

New Territory for Sales Trainers

Are you ready to cross traditional sales training boundaries and teach territory management?

By C. JOE HOWLEY

Sales training often comes to a screeching stop before reaching an important point: territory management—something many trainers believe is beyond their territory. They think the responsibility for teaching this topic—how salespeople can control use of time and efforts for maximum work efficiency—lies with the first-line manager. They stick to the sales training basics: product information and persuasion techniques.

At the same time, many sales managers either assume territory management was covered in training or simply don't see the importance of the subject. When they come across information on managing time and territory, they disregard any possible direct tie it could have to their work. "My territory is different," they say, or "My product doesn't lend itself to the kinds of things written about in books."

Other sales managers—and the salespeople learning from them—cite other reasons for disregarding published help: "My territory is too big; the towns I cover are too spread out for me to benefit from planning," or the opposite, "I work a metro area; the accounts are all within an hour of each other, so there's no need to sequence calls." (Oddly enough, many sales managers attain their positions not because of their ability to run a territory proficiently but solely because of their good sales records.)

The result of skipping this training in the classroom and on the job is a not fully prepared new sales force finding out the hard way how to manage work and wasting company time while doing so.

Territory management *is* important in some form and in all types of selling. And

it *is* the trainer's job. If it's left to the sales manager, it might never take place or might be covered too quickly with the common advice "Just do as I did."

When preparing sales programs, trainers should ask themselves the following questions: Have I included a plan for teaching territory management? If so, is it effective? Is it theory-driven? Does it involve a preassignment? Will salespeople leave the session with a plan in hand by account name? Will they think it's a usable plan? Will they be able to present and defend it in front of a group? Will their manager support the plan and its use?

The plan developed must answer several general questions salespeople will have about managing territory:

- Where should I go?
- When should I go there?
- Why should I go there?
- How long should I stay?
- Who should I talk to when I get there?
- What product should I show them?
- How can I develop a plan that will give me these answers on a weekly or monthly basis?

These seven questions provide the starting point for training in management of any type of territory. They are basic enough to eliminate thoughts that "my territory is too different." Every sales trainee needs answers to these questions, no matter the size of the geographic area, the volume of sales generated, or the product sold.

Who's perfect?

Territory management training should begin with questioning what the *perfect* salesperson would do. It takes the initial spotlight, and its attending pressure, off the trainees, since they don't have to consider what actions they personally would take. This premise also frees trainees of narrow thoughts about their own territory. By discussing in terms of the third person,

Howley is director of professional sales education at Kendall Professional Sales Education Center, Barrington, Illinois.

Figure 1—Elements of perfection in territory management

<p>Background Information</p> <ul style="list-style-type: none"> ■ List of accounts ■ Territory Data <ul style="list-style-type: none"> —volume trends and graphs —competitive position —major accounts by product area —group contracts ■ Key buying influences 	<p>Territory Planning</p> <ul style="list-style-type: none"> ■ Account classification/prioritization ■ Account coverage ■ Quota reconciliation
<p>Account Planning</p> <ul style="list-style-type: none"> ■ Account objectives ■ Time plan ■ Account action plan 	<p>Management of Unplanned Events</p> <ul style="list-style-type: none"> ■ Customer demands ■ Product problems ■ Delivery ■ Defensive situations ■ Opportunities
<p>Implementation</p> <ul style="list-style-type: none"> ■ Account action implementation <ul style="list-style-type: none"> —putting the plan to work 	<p>Review/Correction of Course</p> <ul style="list-style-type: none"> ■ Updating ■ Revising to assure current

a good grasp on territory management. In fact, it's easy for a salesperson to feel that once the perfection basics are clear, he or she is ready to start selling. The instructor should point out that while knowledge of the business background is certainly essential, there are other elements necessary to perfection. Jumping straight to implementation from background information leads to frustration, stress, and turnover in a sales force.

Now is the best time for trainees to assess their individual levels of perfection, as measured against the identified elements. The assessment form shown in Figure 2 can be used. The instructor should adjust it to fit the trainees and should devise a grading system to suit the situation. The psychology of the exercise is what's important. It's a measurement of how good, rather than how poor, the individual is. This offers the psychological advantage of having people recognize their strengths so that needed improvements seem achievable.

It isn't necessary for trainees to reveal their scores. The instructor should just follow the exercise with discussion, making the point that most salespeople spend the major part of their time attempting to implement, with very little consideration of the other elements of perfection.

Now that we know we're not perfect . . .

After the perfection-level exercise, the instructor should make certain each trainee has his or her list of accounts, road map outlining the territory, graphs showing volume trends on major accounts, and list of key buying influences for the top 40 accounts.

