

# Refocus Sales Managers and Drive More Revenue



Improve Performance.  
Drive Revenue.

## About The Naro Group

The Naro Group specializes in helping technology companies capitalize on their investment in sales process and sales training. Contact Jim Naro, President, by email at: [jnaro@TheNaroGroup.com](mailto:jnaro@TheNaroGroup.com).

## For More Sales Insights

Visit the Knowledge Center at [www.TheNaroGroup.com](http://www.TheNaroGroup.com) for more sales and marketing transformation.

*By Jim Naro, President of The Naro Group*

To effectively run their businesses, senior executives expect a strong link between managing sales performance and forecasting accuracy. Unfortunately, many sales managers think that effective performance management means parachuting in at the last minute to help close the biggest deals to deliver short-term revenue results.

Interestingly enough, the [5<sup>th</sup> Annual Sales Management Optimization study](#) based on a survey of 1700 firms worldwide from CSO Insights offered some important data on this topic. One of the key findings of the report was that the term forecast accuracy is actually “an oxymoron, with only 45.7% of forecast opportunities being won as projected. “

## Reallocate Time, Increase Revenue

CSO Insights reports that the companies that develop their people and implement higher levels of sales processes while leveraging technology outdistance those that don't. These firms encourage sales managers to allocate their time effectively on sales management activities such as coaching to help others improve their performance rather than getting directly involved in selling activities.

The CSO Insight report shows that managers of best-in-class firms focus nearly 40% of their time on coaching and forecast management and only about 25% of their time on selling activities.

Continued...

### **Coach and Manage to Win**

When sales managers coach their staff on how to better qualify deals and use opportunity management processes more efficiently, revenue increases. Sales people can more effectively develop competitive strategies as managers share their expertise about markets, products, partners, and competitors on an opportunity basis. Coaching will also help sales people follow a repeatable methodology and sales process that aligns with the company's sales strategy.

This shift in managerial focus will result in more qualified and meaningful sales pipelines – and, of course, more accurate forecasts – all of which will contribute to higher win rates and fewer losses.

### **Q4 Tips for Sales Managers**

As you enter Q4, consider spending more time on transitioning your sales people from being revenue driven to opportunity driven. Here are a few tips on how to do that:

- For enterprise-level sales, create visibility into the pipeline and improve forecast accuracy by training your staff on opportunity-level qualification and analysis. You can do this by tying revenue forecasts to only validated opportunities and get away from relying on “blue bird” deals to make up the revenue numbers at the eleventh hour.
- Put a formal territory planning process in place to help sales people focus on opportunities that best fit your organization's market criteria. This is a key step in business development, prospecting, and account planning. Sales people will be more proactive in filling their pipeline with opportunities that are a better fit, more likely to close, and provide long-term value.
- For competitive deals, have sales people develop more detailed competitive strategies. Sales managers can provide expertise as appropriate, such as advising sales people on how to position key differentiators and identifying partners to strengthen the position. Sales managers can also coach them on whether or not the deal is worth pursuing.
- For opportunities in your target market, have sales managers allocate time for opportunity-level coaching as well as identifying recurring skills issues. Also make time for skills development activities, such as identifying key players, mapping out the buying process and transition plans, and developing a cost benefit analysis with buyers.

Continued...

### **Where to Start in 2014**

When 2013 ends, you'll be able to spend more time on forecast accuracy. If you don't already have one in place, determine if an opportunity management process and methodology is right for you – and which one would work best for your company. The beginning of the year is a good time to implement this, as it's critical to manage the process steps of an opportunity from end-to-end over several months. Additionally, you can review your forecasts over the last 12 months and see what percentage of those forecasted at the beginning of each quarter closed either in that quarter or within the following quarter. It's also a

great time to survey your current territory and account planning programs and plan skills development and coaching activities in group and one-on-one meetings.

If you think your pipeline health and forecast accuracy could use some improvement, give me a call and I can share more ways to improve them. You can reach me at 603-881-7712 or [jnaro@thenarogroup.com](mailto:jnaro@thenarogroup.com).



#### **Contact Us**

Tel: 603.881.7712

[www.TheNaroGroup.com](http://www.TheNaroGroup.com)