

SALES PLANNING FOR THE SALES MANAGER

Building a Winning Sales Plan in 8 Steps

1. Summarize Your Objectives
2. Identify the Strategic Objectives
3. Assess Prior Sales Performance
4. Segment Your Customers
5. Set This Year's Objectives
6. Measure and Monitoring Results
7. Establish your Annual Sales Planning Cycle
8. Write the Executive Summary

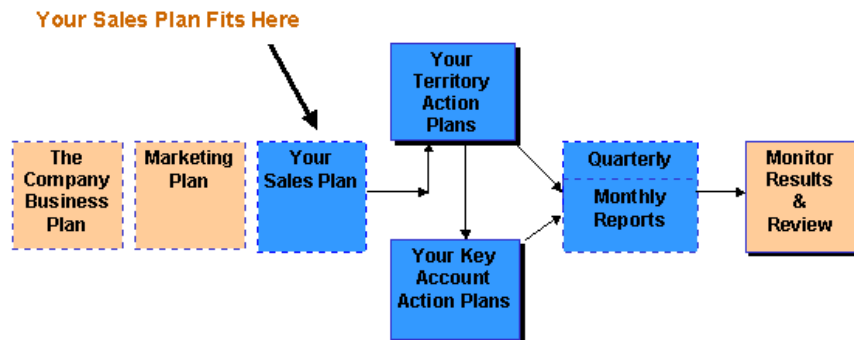
The Sales Planning Guide for the Sales Manager

The purpose of this Sales Plan Guide is to serve as your guide in your role as Sales Manager. This model provides you with a number of sales management planning ideas and a variety of operating templates that can be used by you and your Sales Representatives in preparing your operating Sales Plan for this year.

There are three primary sections to the Sales Plan:

1. Understand Your Sales Objectives
2. Develop Your Action Plans
3. Measure and Report Your Results

Within these three sections are a total of ten components that follow the sales planning requirements for the overall year.



Section 1: Understand Your Sales Objectives

1. Identify the Sales objectives: *To present an overview of your company's sales objectives.*

This introductory section of your Sales Plan requires you to identify the specific overall sales objectives as reflected in the annual business plan. Create a clear plan and understand the sales requirements of the business plan on a quarterly basis and the company's overall business planning objectives.

2.0 Identify the other sales objectives in the business plan:

In addition to sales revenue (sales units and market share percentages if included), you should clearly define any specific objectives of the company's business plan that relate directly to sales performance or sales tactics that will be required from you and your Sales Representatives this year.

Examples of company level objectives whose success relies on Sales could be...

- a specific sales penetration plan for a specific market segment
- a specific sales plan to expand the customer base
- the introduction of a new sales channel into the market
- the introduction of a new business partner into the sales channels
- the adoption of a new sales strategy

The question that needs to be answered here is...

Are their new company wide strategies that rely on the successful execution of your Sales Representatives?

Describe briefly any additional primary business plan objectives that rely directly on the successful performance of the Sales Department during this year.

Hints:

- Be as inclusive as possible in this listing since it gives you a strong indicator of the type of strategies and longer-term initiatives that the company is planning to execute.
- As the year develops, these objectives should be added to and modified as new strategic initiatives are added. We recommend that this be updated at the beginning of each quarter.

3.0 Summarize the existing sales performance

To present the sales data that identifies...

- (1) the *historical* sales performance depending on the specific performance criteria
- (2) the *current* sales performance

This intent of this section is to help understand the current perspective of the sales and market share performance of the company.

- Add a chart along with a brief paragraph that would briefly comment on the prior year's sales results by quarter.
- Add the same type of quarterly trend graph with additional comments for each product/service/category in your sales plan.
- Create a similar quarterly trend graph for each territory.
- Add a graph to display the positioning of your products compared to those of your competitors. This information provides you with an historical baseline enabling you to more productively create your own objectives for this upcoming year. This data should be taken directly from your company's marketing plan.

Section 2: Develop Your Actions Plans:

This is the second and the most critical stage of developing your Sales Plan. It is within these Sections, 4 through 7, that you will establish the objectives, the tactics and the primary action plans that will be used by you and by your Sales Representatives during the entire year. It is also in this section that you will work with your Sales Representatives to create their Territory Plans and their Key Account Plans.

4.0 Segment Your Customers

4.1 Segmentation Tiers

To present specific examples of customer segmentations. Account segmentation should be one of the most powerful sales tools that you use. Segmentation by customer classifications should be used as a tool for you to...

- plan the specific type of sales tactics that you will use for each tier
- determine the sales call frequency patterns that will be applied to each tier

4.2 Create Your Reach & Frequency Objectives

To present the monthly sales call frequency patterns that are expected of your Sales Representatives. Depending on your level of tiers, you could develop a table that defines the primary objectives and the primary tactics or critical actions that you are planning during the entire year.

We recommend that you take a long-term view of the entire year for the objectives and the tactics that you will employ. If you are having difficulty with defining annual tactics, it may be that is more effective for you to detail these actions, only for the upcoming quarter and then update this table at the beginning of each subsequent quarter.