The instructor should also make certain that the distinction between territory planning and account planning is clear. A salesperson must have a plan to cover the territory before account planning can be efficient; and to build a plan for each account makes no sense without specific territory planning. To drive the point home, the instructor can ask trainees to distinguish between the two types of planning by listing five components of each. This will trigger a discussion about what's included where and why. Once there is clear agreement that salespeople deal with these planning issues separately and that territory planning supersedes account planning, the class will have come a long way in understanding territory efficiency.

The instructor can now go into further detail about some of the subelements on

trainees stay off the defensive concerning their turf. They don't mind talking about what the perfect salesperson would do, because everyone knows no such person exists.

After asking trainees the question, "What are some of the things a perfect salesperson would do in the name of territory efficiency?," the instructor should keep track of responses and, if necessary, clarify them. During this process, the instructor can pinpoint critical issues that won't change from territory to territory, state to state, or country to country. Instructors must remember not to ask what the trainees would do, but rather what the perfect person would do.

The trainees' responses will almost certainly point first to the need for basic information covering things like account lists, dollar volume trends, major accounts, and competition. Of course, the perfect salesperson would know every key buying influence by name and position. This person in his or her perfection wouldn't for a minute confuse territory planning with account planning, so both of these would make the territory efficiency list. Also, Mr. or Ms. Perfect would have no problems with unexpected events. He or she would

anticipate problems, so this also would make the efficiency list. Then it's time for the perfect salesperson to implement, and, being perfect, he or she would certainly know that it's critical to review his or her course and make corrections on a timely basis.

When this exercise is completed, the instructor should wind up with a list of perfection elements similar to that in Figure 1. This list should be displayed on a flip chart or transparency.

Once the elements of perfection in territory management are known, trainees will be able to focus more clearly on answers to the general questions presented at the start of the training (when, where, why, how, who, and what). Also at this point, most every person in the room will be ready to buy into the need for territory management, regardless of the location or size of their individual areas.

Observation of this list and its sequence lends itself to a discussion that no single point can stand alone. All are necessary in reaching for perfect territory management. It's easy for a salesperson to get caught in the trap of feeling that knowledge of where the customers are, what they're buying, and what the business trends are indicates

the perfection list. One of these is account classification/prioritization. Trainees can be instructed to classify accounts by three levels of importance: *A* accounts (through which the company receives 50 to 90 percent of volume in three major product areas), *B* accounts (through which the company receives 30 to 50 percent of volume in two or three product areas), and *C* accounts (all others). The *B* accounts can be further broken down into *B1* accounts (those in proximity to *A* accounts) and *B2* accounts (those *not* in proximity to *A* accounts).

Instruction in account coverage should be next. *A* accounts should be covered on a planned basis, weekly to biweekly, with a fixed day and hour. *B1* accounts should be covered weekly to biweekly. Frequency depends on calls at nearby *A* accounts plus sales activity, opportunities, and competitive activity. *B2* accounts should be covered once a month, as time allows. *C* accounts should be covered when opportunities arise. Also, salespeople should attempt to leave one day of flexible time per week.

For each *A* and *B* account, salespeople should determine which of the following objectives are appropriate:

- *Protect existing business*—identify/correct problems; defend against competitive threat.

- *Manage relationships*—maintain existing ones; build new ones.

- *Increase existing base of business*—increase usage; convert new product area; sell new product.

Another subelement is the account action plan. This should include activities to be undertaken, assignment of activities, key influences to be seen, messages (what should be said), sequence of activities, plans for countering obstacles, time frames, and key influence attitudes.

Figure 3 outlines steps for another territory management element: handling unexpected events. The instructor should review these steps and allow time for discussion about how the unexpected can be turned into planned events and how salespeople can stick with their plans yet tend to the customer. Salespeople who take the time to ask a few questions of an overreacting customer who calls unexpectedly can often solve the problem on the spot. The instructor can make this point by explaining what constitutes a critical situation in terms of delivery or problems and then providing examples for discussion. The trainees can use these examples to sort out ways to avoid crises through preplanning or through effective

