# Sales Managers: What Should You be Measuring?

It's amazing that despite how many CRMs exist; we still don't really take full advantage of them. Some of us don't use them at all, or simply pile in "data" after the fact. Some of us use them what seems like constantly, but it all simply turns into a big black hole of a database that no one's really looking at or analyzing properly. As a sales manager, conducting a sales meeting with your sellers should be about the actual numbers.

The bottom line is something you're probably intensely aware of, but what else should you be keeping track of?

#### **Prospecting**

How many calls are your sellers making?

How many emails are they sending out?

What's the strategy behind what they're doing?

How many of these initial points of contact turn into actual leads?

Making sure your sellers are keeping track of these numbers and noticing any trends that occur will help them manage their time efficiently.

When you stay on top of what's going on with your sellers' prospecting, you'll be able to better spot warning signs and help guide them before their pipeline goes awry.

#### **First Appointments**

How many first appointments do your sellers have each week?

How many of these first appointments were generated through the seller's own prospecting?

How many of the leads for first appointments came in through marketing?

How many of these first appointments have a follow-up scheduled?

The more quality first appointments your sellers have, the higher their potential for closing actual deals.

Determining an average number of first appointments a seller should have each week, will help establish a range of what they should be striving for, as well as ensuring they're on track to effectively close as many deals as possible.

## Sales Cycle

How is your company's sales cycle set up?

How many opportunities does each seller have in every stage of their pipeline at any given time?

Ensuring each sellers' pipeline is filled with the right proportion of opportunities in each stage is vital in helping to guarantee deals will be closing on a regular basis with no dry spells in between.

#### **Time to Close**

What is the time frame for each sale?

How many days from a first appointment does an average deal take to close?

If sellers only focus on first appointments, but not on other stages of their pipeline, the time to close can get infinitely drawn-out.

When they learn to stay on top of how long an average deal takes to close and aim to reduce it, they become better equipped to rule out deals that have gone beyond the acceptable date range and are far less likely to close.

## **Forecasting Accuracy**

Being mindful of all of the above measurements will naturally help increase forecasting accuracy. When your sellers, and you as their manager, are more aware of the numbers behind each opportunity, instead of relying on anecdotes or gut-feelings, forecasting sales will become a bit more intuitive and systematic. Read up on <u>Four Principles for Great Sales Forecasts</u> and <u>7 Tips for Improving Your Sales Forecasting</u>.

#### **Ratios**

In addition to having solid data on prospecting, first appointments, the overall sales cycle, and time to close - sellers should know their ratios.

For example, what's the average number of calls or emails it would take to get a first appointment that would then get a next step?

What's the ratio of first appointments to actual deals closed?

Keeping your sellers focused on their numbers will help them improve and allow you to manage them with clearer direction. Whatever method you're using to track your sales team's activities - be it an intricate CRM or a more basic spreadsheet - make sure you're measuring more than just the bottom line.

Keeping your salespeople accountable for all their numbers will make them more effective, as well as <u>help you</u> guide them more conclusively.