a prospect who has put the salesperson's name in their calendar.

ZERO PERCENT: This term describes the common situation where we wish that someone were a prospect, but we have <u>not</u> secured a mutually agreed next step. This is among the most important of all terms for your team to learn.

> **I want to make a particular point to managers at this stage: one of the most valuable things you can teach a salesperson is *how to define and recognize "zero."* Most sales processes subtly, but crucially, have not defined when an opportunity or a prospect is effectively *dead*. They leave enough scope for the salesperson to subjectively judge *what an active prospect is*, so all opportunities remain "live."**

At DEI, we constantly refer to prospects being at zero. This use of language has a profound effect on how salespeople react. Interestingly, in most cases, it incites people to prove us wrong. In doing so, they end up applying the selling behaviors they should have applied in the first place.

Therefore, your sales process should constantly assume that a prospect is probably at zero rather than wishing it to be active. If you do things this way, your sales forecasts will become unbelievably accurate, even though you might not like what you see initially!

FIRST APPOINTMENT: This is an initial meeting* - with a specific time and date - scheduled in both calendars, and a discussion with someone you want to turn into a prospect. If you haven't yet had an initial meeting to talk business, the person is not yet a prospect.

TWENTY-FIVE PERCENT: This is someone you've already had a first appointment with and who is a prospect, but you are still learning about their situation and they are still learning about you. We often call this the *information gathering* stage. Crucially, there is an agreed next step – with a scheduled time and date – to move the process forward.

**We use the word meet to include telephone-based engagement, where the prospect has agreed to a time and date to talk for a specified period. Included, of course, are the technology tools of webinars, online demonstrations and group conference calls.*

FIFTY PERCENT: This is someone who is a prospect, AND someone about whom you know ALL of the following information:

- You have built a proposal that now makes sense.
- The right decision makers are involved and verified.
- The right budget is now available to make the solution happen.

Again, a dated next step has to be in place.

NINETY PERCENT: This is a prospect that meets all the 50% criteria and has given you a verbal commitment to buy with agreed dates for signing the deal and starting the project.

CLOSED: This is a prospect who has formalized a commitment to buy from your company, by signing a contract.

Don't even depend on a common language: go further and manage with the right picture!

The way you view your list of prospects is as important as the language or the rules you use. Most people get the idea faster when you work – literally – with a picture. The table on the following page will show how you should get your salespeople to really map their prospects:

The *Ideal* Pipeline Picture

Stage 1	**Stage 2**	**Stage 3**	**Stage 4**	**Stage 5**	**Stage 6**
0%	**0%**	**(25%)**	**(50%)**	**(90%)**	**(100%)**
Opportunity	Initial Engagement	Information Gathering	Decision	Verbal	Close
Opportunity	Appointment	Prospect	Prospect	Prospect	Customer
Opportunity	Appointment	Prospect	Prospect		
Opportunity	Appointment	Prospect			
Opportunity	Appointment	Prospect			
Opportunity	Appointment	Prospect			
Opportunity	Appointment	Prospect			
Opportunity	Appointment	Prospect			
Opportunity	Appointment	Prospect			
Opportunity	Appointment				
Opportunity					
Opportunity					
Opportunity					

When you get your salespeople to present data this way, they have to compile it using the rules that you taught them. This is the most effective way to teach the *Rules of the Road*. Sometimes I call it the "silent" or the "independent" sales manager. It gives the salesperson and the manager an independent, third party view, of the salesperson's own data. Remember, the sales manager does not compile the data; the salesperson does. The salesperson "brings the meeting" to the internal weekly sales meeting.

It gets even better ...

The *Not Ideal* Pipeline Picture ("Upside-down").

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
0%	**0%**	**(25%)**	**(50%)**	**(90%)**	**(100%)**
Opportunity	Initial Engagement	Information Gathering	Decision	Verbal	Close
			Proposal Proposal	Key Deal Big Deal Key Deal	Customer Customer Customer Customer Customer Customer Customer Customer

In reality, you – the manager – will not be working with too many ideal pictures. Here's what you are more likely to see on a Monday morning.

Sometimes we call this the *upside-down* pipeline; the opposite of the ideal pipeline. It's full of imminent good news with big deals on the cusp of closing. If you look closely though, another picture emerges.

Notice the blank stages that contain no inventory of opportunities, appointments or prospects in the making. Stages 1-3 are almost empty which means that somewhere in the not too distant future, there won't be any deals at all. This confirms one of our core principles: **you can predict future income based on today's activity.**

The implication for the role that the manager can play in helping salespeople to close more deals is clear: **teach salespeople how to create the ideal**

pipeline picture. This means teaching them the common language. It means helping them to create more opportunities and teaching them to secure more appointments. It also means using the weekly meeting to diagnose and strategize prospects, and to examine strategies for reviving dead deals. Is this what you currently do or are you a prisoner of *managing by conversation*? It's easy for a sales manager to sound like he is being useful, but he is really just a broken record, trying to invoke the heavens to help the salespeople get more sales.

Accountability Language

In order to retain their license to sell for your organization, members of your sales team must adopt a shared language, a vocabulary of accountability. You've just read the basics of that language, but reading it is not enough. You need to start a discussion with your team based on what *you* want the common language to be. You cannot make anyone do anything they don't want to do. When you frame these ideas for people, you will start an intelligent discussion with your sales team, and the "top" performers will soon start to show themselves.

> **In fact, at DEI we say that one of the jobs of a sales manager is to promote a high standard of measurement – through teaching a language of accountability – and then to work with your salespeople so that *they* end up promoting a high standard of measurement throughout the team.**
>
> **Let me go further and say this: Whatever process you bring to your salespeople has to be worth co-operating with, and you - as the sales manager – have to be seen as useful to your salespeople. The best way to be really useful is to provide a solid sales process with this powerful language.**

But these are just "labels", I hear you say...?

Selling and tracking prospects is not a science. However, they *are* rule-based processes. If the rules truly work and are guiding people toward the right behaviors and actions, *the passing of time* will validate those rules. When we set up our pipeline vocabulary at DEI, we ensured that each "label" didn't so much refer to a percentage (lots of systems use percentages) but referred to an *expected* time period. Therefore, when a salesperson says "it's 90%" what they are saying is "expect a sale very soon" or "expect this to be at 100% next week." In other words, your common vocabulary and language sets up a (public) expectation of *when* we should expect income from a prospect. It doesn't just create forecasts. It looks for *declarations* and *promises*.

If the person is applying the rules wrongly or loosely, time will solve it and time will teach the lesson. In general, I have found that there is hardly a single prediction to be made in a selling context that cannot be verified within two to three weeks – maximum. On a given Monday, I might swear an oath that Prospect A is definitely "coming in," but give it two weeks and if that prospect hasn't moved forward, I have no choice but to reduce my estimate probably to zero.

Whatever common language you opt for, it should be based on communicating ***when*** the salesperson expects income and not "how good" he thinks the prospect is or sounds.

Suggested action for the manager:

Suggest that certain "top" prospects are really at "zero." It might sound like this: I know your contact is away on business for the next three and a half weeks, but surely that means that for now, we should have this deal classified as "zero."

Listen for the reaction!

RULE #4: Once a week, the salesperson gives an account of their sales pipeline.

Here's what many managers tell us at the beginning of a consultation: "I know I'm managing really well … because my people talk to me all the time and especially when they have a problem; it's an open-door policy around here."

Is that really *when* you want to talk to your team members—all the time?

Often, before managers start to work with DEI to implement the **Rules of the Road**, we run into teams that don't have weekly meetings. They do have this so-called "open door" policy, under which the manager is someone you appeal to *after the fact*. In fact, there is a very subtle and very dangerous thing that happens in sales teams; the "open-door" policy allows the salesperson to drip-feed news, so that by the time the weekly or monthly meeting takes place, the manager's expectations have been lowered to near zero.

In virtually all of these cases, the members of the sales team don't get the sense that any behavior or performance standard is actually in effect, or that there are consequences for missing the standard or ignoring it.