Tiers	Primary Objective for this Tier	Primary Sales Tactics and Actions
1	<input type="checkbox"/> Write in your primary two or three	<input type="checkbox"/> Write in your primary two or three sales tactics
2	objectives for each of the tiers that you have	or primary actions that you will use for each of the tiers.
3	defined	

5.0 Set This Year's Objectives

To define the specific annual sales objectives in a clear and easy-to-understand manner which is both highly quantifiable and qualitative.

This section of your Sales Plan is the core of your objective setting planning for the year and should be totally clear and useful to your Sales Representatives. (using charts works well)

5.1 Set Your Revenue & Market Share Objectives:

Define your total territory using the annual and quarterly data from the BUSINESS PLAN objectives, then break them down *into monthly segments for your objectives* (e.g. Total Sales, Sales by product, Market share percentages by product or products).

5.2 Set Your End User Objectives

Define the specific monthly and quarterly end user objectives in a clear and easy-to-understand manner which is highly quantifiable. Break out your objectives for at least the new end users that are going to be added during this year. The critical objective is that you need to be growing your baseline each month.

5.3 Set Your Customer Objectives

Define the specific monthly and quarterly customer objectives in a clear and easy-to-understand manner which is highly quantifiable.

5.4 Define Your Primary Sales Tactics

Provide an easy reminder for you and your Sales Representatives of the primary sales tactics that will be used as

your sales initiatives during this year. *Tactics are those primary initiatives that you will identify to your Sales Representatives as the primary drivers that will be employed by the Sales organization throughout the year. These tactics may be developed in concert with Marketing in terms of promotional activities or they may be Sales-only selling programs.*

List here the top 5 sales tactics that are "**The Keys to Success**" for your Sales Plan this year. These "**Keys to Success**" must be specific tactics that you will use during the course of this year. These tactics must be specific in their assignments of time and measurement and must be broad enough to affect all of the accounts or all of the salespeople in your organization throughout the year.

Examples of tactics could be...

- Expand the customer base from 1200 to 2035 by moving customers from Tiers 3 and 4 to Tiers 2 by adopting an improved clinical training program for all salespeople by the end of Q2.
- Extend the branding of Our product vs. growth hormone as the only approved treatment for wasting.

The questions that you want to ask are...

What are those five (as a minimum) to ten (as a maximum) primary tactical initiatives that I am going to develop that will most significantly impact our sales revenue and market share throughout the year?

What three or four programs can I plan out and develop in concert with the Marketing Department that will most significantly impact the needs of my customers?

What annual selling programs can I develop that will have the most impact in taking business away from my competitors?

5.5 Plan Your Sales Force Structure

Define the critical objectives as they relate to the hiring, training and development of you as Sales Manager, and your Sales Representatives.

5.5.1 Organizational Structure

Create a graphic to show the planned organizational structure for this year.

5.5.3 Create Your Sales Representative:

Identify the basic categories to be considered for the "best in class" for the ideal Sales Representative.

5.5.4 Plan Your Training Needs and Requirements:

Identify any training needs for your Sales Organization as a whole and by individual Sales Representatives.

5.5.5 Plan Your Incentive Packages

Outline the primary components of your annual incentive planning for your Sales Representatives.

What are the **Objectives** of your Incentive Plan?

What are the **Measurements**?

What are the **Criteria** that will be used?

What is the **Time Frame**?

What is the **Payout Table**?

Section 3: Measure and Report Your Results

6.0 Report & Monitor

Details the monthly reporting requirements that are tied to your objectives.

- Reports should be consistent in their format since they are going to be used as communication tools to a number of people in a variety of departments.
- Reports should be short, concise and to the point detailing performance against objectives, primary accomplishments and items of primary interest.
- Reports should be detailed and heavily quantifiable reporting both objectives and results.
- Reports should be proactive rather than reactive and should avoid defining history "for the record".
- Reports must be regarded as a useful tool and not "busy work"; therefore, they should be equally easy-to-complete and easy-to-read.

7.0 Define Your Annual Planning Cycle

Define and outline the components of the annual planning cycle

8.0 Write the Executive Summary

Provide your manager, your peers and your Sales Representatives with a clear and concise *review* of the primary strategies, the tactics and the performance objectives that you have planned for the upcoming year.

The reader of your Executive Summary should be able to answer the following regarding your responsibilities, objectives and measurements for the year:

1. Your annual unit sales and revenue objectives for the year.
2. Your most recent years' performance compared to your projected performance.
3. The primary strategies and tactics that will get you there.
4. Your overall customer segmentation scheme by history and by forecast.
5. Your rationale for your targeted regions and territories.
6. Your rationale behind your targeted account planning
7. An overview of your sales organization.
8. Your anticipated requirements for hiring, training and developing sales personnel.

Ask yourself when you read what you have written in this Sales Plan...

- Is this appealing and easy-to-read?
- Is my sales proposition compelling for my customers?
- Is this Sales Plan proactive?
- Have I been innovative in the tactics and actions that I have planned?
- Am I providing a unique value to our customers as a result of this Sales Plan?