

## Implementing A Part Time Approach To Outside Sales

Last month, I wrote about the reasons why a part-time approach to outside sales might make very good sense for you. To quickly summarize the key points, the benefits start with the fact that a part-timer can put a lot less strain on your cash flow. Most quick printers are pretty strictly limited by economic considerations; in other words, by how much you can afford to invest in an outside salesperson. A part-time situation might make it possible for you to employ a high-quality person at a manageable expense.

I mentioned two such situations in last month's column; one a young woman who works 20-25 hours each week as a printing salesperson, and another 25-30 hours each week—mostly nights and weekends—in a retail store. The other "case study" was a man in his early 40's who works 15-20 hours each week as a printing salesperson during his off-hours as a night-shift police officer.

A situation like this might very well allow you to employ a talented "outsider," but as I pointed out last month, the benefits can really start to add up when you move a current employee into a part-time outside sales position. You get three additional benefits with that strategy: first, you'll be making the "hiring" decision in the first place based on a known quantity; second, a current employee already knows something about your business; and third, you still have that person available to do his/her "other" job in your shop on a part-time basis, and also available to help you train or cross-train another person to pick up any slack.

You also gain the significant benefit of being able to offer a solid career-path step to a valued employee.

### Structure

OK, you might think, that's not a bad idea. But how do I structure a part-time sales job for a current employee? The first decision you have to make concerns the boundaries of the job; in other words, how many hours each week will this person be working at outside sales.

This is an important decision, because it's the first step in writing—or modifying—a job description, and with all due respect, anyone who operates without written job descriptions in place is at least a little bit nuts. That's especially true in a situation where a full-time employee will essentially be doing two part-time jobs. I have focused on the upside of this situation up until now, but I must point out that there's a significant downside too...the possibility that neither job will be done well! A written job description is the first step toward ensuring that any job will be done the way you want it done.

As for how many hours a part-time salesperson "should" work each week, there's no rule that says that it has to be more than some number of hours or less than some other number. This is basically a matter of deciding how you want to allocate the 40-or-so hours that a full-time current employee is available for work. Your decision should be based on three things: how much new sales volume you're looking for, how fast you want/need it to happen, and how much other work you want/need this employee to handle.

Here's a key point. Full-time or part-time, it simply takes time to build the relationships which will result in a solid flow of new business. You shouldn't expect much in terms of new sales volume during the first couple of months. With more hours applied to new business development, though, you'll have more people in the pipeline when things start to break. In other words, when good things start to happen, more good things will happen!

### Avoiding Overload

Most people believe that prospecting is the key to new business development. As it turns out, though, most people are wrong. The real key to new business development is *follow-up*, and the only reason a salesperson should be out prospecting in the first place is to find people worth following up with!

Actually, the activity that starts the new business development ball rolling should more correctly be called *suspecting*. The way this works is that the people you look at as potential customers are suspects when you *think* they might be prospects. They're only prospects when you *know* that they are prospects—when they're fully *qualified*, which means that they buy exactly the kind of printing/copying that you want to sell, they buy enough of it to make them worth pursuing, *and* they show some interest in buying from you. If they don't meet all three of these criteria, they're not really prospects, and the truth of the matter is that most salespeople don't have enough real prospects; they feel good about having a list of "contacts" who are really only suspects.

The practical application of that statement is that a part-time salesperson must be especially careful not to become overloaded with suspects. The less time you have available, the more important it is that you identify prospects who

really are worth following up with. There's a point where the quantity of suspecting and the quality of follow-up intersect, and that's the "sweet spot" you and your part-time salesperson are looking for. That's the point where sales productivity will be at its highest!

### **How Many Suspects?**

So how many suspects and prospects should your part-time salesperson be working? I tell my sales coaching clients (quite a few of whom are printshop owners working at selling on a part-time basis, by the way) that 2 prospects for each hour you can work at selling on a weekly basis is a pretty healthy number. This means that a 20-hour salesperson should be working a list of 40 fully qualified prospects.

Please understand, though, that this is not something that develops immediately. First comes the suspecting and the qualifying! And it might very well take 5-10 suspects to find one fully qualified prospect!

I teach my clients that suspecting is all about "looking at" companies, and that every company you look at falls into one of two categories—"keepers" or "counters." The keepers are the ones who seem to be worth following up with. The counters simply count toward some number of companies that a salesperson will be held responsible for "looking at" each week.

And *please* understand, a keeper is not yet a prospect! A keeper is just a suspect who seems to be worth following up with, to see if he/she is a real prospect. A keeper can still be disqualified later on in the process if further exploration indicates that he/she doesn't meet all three qualifying criteria.

### **Numbers Game**

Part-time or full-time, selling is a numbers game. And while we don't know the exact numbers, it's pretty easy to build structure for a salesperson around some basic projections. Let's say that your part-time salesperson will be devoting 15 hours each week to outside selling. That means I'd want a "prospect list" of 30 fully qualified prospects, and to be conservative and give myself the best chance of success, I'd project the relationship between keepers and real prospects at a hefty 10-to-1. In other words, I'd project that only one out of every ten keepers will turn out to be a fully qualified prospect.

Beyond that, I'd also assume that only one out of every three suspects will be keepers in the first place. The way the arithmetic works, your salesperson will likely have to "look at" 900 suspects in order to identify 30 fully qualified prospects. (30 prospects x 1 out of 10 = 300 keepers x 1 out of 3 = 900 suspects)

Now remember, this is going to take some time, and you still have to deal with the importance of avoiding an overload situation. The best strategy is to establish an "action standard" for suspecting—looking at some number of companies each week and starting the follow-up on the keepers. With a 15-hour per week salesperson, I'd set that number at 30.

