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Craig Mclvor: When recession strikes, discipline keeps the sales coming

Page 1 of 2 [View as a single page](#) 4:00AM Monday August 25, 2008

Sales are the lifeblood of any company and for many companies across New Zealand over the past few months, their life is being sucked from them.

As a result, right now, right around the country, a very important meeting is taking place that may determine a company's ability to survive.

It's a meeting of senior management and the sales manager/director. It's crunch time. Sales are down and management want to know why, and what can be done to make up the deficit and get the budget back on track.

Unfortunately for some CEOs, this meeting is not going to provide any relief, only further anguish.

In good times, sales just seem to happen and less emphasis is put on how efficient the sales process has become. When the good times end and sales dry up, the companies in the best position to survive understand how to sell, where their business comes from, who makes the buying decisions and which have a pipeline of sales already in place.

Best practice companies have a sales forecasting discipline. Sales forecasting is a valuable tool for any business. It gives advance warning of difficult sales months ahead, so restorative action can take place. Without it, companies find that sales are down 50 per cent on budget for the month and don't know if the next month they are in for the same result, or worse. An analogy is a boat without a radar that suddenly finds itself on the rocks.

So when you have this crucial meeting with your sales director, you are going to find out one of two things. Either you are one of those companies with best practice sales, or you are not. If you are the latter, this article offers you a lifeline.

The first thing to realise is that if you do not take some action, you are likely to get the same results again. You will need to have a look at how many actual sales resources you have. In reality, most companies have only a fraction of their sales force actually selling. Remember that sales can be made only when you are talking to customers or in front of them. Use this analysis to determine if you have enough resources.

Second, the options available to you to effect change in the very short term (this month or the next) are limited. Changes to the sales prospects for a business are not short-term, but more medium-term. Most sales processes have a lead or incubation time and often this cannot be changed.

Third, make a specific sales project plan and follow it up. It is no good coming away from the meeting and generating a lot of action only to see the next month's sales figures down again.

There are some specific things that you can do to turn the sales results around. They are:

[Next page](#)

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Pages: 1 | [2](#)

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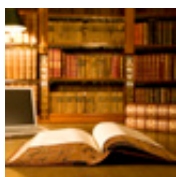
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