A *weekly* meeting changes this dynamic. Your weekly meetings with the team must be an *intervention* on behalf of two basic principles: (1) that there really are clear **Rules of the Road** that will keep you from getting into trouble in the first place; and (2) that people who do not abide by them will encounter adverse consequences, up to and including termination of their "license to sell." We strongly recommend that teams hold this meeting each Monday morning, *until the team becomes sufficiently self-correcting*, when you might move it to Friday – or any other day. (We do like Mondays at DEI, but let's not get hung up on the actual day too much.)

The goal of this weekly meeting is simple: **to change behavior measurably, proactively, and in a way that supports performance goals**. An "open door" is not enough! As the manager, you must *intervene on a scheduled basis*.

> **If you are not currently *holding* a weekly (Monday) meeting with the team, *start!***

When your team does not know that they are accountable on a weekly basis for a brief review of their activities for the week just past, and for their projected activities for the week to come, *they are incapable of self-correction*. Everyone must attend the meeting. Everyone must contribute. Everyone must discuss their "top" prospects and be prepared to show publicly how they think about their pipeline.

> **Don't use the weekly meeting to browbeat people. The common language, the diagnosis and the accountability of the common language will *work its own effect on people*, and you will end up only with people who want to work *your* process.**

It's their meeting, not yours

The weekly meeting must consistently reinforce the idea that certain key behaviors and activities will *always* lead to outcomes that keep people selling for your team. Also, avoiding or ignoring those activities will *always* put the person's ability to sell for the team in jeopardy. These principles must apply to everyone on your team.

Initially, *you* will facilitate that discussion. Ultimately, though, your goal is to make sure that each and every member of the *team* can - and does - facilitate the weekly Monday discussion.

Read it again: this is not "your meeting." Eventually, everyone on your team must be ready, willing, and able to act as facilitator of this meeting.

A Reality Check for the Manager

Sometimes, managers say to us, “We already hold these kinds of meetings!” After they learn all of the **Rules of the Road,** however, they realize that that’s not what they were doing at all.

Let’s be frank. Most internal sales meetings are pretty lame - or even useless - affairs, with the manager effectively being forced to “manage” by conversation, and never directly tackling the range of critical outcomes or behaviors that would actually improve individual and team performance. In some cases, the manager sounds like he is making his weekly plea for more accurate forecasts and reliable delivery of targets. The salespeople get used to this and continue to produce inaccurate forecasts and miss target consistently.

If you’ve already been holding meetings, I have some questions for you. Is it possible that you’ve only been discussing end-stage achievements like “closed sales” or “sales about to close”? Is it possible you’ve been telling your team to engage in vague activities like “networking” and “prospecting,” without actually giving them specific actions to take and daily targets to pursue? Is it possible that you too have been accepting the generous good news that pops up at these meetings at just the right time of the month when you should have been challenging what you were hearing?

All too often as managers, we *assume* that our team knows what has to occur to make a sale actually happen, and what they need to be doing to consistently hit a target. For reasons that will become clearer to you as you read on in this book, meetings that are based on these kinds of assumptions *are not good internal sales meetings*. Starting now, you will facilitate meetings that focus primarily on METRICS related to activities that take place well BEFORE a deal “closes” or is “about to close.”

Start this Monday

At first, you are going to use the Monday meeting to get buy-in on one simple fact: Critical activities *preceding the sale* are going to be measured, and discussed as a group, week in and week out, no matter what. You – the manager – are going to specify the benchmarks of your own sales process.

In fact, this single "big idea" will be the subject of your very next team meeting: it will be all about what those benchmarks are going to be. (That's the subject of the next **Rule of the Road.)** This coming Monday, however, you're simply going to emphasize what the weekly meeting IS going to be … as well as what it IS NOT going to be.

This Monday, tell the team what the weekly meeting *isn't* going to be

First thing this Monday, you will gather your team together for a brief meeting that initiates the new pattern. Assure your team that the Monday meeting *isn't* …

- A lecture. (How boring would *that* be?)
- A game of "gotcha." (The goal is always to support self-checking, not manager-checking of behaviors.)
- A chance for a salesperson to tell a long story about one deal, or about administration and service issues that don't belong in an internal sales meeting.

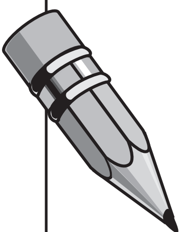
This Monday, let your team know what the meeting is going to be

Let the members of your team know that each weekly meeting will look like this:

- Crisp and concise (no more than sixty minutes in length, and ideally 30-40 minutes, though this will vary by team size). The point is this—the weekly meeting will probably be a lot shorter now than it has been.
- Focused on metrics (i.e. that which can be measured with "zero" as the starting point).
- Participatory, (i.e. you, the manager, won't be doing most of the talking - the members of the team will).

- Transparent, (i.e. everyone is going to see everyone else's numbers).
- Mandatory, (i.e. if the team expects to sell for you, they must participate in this weekly meeting).
- Focused on critical behaviors and not a vague discussion about "sales" and "closes."

Suggested action for the manager:



Develop an agenda for a tougher and more productive internal weekly meeting. Write down the questions you want to ask about activity and the true movement of deals in the sales pipeline. (You might want to read the next chapter first though). And write down how you will likely go about introducing these ideas to the team. You want the team leaving the room saying *that was a tougher meeting*.

RULE #5: Salespeople must be able to answer the hard questions.

All of the vocabulary or language you have now learned must be used day in and day out, and specifically as part of your weekly meeting with the team. This common language is an essential tool for accurately evaluating each salesperson's pipeline. I'm talking about a formal evaluation that must take place, both for the team as a whole and for each member individually, on a weekly basis.

No more "managing by conversation"

You know the feeling; you aren't exactly looking forward to the regular internal weekly sales meeting. It's as if you actually don't need to go there, because you are going to go through the same lame conversation that takes place each and every week. The promised deals, the "hot" deals, details of prospects' vacation plans, stories about the salesperson's secret knowledge about the account, how "service" is holding up sales and the fact that your prices are too high in the current climate. A whole 45 minute conversation breaks out around one particular prospect, a prospect that turns out to be dead.

Managers constantly tell me that their internal sales meetings are simply not useful, yet it's one of the two occasions that a manager has any chance of influencing performance. (The other is during one-on-one discussions with the salesperson.)

The alternative requires these two things to happen:

1. The salesperson brings an up-to-date "picture" of his opportunities

and prospects to the meeting (and will have given these to the manager in advance). This picture is supported by a few simple, but critical metrics: calls, appointments, dated prospects, timelines and values.

2. The manager asks specific questions: questions that the salesperson already knows will be asked.

During your weekly meetings, you will use the language and the specific terms I've just shared with you, to discuss, rank, and evaluate *each* prospect and opportunity in your team's base.

In order to retain their "license to sell," your team must be ready to answer specific questions, based on *their own* placement of a lead in a given category. Every opportunity must be placed somewhere in the ranking system, and the members of your team must be ready to defend every placement. "Defend" is an important word: it's not enough to "explain" a pipeline; one's pipeline has to be *defended*. **It's this "defense" that energizes the salesperson and the manager.** We are all designed to stray from the disciplines needed to maintain any system or process, and the procedure I am giving you is essentially a way to *stop us from quitting*.

When your salesperson says, on Monday morning, that he or she has a "first appointment", everyone on the team must know exactly what that means, and *what needs to happen next for a potential deal to move forward*. When your salesperson says that a deal is at "50%," everyone must know exactly what that means too, and what needs to happen next to get the opportunity to "90%." Everyone must be prepared to classify, and defend, everything in his or her own pipeline according to the criteria I've shared with you. Included in the criteria must be the requirement for date-driven prospects. *Weekly pipeline evaluations are how you make that happen.*

By building a ritual of weekly pipeline discussions, and by using a common language to lead those discussions, you are aiming to **create a self-correcting instinct** that results in your team actually implementing vital sales behaviors. The idea is for those behaviors to become second nature, and for your people to take control of their own pipeline. For this to happen, the **salespeople must know**

that they are going to be asked to defend their pipeline every week! Part of the role of a sales manager is to teach people what they will be asked about.

Move beyond "what's going to close"

What you ask about during these meetings is all-important. Too many sales managers use meetings to focus on just one metric: What's going to close this week? You want to know that, of course, but it's not all you want to know. Obsessing about the end of the process, week in and week out, will not help you or your team create a consistent sales performance, and it's a classic mistake that managers make.

