

Sales Plan Shock

By Janet Gregory

It's the same every year. I am in shock. Yikes! Sales planning season! About three months before the start of the new fiscal year... it's a hard push to close out the year, and the dreaded email arrives ... where's the sales plan for next year? Yikes! How can a year go by so fast? The year isn't even over and I am expected to generate a plan for the year ahead!

The sales plan. It's like GPS directions or a flight plan. It is how we get the business from here to there. After the initial calendar shock is over, I am ready to take on the challenge. Smoothly driving company revenue requires a sales plan, in the same way that a smooth ride in a car or successful landings in an airplane require skill, direction and the ability to follow through.

Drive. Multiple forces drive business from both inside the organization and out. Internal drivers are employees, product life cycles and customer support. External drivers are shareholders, customers, competition and partners. The sales plan must be driven by the goals and needs of both internal and external drivers. This concept of multiple drivers parallels the concept of a Balanced Scorecard popularized by Robert Kaplan and David Norton. Business is complex with multiple forces that propel it.

Understand. Business drivers are factors that directly affect business. Understanding that the internal and external business drivers operate in dual mode is not easy. In one mode business drivers provide focus, framework, structure and guidance. Simultaneously they provide force, pressure, variability and unpredictability. Business drivers are not good or bad, positive or negative but they do operate in two distinctly different modes. How the sales plan responds to these factors determines whether they are constructive or destructive.

Commit. Write down the sales plan. Document it. Quantify it with concrete goals and objectives. Also include strategic and qualitative goals. Just thinking about the sales plan is not enough; it must be committed to paper, spreadsheet and presentation. Engage others in the development of the sales plan. Present it, invite input, iterate and connect the sales plan across the organization. The amazing power of iteration is an essential principle in Curt Carlson and Bill Wilmot's approach to innovation.

Flex. Fixed or flexed? The sales plan needs to stay true to its goals yet be responsive to the dynamics of the business world. This is not an easy task. Remaining vigilant to the changing landscape and determining the best course of action is challenging. No matter what, it's important to keep the business moving. A car or an airplane can only turn if it is moving, the same holds true for business. "Lead, follow or get out of the way" almost applies, but there is more. A successful sales plan must lead, react, control, respond and anticipate. The success of a sales plan will be determined by its ability to flex with the changing business landscape and dual mode of business drivers. The more iteration that is done across the organization will provide more agility in the plan and will have more people actively confronting the challenges encountered in executing the sales plan.

Communicate. Connect the sales plan with the sales team. Managers must understand and be able to communicate the plan as effectively. Individual team members must know what the organization is trying to accomplish and their role in achieving those goals. Cross-functional teams, such as customer service, engineering, order management, finance and others need to interlock their business plans with the sales plan for optimal performance.

Assign. To accomplish a goal, a person, team or organization must be assigned to that goal. A formal delegation of responsibility must take place. This can take many forms, such as quota assignment, KPI (key performance indicator), MBO (management based objective) or other. No matter what form the transfer of ownership takes it should be clear to all - who is responsible and accountable for the goals.

Recognize. Measure performance and communicate the results. If it is important to the organization, give visibility to the results. Celebrate achievement. Share best practices; create heroes, experts and role models within the organization. Stack rank performance to motivate top performers and inspire others. Create a system where everyone can win. Make recognition relevant, have it occur in a timely manner, which could be event driven or based on appropriate business cycles: week, month or quarter.

Execute. Today's world is all about delivering results. The ability of a sales plan to perform requires commitment, communication, assignment and recognition. The ability of a sales plan to perform *successfully* requires drive, understanding and flexibility.

As it gets down to the wire, I am focused on acceleration. I want to accelerate to a fast and strong close for this fiscal year. I want the momentum and acceleration to drive into the new fiscal year ahead.

I am not in shock after all. In fact, I view a good sales plan not as a shock but as a shock absorber. A good sales plan will absorb the shock of the many variables that our business faces. The skill of our team knows how to use sales planning tools to "absorb" unpredictable and rough business terrain. Shock absorbers are as important to business as they are to a smooth ride in a car or successful landings in an airplane. A sales plan is essential to smoothly driving company revenue.

Check out these related articles on sales planning:

- ["Sales Planning"](#) which explores various plan types: classic, cycle time, buying cycle & ecosystem.
- ["Building a Successful Sales Plan"](#) defining the various perspectives of a sales plan: tops down, bottoms up, outside-in and in-side.
- ["Five Crucial Considerations for Sales Planning"](#) that discusses prerequisites, critical path, essentials, nuts & bolts and action tests.

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