"Human capital is our greatest asset. After more than twenty years of consulting I am still amazed that organizations spend more time trying to leverage their copy machine than they do their sales reps."

WANT TO MAKE MORE SALES? MAKE MORE SALES CALLS.

The First in a Series of White Papers on Improving
Inside Sales Efficiency and Effectiveness

It sounds simple. Hire some sales people; give them each a telephone and the revenue will magically appear, right? At least that's what a lot of companies think. Yet those same companies are often disappointed month after month, quarter after quarter. Why? Because they haven't put the tools and planning in place to help their salespeople be successful.

Outbound calling campaigns for lead generation, appointment setting, and the sale of products and services are an important component of the sales and marketing mix for both business-to-business and business-to-consumer oriented companies. Many companies have created "inside sales" teams, whose members spend a considerable portion of their day on the telephone working from lists, both internal and external, to generate business. Although new methods of contacting existing and future customers, such as e-mail and the Web, have become popular, the telephone remains the most reliable and trusted means of communication. In fact, recent studies predict that outbound calling activity will increase over the next decade as more and more companies realize the benefits of working proactively with their customers and continue to use the telephone to aggressively reach-out to new prospects and markets.

Yet, given the importance of inside sales, it is surprising how few companies have a strategy to maximize the effectiveness of their inside sales reps. This paper will examine key steps that organizations can take to increase the number of sales calls they make and to improve their inside sales results, as well as discuss critical factors they should consider when selecting a Sales Force Automation (SFA) solution for their inside sales reps.

Eliminate Desktop Distractions; Get Reps Focused on the Job
You hire sales reps to make calls, not surf the Internet, email their friends or play around with their desktop applications. But how do you keep your reps focused on the job at hand, when there are so many distractions in easy reach? The key is to give your reps the tools they need to succeed, without distracting "bells and whistles." Recovering the lost time that reps currently spend on desktop distractions is crucial to building a productive and profitable inside sales organization.

Deploying Customer Relationship Management (CRM) or Sales Force Automation (SFA) software can help direct reps' time and energy back into their tasks. However, selecting the wrong application can simply add a new layer of "desktop distractions." Applications such as ACT! and Salesforce.com, provide a 360 degree overview of the

customer relationship and reporting capabilities, but do very little to enhance the rep's ability to sell and provide little or no increase in calling productivity. That's because they aren't designed for inside sales. They are intended for the complex account management that happens in a field sales environment. As a result, the applications are typically more complex and lack necessary features that are specific to list-driven outbound calling. Providing reps with the exact tools needed – and only what is needed – is the foundation of a productive, distraction-free environment.

In today's competitive environment, a winning inside sales team needs software that can increase the efficiency of their calls, as well as greatly enhance the quality and consistency of each right party contact (RPC). An effective solution for an inside sales environment will include automated tools such as progressive dialing, logical branch scripting, real-time customer or prospect information, GSM call recording, push lead technology and next best call routing. With the right solution in place, average phone representatives can become superior representatives.

Implement a Solution Designed for Outbound Calling
When you hire a painter, you don't want them spending hours thinking about which wall to paint next. You want them to spend their time painting. Likewise, you want your inside sales reps making calls, not figuring out what call they should make next. Having inside sales reps search for the next call to place is one of the great time wasters in sales today. By nature, inside sales reps will click, scroll, search, poke around and delay the next call. In addition, reps often "pre-judge" contact records based on name, location and other criteria, looking for the easiest or most comfortable call, and never make the calls that are the best leads based on business logic.

Next best call routing ensures that reps are automatically presented with the next contact to be called based on the business logic defined by the manager. No time is wasted searching for a contact to call, and managers are guaranteed that calls are being made based on the criteria set by them.

Thus, migrating from a manual dialing environment to an automated environment can clearly increase productivity. And the right software solution for inside sales should incorporate an automated dialing component. The trick is to choose the right automated dialing method for your organization. To make the right decision, organizations need to anticipate the kind of calls they will be making today, tomorrow and a year from now. The most common automated dialing techniques are:

> **Preview Dialing** - the rep is responsible for initiating the call, often with the click of a button. When combined with next best call capability, this allows them to browse through the contact information before calling, while ensuring that business logic determines call priority.

> **Progressive Dialing** – the next call is determined by the company's business criteria and is dialed automatically as soon the rep dispositions the prior call.

Predictive Dialing – Automatically dials batches of telephone numbers simultaneously, and routes answered calls to an available agent.