Nor do you want the meeting to get mired in statistics and multi-colored rotating dashboards. You want each member of the team to *use* the numbers to make changes in their own behaviors, changes that will *start* more sales and *move* more sales to close. In addition, of course, you want all of this behavioral change to happen against an awareness of the urgent deadline known as the SALES CYCLE.

Changing those behaviors means expanding the weekly discussion beyond "what's about to close". That takes a willingness to focus on different topics and different metrics. It also takes some practice.

Your goal is to find out what's actually happening in the leads and prospects your people have placed in *each* of the major categories I shared with you in Rule 3:

ZERO PERCENT	("0")
FIRST APPOINTMENT	(FA)
TWENTY-FIVE PERCENT	(25%)
FIFTY-PERCENT	(50%)
NINETY PERCENT	(90%)
CLOSED	(100%)

Get Real and Get Tough

Whoever is leading the meeting – and in the beginning, that's going to be you – must tactfully and persistently ask "reality-based" questions about every placement under the six categories above. Use the questions below as a starting point to determine what's really going on, and what really *should* be going on, and then **reclassify** leads and prospects based on the rules of the pipeline. By doing this, you are training other members of your team to demand "reality-based" explanations for where a given lead belongs. You're also training the sales team to lead future weekly meetings.

I appreciate that sales managers are always keen to avoid de-motivating people on the basis that motivation drives sales. I couldn't disagree more. A necessary part of changing sales behavior is challenging what the salesperson is currently doing, and that might initially mean giving them bad news about their "top" prospects. Changing behavior is a process, and the strong sales manager needs to be able to handle the disappointment that a tougher diagnosis of sales pipelines will cause. Maybe "disappointment" is too strong of a term, but when you apply date-driven selling along with the other questions in this chapter, people will be uncomfortable. However, it's crucial that the team see that the manager is "*right*." Not in an arrogant way, but just "right." When they see that the manager has a more accurate view of their pipelines than they do - and they created them after all - it brings an immediate respect that can't be earned through rank or presence.

What the Manager should be Asking

"First Appointment"Questions

1. Is the time and date actually set with your contact?
2. Is this the first meeting about this sale?
3. What next step (and fall-back) strategy will you use at the end of these meetings?
4. What would be your opening questions or issue for this meeting?
5. What "elephant-in-the-room" issue(s) should you anticipate?

6. What are other examples of similar success stories we've had?
7. If you don't call anyone this week, how do you know enough people will call you?
8. How many people are going to *call you* and book an appointment this coming week?

"Twenty-Five Percent" (25%) Questions

1. When is the next scheduled meeting or conversation?
2. When was the first meeting?
3. When was the last meeting?
4. What will it take to move this prospect to 50%?
5. How long will that take?
6. What would the sale likely be worth?
7. What/how/why/when does this company do what it does?
8. Are they buying from anyone else?
9. Is this company looking at any competitor?
10. Why that company?
11. Why should they change?
12. What are the individual decision makers trying to accomplish?
13. How can we help them do it better?
14. Why haven't they done something already?
15. Who, at this stage, have you not yet met who can say "no"?

"Fifty Percent" (50%) Questions

What is the deal worth? (Need specific amount)

1. Has the specific amount been discussed?
2. Why are you presenting *this* proposal?
3. How do you know this person(s) will be able to make this decision?
4. When will they decide?
5. What is their timetable for implementation?
6. Who else are we competing against?

7. What's your "worry date" at this stage?
8. Have you already met the person(s) who can say "no"?
9. What is the *very* next step needed to move this deal to 90%?

Here's the question again: On what date will you start to worry that this deal is not going to happen?

"Ninety Percent" (90%) Questions

1. When will this prospect close – or sign? (Need definite date.)
2. Does the prospect know they're closing?
3. Are you merely agreeing to a "close" or beginning the implementation?
4. What specific plan(s) has been selected?
5. Do we have a verbal commitment to start the closing process and/or plan for implementation?
6. What resources have you started to commission at this stage in anticipation of the closed deal?
7. What's your "worry date" at this stage?

"Closed" (100%) Questions

1. What is the implementation schedule?
2. What is the next opportunity?

"Zero Percent" Questions [Sometimes called "Opportunity" Stage]

1. What is the right number of opportunities needed to "feed" the pipeline?
2. What is the mix of the opportunities we have listed: for example, are they all recycled prospects, with the result that the list is too narrow?
3. Why is there no next step yet with so many of these "great" opportunities?
4. What time has been allocated to find more new opportunities?
5. Are there other contacts within our existing prospects and customers worth pursuing?

6. What's the very next step we can suggest to this opportunity to get back with a scheduled time and date?

If they can measure it, they can change it

In addition to the public discussion I've just shared with you, there are other specific metrics you're going to discuss on a weekly basis with each and every member of the team during *individual* pipeline evaluations.

Important: I strongly recommend that you conduct this brief "private metrics" discussion one-on-one, after having evaluated all of the team's pipelines during the weekly group meeting.

During these one-on-one meetings, you will ask for "hard numbers" in each of the following categories.

Dials: This is the total number of times your salesperson picked up the telephone and started dialing in an attempt to generate new revenue from a contact he or she has not spoken to, or left a message with, within the last 72 hours. Calling a current client to set up a golf game does not – necessarily - count as a dial!

Completed Contacts: This is the total number of dials that resulted in a discussion (however brief) with a decision maker.

Appointments*: This is the total number of scheduled, face-to-face initial meetings your salesperson has set to discuss the possibility of doing business with someone.

Second or subsequent appointments: This is the total number of scheduled meetings the salesperson has set after having met with someone once. (Note: You may adjust this metric, and the previous one, to incorporate your team's "virtual" meetings and conference calls if you wish; just remember that the key concept in each situation is the other prospect's willingness to schedule the discussion ahead of time.)

Number of Deals: I have always been skeptical about forecasting value

($) only. A typical sales forecast goes something like this: *"I have coverage of $4,000,000 in my pipeline and I normally convert at least 25% of the value, so my quarter sales will be roughly, $1,000,000. And if that big one "lands", it could be as high as $1.7 million. Let's say, then, $1.3 million for the quarter?"*

Never accept revenue value *alone* as the basis of a sales forecast, unless you like living dangerously. Always check the *number of deals* that make up the total pipeline value as well as the number of deals at each stage. What often happens is that the overall value in dollars looks right, but one or two deals are making up 80% or more of the forecast. If that's the case, the real forecast might be actually closer to zero.

Deal Value: This is your salesperson's best estimate, in real numbers, of the actual value of this selling opportunity. Keep an eye out for how the value of a deal suddenly drops as it approaches 50% or 90% in the pipeline. Salespeople like to be optimistic at the start of a sales conversation and will nearly always delay – or even omit – bad news.

*For Inside Sales we call this stage the *First Scheduled Call,* which is the first scheduled conversation that the prospect books with the salesperson.

The manager's diagnostic powers

I firmly believe that as managers, we have very fragile influence over salespeople, and that any influence we do have has to be earned through our own performance, and in particular, through the insight we bring. That's why the ability of the manager to diagnose the individual deals and the work patterns of the salespeople is so crucial to being an effective manager. The sales manager has to be able to do the following:

1. Diagnose selling situations where he was not personally present, but seems to have more insight than the salesperson that *was* present.
2. Spot selling and work behaviors that are working against the salesperson, without the salesperson volunteering any information (salespeople don't tend to self-diagnose, not until you teach them what to look for).

Let's take these two commonly occurring prospect scenarios.

