

Verizon @work

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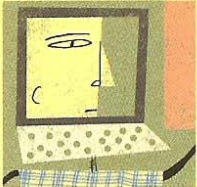
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CEO, Scientific &
Engineering
Solutions, rewards
his engineers for
making sales
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Reggie Daniel

CEO, Scientific & Engineering Solutions
Annapolis Junction, Md.

Sales: What Works Now?

HOW ARE SMART COMPANIES TACKLING today's toughest selling challenges? What are they doing to turn the sales setbacks of the past year into golden opportunities in the second half? A panel of small-business CEOs and experts answers five key questions about sales recruitment, motivation, and forecasting.

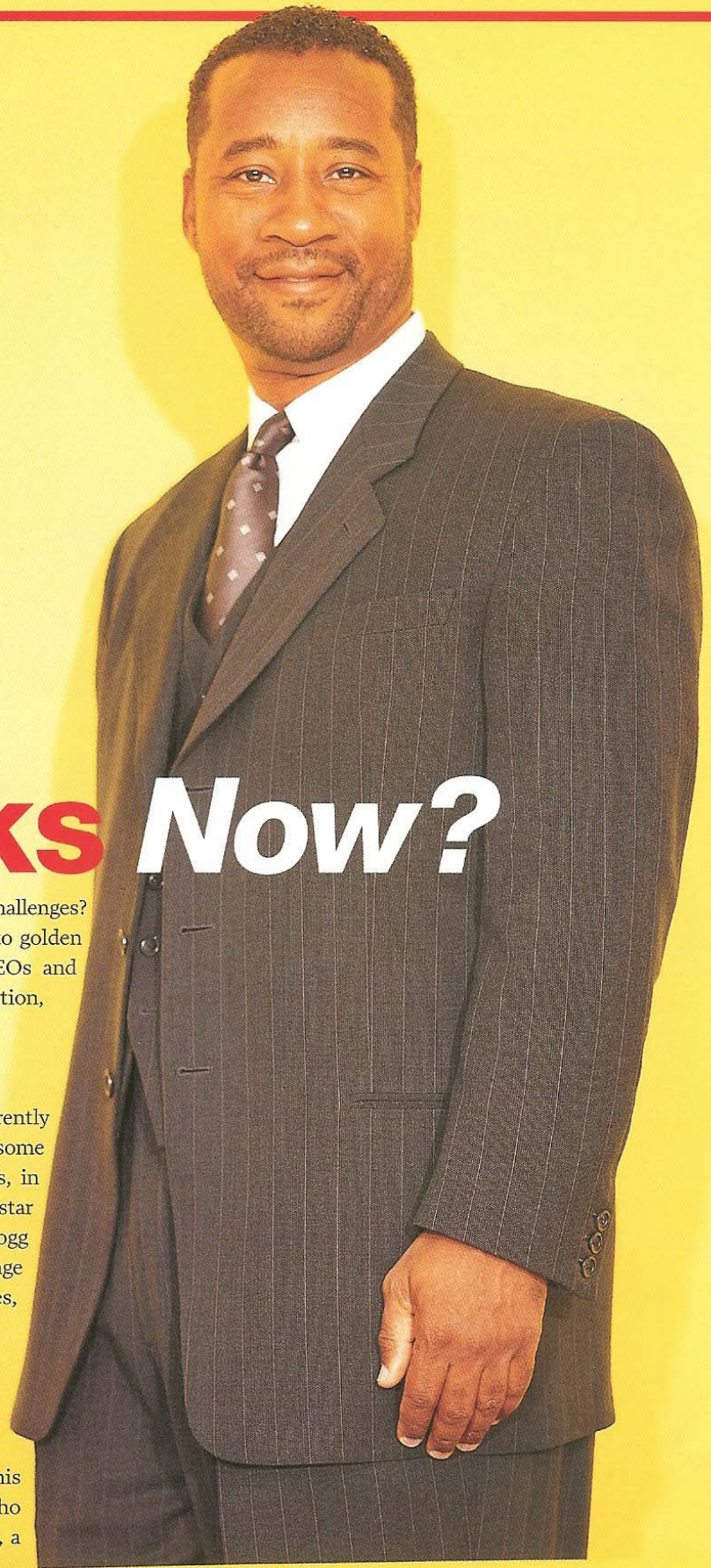
Should you hire salespeople right now?

The answer is a resounding yes. "A lot of top-notch folks are currently available, and I would pour all available monies into latching onto some winners," says Steve Schmidt, CEO of Abraham Technical Services, in Maple Grove, Minn. Others agree that now is the time to snag superstar talent. Andy Zoltners, professor of sales management at the J.L. Kellogg Graduate School of Management, recommends two tactics: 1. Change your hiring process so you're interviewing higher-caliber candidates, and 2. pay more to get the best.

