



Bulletin

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12 Ways to Evaluate Sales Performance – Other Than \$\$\$

Of course, the bottom line of evaluating the performance of a salesperson is the business he or she brings in the door. Every other attribute pales if the sales rep cannot close the deal with customers or convert prospects into paying clients. But the way those sales are achieved is important, too, especially if you hope to turn customers into loyal, long-term customers.

Effectively evaluating the performance of sales staff must go beyond the numbers to include how the employee meets the standards you have set for the position. (If you haven't set clear standards, you should—it's healthy for your business and fair to your staff. Every employee wants to know how performance will be measured and what standards he or she is expected to meet.)

Establishing meaningful performance expectations begins with asking yourself which salespeople you would most hate to lose, and understanding the qualities they possess that make them so valuable and the performance

characteristics that make them so successful. Your answers will help you set standards based on the qualities of your best people—standards that you know are attainable if you have the right people in place.

Following are a dozen areas to evaluate, based on the way one successful industry company defined sales performance expectations. Put personality, friendship, or family relationship aside, and answer each question honestly:

- **Organization.** Is the rep organized in the way he conducts company business? Does she have good time management skills?
- **Strategic Thinking:** Does the rep think outside the box in recognizing and creating opportunities for the company?
- **Identifying Buyer Needs:** Is the rep content to just fill orders or does he try to identify buyer needs and offer solutions that your company can deliver?
- **Prospecting:** How effective is the rep at initiating contact with prospects? Is his customer list growing?

• **Consultation:** How strong are the rep's consultative selling skills? Does she brainstorm creative solutions?

• **Persuasion:** Is the rep persuasive in handling objections? Convincing in reinforcing the value the company offers?

• **Creating Ongoing Value:** How successful is the rep in generating additional business from customers? Are sales from existing customers growing, shrinking, or static?

• **Leveraging Opportunities:** How good is the rep at networking referral business or leveraging new clients from existing customers?

• **Negotiating Skills:** Is the rep convincing in negotiating sales contracts? Does he present the company's position firmly, yet fairly?

• **Problem Resolution:** How effective is the rep at resolving disputes and solving customer problems or complaints?

• **Team Orientation:** Is the rep a team player? A willing partner in helping achieve the company's overall strategic objectives, not just her own sales goals?

• **Cooperation:** Does the rep submit call reports and other documentation as required—thoroughly and on time?

For each category, judge whether your salesperson meets expectations, fails to meet them, or exceeds them. But don't stop there—meet with the salesperson and come up with a plan to improve performance in these areas within a given time frame or take other appropriate action.

P.S.: Two more key points to look at:

• **Customer Loyalty & Satisfaction:** Is the rep retaining existing customers and getting new ones? What feedback is the company receiving about the rep?

• **Open to Change:** Is the rep willing to adopt new processes, tools, or sales strategies or wedded to the past? Is the rep receptive to selling new products or services or annoyed at selling anything other than what he's always sold?