The salesperson says this: *That's a good deal that's going to come in. It's not at "90%," but it would be at "75%" at this stage. The VP was very positive and it's a matter of getting the signature. His financial controller is away on vacation for two and a half weeks and we'll get the signed contract then. If you're doing a forecast, you can count on this one.*

In most sales meetings, this type of scenario would not get challenged. In a **Rules of the Road** meeting, it would get shredded. Here are some obvious questions:

1. Why didn't they sign the deal there and then – if it's such a sure bet?
2. Will the financial controller even be aware of your discussion?
3. By any chance, was the VP actually happy that the financial controller was away on vacation because it was an easier way to say "no"?
4. On what day, and at what time, will the VP talk to the financial controller?
5. What makes you think that the prospect will keep you as a priority for the next two and a half weeks?
6. How come a whole selling effort came down to waiting for a person unknown to the salesperson to return from vacation?
7. Did a proper, engaging conversation really take place here, or was it really a classic case of you asking a few questions, then doing a product dump, the prospect feigning excitement and needing a way to let you down gently at the end of the meeting?
8. If this is the condition of a top prospect, what might be the condition of your lesser prospects?

Notice that there are eight questions about only one deal, and that's a short list. As a manager, you will not just be asking these questions, you will be on the lookout for the recurrence of this type of prospect scenario. Spotting patterns in how people handle selling situations is a tremendous sales management skill, and if you use the ideas in this book, you will become very effective at diagnosing deals and patterns.

Here's one of the common selling scenarios that exasperates me! The salesperson comes back and says that the deal is as good as done; the prospect just wants to speak to some references. Now most salespeople and managers would instinctively move on and assume that a deal will come in. Mostly the deals don't come in - and here's why.

In a small number of situations, the prospect calls up the reference and has a conversation that blows him away and he just signs. Its how selling was meant to be or so many salespeople and sales trainers would have you believe—beautiful and easy. It doesn't happen that way often enough. Here are some questions that go through my head when I come across the "reference" scenario:

1. *When* did the prospect drag up the need to speak to a reference? Just as the salesperson thought the deal would close? Maybe then it's really a stall?
2. Was the salesperson desperately looking for a "closer" and decided to get someone on the reference list to do what he couldn't do? (i.e. engage the customer). I call this "lazy" selling. Over the years, my own salespeople would come to me looking for a "good" reference which would translate as "can you get me a killer reference to help me do what I have clearly failed to do?"
3. Does the prospect not believe the salesperson?
4. Exactly, what question will the prospect be asking the reference? What would the prospect actually need to hear that would suddenly cause him to sign a deal? Is life really that easy? (No, it's not!)
5. If it's a reference that will win over this customer, why didn't the salesperson use that move *earlier* and shorten the cycle?
6. At what hour, and on what day, will the prospect call the reference?
7. How can the salesperson be sure the reference will be at their

telephone when the prospect rings?
8. Why is the salesperson happy to delegate closing the sale to a reference that has no stake in the sale?

You might think I am being harsh here, but I bet you're still waiting for deals to close where all that was needed was a call to a reference. Those are deals from six years ago! I can hear the howls of dissent as readers argue that *references are essential*. My question to you is this; are you diagnosing *how* your salespeople use these famous reference calls and *when* they use them? When you start to question accepted wisdom in sales, you are already making progress!

The art of asking *hard* questions

Be careful what you ask salespeople and especially how you ask it. Asking questions is an art, but it becomes more effective when you have a framework or a process to follow. Here are two different ways to ask about the same issue: one using a "soft" question approach and the other what we, at DEI, call a "hard" approach.

Soft Question	Hard Question
Are you talking to many people at the moment?	How many fully scheduled appointments did you set last week?
Are they still interested would you say?	When exactly are you meeting this prospect again?
What's your feeling about this one?	On what date will you worry that this is not going to happen at all?
Are you still working on it?	What's the very next step needed to eventually close this sale?

Just think about the different reaction – and the quality of the information – you will get when you make the switch to asking hard questions. "Hard" doesn't mean you are "bad!" It doesn't mean you are out to de-motivate. It doesn't mean that you are an old-fashioned manager from the industrial revolution age. It doesn't mean you're not cultured or sophisticated, or that you learned your trade from watching films about dodgy salesmen. It means that you are doing your job properly as a sales manager and extending your own career.

Suggested action for the manager:

At the next "Monday" meeting, for each of the really top prospects ask this question:

***If the deal is certain, why hasn't it happened already*?**

RULE #6: Each Salesperson must know their Ratios.

Take a look at these questions:

1. How many **dials** did it take you to generate a completed contact this week?
2. How many **completed contacts** did it take you to generate an initial meeting this week?
3. How many **initial appointments** did it take you to generate a second or subsequent meeting this week?
4. How many meetings, in total, is it taking you to generate a **sale**?
5. What was the average value of the deals you closed in the past month or quarter?

Most of us in sales don't really like these questions. Some salespeople will consider them too "101" and will see themselves as having graduated to a higher school of selling that involves complex negotiations and intricate relationship-building. This is all good stuff, and yes, sometimes necessary, but so are my questions necessary ones to ask – *each and every week*.

You might have also noticed something about the questions. They seem to ask about *numbers*, but they are really asking about *ratios*.

Sales managers, in my experience, and I once did it this way myself, tend to ask too few questions the wrong way. For example, "*How many calls did you make last week*?" Somehow, the answer always seems "right," but in reality, no matter what the answer, it was the wrong question in the first place, so the manager is none the wiser. Compare the last question to this question: "*How* *many dials did it take you to generate a completed contact last week?"* The answer might go like this:

15 Dials to generate 7 Completed Contacts, or **15:7**

Then the manager asks: "*How many completed contacts did it take you to generate an initial appointment this week?*"

7 Completed Contacts to generate 1 initial appointment or **7:1**

Putting the two answers together, you get a complete picture of the work involved in generating (just) one appointment:

15:7:1

Suddenly, the information has meaning! To generate 5 appointments, this salesperson NOW KNOWS he needs to make 75 dials. If he wants to get 5 appointments in fewer dials, he can increase his completed contacts and/or improve his rate of appointments against contacts. Look at what has happened—**the numbers are telling both the manager and the salesperson what needs to be improved, and to what extent.** All that's missing are the skills to cause the improvement. In fact, we say that ratios tell you about your skills and competence; numbers tell you about your work rate.

Help the salesperson improve next week's ratios

Let's say you've figured out that the salesperson needs to generate more first appointments in order to hit the quarterly sales target. Don't waste precious time giving a lecture along the lines of "appointments are important." Help the salesperson to *change what he or she actually does*, so the salesperson can **create a different situation** for you to discuss in next week's meeting! Focus on the vital behaviors that are associated with the activity that needs improvement. Then help the salesperson to:

- Allocate time to that activity.
- Prepare and practice an approach to the call.
- Set a specific time to make the calls.

- Track the outcomes … and be prepared to discuss the results with you at the next meeting.

Ratios don't apply to your business? It's all about relationships?

Ratios really do incite a lot of reaction from salespeople and managers. No one ever went into sales because they loved math! Let's not confuse ideas, however. "Ratios" are not a way of selling; they are a way of figuring out how to work, and the principles behind them are the following:

1. In sales, you never get 100% from any effort. It will always be less.
2. Your biggest competitor is the status quo of the prospect, so you are inevitably going to hear "no" - far more often than you will hear "yes." Ratios tell you the *extent* of the "no" you are facing.
3. Your numbers and your ratios are not good or bad. They are either right or wrong.
4. Selling is NOT a numbers game: it's a ratios game.

If you believe that ratios don't apply to your business, this is what you are saying—to get **1** sale, you need to build only **1** proposal. To build **1** proposal, you just need to meet **1** person. To get to meet **1** person, you only need to contact **1** person, and to contact **1** person, you only need to dial **1** person. In other words, to get **1** sale, you need only lift the telephone once - or even better, the prospect contacts you. To show this another way:

1:1:1:1:1

I'm not saying this never happens. Luckily, it's happened to me a few times - but it doesn't happen often enough. It does happen but certainly not enough to get me anywhere near making target consistently! In the real world, I might need to dial 15 people to get to speak to 7 people, and then out of that I would get **1 appointment.** If I am developing new business, I might need to visit 20 new opportunities, build 5 genuine proposals, and out of those, get 1 sale. In other words, I assume that I have ratios that are under 100%! As we sometimes say at DEI, "1" is a dangerous number in sales - and "2" is not much better.

