

The 15 Second Sales Review



A Firstborder White Paper

firstborder
The Sales Methodology Company

Presented by

mentor 
releasing potential

www.mentorgroup.co.uk

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The 15 Second Sales Review



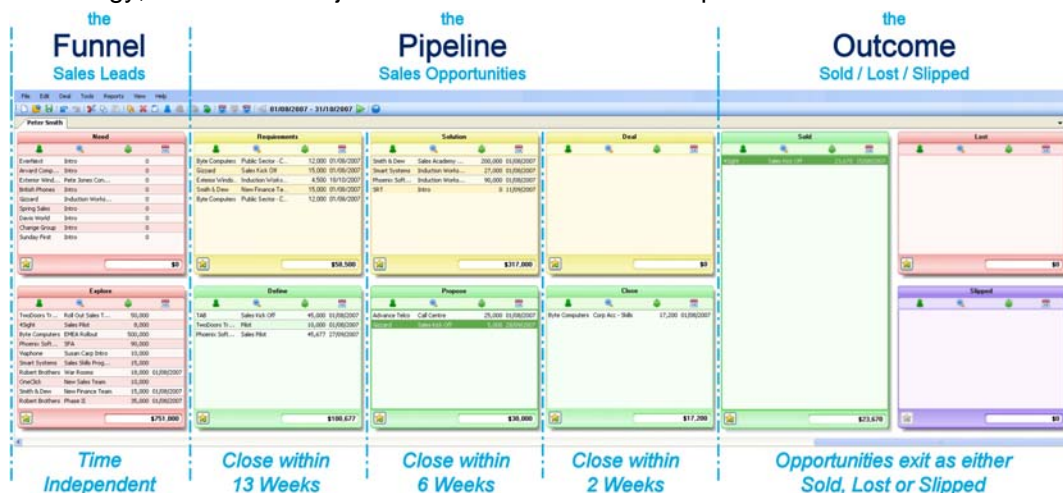
It is quite an outrageous claim to need only 15 seconds to be able to conduct a sales review... what could you possibly ascertain in 15 seconds? To make things equal, and possibly more difficult, I would want you to do a review with someone you don't know, so you have no previous knowledge to fall back on... and you can even have as much information to hand that is available about their current sales... but remember you only have 15 seconds to read it!

15 seconds is all the time you should need to determine how well the sales professional is managing their business. You should be able to clearly see what they have achieved to date, what their likely outcome will be for the quarter, the confidence level you should have in this outcome, how well they are building their pipeline, the confidence level they have in naming the 'must win' deals and how well they are managing these deals. 15 seconds is enough time to give you the pointers of where to do a deeper dive if required. Time is money, so don't waste your time conducting deep reviews in parts of the business that aren't broken.

The only thing your sales team needs to be doing to help you with this review is to use, and I mean use, our Opportunity Management tool... Focus. Therefore before sharing with you the review process I will provide some background to the tool and methodology behind it.

Background

Focus is a visual tool and it is this aspect that allows the review to be completed very quickly. Focus is also built around a very distinct and powerful, yet simple, sales pipeline methodology, which I should just take a few moments to explain...



The methodology is based on a set of grids that are organised into 3 major vertical elements, Funnel, Pipeline and Outcome. The example I'm showing uses quarterly sales periods. There is a set of grids for each sales period.

The first element of the methodology represents the Funnel. The Funnel is for managing Sales Leads which are considered to be potential Sales Opportunities. It is believed the customer will want to address a potential Need and / or the customer already recognises they have a need, but have not committed to addressing it. The second element is the

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Pipeline itself. The Pipeline is for managing Sales Opportunities which are considered to be potential Deals. It is believed the customer has committed to buying a Solution for a Need. The third element is the Outcome. Opportunities exit the pipeline as being Sold, Lost or Slipped. Sold is hopefully self explanatory. Lost means you have not won. The opportunity has either been won by a competitor, or the customer has decided not to address the need. Either way, the opportunity is lost. Slipped shows the opportunities that have slipped to the next sales period. Slipped opportunities are the scourge of the pipeline – If you don't record it you can't manage it.

Now looking quickly at the methodology. The first thing to know is that it follows the customer's buying behaviour. There are four behaviours which we label Need, Requirements, Solution and Deal. These can be seen as the grid labels for the top grids shown in the Funnel and Pipeline. If we are close to the deal the bottom grids represent the selling behaviours ... we Explore the need, we help Define the requirements, we Propose a solution and then Close the deal.

