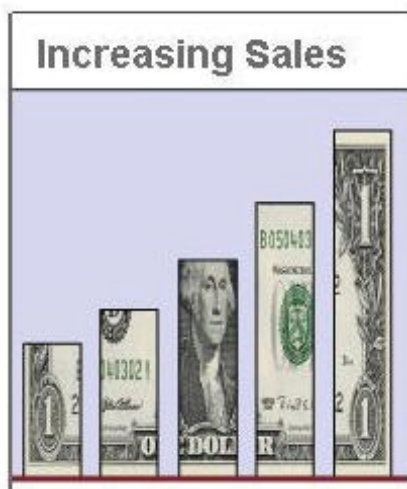


How to Use Reporting to Grow and Manage Your Business

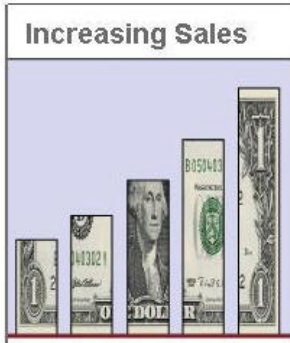


A two-part look at how organizations can use reporting of information in their customer relationship management (CRM) system to increase sales and manage more effectively.

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Part I - 5 Ways Reporting Can Increase Sales



We all accept reporting as a means for management to evaluate business activity of one type or another. Reports provide management with the information and insights they need to formulate the “big picture” and make decisions.

Consider other potential values in reporting.

Reporting enables us to get “data” out of a database system. But did it ever occur to you to use reporting as a tool for getting information *into* it – let alone as a tactic for increasing sales activity. Here are five profitable reasons to use reporting:

1. Look Both Ways

The tendency is for reports to be requested by and written for management’s eyes. Management has plenty of good reasons to look at reports. But, there is the tendency to overlook the needs and benefits for providing salespeople with useful reports.

Reporting gives reps an efficient way to view:

- ◇ New leads/records in the database assigned to them
- ◇ Their sales pipeline organized in useful ways
- ◇ Paste due activities and leads in need of follow-up
- ◇ Useful market intelligence

Reporting presents sales reps with information, much of which they’ve entered, in formats that their CRM system’s screens can not. For example:

- Reporting makes it easier for them to focus on or find information.
- Reports help them to identify needs with a higher priority.

- Reporting also points out prospects, opportunities, and tasks which may have slipped through cracks in their scheduling.

When it comes to the need for reports, I say “look both ways” ... look at how management can use reports but don’t forget to look the other way, at salespeople’s needs.

2. Measuring Goals

The power and importance of goal setting is undeniable in sales. By the same token, what good are goals if we don’t measure our actual performance and compare it to our set goals? Reporting must come into play.

Each year, or maybe even quarterly, we set goals. Even though I believe it is mostly semantics, I prefer the term *goal* to the term *quota*. Either way, salespeople (and others) are held to certain expectations. Good salespeople hold themselves accountable, and are motivated to reach the goals they set for themselves.

In order for salespeople to determine where they stand in relation to their goals, they need to roll-up their results into a framework that enables them to draw a comparison to their goals. Reporting is the best means to do this.

Equipping salespeople with reports that allow them to evaluate themselves along the way as well as at the end of period empowers them. It puts them in more direct control of their destiny by providing them a feedback loop which helps them to manage their actions. Reports can guide them, as well as reinforce their efforts.

As a result, the goals they set are more compelling. They are also able to do more realistic goal setting and planning. In addition, they become more proficient at providing management with realistic and accurate information.

If you're going to set a sales or marketing goal, make sure you also put in place a report to track it!

3. Natural Competition

Competition is a natural motivating force. Harnessing this force is a very effective means for accomplishing results. Generally speaking, salespeople have personalities which are inclined to be more competitive. That's why sales managers design sales contests and give recognition awards to motivate salespeople to appeal to the natural competitiveness of their sales force.

Reporting is another effective means for leveraging competitiveness. And, it is a lot simpler and less expensive than many other tactics. Yet, it is often overlooked.

Supplying salespeople with reports which show reps their activity and ranking in contrast to their colleagues, as well as the industry, can stimulate competitive juices! For some inner directed, self-motivated salespeople, it can be enough just to show them how they are doing compared to their own personal performance.

4. Objective Judge

Since reporting is based on data, and data is mostly factual information, reporting can provide a viewpoint with very little bias.

I realize that this is not entirely true ... we've all seen how statistics can be used to support lies. Nonetheless, we should not view all reporting as bad because of a few "bad apples."

Of course with computers it is always a matter of GIGO (garbage in, garbage out). Nonetheless, what is "in" will come out and there's no denying that! So, if a salesperson doesn't like the fact of what is coming out they may only have themselves to blame. Some organizations take a very hard line on the problem of salespeople who fail to enter their activities, etc. – I've heard it said, "If it's not in the system, it didn't happen – so, you won't get credit for it!"



Surely reporting can be more objective than opinion. And, because reporting is based on the accumulation of many discrete entries, rather than one's recollection, it has the ability to be more accurate. Some facts are indisputable because they are captured automatically by the system and offer very low possibility for misinformation. For example, databases often automatically track when and who makes an entry. In addition, there are many pieces of data that no one would have a reason to lie about. For example, the address, or industry or who their current supplier is.

Reporting can roll up information and provide a more objective basis for conclusions and decisions. It can calculate trends and present analysis that people would simply not be able to accurately know any other way than reporting.

Therefore, when you want an objective answer to a question that a person may not have a way of knowing in the first place, ask your database by running a report!

5. Increase Selling Time

It's been said that, "Salespeople should sell, and everyone else should do everything else." The worst thing you can do to waste a salesperson's time is to ask them to give you reports on information that they've already taken the time to enter into the organization's central customer relationship management (CRM) system!