Don't just pick some number

I come across many sales managers, sales VPs and owners who want their salespeople to *make more calls*. They do exactly that; they tell them to make more calls, or worse, the manager comes up with a number which, to the salespeople, seems to come out of thin air, so they don't believe the number anyway. *"It's 40 calls a day from now on!" "Everyone has to make 100 calls a week or dire things will happen to you!"* Don't set about increasing activity this way. Instead, work from the *end of the pipeline backwards*, from right to left. GET PEOPLE TO UNDERSTAND *WHY* THEY NEED THE ACTIVITY. Use the pipeline tool I have given you:

Stage 1	**Stage 2**	**Stage 3**	**Stage 4**	**Stage 5**	**Stage 6**
0%	0%	(25%)	(50%)	(90%)	(100%)
Opportunity	**Initial Engagement**	**Information Gathering**	**Decision**	**Verbal**	**Close**
			Proposal	Key Deal	Customer
			Proposal	Big Deal	Customer
				Key Deal	Customer
					Customer
		How many here?		**How many here?**	Customer
					Customer
					Customer
					Customer

Train your salespeople to use their eyes to figure out what level of activity is needed. Salespeople don't ever understand a single number on its own, such as "40 calls, how could they! They will see this as an order, a command, and will just find ways to avoid it, but will nonetheless report "40 calls". Get them to examine their own pipelines, and the activity. If you use the pipeline the way I explained earlier, the ratio requirements will jump out of the picture.

Notice also that there are whole columns blank in the pipeline above. Crucially, that means there is nothing there today, which means that at some point in the future, *there will be no more income*. If the salesperson has given you the wrong picture, (i.e. the pipeline appears full), they will never see that they *do* have blank stages, so they can never react. Your job is to teach them to present the correct picture in the first place. (See Chapter 3 again.) If your salespeople are not responding to their own "blank spots", they are probably in the wrong job!

Suggested action for the manager:

At the next one-on-one meeting with your salespeople, get them to start reflecting on this one variable: how many dials they actually made last week and whether it was enough?

RULE #7: Calendars are 80% scheduled at least two and a half weeks ahead – all the time.

Why this chapter?

I included this chapter mainly because of my personal experience. Both as a salesperson, and in observing other salespeople work (or work inefficiently as is very often the case) I have learned beyond a doubt that *the way a salesperson spends their time is directly related to their sales level and income.* I would go so far as to say that if salespeople all over the world changed the way they spent their time, they would immediately start to make more sales. On the other hand, if every salesperson in the world attended a 3-day "sales presentation" workshop, you would probably not notice any improvement in the health either of their pipeline or their income. That's because a salesperson must have a small handful of critical activities on their list in the first place, in order to do the job effectively.

What is strategic calendar management?

Strategic calendar management simply means calendar management that supports the salesperson's selling *goal*. In other words, *spending your time on activities that support your income, will support your goal(s)*.

Of course, if any member of your team makes a habit of investing time in a way that *doesn't* support the selling goal, that person will not be successful and will eventually lose the right to sell for your team. My experience tells me that many salespeople spend time on useless activities, or they spend time with people who keep them busy, but they don't move forward in the sales pipeline. I will talk about calendar management in the context of business development, because that's where the greatest benefit can be seen when you follow the ideas on these pages.

Strategic calendar management supports these activities:

Sales Activity	"Right" Time Allocation	"Wrong" Time Allocation
Finding and qualifying opportunities Securing the initial appointment or the initial scheduled conversation with the opportunity Completing the first appointment (or the initial scheduled conversation if selling by telephone) Executing subsequent follow-through appointments and telephone work to move the sale forward, including outline and proposal writing	80% of each week	20% of each week
Account servicing work Administration and reporting	20% of each week	80% of each week
Note: Items 1 & 2 are traditionally called "prospecting", but I have separated them into two distinct activities to communicate the different nature of each task		

Notice that we don't have a large number of activities listed. The longer the list, the less effective this approach will be. The suggested time allocations are just that - *suggested*. It's the *pattern* of time usage that the salesperson usually has to get right, and it's the pattern that is usually wrong to begin with.

Visualize the calendar

Many salespeople will easily *mis*interpret what you mean by *calendar management*. They may well see it as interference in their "personal affairs" by the manager. Unless they understand what you mean, calendar management will be seen as micro-management, condescending and controlling. Let's take a step back and look at the calendar itself.

Time is hard to see. It's hard to visualize, and therefore, hard to manage. We consequently need to teach the salesperson how to see time in terms of "available inventory" that has to be spent. We teach people to visually change the way they look at time. The average working day has 8 hours of "inventory," which seems like a lot—it seems there is plenty of time.

This is not so. There is actually very little time. We get salespeople to divide their day into four "slots" of two hours each. We ask them to do this for a minimum of 13 days ahead, and in many cases, 20 to 30 days ahead. A 10 day or two week view is illustrated in the table on the next page.

Each day has 4 available *slots*: 9 a.m., 11 a.m., 2 p.m., and 4 p.m. Salespeople are "dealt a hand" of 20 slots per week and have to decide how to use these slots. Not only that, the salesperson has to decide *well in advance* how to use each slot. If they don't, something terrible happens. The slot fills up with STUFF. "Stuff" can be anything—any activity, any task that was *not* planned and does not contribute to your income. Writing those long, "customized" emails, "researching", "servicing" or "administration", are all examples of *stuff*. Stuff is on the prowl all the time looking for a home in the salesperson's world, and most salespeople either welcome it in or do so unwittingly. I include inbound inquiries in the definition of *stuff*. Salespeople give undue attention to what they consider to be a "top" lead, all because the person – casually – phoned. They sometimes travel 200 miles to see a "great" prospect, because they called. Travel contributes to stuff – and expenses.

Over the years, salespeople have argued with me that "this and that" is important. *The customer comes first,* is the argument. Sorry to go against clichés, but in sales *what has been deliberately scheduled in your calendar should come first*.

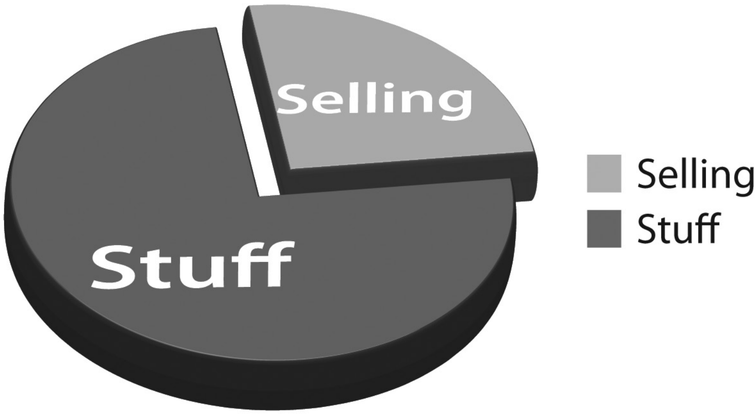
10-Day Sales Calendar

Mon	Tue	Wed	Thur	Fri		Mon	Tue	Wed	Thur	Fri
9am	9am	9am	9am	9am		9am	9am	9am	9am	9am
11am	11am	11am	11am	11am		11am	11am	11am	11am	11am
Lunch/ Break	Lunch/ Break	Lunch/ Break	Lunch/ Break	Lunch/ Break		Lunch/ Break	Lunch/ Break	Lunch/ Break	Lunch/ Break	Lunch/ Break
2pm	2pm	2pm	2pm	2pm		2pm	2pm	2pm	2pm	2pm
4pm	4pm	4pm	4pm	4pm		4pm	4pm	4pm	4pm	4pm

Then you can decide if unplanned events should be allowed to interfere with what you had planned. In other words, if the salesperson has a blank calendar, it will amazingly fill up with *stuff*. They never get to decide on priorities, and their day just gets invented for them.

Specifically, where a salesperson is selling "locally," calendars should be at least 80% scheduled for the next 2.5 weeks ahead.

Declare war on Stuff!



STUFF is anything your team member did that *didn't* actually start any relationship, or move any sales opportunity forward … and that didn't ever have any realistic chance of doing either of those things. When they reorganized their desks for an hour yesterday, when they filled out their expense reports, when they took a detour from the restroom to catch up with their buddy in Operations for 20 minutes, when they called a brother-in-law because they didn't feel like prospecting for new business, that was STUFF and it all amounts to wasted time.

