

# Do You Manage Salespeople by Results or Activity?

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## Uncommon Value

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Should salespeople be managed by their results, or by their activity? That's a question that is often debated. I tend to fall in the camp that managing or coaching salespeople should be based on their activity and I'll try to explain why in this column.

First of all, I'd rather be looking out my front windshield when determining where I'm going and not my rearview mirror. In many ways, managing a salesperson by their results is rearward looking activity. The results have already happened and whether they are good or bad, the conversation now is how were the results generated. And let's face it, a salesperson with less than desirable results can come up with a lot of reasons why that happened. On the other hand, managing by sales activity can be more proactive. If certain positive sales activities are happening, then we can be fairly confident that results will follow, provided we have the right person in the role.

To demonstrate this, I often use the analogy of a football coach. On game day the plan has been put in place, the players and coaches meet to go over the plan, the plays have been practiced all week, and on game day everybody is ready to strap on the helmets and get it going. But let's say the coach stays in the locker room instead of going out to the sidelines. The team comes in the locker room at halftime and the coach asks "What's the score?" The players report they are losing 28-7. The coach responds "What in the world happened, didn't you all work our plan?" They respond that they did work the plan, but the opposing team also did some things that were unexpected. The coach replies "Well, let's change some things up" and they tweak their plan some. The team heads back for the second half and the coach stays in the locker room awaiting the team's arrival after the game to see if the modifications to the plan helped. The team comes back into the locker room after the game reporting that they lost by a score of 42-7!! Coaching, or managing by results only is difficult and very reactive in nature.

A more proactive approach may be managing salespeople by their activity. There are plenty of sales activities to manage and you will need to pick the ones that you believe, if done consistently and correctly, will give your salespeople the best shot at success. Examples of sales related activities include, but are not limited to, # of calls per week, # of calls to prospects per week, consistent use of organizational tools, beginning the week with a sales plan, how effectively was last week's plan worked, sales generated compared to budget, miles travelled, and meals & entertainment on weekly expense reports. There are many schools of thought on what makes up important sales activities, and I won't pretend to sit here and have all the answers for what will work for your salespeople, or your business.

However, I believe if given certain information about a salesperson's activities, you can determine if their business is being built on a solid foundation that will stand the test of time. This information includes how well they use an organizational tool that encompasses notes, tasks, calendar and contacts that they consistently evaluate, # of calls per week, # of calls to prospects, customer contact log so they can ensure that all customers are contacted regularly, begin each week with a plan, end each week with a look at how effective the week's plan was worked, and are they effectively using meals and entertainment to grow strategic business relationships, although this last one is a little tougher with Covid-19 restrictions.

In many ways, sales is still a numbers game; you can do things to increase your odds of success, but productivity comes from the number of at bats, or sales interactions you get. Coaching your salespeople on a daily and weekly basis to assist them in maximizing their quantity and quality of sales activity stands a much better chance of success than looking back at sales volume performance on a monthly basis and trying to determine where problems may exist.



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