

Goal Setting Tip; Measure Behavior!

What an exciting topic to begin one of the last articles of 2017! The most successful people in this business and many others do what we ALL need to do; set our objectives, and do it before the next year starts!

As the CEO of “Me, Inc.”, it is your job to do this for yourself, and if you’re the one signing the **front of the paychecks**, you need to do this for others as well.

In the Commercial insurance world, December is typically not a time to relax into the Holidays. On the contrary, December and January renewals must be completed before 12/31, and if you are in the Benefits Insurance world....”Forget about it!!”

“You want me to sit down and get my head around something strategic at a time like this?” Yep. I am indeed.

Unfortunately, this process is given little brain cells and **only involving sales numbers**. Many sales managers grab the numbers from last year, make a few assumptions, and then and “tell” the sales team what their goal is. Eventually look at the progress from time to time, make comments and then review at the end of the year; celebrating success, or complaining about missing the goals.....again.

Measuring sales results alone, is counting the horses already out of the barn door. What needs to be measured is **BEHAVIORS**. The most important ones.

Remember this, **“Sales Managers cannot motivate anyone; they can only create movement.”** It’s the measure of the movement that creates good sales managers!

These behavioral measurements are called the **Key Performance Indicators**. Setting sales goals by setting behavioral “KPI’s” is far easier and more accurate way to know where you’re headed. Keep those measurements on track, and the successful numbers will take care of themselves.

Here are a some of the indicators I feel are the most important to measure, and some associated comments about them and how to use the information:

1. **Average Commission Per Account:** “Revenue per transaction” is one of the most critical factors in a Producer’s success as well as the agency’s profitability. Raise this number and coach to it, and watch profit expand.
2. **Hit Ratio:** How many accounts are quoted compared to the number of accounts written. The indicator revealing prospect selection, as well as the ability of the Producer to “qualify” their prospects.
3. **Number of New Relationships per Ones Quoted:** New producers tend to go after any prospect with a “pulse and a checkbook” , and having a “chance to quote”. How many new prospects are they meeting vs. the number of those quoted. When they are selective by passing on “deals” that should not be quoted, you will see their Hit Ratios soar!
4. **Number of Contacts per Activity:** How many phone calls, letters or emails sent, association meetings attended, etc. compared to the number of new prospect meetings set. This is critical to be able to coach the skills needed to maximize these activities.

Of course, if the Producer is not doing these activities, you have an opportunity to “correct and continue.”

Keeping some of these simple statistics, have periodic reviews with your Producer over these numbers will put meat on the bones of your sales goals and go a long way to having a successful year!

Good Hunting!