### **Follow Up Process**

It's also very important to develop a follow-up process, and to insist that your salesperson follow it! I have most of my clients working with a series of five letters, with telephone follow-up added in at specified points in a 5-6 week sequence of activities. The purpose of this part of the follow-up process is to schedule some appointments, and those first face-to-face appointments provide a solid opportunity to evaluate suspects against the three qualifying criteria I listed earlier.

What about the people who won't agree to appointments, or who won't even respond to the letters or return your salesperson's phone calls? They get disqualified! Remember, the objective here is to identify some number of *real* prospects, and the only way to do that is to sift through a larger number of suspects, looking for people who really qualify—who buy what you sell, who buy enough of it to make them worth pursuing, and who show some interest in buying it from you!

### **Day-To-Day Organization**

OK, I've described most of the pieces of the suspecting and initial follow-up process. Now let's apply them to a firm weekly schedule of activities. I like to get the most difficult and/or most important things done as early in a schedule as possible, so I would start by making morning the selling time for my part-time salesperson. With a 15-hour salesperson, I'd allow 30 minutes at the beginning of each morning for non-selling activities, and then have that person working at selling from 9:00 AM until 12:00 noon every day.

Continuing with the theme of getting the most difficult and/or most important things done as early in a schedule as possible, I'd make Monday and Tuesday mornings the time for suspecting, and six hours over two mornings represents plenty of time for "looking at" 30 suspects via the kind of "learn something/leave something" cold calls I've written about before.

Wednesday would be Letter Day, and the first week on this schedule would be a fairly easy one. With 30 suspecting calls targeted at identifying 10 keepers, your salesperson would be sending out 10 letters on the first Wednesday. On the second Wednesday, though, it would be 20 letters—the second letter in the five-letter series to the first group, and the first letter in the series to a whole new group identified during the second week's suspecting. By Week 5, the salesperson has built up to the level of 50 letters each week, and he/she will now also need several hours each week—maybe 30 minutes each day—to make follow-up phone calls. (By the way, the ACT contact management software I've written about before would be an important part of this process. ACT's "task list" function directs all of the follow-up activity, and it's word processor function automates the letter-writing process.)

Thursday and Friday would be Appointment Days, and they could also be used for a significant portion of the telephone follow-up built into this plan. Once there are enough people in the pipeline, even a 15 hour per week salesperson ought to be able to schedule 1-3 appointments for each Thursday and Friday morning—some first face-to-face appointments with suspects, some follow-on appointments with real prospects, and down the road, some project-related or relationship-related meetings with actual customers.

### **Too Rigid?**

You might be thinking that this schedule is too rigid. What if a suspect, prospect or customer can't or doesn't want to meet on a Thursday or Friday morning? Well, obviously, if the opportunity to talk with someone who might buy from you doesn't fit your schedule, you adjust your schedule! Experience has shown, though, that this level of structure can be a major contributor to creating sales productivity. The idea is to have a plan, and to adjust it when necessary—as opposed to allowing a salesperson to "wing it" on a constant basis.

### **Compensation**

A few years ago, I wrote an extended column titled "Solving The Sales Compensation Puzzle." It ran in four parts, and totaled nearly 8600 words—reflecting the fact that full-time sales compensation can be a very complicated issue! Interestingly, part-time sales compensation for a full-time employee is not nearly as complicated.

The situation is this: You have a full-time employee earning a certain amount of money, paid either as a salary or as an hourly rate. You now want to re-allocate this employee's time, adding certain job responsibilities and removing others. In doing this, you want to add the opportunity to increase overall earnings based on solid performance of these new job responsibilities, but the "base rate" of compensation doesn't have to change.

I would simply add sales commissions to what I was already paying this employee. The commission rate would be a factor of that established compensation level compared to my desired "compensation load." (You'll find that term defined in "Solving The Sales Compensation Puzzle." If you don't have those back-issues handy, send me an e-mail at [dmf@fellman-nc.com](mailto:dmf@fellman-nc.com) and I'll be happy to send you a fresh copy.)

Let's say that you're paying the employee \$12.00 per hour, or it's equivalent in annual salary which would be approximately \$25,000 per year. Let's also say that this will be a 15 hour per week outside sales situation, so the sales-related component of his/her compensation is approximately \$9360 per year. Next, let's project that this part-time selling activity will produce a sales increase of \$80,000 over the next full year. Finally, let's say that you'll be comfortable with a "compensation load" of 15% (which I would be.) Your "compensation fund" would be \$12,000 ( $\$80,000 \times 15\%$ ), and the difference between that and the salary/hourly component of \$9630 would be \$2640. That figure divided into \$80,000 in sales volume yields a commission rate of 3.3%.

If your part-time candidate currently earns \$10.00 per hour, the same formula gives you a difference of \$4200 between the salary/hourly component and your "compensation fund." That figure divided into \$80,000 in sales volume yields a commission rate of 5.25%. Any of the variables can change, but I hope you'll see that the arithmetic is pretty straightforward.

### **Bottom Line**

The bottom line here is that a part-time approach to outside sales might be just the ticket for your business; a way to get a practical maximum of sales exposure at a minimum cost. Please give some thought to the criteria I listed last month for a solid candidate for this kind of part-time sales position: a current employee who is bright, loyal, has solid work habits, cleans up reasonably well, and is underpaid compared to his/her long-term value to your business.

If you have someone on your staff right now who fits this profile, you may very well be poised for growth!