Shame on the manager who is so lazy that they ask the salesperson for information they could have reported on themselves. The salesperson has even fewer resources to design and create reports! And, since they probably don't know how to generate the report for what the manager is asking for in the format they want it, they have to tediously go back over previously entered information and generate it manually in a word processor or spreadsheet. What a waste of their time! Plus, it undermines usage of your CRM system if management is not relying upon data the reps are entering.

Worse still is the fact that there may not even be a place in the database for the salesperson to store the

information that is required for the reports. So, the rep has to resort to maintaining multiple systems to keep track of what's required. Management needs to anticipate the need for data collection and reporting, and to incorporate a way to house and capture this information in the system all the salespeople are using!

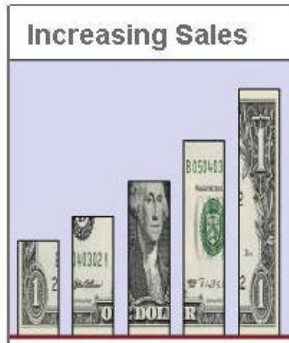
Reporting should not be a burden on salespeople's time. In fact, as discussed above, reporting should save salespeople time and help them to work more efficiently.

Conclusion

Reporting gives reps more time to sell, and helps them to focus their efforts in order to be more effective. Reporting sparks natural competitive feelings that help motivate reps. Plus, since reps can see the beneficial use of the information they enter, and are judged based on it, reporting even encourages reps to enter needed information into the system.

So now what? Now you need to decide what you should report on. There are all sorts of bellwethers that you can come up with which can be the basis for a fine report. In "Part II" of this article I will discuss this. In the meantime, do your own thinking. I'm sure you can come up with more ways to look at any situation than your report writers have time to handle. The key is to "begin with the end in mind" – to have a good use for the report. And, I can't think of a better use for reports than to increase sales!!

Part II – Worth Reporting



What Is Worth Reporting?

Now you need to decide *what* you should report on from your CRM system. There are all sorts of bellwethers that you can come up with which can be the basis for a fine report.

The key is to “begin with the end in mind” – to have a good use for the report. And, since “form follows function” – it truly does – we have to determine upfront the *purpose* of our report.

Understand the Premise

The last thing anyone needs is a stack of superfluous reports that nobody reads! So, before we start writing useless reports, let’s establish some *premises* for what makes a report worthwhile. I offer the following reasons for creating a report:

1. To help form a useful conclusion, or provide a basis for needed decisions.
2. To be a catalyst for action – to trigger competitive motivation or enable actions that are stalled for lack of information.
3. To be a guide that helps us to operate more efficiently and effectively.

No matter how good a report is, it won’t do any good if it is not timely or if it fails to reach the *right* person – one who can and will use the information constructively.

Form Follows Function

When it comes to making the most of your reporting resources (your selection of software and report writer’s time), consideration needs to be given to the function or purpose of the report. Since form does follow function, the appropriate format and design of

your reports is driven largely by how you intend to use it.

There are pros and cons between the different formats. For example:

Graphical Reports – are helpful for seeing trends, patterns and relationships. They offer a more immediate interpretation than straight forward numeric reports. Graphical reports are an effective way to view a series of numbers with a common theme.

Numeric Reports – are great for supplying facts. They are ideal for gauging or measuring results, especially in the context of expectations such as a percent of a goal or a sum. People can handle more data on a page in a numeric report than in a graphical report, which can get too busy with images.

Drill Down or Detail Reports – embellish on the numbers by providing relevant information behind the numbers. For example, it is one thing to show that a sales rep went on 15 closing appointments last month and another to drill down into the contact information about who they met with, let alone meeting notes and outcomes.

Here are some questions you can ask to help decide the appropriate format for a report:

1. How will the person(s) receiving the report be using it?
2. What specific information/facts do they need?
3. What is the best way to organize the information to make the report efficient to interpret? (Column/row relationships column/row order, sort order, breaks in information, etc.)
4. What date range or period of time does the person need to evaluate?
5. Is there any external data, outside of the CRM system, that should be incorporated into the report? (Quotas/Goals, Demographic/Industry Data.)

6. Can the report be designed to have a universal appeal, satisfying both Management and Salespeople's needs?
7. Has a means been provided to allow entry of the data in the CRM system which is to be the content of the report?
8. What prompts for data selection options should be presented when running the report? (Thereby offering greater flexibility.)
9. What is the best way of running and distributing the report? Can it be automated? Who should it go to?

Keep In Mind

Less Is More ...

Business is fast paced. Sales reps and managers simply don't have the time to read and contemplate stacks of reports. So, too much information can be just as bad as too little – neither is very useful.

Start out small ...

Narrow down your reporting needs but use what you do create. If you find you need more in the

future, and believe you'll use it; then by all means create a new report.

Be responsive ...

Situations do arise that call for an *ad-hoc* report. And, if you find it's *worthwhile* and you can do it ... great! It's a competitive advantage to have the resources to respond to this kind of demand.

Needs drive resources ...

Report design and creation are special skills, and it may mean outsourcing. A well-used report brings a tremendous return on investment to an organization! If the need is worthwhile, devote the resources (software and reporting skills) to getting the report(s).

Conclusion

Worthwhile is a relative term. People's needs differ, as do firms' needs. Surely there are commonalities in reporting requirements and very often these are addressed by the stock reports in your CRM system; however, they are minimal at best. But when the need and opportunity for offering worthwhile reports can be identified it is one of the best investments you can make!

If you'd like a personal demonstration of ways technology can help you market, sell, and service, email britter@1stdirect.com or visit www.1stdirect.com

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