

# SALES DASHBOARD: A PROACTIVE SALES MANAGEMENT

The Dashboard can be an irreplaceable tool in support of Sales Management to be able to manage sales in a proactive manner especially in complex commercial organisations, structured in several levels of responsibility and applied to discrete deals.

What does managing sales in a proactive way mean?

1. **Allocation of Resources** – addressing efforts in such a way as to maximise the result.
2. **Profitability** – governing the profitability of sales.
3. **Risk management** – monitoring and managing the risk associated to the commercial activity.
4. **Escalation** – assessing the need for direct intervention by the commercial and company management in particularly critical deals.
5. **Competition**– monitoring the moves and reactions of the competition.

**ALLOCATION OF RESOURCES.** In a business characterised by deal management aspects, the most critical aspect that must be managed is that of coordinating the teams that must necessarily bring home an apparently simple result: 'closing' the deal. A commercial deal may take several months to be concluded and the most important aspect is deciding when to 'close', i.e. identifying the moment in which the deal can be finalised, maximising the result (revenues) with as little effort as possible. In order to do this, it is important to dispose of tools that allow, in a portfolio of customers and deals, the identification of the combinations that appear most likely. This analysis is carried out by highlighting, in the deals portfolio, those in the most advanced stage and trying to complete what will not achieve the period target starting from the most likely closures. This requires a system that systematically and simultaneously compares commercial progress, forecasts and the classification of deals according to their progress.

**PROFITABILITY.** Another key element of deal management is profitability management. Profitability management includes operating elements (reutilisation of previously generated offer objects and components, channel management, discounts, payment conditions) and elements of a strategic type (image spin-offs, payments "in kind", definition of master agreements). The commercial dashboard must track at all times:

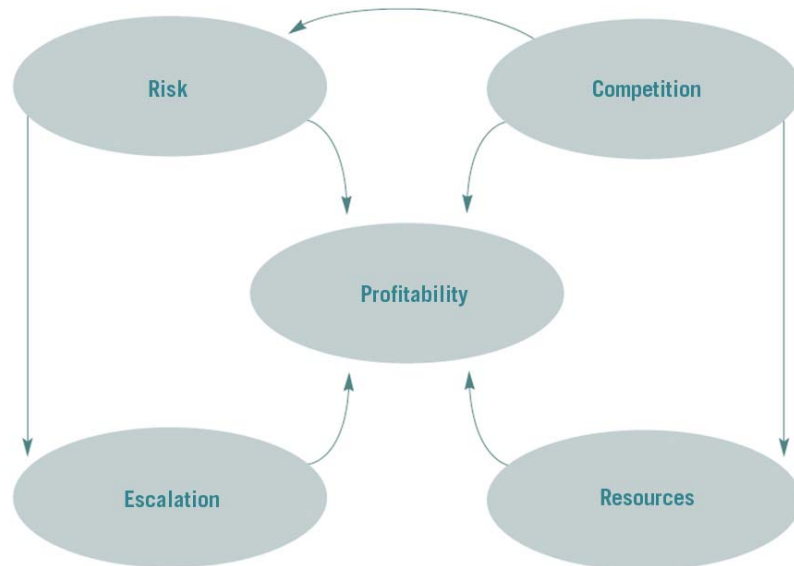
1. The costs relating to the deal;
2. Future costs linked to closing the deal (service, borrowing, figurative charges on frozen credits);
3. The level of obtainable revenues (from the deal and in the future from the customer), in order to identify the point of no return, i.e. that combination of economic factors that makes it preferable not to close the deal. In fact it is not correct to think that you must sell always and under all circumstances; the proactivity of the dashboard is that which, at all times, makes it possible to decide if it is better to minimise costs or to try to build extreme revenue.

**RISK MANAGEMENT.** In this type of business, there are several risk components linked to results (the greater the size of the deal, the greater the risk that an unfavourable conclusion is particularly visible and likely to cause the most impact on the company result), to payments (write-offs of debts, lengthening of collection times, difficulties and additional costs for credit assignment, etc.).

**ESCALATION.** A series of factors exist, within a commercial deal, that force the company to bring into action the 'Big Ones', the senior management of the commercial area or even the company. The factors are the size of the deal, the strategic nature of the customer and level of competition in the deal.

**COMPETITION.** This is the component that is 'totally out of control' in sales activities; the mistake that is very often made is that of imagining that competitors do not have visibility or do not react to the moves of other competitors; information about what the competitors are doing is fundamental when establishing even day-by-day, the commercial strategy on the deal.

The way all these aspects can be sensed are highly interrelated.



The commercial dashboard is the tool that allows integrated and proactive management of these factors, the balance of which represents coherence with the results expected by the management.

It should be noted that the role of the dashboard is not only or so much that of measuring and governing the management of the individual deal. In fact, it is generally left to the individual salesman who can, at any time, access the company's resources (including his bosses) to maximise the result of his own deals portfolio. The dashboard must highlight critical situations by alerting (traffic-lights, flags, etc. etc.), even on individual deals (therefore urging intervention by management) but above all it must allow management at each level to be aware and to intervene on the balance of factors within the entire portfolio for which it is responsible right up to the level of the whole company.

And not only this, but the dashboard must allow the combined evaluation of the effects of action on one of the five factors identified above and on residual ones in order to identify the best plan of action in critical situations. This significant what-if function is what makes a dashboard particularly proactive with respect to management decisions.



Reply Consulting, a company belonging to the Reply Group, is specialized in strategic, organization and process consultancy. The mission of Reply Consulting is to work alongside companies in the phases of implementation, change and management of Enterprise Information Systems, from strategic design to identifying and redefining "core" processes. Reply Consulting features can be summarized into management experience and expertise, flexible and dynamic structure, comprehension and commitment in Customer Problem Solving, global/strategic vision also in tackling details, delivery excellence.

Reply Consulting offering includes: Strategy IPO Services, Human Capital, Business Performance Management, Business & Support Process, ERP assessment, optimization and implementation.

Reply Consulting  
[www.reply.eu](http://www.reply.eu)