A good sales manager knows that eliminating STUFF entirely is impossible, but an effective sales manager also knows that it *is* possible to minimize the remarkable capacity of STUFF to expand and fill the available slots in the selling day.

Stuff kills "good" days

How many members of your team spend their time effectively or use their calendar *slots* the right way?

Some managers make the mistake of letting the teams believe that a "good day" only happens when a deal closes. That's *not* the standard you're going to use when you apply the **Rules of the Road**. Actually, at DEI, we think a "good day" has a much more pragmatic definition.

A "good day" is a day when your salesperson initiates a new relationship with an active prospect, OR moves an existing opportunity forward, OR does both of those things. Here's what I have trained myself to ask myself each day: *what have I started and what have I moved in my pipeline today*?

For each and every member of your team, selling is all about having as many "good days" as possible.

So: a "good day" is not the day when your salesperson reorganizes the desk, fills out the expense report, talks to a friend in Operations, checks in with a brother in law, makes a couple of calls, fails to schedule an appointment, then goes out on a meeting – only to learn the prospect has decided not to buy.

That's a "bad day." The problem isn't the meeting with the prospect that didn't turn out the way we wanted. *It's all the other STUFF that managed to fill up an otherwise completely unscheduled day!*

If you stop to think about it, you realize that the team's primary enemy is not really the prospect who doesn't buy, but rather the STUFF that keeps your team from connecting with *new* prospects to replace the ones they just lost. There is only one reliable method for combating the tendency of STUFF to fill up the day, and that is to *schedule each day well in advance with revenue-producing activity*, and then follow that schedule. At DEI we sometimes say that the forecast is already on your calendar!

Search out the "blanks" in the calendars

Take any sales calendar and examine it over a two to three week period. Start with next week and check how many blank slots there are, (i.e. clear time periods when nothing is scheduled). Then test this hypothesis: the more blank slots there are, the weaker that salesperson's pipeline will be. That's what happens, calendars remain empty or semi-empty, and so will the pipelines.

Getting salespeople to focus on their calendars in this way will be one of the hardest tasks you'll face as a sales manager, but nonetheless, you need to address the issue. Here are some guidelines:

1. BEWARE THE BLANK! There is nothing as dangerous as a blank spot on the salesperson's calendar.
2. The closer we get to a blank slot in the calendar, the less likely we are to use it productively. STUFF will consume it if we're not careful.
3. We are, therefore, each accountable to fill our calendar blanks *sooner*, rather than later. If Friday rolls around, and we realize that the forthcoming week has 16 blanks out of 20 slots, we are not doing our job as salespeople.
4. *Every day* requires one slot or part thereof that is scheduled ahead of time and devoted to prospecting.
5. If the day is not pre-planned, we'll spend too much time doing STUFF that we think is important, but that does not support us as salespeople.

Open a discussion with your team. How many "blanks" are there in their calendars over the coming two to four weeks? When an activity makes it onto the calendar, is it because that activity really has the potential to start a new relationship, or to move something forward?

Raise the standard in the team

Ask your team to start making and explaining conscious choices about how they plan to schedule their calendars and use their time! It's an intelligent and highly productive new standard of behavior to bring to the sales operation.

Don't for one moment assume it is currently being done well!

One of the most important roles for a sales manager is to teach salespeople how to spend their time using a long term view of their calendar. At DEI, we have proven over and over that to have any chance of hitting quota consistently, a salesperson's calendar needs to be 80% scheduled for at least the next 2.5 weeks (for people who sell "locally"). For salespeople covering larger geographical territories, or selling internationally, that period extends to four weeks and more.

Suggested action for the manager:

At one of your upcoming internal sales meetings, ask people to look at their calendars for the coming week and check how many unscheduled slots there are, or how many slots have genuine business development activities against them, including properly scheduled next steps with prospects.

RULE #8: Produce evidence that you planned your meetings.

We are all familiar with the idea of call planning. You might never have asked a salesperson to produce *evidence* that they did, in fact, do some call planning, or that they have already planned an imminent meeting. Asking for evidence is one way of helping to ensure that a salesperson does the planning *before* the meeting.

Sales managers tend to ask this question, "*How did the meeting go?*" Most answers are too painful to repeat.

Here are two different questions:

- Show me the questions you wrote down – in advance - for that particular meeting?
- What are your planned opening questions for the meeting this afternoon?

A special type of Planning raises conversion rates

Something that I have learned from daily experience is that salespeople who plan (write down) the questions and issues they intend to raise during a meeting or a call, sell more than salespeople who don't! In fact, if you really want to improve conversion rates across the sales team, don't send them on one of those punishing three-day presentation courses. Instead, get them to stop and plan, and to write down the questions they are going to raise during their next three appointments. This act of writing down the questions needs to be done close to the meeting or just prior. (A colleague of mine, Steve Bookbinder, calls this "just-before" planning, because you need to teach people to plan each meeting quite close to the time of that meeting, or otherwise, the planning has diminished effect.)

Pretend your salesperson is an athlete getting ready for a big 100-meter race in the Olympics and pretend you are that athlete's coach. Are you going to be satisfied if your runner walks over to the starting blocks "cold" without warming up or preparing in any way? If you tell your runner to prepare for the race, and are told, "Don't worry – I ran this same race a couple of months ago and did my warm-up back then" – how would you respond?

As the manager, you must not let your salesperson run the big race without preparation.

Here is the challenge for the manager—your task now changes from asking vague questions after the fact, to the following:

1. Teaching people what to ask and the issues to raise.
2. Providing people with a tool that allows you to check for "evidence of planning."

The effect on conversion ratios can be astounding!

What type of questions work?

So, what questions should you be teaching, and how long is that piece of string? Salespeople love asking questions that lead directly to a sale - the classic one being "if I could show you a way to increase X by Y%, is that something you would be interested in?" If the poor, simple prospect nods, "*Yes*," apparently it means they are going to buy, and that prospect becomes "hot." Or, here's my favorite question-to-hate: "all things being equal and with no limit on budgets, what would be the ideal solution to your needs?"

What amazes me is that sales managers and training departments still pay trainers to teach this type of garbage. In our own company, we teach people to ask:

1. Questions about the present.
2. Questions about the past.
3. Questions about the future.
4. Questions about the person and their role.
5. Diagnostic questions that get the prospect thinking.
6. Questions that raise concerns in advance of the prospect raising concerns.
7. "Hard" questions that determine where your prospect stands in your selling process
8. "Next step" questions that test for movement.

I have found it more useful to first categorize question areas and issues this way, because it starts to explain *why* you would ask a particular question or raise an issue. Long lists of questions, taken at random, are of little use, and most salespeople won't be able to apply them effectively.

The Status Quo is the Elephant in the Room

Salespeople tend to be always "selling." They have learned that "selling" is the safest answer to give when asked what they do. However, selling is a poor description of what salespeople are meant to do. It's much more complicated than that.

When I am preparing for a face-to-face meeting (or a teleconference call) with a new prospect, there is one overriding thought in my head—they didn't call me. I had to call them. This tells me that if the person I am about to meet had really needed me, they would have contacted me already. Why is this such an important thought? Might it even affect what I ask in the meeting? You bet it will! It will lead me to ask some apparently simple questions, such as:

- If I had *not* called you, would you have been thinking about this?
- What are you currently doing?
- Why have you been doing things this way for so long?
- When you did have that poor service from your existing supplier, how come you didn't change then?

- It surprises me that you haven't done something about this already?
- What have you changed since you took up your new position?
- Have you ever worked with outside suppliers in this area?
- Why did you opt for that solution the last time?

What am I getting at? We call it the "status quo". That's what the person is already doing when you get there. It's the single, biggest reason that stops most "great" deals and stalls sale after sale. At our own company, DEI, we say that ***the status quo is your greatest competitor*** and it's what most salespeople will avoid, because it causes the prospect to tell them why they don't want to change. Salespeople don't want to hear this:

We developed a great system just two years ago.

I'm in the process of installing something not dissimilar to what you have.

We're slow to change here.

We decided not to take that approach at our Spring meeting.

Our current suppliers provide really great support to us.