In order to decide in which grid a deal should sit, first determine the close date and then where the customer is in their buying process. The close date will let you know in which sales period to place the deal. Where the customer is in their process will determine if they are at the Need, Requirements, Solution or Deal stage. The next thing to do is determine where you are... are you confident to commit to closing the deal? If the answer is no, then you are in the top grids – the upside. If the answer is yes then you are in the bottom grids – the commit.

Requirements			Solution			Deal		
Byte Computers	Public Sector - C...	12,000 01/09/2007	Smith & Dew	Sales Academy ...	200,000 01/09/2007			
Gazdard	Sales Kick Off	15,000 01/09/2007	Smart Systems	Induction works...	27,000 01/09/2007			
Estevens Welford	Induction Works...	4,500 19/10/2007	Phoenix Soft...	Induction works...	90,000 01/09/2007			
Smith & Dew	New Finance Te...	15,000 01/09/2007	SRT	Intro	0 11/09/2007			
Byte Computers	Public Sector - C...	12,000 01/09/2007						
\$58,500			\$317,000			\$0		

Define			Propose			Close		
TAB	Sales Kick Off	45,000 01/09/2007	Advance Telco	Call Centre	25,000 01/09/2007	Byte Computers	Corp Acc - Skills	17,200 01/09/2007
Two Doors Tr...	Pilot	10,000 01/09/2007	Advanced	Sales Kick Off	0 01/09/2007			
Phoenix Soft...	Sales Pilot	45,677 27/09/2007						
\$100,677			\$30,000			\$17,200		

The commit deals form part of the sales forecast for which we apply the two outcome forecast method – win or lose. Let's face it, for any deal in your pipeline, you are going to either win or not win. There is no percentage winning, no factoring, you either win or lose – therefore forecast on that basis. The full methodology explains what you need to know in order to increase your forecast confidence but basically we look at four areas - the customer's Business Imperative, your Value to the customer, your level of Influence and the Qualification... and now we know enough to start the review...

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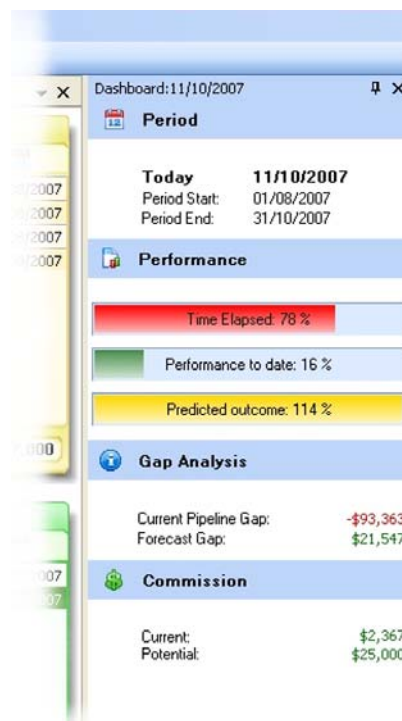
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If you are running quarterly sales periods then you need 3 basic reviews each period. You could have a month 1 review, month 2 and month 3. I am using a month 3 review as the example. The conclusions drawn would be potentially different if looking at the same data for a month 2 or month 1 review.

Step 1 – Dashboard - time required 3 Seconds

The first step of the review is to look at the results Dashboard. This will give you an excellent first impression on how the person is managing their business.

The visual indicator shows the Time Elapsed in the period, the Performance to date and the Predicted outcome. In the example shown the Time elapsed is 78%, the Performance to date is 16% and the predicted outcome is 114%.



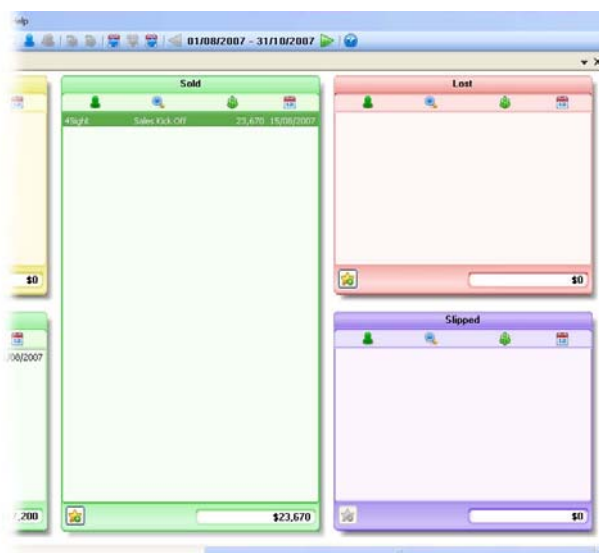
At 78% through period the performance to date should be higher – deals are not closing. However the predicted outcome is 114%. Therefore, it is not due to lack of deals that the performance to date is poor.

