

Carl Davidson is director of Sales and Management Solutions, Inc., a consulting firm specializing in sales and management video training, recruiting and live seminars exclusively for the water equipment industry. A free demonstration video and list of products and topics is available at 800.941.0068. Send comments on this article to him at reactions@carldavidson.com; www.carldavidson.com.



By Carl Davidson

This article is the second of a three-part series that looks at the performance of manufacturers and suppliers, dealership owners and sales staff to see if all parties are pulling their weight and contributing to the success of the industry. Use this to evaluate your situation and see if there are things that can be done at all three levels to increase sales and profitability. Last month's article asked you to rate your manufacturer. This time I am asking you to honestly evaluate the owner or manager of your company.

1 Work on the Business, Not at the Business

Your company needs a leader who makes the big decisions and steers the ship. The entrepreneur who started your business works on the business. The more small tasks you do, the more you just work at your business.

should be delegating to others, score zero.

2 Business Plans, Budgets & Monthly Reviews

Does your business have a three-to five-year written plan of what you want to accomplish and a detailed picture of what the company will be like in the future? Do you have a budget for this year? Do you take the time each month to review every area of the company, compare it to the budget and make changes to what you are doing in order to achieve your goal? If you have plans, budgets and reviews, score 10 points; if not, score zero because your company is not learning from its mistakes.

3 Properly Covering the Assigned Market

Are you covering your assigned market area well? Work with your manufacturer to decide how much you should be selling for your market. You should have at least one salesperson for every 25,000 people in your market area, but let's be conservative for this example and make it one salesperson for every 50,000 people. That salesperson should sell 12 systems per month, but to be conservative let's make it five per month. That means you should be selling at least five systems for every 50,000 people in your territory. If your territory is 500,000, you should be selling a minimum of 50 systems per month. If you are not selling this many, then you are not covering your territory.

If you have set goals, and if you are meeting or beating them, give yourself 10 points.

4 Enough Great Staff to Sell

You will never make enough money to earn a great living if you sell by yourself, especially if you sell part-time because your day is spent on administration, installations and service. If this describes you, then you are a single part-time salesperson. If you have at least one full-time, trained salesperson for every 50,000 people in your market, give yourself 10 points. If not, score zero.

5 Vehicle Graphics & Corporate Clothing

Look at every person on your team and assess the image they portray to customers. Image is more important today than ever before. Some people today even elect politicians based on their looks.

Each member of your staff should exude cleanliness and good health because this is what we sell. Do your employees wear spotless corporate clothing? Do they drive vehicles displaying corporate graphics? Look at the sales kits and price books—are they complete and clean? If yes, score 10; if not, you have work to do in this area.

6 Daily & Weekly Reviews

If you are steering the ship, you need to know on a daily basis how many demos were done and how much equipment was sold, in addition to how many service calls were done and what was charged in total. You need to obtain these numbers every day, and early in the day, so you can decide what management decisions to make.

You should review every member of your staff on a weekly basis and go over what activities are assigned to them, praise their accomplishments and assist or discipline them for what they did not accomplish. Without this oversight, your staff will do things as they see fit, not as you see fit.

Award 10 points if you never miss a review and are in control of your staff, zero points if you need work in this area.

7 Make it Easy for Customers to Buy

Sales can be increased substantially just by making it easy for customers



rate your manager

Remember that if you do \$10 per hour worth of jobs at your company, the company is earning a low level of income from your work. If you spent this morning fixing a leak, let's assume the company made \$100 from your work; however, if you had spent the morning hiring or training a salesperson who would eventually sell two systems per week, the company would earn about \$4,000 per week for as long as that salesperson works. That is \$16,000 per month or \$100 for fixing a leak—which is a better use of time?

If you work on your business as an executive, score 10 points. If you work at your business on tasks you

to buy. Are you open during the hours people buy, or do your customers have to take a day off work to have a demo? You should be open evenings until 9 p.m. and all day Saturday to make it easy to buy. Other things make it easy too, like financing, credit cards and phones with an actual person answering. How about carrying salt to a customer's storage area and calling them when they need a filter change? Are your service people trained to make it easy for customers to buy something every time they are in the home? If you have made it easy for customers to buy, score 10; if not, score zero.

8 Inspecting Every Area

Good managers make random inspections. If your staff is at a show, do you stop by often and unannounced? If you stop by, do you just ask to see the names of everyone they have appointments with? Do you ride

with salespeople unannounced and watch them demo? After the demo, do you see if they actually knock on neighbors' doors as your policy requires? Do you listen to staff taking phone calls? Do you inspect your trucks, sales kits and service tools regularly? If you do not inspect, you are telling your staff that you do not care. Score 10 points if you do regular and random inspections, zero if you do not.

9 Doing it by the Book

Do you have a written policy that explains to your staff how you want things done? If so, do you do it by the book? For example, if you ask salespeople to ask for referrals, do you actually get referrals when you go out and instruct new staff members? Or do you simply tell them this is when they should ask for referrals with an excuse as to why you have no

time to do so? If you tell your staff what to do but you don't do it yourself, they never will either. Score 10 points if you do things by the book. If not, score zero.

10 Education & Change

Is your company always changing and getting better or has it always been stuck where it is today? The world is changing faster than ever before, so if you are not evolving you will be left behind. Ask yourself what important improvements your company has made in the last month. It is bad if you cannot think of anything.

How about training? Ask each staff member what he or she did last month to learn more about doing a better job. What sales training has the sales staff done? What has your office staff learned? How about service? If things are changing for the

better, and if you and your staff are educating yourselves constantly, score 10; if not, score zero.

Conclusion

This report card will help you quantify how good a job your owner or manager is doing for the company. Any score above 50 points is good, and a score above 70 means you are doing a superb job getting the most out of your business. In the next article, I will have a similar evaluation for your sales staff. *wqp*

LearnMore! For more information related to this article, visit www.wqpmag.com/lm.cfm/wq110811

For more information on this subject, write in 1021 on the reader service card.

Water Quality Products presents

- Business Exchange
- Dealer of the Month
- Executive News Summary
- Product Spotlight

Timely e-newsletters delivering emerging trends, issues and developments in the water market – right to your inbox.

Sign up for each of these at www.wqpmag.com.

WATER QUALITY PRODUCTS

Our media lasts longer than our competitors do.



At AdEdge, we're not **only** proud of the proven long-lasting performance of our water treatment systems featuring **AdEdge Bayoxide® E33 and AD26™** media, we're proud of the proven long lasting performance of our company. No other company specializing in arsenic removal technology has been in business longer than AdEdge. No other company has more arsenic removal systems installed across North America than AdEdge. When you need to count on a system **and** the company that supports it, Get AdEdge...because experience counts!



Treatment Solutions for Small Water Systems

AdEdge Technologies Inc, Buford, GA

Toll Free 1.866.823.3343 678-835-0052 Fax 678.835.0057

info@adedge.com www.adedge.com

write in 751

NOVEMBER 2008 | 35