These answers or comments from a prospect are his way of describing his own status quo. They are not what most salespeople will aim for. In fact, most salespeople will avoid actively seeking out this level of truth. On the other hand, I advocate – as does our whole company – actively seeking out information about the prospect's *unlikelihood* of changing or buying. If your salespeople are not planning to ask these questions, or some variation of these questions, they are actually avoiding the elephant in the room. Instead, they are chasing silly "buying signals" when they should be seeking out "non-buying" signals. These are the issues that will stop them from changing.

The lesson is, plan to raise the hard issues

Running a sales conversation is a special, reasonably complicated skill, which is why so many salespeople are actually quite poor at it. It's an area of the sales process that I constantly try to improve for myself, and the way I do that is as follows:

1. I take some quiet time every day to reflect on each upcoming sales meeting and write down the *main* issues and questions I intend to raise. Typically, I do this early in the morning before the first meeting and / or again around lunch time.

2. I write down what I intend to raise or ask. I don't just run a few things through my head. I think about what I need to ask – especially the early questions and the status quo issues – and then literally write those out.

3. Over time, I add new questions, new issues, and new ways to position those issues to my inventory of "Questions & Issues" and I incorporate the prospect's language into my language. I've learned that prospects are the best teachers of what to ask!

4. I go to my calendar and select two specific dates and times that I may need when setting up my next step. I don't offer both times, often I just need a second date because the first one doesn't work. By checking my calendar, I get to select the dates that fill out those remaining "blanks" (Chapter 7) in the most optimal way possible.

And here's what's interesting …

I don't walk into a prospect and take out a long list of questions and subject the poor creature to a scripted cross-examination. Instead, I am already in the best shape possible to conduct the conversation, based on my "just-before" preparation and reflection. My preparation helps me conduct a more natural, non-scripted conversation, but one with purpose and that the prospect will find useful, intelligent and engaging. In fact, I often don't need to ask what I planned, because if your opening questions are strong and intelligent, the prospect tells you all about his world anyway. Remember, "just-before" planning makes the meeting a better meeting before it even happens, and that's the nature of preparation.

Producing Evidence of Planning

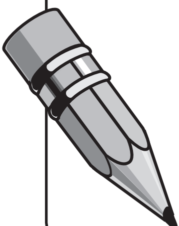
Most modern sales training courses and programs teach questioning skills extensively, yet I find that, when tested, many salespeople run out of questions after five minutes and start to "product-dump." It's not that the training was poor, it's that the salesperson doesn't carry any tool to remind him of what issues to address, or how to go about asking useful questions. (Most sales training manuals remain in the car trunk until it's time to change cars - or jobs!)

Therefore, I recommend that you provide your salespeople with these two tools:

1. A short note of the key issues and questions that typically need to be addressed in the appointments. I call this my "green" sheet (for no particular reason). (Some "senior" salespeople will resist this tool as being too "101," so ask them what they plan to ask, or exactly what is it they do, *before* a meeting.)

2. A "standard-issue" template for planning each sales meeting. I really am not comfortable when salespeople tell me they have their *own* way of doing this, and that they have the questions in their head, or that at this stage, "it's automatic." The only thing I find to be automatic in sales is straying from the required standard.

Suggested action for the manager:



At the next "Monday" meeting, ask your salespeople to discuss the questions they plan to ask in their next two to three meetings. Watch the level of discussion that ensues!

RULE #9: Sales Process is bigger than sales personality.

I find that salespeople come from one of two schools of selling: the process school, and the personality school. The latter is often euphemistically called the "relationship" school, but the word *relationship* is much abused in sales, and is usually deployed to cover up underperformance.

People from the personality school of selling essentially believe the following: that they personally – based on experience and some special genes, or the fact that people just like them – have special ways to locate, meet, charm and persuade people. It's not necessarily an arrogant belief, more like a naive belief. It works well, *if* the salesperson has the luxury of calling on the same customers all the time and picking up orders.

On the other hand, people from the process school see their role in terms of the work that has to be put in and the tools that need to be deployed to consistently deliver a target and income. They understand the steps that have to be followed, and the effort they have to make, to get prospects to respect them and put their trust in them. These are the people you want for your sales team, because you can teach them your sales process, and they are more likely to teach new team members the **Rules of the Road**.

Hiring a Salesperson

I consistently watch job advertisements for salespeople. I marvel at the range of skills and traits that we salespeople apparently need to possess. I can point you toward job descriptions that require the salesperson to possess 32 individual characteristics, mostly written in vague language by people who don't have a quota to meet. These job advertisements reflect how we tend to hire salespeople. We look for the right person and try to specify the person, rather than specify the role. As a result, we end up hiring people who sound right but are often completely wrong for the role. (Question: is there any other career where there are so many square pegs in round holes?)

I suggest that you try a different approach. Define each of your sales roles using the **Rules of the Road**, and then use that definition and description to get people to self-select for the role. I believe – based on hard experience – that we don't really hire salespeople. Instead, people choose sales roles. The lesson here is that we should be telling job candidates very clearly what our sales process involves, and the circumstances that lead to a termination of one's license to sell. To illustrate, here are the two approaches: personality and process. These are contrasted in terms of defining a business development sales role:

Personality Approach: Describing the Person	**Sales Process Approach: Describing the Role**
Proven track record in selling and relationship building High level of creative problem-solving capability Strong negotiation and interpersonal skills Extrovert, empathetic and persuasive Proven leadership abilities Strong team-building capability Naturally consultative Experienced dealing with high level contacts Persistent and tenacious Capable of exceeding target Strong on listening	Sales Pipeline requires constant inventory of 15 active prospects. Sales Pipeline requires minimum 4 new meetings each week. 20% of the time (1 day / week) needs to be allocated to generating qualified opportunities in year 1. Pipeline reporting completed by 12 noon Thursday each week. Scheduled 8 am Monday morning group meeting each week. Scheduled one-on-one meeting with manager each week for Year 1. Specified tools must be used in order to secure commissions.

I'm not saying that the "people" part of selling is not important – whatever that might mean. Most sales operations run on the assumption that the salesperson *is* the process, rather than on the basis that the salespeople are there to execute and run a pre-defined sales process with steps, rules, tools and compliances. In other words, there are rules of the road for the salesperson and these are just the minimum guidelines each salesperson needs, in order to have any chance of succeeding in the sales role.

Hire slow and fire fast

If you adopt the **Rules of the Road**, you will avoid a lot of the stress associated with hiring (new) salespeople. Sales managers often struggle when faced with these two questions:

- On what grounds should I fire someone?
- *When* should I fire them?

The answer lies in the person's own data – their pipeline. Let's take a new hire. Suppose we operate an eight week sales cycle, which incidentally is our sales cycle at DEI. I know that in my business, a new hire needs to secure 5 new (completed) appointments each week. Therefore, I can figure out that after the initial four weeks, the person's pipeline should start to look something like the table on the next page.

If this pattern is not emerging, the salesperson is not on track. If it's the case that they simply are not making the dials to get the appointments, I will fire them – even if they have already gotten a sale. You might not agree with me, but I am following the logical conclusion that the sales process is pointing out. This person will not succeed in either the medium or long term, because they are trying to skip the two early stages of the specified sales process. With the right sales process tool, and by applying some of my rules, I now know *early on* that this will be the case and can act accordingly. I will only fire someone after they have had due help and guidance, but I must say that I also look for people to self-diagnose and self-correct. If a new salesperson does not self-check, especially when they know the rules, they are probably in the wrong job.

One of the reasons I decided to talk a little about new hires is because it's at this point you can begin to see the extent to which you have a sales process at

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
Opportunity	**Initial Engagement***	**Information Gathering**	**Decision**	**Verbal**	**Close**
Opportunity	Appointment	Prospect			
Opportunity	Appointment	Prospect			
Opportunity	Appointment	Prospect			
Opportunity	Appointment	Prospect			
Opportunity	Appointment	Prospect			
Opportunity	Appointment	Prospect			
Opportunity	Appointment				
Opportunity	Appointment				
Opportunity	Appointment				
Opportunity	Appointment				
Opportunity	Appointment				
Opportunity	Appointment				
*We would expect the salesperson to maintain an inventory of appointments 2.5 weeks ahead; hence the 12 appointments.					

all. If it's not obvious to a new hire that your sales operations has rules, standards, and compliances, it means that your existing salespeople use their own and you have very little or no influence over improving their performance, never mind trying to get a new hire successfully started. That puts *your* job in jeopardy!