Conclusion...this person seems to have a problem being able to close and also appears to be overconfident with forecasting – very little has closed during the quarter, but everything appears to be closing at the end! I would expect a more even closing pattern during the period. First impression is that this person is not managing their business very well.

Step 2 – Current Outcome - time required 2 Seconds

The second step is to look at the exit element of the pipeline. I am looking for evidence that the opportunities are being managed. For a month 3 review I would expect to see opportunities in all grids.

From our initial look at the dashboard we know that sales are not going to be high, however with nothing in Lost or Slipped I would be concerned that this person is only using Focus because they have been told to, and they are not using it to manage their business.



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With Elapsed time at 78% most people will have lost deals by now and other deals would have slipped.

Conclusion... this person does not appear to be using Focus to help manage their business and the results indicate this as well. This is the second piece of evidence.

Step 3 – Funnel - time required 2 Seconds

The third step is to look at the Funnel. This needs to be full; a full funnel is a characteristic of those that forecast accurately. It means going into a new quarter with most of the business already identified. It allows you to work with the customer early in the process to understand their business imperative, to help shape their requirements, to develop relationships and thereby build trust.

In this example the Funnel is well populated, so our subject does not appear to have problems identifying potential opportunities, but are they being managed?

Conclusion... It is not the lack of opportunity that is producing poor closure... you can't make your number if there is nothing to close, but in this case there seems to be plenty building so the evidence is beginning to point at managing and closing skills.

The screenshot shows the Mentor software interface with the 'Need' and 'Explore' sections of the Funnel. The 'Need' section lists various opportunities with their status and value. The 'Explore' section lists opportunities with their status, value, and date.

Need		
EverNext	Intro	0
Arvard Comp...	Intro	0
Exterior Wind...	Pete Jones Con...	0
British Phones	Intro	0
Gizzard	Induction Works...	0
Spring Sales	Intro	0
Davis World	Intro	0
Change Group	Intro	0
Sunday First	Intro	0

Total: \$0

Explore		
TwoDoors Tr...	Roll Out Sales T...	50,000
45ight	Sales Pilot	8,000
Byte Computers	EMEA Rollout	500,000
Phoenix Soft...	SFA	90,000
Viaphone	Susan Carp Intro	10,000
Smart Systems	Sales Skills Prog...	15,000
Robert Brothers	War Rooms	18,000 01/08/2007
OneClick	New Sales Team	10,000
Smith & Dew	New Finance Team	15,000 01/08/2007
Robert Brothers	Phase II	35,000 01/08/2007

Total: \$751,000

Step 4 – Pipeline - time required 3 Seconds

The fourth step is to review the distribution of opportunities in the pipeline. In our example you can see opportunities in the Upside and opportunities in the Commit. Again this shows that there is no shortage of opportunities to close.

The screenshot shows the Mentor software interface with the Pipeline view. It displays six sections: Requirements, Solution, Deal, Define, Propose, and Close. Each section lists opportunities with their status, value, and date.

Requirements		
Byte Computers	Public Sector - C...	12,000 01/08/2007
Gizzard	Sales Kick Off	15,000 01/08/2007
Exterior Wind...	Induction Works...	4,500 18/10/2007
Smith & Dew	New Finance Te...	15,000 01/08/2007
Byte Computers	Public Sector - C...	12,000 01/08/2007

Total: \$58,500

Solution		
Smith & Dew	Sales Academy ...	200,000 01/08/2007
Smart Systems	Induction Works...	27,000 01/08/2007
Phoenix Soft...	Induction Works...	90,000 01/08/2007
SRT	Intro	0 11/09/2007

Total: \$317,000

Deal		
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Total: \$0

Define		
TAB	Sales Kick Off	45,000 01/08/2007
TwoDoors Tr...	Pilot	10,000 01/08/2007
Phoenix Soft...	Sales Pilot	45,677 27/09/2007

Total: \$100,677

Propose		
Advance Telco	Call Centre	25,000 01/08/2007
Gizzard	Sales Kick-Off	5,000 28/09/2007

Total: \$30,000

Close		
Byte Computers	Corp Acc - Skills	17,200 01/08/2007

Total: \$17,200

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However, most of the opportunities are at the Requirements / Define stage... which is not what is expected at this time in the quarter. As time passes, so the opportunities should be moving from left to right. With 3 weeks to go before the end of the quarter I would expect the Requirements / Define grids to be empty. I would also expect not to find that many opportunities in the Solution / Propose grids, whereas the Deal / Close grids should have most of the opportunities.

