

Put Some Fun In Your Sales Compensation

As summer approaches, sales management needs to look at pipeline levels and goals for July/August and determine if the right activities and incentives are in place to ensure targets will be exceeded.

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In my two books on sales management — *Leading High Performance Sales Teams* and *Creating Sales Compensation Plans for High Performance* — I share ideas for sales contests/games as well as how to properly motivate salespeople. In many cases, I have seen great ideas poorly executed. It is critical you think through what your objectives are and what you want the results to be and then CLEARLY write down the objectives, rules, and incentives. The first rule: Remember cash is not what you want to use during sales games — that is what your commission plan is designed to achieve. The second rule is that creating fun in your sales culture is the main outcome. Surely you may wish to add “net new clients” or sell certain products/services and increase sales, but it is sales leadership’s objective to make the sales contest a fun experience.

Different types of contests will help you achieve different goals. Some should be held annually to address sales objectives, company business strategies, and potential seasonal fluctuations. Others can be scheduled as needed to help launch new products or services, promote new releases or upgrades, or tie into your customers’ larger campaigns. Still others can consist of short-term incentive games designed to motivate sales personnel to accomplish specific objectives by a specific deadline.

A Contest Sampler

Following are a few typical goals, along with ideas for contests that may help achieve them:

- **Increasing sales volume.** Consider adding a bounty or X number of points for each additional new seat, new customer, or revenue sold beyond a certain target value. Use a set a quarter-to-date objective above your sales goal; that way, everyone on the team can win. Based upon the points, offer various types of gifts.
- **Improving customer service.** Periodically survey your entire customer base. If satisfaction reaches a certain goal (for e.g. when 95% of your clients say they’re “highly satisfied”) and if your company is profitable, everyone gets a gift certificate. Keep a visible scorecard of your goals and results so that everyone maintains a constant awareness of your objectives.
- **Acquiring new clients.** To boost the number of new

clients you add each quarter, consider creating a “bounty bonus” plan. For example, salespeople could earn a bounty bonus — points that can be redeemed for rewards — for each new client or each competitive replacement of a specific vendor’s customer. In addition, you could offer bounty bonuses for salespeople who exceed their quarterly or annual quotas for new accounts or net new revenues. You might even create and post “Most Wanted” posters with the bounties prominently displayed to help keep salespeople focused on contest objectives.

- **Overcoming seasonal slumps.** If your sales typically slow down over the summer, try launching a prospecting activity contest in March, April, and May. For instance, award sales team members points for each new face-to-face call or sales demonstrations that they make during those months, with accumulated points eventually eligible for prizes. Such an effort can go a long way toward increasing the number of opportunities in the pipeline from June through August.

Competition Considerations

Following are some issues to consider and questions to answer as you plan sales contests:

- Determine what you want the contest to accomplish
 - Set the ground rules. Are all sales executives on an equal basis for the contest? Be sure to put the rules in writing, making provisions for those and other situations that could arise.
 - Make the contest length the same as the sales cycle.
 - Set specific goals that can be measured weekly or monthly.
 - Incorporate an exciting theme.
 - Consider making rewards gifts, rather than cash.
 - Boost team members’ motivation by getting their families involved.
 - Never run contests to the last day of the month or sales period.
- I would like to hear from the readers. Email me about the contests you’ve implemented. Have they worked for you? Why or why not? What contests are you running this summer? ●



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