What about the "people aspect"?

At least one person who reads this is going to write to me and tell me that I've gotten it all wrong. "Winners" in sales don't follow processes. They will say "winners" are unusual and unique and you have to give them a wide berth to bring out their talent and the sales will follow. They may even quote me an Ivy League study to prove their point.

DEI's original founder, Stephan Schiffman, has a terrific saying: in sales, anything will work. Mavericks, extroverts, ex-sporting heroes, tall people, short people, incredibly good-looking people and plain-looking people have all succeeded in sales. Whole companies have been built without sight of a weekly meeting or sales pipeline. Billionaires have been created based on the efforts of sales teams who managed to get by on one game of golf a week. Publicly-quoted companies continue to "beat the market" yet their internal sales forecasts are largely fiction. What this tells you is how much business happens anyway, no matter what the salespeople do! If you're the team maverick, with the "magic touch," it seems like there is some relationship between how you do your job and the results, when there isn't. In a world where the telephone rings for you, it doesn't really matter how you sell or how you work. You'll probably hit the target anyway, or it will get hit for you, courtesy of your existing clients and the company's brand strength.

When the tide goes out, you'll see who's swimming naked ...

Lehman Brothers filed for Chapter 11 bankruptcy protection on September 15, 2008. From that moment, you could feel the recession closing in around us like the Grim Reaper. In the world I operated in – working with sales teams - salespeople who seemed invincible were walking around with their head on the ground. Some found it hard to report for work. Many had no work to report to. The maverick personality, the extrovert, the likeability-factor didn't seem to matter or work any longer. To put it bluntly, many salespeople didn't know what to do to generate business whether it was more, new or different. In addition, guess who was swimming naked? Just about everyone who didn't have a sales process!

In the new economy of low to steady growth, personality is not enough for a salesperson – whatever *personality* might mean. The minimum *now* needed, the starting point, gives the salesperson a process that enables them to self-correct until they reach a consistent, predictable and controllable level of activity and effectiveness. That's the manager's job: to supply the sales process, the **Rules of the Road**. Then, and only then, is it appropriate to address the "soft" side of managing people - after you have put an objective sales process in place. I can assure you, with the **Rules of the Road** as your minimum standard; you will attract, develop and keep intelligent, self-aware, confident and relaxed salespeople. People who believe they have an impact on the lives of their prospects and their customers. Give them the **Rules** and you will give them the confidence to be brave and respected representatives of your company and its beliefs. Give them the confidence and they will attract more scheduled next steps than you ever imagined. Salespeople who can secure those scheduled next steps get more sales, earn more money and can live more fulfilling lives.

Suggested action for the manager:

Check out how clearly your sales roles are defined, especially in terms of the sales process requirements and the Rules of the Road principles.

RULE #10: The last act of the selling day is a sales pipeline check.

As business development salespeople, we are being asked to generate and maintain a sales pipeline that looks like this*:

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
Opportunity	**Initial Engagement**	**Information Gathering**	**Decision**	**Verbal**	**Close**
Opportunity	Appointment	Prospect	Prospect	Prospect	Customer
Opportunity	Appointment	Prospect	Prospect		
Opportunity	Appointment	Prospect			
Opportunity	Appointment	Prospect			
Opportunity	Appointment				
Opportunity	Appointment				
Opportunity	Appointment				
Opportunity	Appointment				
Opportunity					
Opportunity					
Opportunity					
Opportunity					

*The exact numbers will vary per company, sales cycle etc, but they need to be the right numbers. A "right" number is one that you've figured out!

Therefore, the sales pipeline needs to be updated daily, and we should be asking ourselves these two questions at the end of each day:

1. How many new opportunities did I *start* today that will contribute to my pipeline inventory?
2. How many prospects did I *move forward* today that will contribute to my income?

Suggested action for the manager:

Schedule a meeting for next Monday morning at 8.30 and make sure everyone on your sales team will turn up.

Re-read the preceding chapters and use them to help you prepare for your first "Rules of the Road" meeting.

Then just get stuck in – and watch your team respond! Good luck on the journey!

Epilogue

As we close, I want to encourage you to perform some important reality checks on what your sales representatives are doing, and also on what *you're* doing as a manager.

First, let's consider the reality check that you will help your salespeople perform. The single biggest favor you can do for them is to find new ways to remind them that their time is precious, that they must invest it consciously on a daily basis, and that they must stop from time to time and do a sober analysis of the very best ways for them to allocate that time.

Now, let's consider *your* reality check as a manager. To implement this program effectively, you must learn to be tactfully but persistently *skeptical* about virtually everything you hear from your sales team. You must model that skepticism – never hostile, never bitter, never vindictive, but always professionally *wary* about what your salesperson says is happening for each prospect that they claim will produce income. If you don't learn to do that, and to check yourself from time to time on how well you're doing it, you can't really expect your team to implement the **Rules** for themselves, or to police themselves consistently. My experience is that the very best way to institutionalize this skepticism is to have a good list of *skeptical questions* to ask the members of your team, either during one-on-one sessions or group meetings. Make them part of your organization's sales culture.

Is all this too much "micromanagement?"

No! And here's why. My colleague Steve Mulch, at the Veritas Training Group in Cincinnati, describes the manager's role superbly. He says that the job of the manager is not to micromanage people, but to teach salespeople to micromanage the sales process. I cannot agree more—and I can absolutely confirm that from personal experience. When you micromanage a (sales) process that works, the results – and the income – literally follow!

Sales management as a career can look enticing, and it can also seem like a way to get out of the day-to-day challenges associated with selling and hitting target. However, the reality is sometimes less enticing, and I think that's because sales managers often become immersed in the statistics of selling, and in the irrelevant issues that salespeople bring up. Here is the question that I suggest every sales manager, sales VP and owner ask themselves: what rules have I given my salespeople that will help them become far more effective?

I look forward to hearing about your experiences implementing the principles and rules I've laid out in this book. Please stay in touch by visiting www.dei-sales.com or email us at info@dei-sales.com.

Michael McGowan

Business Opportunity: Become a DEI Licensee

DEI is looking for individuals and established business and sales consultants to become licensees for its proven sales system. You will instantly have access to 30 years of proven techniques and methodologies that will attract new clients and help you grow existing business. As a licensee you receive the following benefits:

1. Graduated license payments.
2. No territory restrictions.
3. 2 – 3 weeks ramp up time.
4. No extra fees or reporting.
5. Work from home office; keeps overhead low
6. Training salespeople is a $4Bn?? industry in the U.S.A.
7. Residual income can exceed 80% of sales.
8. 5 days of world-class (Sales) Training
9. No Inventories needed
10. Selling & Marketing tools kit
11. Rich marketing content for online distribution

Who will this business opportunity suit?

1. You have senior sales and/or sales management background and want to set up your own business.

2. You have an established sales and/or sales-related consultant business.

Remember, with a proven system you will be far more likely to succeed – and to succeed sooner.

Comments From a DEI Licensee:

> *I have been an Owner of DEI Sales Systems for over 5 years now and am blessed to do work daily that I truly enjoy and that's extremely rewarding financially. The programs produce real results, and I've been able to consistently grow and maintain a loyal customer base. Feel free to contact me if you'd like more information on my experiences over the last few years.*
>
> **Marisa Pensa, Owner and President of**
> **Methods in Motion – a DEI Licensee – Atlanta, GA.**

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Prospect & Pipeline Management This program gives you: • Proven Sales Management System. • Proven Pipeline Methodology. • Sales Strategizing Techniques.	**Appointment-Setting** This program gives you: • Proven approach for booking more meetings. • Same-day increase in booked appointments. • Practical and repeatable telephone techniques.
High Efficiency Selling This program gives you: • Proven roadmap for more effective meetings. • Highly effective questioning techniques. • Strategies for moving sales forward.	**Telesales (Inside Sales)** This program gives you: • Inside sales process for the telephone-based sale. • Proven information-gathering techniques. • "Next Step" strategies for telephone selling.

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