Conclusion... There are more than enough opportunities to make the number, perhaps too many. Too many of the opportunities are at the beginning of the pipeline and therefore they have not progressed. For this time of the quarter not enough of the opportunities are in the Deal / Close grids. I would suspect that the deals are not being managed correctly.

Step 5 – Qualification - time required 5 Seconds

The final step is to have a quick look at the qualification details of a couple of the commit deals. You are looking to see how well the deals are qualified. The easiest way to do this is open the Qualification panel and click on one of the deals in the grid to view how it has been qualified.

Need	Requirements	Solution	Deal
<input type="checkbox"/> We can demonstrate to the customer that they have an issue that needs to be addressed. <input type="checkbox"/> The customer's financial position is positive. <input type="checkbox"/> We have identified an entry strategy to start exploring the issue with the customer. <input type="checkbox"/> We know the right people or at least identified the people we need to talk too. <input type="checkbox"/> We want to do business with this customer.	<input type="checkbox"/> Customer has agreed the timescales for this opportunity - close date agreed. <input type="checkbox"/> We understand the customer's budget process and they have budgeted for this deal. <input type="checkbox"/> We meet the customer's supplier selection criteria. <input type="checkbox"/> We understand the customer's decision process. <input type="checkbox"/> The customer is aware of the consequences of not addressing their need.	<input type="checkbox"/> We have delivered our final proposal. <input type="checkbox"/> The authority to spend has been obtained. <input type="checkbox"/> We meet the customer's critical solution selection criteria - the formal criteria. <input type="checkbox"/> The customer views us as being safe to do business with. <input type="checkbox"/> The customer has confirmed the timescales for closing the deal.	<input type="checkbox"/> The preferred supplier has been chosen and given the verbal confirmation of a deal. <input type="checkbox"/> The necessary customer paperwork for sign off is being raised. <input type="checkbox"/> The delivery / commencement date has been agreed. <input type="checkbox"/> Commercial negotiations will have commenced. <input type="checkbox"/> The customer has issued the paperwork for purchase.
Explore	Define	Propose	Close
<input type="checkbox"/> We have started exploring the issue with the Leader. <input type="checkbox"/> We have identified the Stopper(s). <input type="checkbox"/> We have developed our hypothesis for the Business Imperative Analysis. <input type="checkbox"/> The Leader understands the business need surrounding the desire to address the issue. <input type="checkbox"/> The issue has been given the priority required within the customer's business to enable	<input type="checkbox"/> We have an Insider coaching us who wants us to win. <input type="checkbox"/> We have developed the Relationship Analysis and understand the customer's politics. <input type="checkbox"/> We have finalised the Business Imperative Analysis with both the Insider and the Leader. <input type="checkbox"/> We have developed the Value Analysis with the Insider and Leader. <input type="checkbox"/> The Leader has the funds available to commit to this deal.	<input type="checkbox"/> Our relationships are high and wide within the customer's organisation. We are in regular. <input type="checkbox"/> We have business credibility with the Stopper(s) and Persuader(s). <input type="checkbox"/> We understand and meet the critical informal buying criteria - personal criteria. <input type="checkbox"/> The Stopper(s) values us and our solution above the competition. <input type="checkbox"/> We have a plan agreed with the Leader to close the business.	<input type="checkbox"/> The Leader has given verbal confirmation that we have been selected as the preferred supplier. <input type="checkbox"/> We know why we have been selected in preference to our competition. <input type="checkbox"/> We understand and are managing the customer's sign off process. <input type="checkbox"/> We have agreed acceptable terms and conditions for both parties. <input type="checkbox"/> We have received the order.

The above shows the qualification details for one of the opportunities in the Define grid. This is an opportunity that has been committed to close and yet nothing is shown in the qualification. The view below is typical of what I would expect to see for an Opportunity qualified at the Define stage.