How do you pick a winner?

Lots of salespeople have left or are being laid off from large companies and failed dot-coms. But are any of them right for you? Tony Natella is a big fan of personality testing. But it's just part one of his rigorous screening system, which weeds out 29 of every 30 people who interview for sales positions at Diversified Communications Group, a \$6-million recruiting firm in Bedford, Mass.

Personality tests are a "convenient way to categorize people, but they're not the absolute truth," says Natella, who puts test scores in context by comparing them with the average scores of his best reps. The bigger test comes when he puts potential salespeople on the phones for two half days to call potential clients. "We listen and give feedback to see how defensive the person is," Natella explains. Many candidates take themselves out of the running after a few hours."



Sales veteran Marty Sunde, who spent 18 years in the computer industry, takes a different tack. “Mentally assign yourself the job of lead salesperson,” he suggests. “Ask yourself, If you had 100% of your time to devote to sales, what would you do? How long would it take you to convert an order? When company leaders are forced to quantify all this, they

well right now. “Freedom is a powerful enticement,” he says.

How do you encourage activity that brings in new business?

At Scientific & Engineering Solutions, in Annapolis Junction, Md., “the company culture is to have everyone bringing in business,” says

“**[Our] company culture is to have everyone bringing in business.**”

Reggie Daniel, CEO, Scientific & Engineering Solutions

realize that it would be wonderful if they could get someone who could do 80% of what they could do personally.”

What motivates salespeople today?

The best way to motivate salespeople now is to establish clear goals for the company and rational expectations for sales performance. But setting goals is only part of keeping a sales force inspired.

Tom Salonek, owner of Go-e-biz.com, an e-business consulting company in St. Paul, Minn., finds that his salespeople need a daily pep talk. So he holds a “15-minute huddle” every morning. At 7:25 sharp, Salonek and his six sales reps use their cell phones to dial in from the road to the company’s conference call center. They share their challenges and results from the previous day.

Another antidote for tough times: weekly and even daily rewards. Activity-based pay is an old idea whose time has come again. Salonek, for instance, closely monitors contacts made on the phone and meetings arranged. A salesperson who has been at the company a year or less can net \$20 a day for making the daily contact goal.

In the end nothing excites salespeople as much as unlimited earning potential. If you can illustrate to sales reps how they stand to increase their take substantially as the economy picks up, you’ve got their attention. Rich McElaney, CEO of \$3-million Micromarketing, in Chantilly, Va., tells sales candidates, “There’s no cap on what you can make and no such thing as sales territories. It’s open season.” That message goes over particularly

CEO Reggie Daniel. No matter that most of his 130 employees are techies, not sales jocks. Through the initiative of one technical staffer, Steve Newcomb, the company turned a small contract into one that landed \$700,000. Newcomb’s reward? A trip to the Super Bowl—and the commission on the sale. “I had no problem paying Newcomb a large bonus check,” says Daniel. “He did it all, and it’s not his job to sell.”

Daniel’s three salespeople and a selected 15 non-salespeople get paid commissions or bonuses based on the profitability of the sales they help close. While salespeople rely on commissions for about 50% of their compensation, the tech folks have much less income at risk—at most 25% of their yearly pay. “At first it makes them nervous,” Daniel admits. “But once they taste [incentive pay] they do very well.”

How do you create accurate forecasts these days?

Keith M. Eades, a Clemson business professor and president of Sales Performance International, in Charlotte, N.C., recommends separating sales goals from sales forecasting. “Sales goals should be motivational and exceeded; sales forecasts should be based on accuracy and predictability. Because sales goals and sales forecasts are so closely linked, salespeople and sales managers are encouraged to play games. Inaccuracy is encouraged, if not rewarded. Particularly in tough times, you want to consider getting the salesperson out of the forecasting business.” ■

Contribute to a More Literate America

Verizon continues to roll out its successful **Check Into Literacy**

program. Through the program, customers can make a \$1 tax-deductible donation each month to Verizon Reads. For customers who participate in the program, Verizon adds \$1 to the total amount on their monthly statement. Contributions are then made back to the states where the dollars are raised.

Since it began in 1999, the **Check Into Literacy** program has raised over \$600,000 from customer donations. Verizon donated more than \$17 million last year to support literacy causes nationwide.

Customers can participate by contacting their local Verizon business office or checking a box on the monthly telephone bill to sign up. Method of participation depends on your state.* Please check inside your Verizon bill to find out more.

To make a one-time contribution, visit **Superpages.com**, click the Verizon Reads icon, then “Log On To Literacy.”

Learn more about Verizon’s commitment to literacy at **verizonreads.net**.

*This program is not available in California.