Figure 2—Sample form for assessing individual perfection level

Territory Efficiency: Measuring My Perfection Level		
Background Information	Yes	No
I have a current list of assigned accounts.	<input type="checkbox"/>	<input type="checkbox"/>
I have graphs for each product category for which I am responsible (showing volume trends).	<input type="checkbox"/>	<input type="checkbox"/>
I have a graph representing overall volume, and it is current.	<input type="checkbox"/>	<input type="checkbox"/>
I have a written list of major accounts by product area.	<input type="checkbox"/>	<input type="checkbox"/>
I'm familiar with the details of all group accounts affecting my territory, and I understand the opportunities within each contract.	<input type="checkbox"/>	<input type="checkbox"/>
Perfection Total	—	—
Territory Planning	Yes	No
I understand the difference between classification and prioritization.	<input type="checkbox"/>	<input type="checkbox"/>
I have classification guidelines to divide accounts into A, B, and C groups.	<input type="checkbox"/>	<input type="checkbox"/>
I have developed a rule-of-thumb method for prioritizing accounts.	<input type="checkbox"/>	<input type="checkbox"/>
Prioritizing of accounts is based exclusively on total dollar volume.	<input type="checkbox"/>	<input type="checkbox"/>
Need for service/protection in my operation has a higher priority than seeking prospects for new business.	<input type="checkbox"/>	<input type="checkbox"/>
I know what percent of the available potential I have for each product category in my major accounts.	<input type="checkbox"/>	<input type="checkbox"/>
I believe that unplanned events, both positive and negative, are the biggest obstacles in territory planning.	<input type="checkbox"/>	<input type="checkbox"/>
Perfection Total	—	—
Account Planning (Establishing Objectives)	Yes	No
I have made a definite distinction between territory planning and account planning.	<input type="checkbox"/>	<input type="checkbox"/>
I find protecting by base of business in major accounts occupies the greatest percentage of my time.	<input type="checkbox"/>	<input type="checkbox"/>
I believe managing relationships within a major account is the same as protecting my base of business.	<input type="checkbox"/>	<input type="checkbox"/>
Considering shorter hospital stays, reduced admissions, and the DRG environment, I believe increased usage on a given product or product area should take a back seat in my efforts to build my volume.	<input type="checkbox"/>	<input type="checkbox"/>
I believe positively that feature/benefit selling has been nearly wiped out in today's price-conscious DRG environment.	<input type="checkbox"/>	<input type="checkbox"/>
Considering the scope of the products I sell, the number of accounts I call on, and the defensive posture in which I often find myself, I believe it's difficult to make a wide range of department calls in hospitals.	<input type="checkbox"/>	<input type="checkbox"/>
Perfection Total	—	—

Figure 3—Steps for dealing with unplanned events

1. Identify the specific problem.
 - What is it?
 - Who has it?
 - When was it?
2. Determine if the problem is critical.
 - Is time critical?
 - Can the problem be handled by phone?
 - Can the dealer representative handle it?
 - Is the specialist in a position to help without altering his or her schedule?
 - Can the customer solve his or her problem alone?
3. Determine if your presence will make the difference.
 - Will the problem significantly affect your business?
 - Can you solve the problem?
4. Schedule for the unexpected.
 - Anticipate problems during trials or conversions.
 - Anticipate problems during product problem periods.
 - Arrange unplanned events into your schedule.

phone conversations.

The instructor should also point out at this time that effective territorial and account planning help prevent crises. This planning puts salespeople in front of major customers often enough to encourage saving most problems until the regularly scheduled call.

Once the first four elements of territory management have been covered—background information, territory planning, account planning, and management of unplanned events—the matter of implementation can be approached. The instructor can safely suggest that a “traffic-light approach” to territory planning (i.e., jumping in the car at 8:00 a.m. and saving decisions about where to go until you reach the first traffic light) is the road to discouragement, because it robs one of a sense of accomplishment. This sense is necessary to everyone, but particularly to people who work alone, without supervision perhaps 95 percent of the time.

Next, the instructor can approach course review and correction. Trainees should buy into the importance of this easily. Even the perfect salesperson recognizes that change is constant and that a shifting of key influences prompts necessary revisions to plans.

The following plan-maintenance time frames can be suggested:

- Review the 10-day action plan every two weeks.
- Analyze volume trends and update graphs for each product area every 30 days.
- Assess selected accounts every 90 days.
- Classify/prioritize accounts every 120 days.

These points can be made clear to trainees by comparing course review and correction to typical automobile maintenance needs. Both an automobile and a territory management plan must be serviced regularly or the owner pays a price—in inefficiency, dollars, unhappiness, loss of feeling of accomplishment, loss of a major account (similar to an automobile accident), or losing one’s job or unnecessarily leaving a good situation that could have been resolved through care and maintenance.

Belief in territory management and its elements of perfection are not enough. Salespeople must create actual territory management plans. Planning problems they may include are overestimating the true meaning of planning; overcomplicating; devising a good plan, but not sticking with it; planning only when in trouble and stopping at the first success; and not writing the plan down. By helping trainees get past these common stoppers, instructors can turn over to the line manager a better prepared sales force.