Need	Requirements	Solution	Deal
<input checked="" type="checkbox"/> We can demonstrate to the customer that they have an issue that needs to be addressed. <input checked="" type="checkbox"/> The customer's financial position is positive. <input checked="" type="checkbox"/> We have identified an entry strategy to start exploring the issue with the customer. <input checked="" type="checkbox"/> We know the right people or at least identified the people we need to talk too. <input checked="" type="checkbox"/> We want to do business with this customer.	<input checked="" type="checkbox"/> Customer has agreed the timescales for this opportunity - close date agreed. <input type="checkbox"/> We understand the customer's budget process and they have budgeted for this deal. <input checked="" type="checkbox"/> We meet the customer's supplier selection criteria. <input type="checkbox"/> We understand the customer's decision process. <input checked="" type="checkbox"/> The customer is aware of the consequences of not addressing their need.	<input type="checkbox"/> We have delivered our final proposal. <input type="checkbox"/> The authority to spend has been obtained. <input type="checkbox"/> We meet the customer's critical solution selection criteria - the formal criteria. <input type="checkbox"/> The customer views us as being safe to do business with. <input checked="" type="checkbox"/> The customer has confirmed the timescales for closing the deal.	<input type="checkbox"/> The preferred supplier has been chosen and given the verbal confirmation of a deal. <input type="checkbox"/> The necessary customer paperwork for sign off is being raised. <input type="checkbox"/> The delivery / commencement date has been agreed. <input type="checkbox"/> Commercial negotiations will have commenced. <input type="checkbox"/> The customer has issued the paperwork for purchase.
Explore	Define	Propose	Close
<input checked="" type="checkbox"/> We have started exploring the issue with the Leader. <input checked="" type="checkbox"/> We have identified the Stopper(s). <input checked="" type="checkbox"/> We have developed our hypothesis for the Business Imperative Analysis. <input checked="" type="checkbox"/> The Leader understands the business need surrounding the desire to address the issue. <input checked="" type="checkbox"/> The issue has been given the priority required within the customer's business to enable	<input type="checkbox"/> We have an Insider coaching us who wants us to win. <input checked="" type="checkbox"/> We have developed the Relationship Analysis and understand the customer's politics. <input checked="" type="checkbox"/> We have finalised the Business Imperative Analysis with both the Insider and the Leader. <input checked="" type="checkbox"/> We have developed the Value Analysis with the Insider and Leader. <input checked="" type="checkbox"/> The Leader has the funds available to commit to this deal.	<input type="checkbox"/> Our relationships are high and wide within the customer's organisation. We are in regular. <input checked="" type="checkbox"/> We have business credibility with the Stopper(s) and Persuader(s). <input type="checkbox"/> We understand and meet the critical informal buying criteria - personal criteria. <input type="checkbox"/> The Stopper(s) values us and our solution above the competition. <input type="checkbox"/> We have a plan agreed with the Leader to close the business.	<input type="checkbox"/> The Leader has given verbal confirmation that we have been selected as the preferred supplier. <input type="checkbox"/> We know why we have been selected in preference to our competition. <input type="checkbox"/> We understand and are managing the customer's sign off process. <input type="checkbox"/> We have agreed acceptable terms and conditions for both parties. <input type="checkbox"/> We have received the order.

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Conclusion... the opportunities do not appear to have been qualified. This is consistent with the irregular spread of opportunities in the pipeline and the current performance – the opportunities do not appear to be being actively progressed.

Overall Conclusion -

After this 15 second review I would conclude that this person does not have a problem finding opportunities, but they do have a problem with closing them. The evidence can be seen from the number of Leads in the Funnel and the number of Opportunities in the pipeline – there are plenty. The current performance shows a considerable gap and therefore with the number of opportunities in the pipeline this is evidence that they are not being closed. The other piece of evidence to support this is the distribution of opportunities – at this time in the sales period there are too many sitting at the beginning of the pipeline.

I would also conclude that this person is not managing their business very well. If they were, then opportunities would not only have been won, but also some lost and some would slip. The evidence showing this is a lack of won deals and nothing shown in the Lost or Slipped grids. The other evidence is a lack of qualification maintenance for the must win commit deals. The evidence shows the opportunities are not being progressed.

This person is using Focus to record Leads and Opportunities, but not using it to manage their business. They either do not understand or do not want to understand the benefit of the simple methodology. They may also not understand how to progress the opportunities. I would not trust the Predicted Outcome of 114% and therefore an action plan now needs to be put in place to secure the quarter for this person.

Of course, if you would have conducted the earlier reviews then things would have been picked up earlier. There are different conclusions to be drawn from earlier reviews as the distribution of Leads and Opportunities would be different, but the process of the review is the same. If you find you need a little longer than 15 seconds, then 5 minutes per person would be able time to draw a number of conclusions about how someone is running their business. Do this for all your team and you will be able to quickly identify who needs your help and where they need it.

The beauty of the methodology is that they have to show how they are making their number. They have to commit to the deals that will be closing. Using Focus it is very easy to check the quality of their plan. There is nowhere to hide!

I don't know about you, but I reckon that's been a good use of 15 seconds of your time!