Predictive dialers provide the fastest, most efficient coverage of a large number of telephone numbers and, because of that, may be attractive to some companies. However, it is important to look beyond dialing statistics and examine the quality of the contact. Unlike preview and progressive dialing, for which the rep headset is live throughout the call and the rep can open the call the instant the contact answers the telephone, predictive dialing causes a telltale delay while the system routes the call to an available rep. Many contacts recognize the delay and hang up the telephone immediately, rendering the calling efficiency moot. In addition, the ill will and negative perception that predictive dialing often generates makes using it a riskier proposition. Still, for companies with vast lists of names and that can afford the expense and have the legal resources to remain in compliance with the federal and state laws regulating predictive dialing, it may indeed be the solution that is best suited to their business needs. However, it is an ever-changing environment, industry experts predict that federal and state laws will continue to strengthen the restrictions on this form of technology, making it all but impossible to deploy and utilize cost effectively for any but very large call centers.

Preview dialing without next best call routing traditionally produces similar results to simple manual dialing efforts. Next best call routing significantly boosts calling efficiency. A good guideline to apply is if your reps are calling a limited group of contacts several times in a prescribed time frame, and each call builds on the previous call, then preview with next best call routing is a good choice. However, with preview dialing the rep still triggers the call on his or her time frame, which can lead to a loss of productivity.

For those organizations that need to be certain that each and every contact is handled professionally, and whose universe of callable names is limited in scope and size, progressive dialing is usually the best solution. Competition and lower technology costs have resulted in several software products and ASP offerings that are both efficient and cost-effective. Unlike manual or preview dialing, progressive dialing routes the next record to the rep's desktop and dials the phone the instant the prior call is finished. For organizations that want to generate leads, set appointments, raise funds or sell products and services then progressive dialing is an excellent choice. Progressive dialing can give organizations a similar lift to predictive dialing, without the costs and risks.

For organizations that aren't ready to abandon the manual calling environment, combining manual dialing with next best call routing can still ensure that call order is dictated by business logic. And while some time may be lost due to the fact that the reps must manually dial the phone, in a tightly managed calling environment that time loss can be minimized, providing a similar calling increase to preview dialing.

At the very least, one thing should be clear by now: manual dialing without next best call routing is not an efficient or cost-effective strategy for inside sales. In addition, it doesn't give management power to determine which prospects reps call and ensure that they are

in line with business logic. In many cases, the move to some form of automated dialing environment alone can increase productivity by more than 30% and provide management with valuable insight that is simply not possible in manual dialing environments. The following chart outlines the effectiveness of the different calling methods:

Dialing Methods	Manual	Preview with next best call	Progressive	Predictive (30 agents)
% Time Talking	29%	39%	53%	70%
Talk Time/Hour	17:24	23:24	31:48	41:59
% Increase over manual dialing	-	35%	83%	140%
Required equipment	Telephone	Telephone, computer	Telephone, computer	Computer, Predictive dialer

Organizations invest significant time in creating a target marketing strategy based on business logic. Employing automated dialing software into their sales environment ensures that the business strategy is followed, increases rep productivity and greatly enhances overall sales results.

The Next Logical Step: Faster, More Efficient Calls
Inside sales reps both gather and provide information during a call. The easier it is to gather and capture pertinent information, the more quickly the rep can complete a call. To that end, it is important to put a system in place that not only ensures the rep knows what information needs to be provided and gathered during a call, but that also makes it easy for the rep to enter the responses. The system should walk the rep through the information gathering or information providing process. Logical branch scripting with built-in response collection enables reps to accurately collect relevant information and provides instant scripting assistance to help reps overcome objections and answer questions that arise during the call. Although rigid scripting is typically not necessary, a successful sales call must have a beginning, middle and end and logical branch scripting helps ensure that reps adhere to that model. Keeping a rep on a logical call path better utilizes the rep's time and produces far better results.

The Final Ingredient: Management Insight
The right SFA solution creates uniformity across multiple sales reps, enabling management to more easily pinpoint problems in the sales process and implement changes to correct them. With a robust solution specifically geared to the inside sales environment, management can monitor important elements of sales rep effectiveness, including average time between calls and average length of calls, and then work with reps to eradicate any issues. In a non-structured, non-automated sales environment, management can do little to enhance results because they lack the necessary insight. An automated, sales process ensures that the business intelligence gained during rep calls is captured and can be used to create "best practices" that can be applied to the entire sales effort.

Once systems are in place, continual monitoring of the sales process is necessary to maximize success. Management should be able to track how each rep is doing in terms of number of dials, RPCs and results. Success happens on the sales floor in real time, one call at a time. Having complete visibility into the sales process through streaming stats, recorded calls and robust reporting is essential for moving from average results to exceptional results. There is no substitute for great sales people. The right SFA solution can help turn your average sales reps into great reps.

Conclusion
This paper started with a simple premise: make more calls and you will make more sales. It really is that simple. We've set forth five methods for increasing the number of calls that your outbound telephone reps produce. They are: getting rid of desktop distractions, adding progressive dialing, using next best call logic, implementing scripting and response collection, and management monitoring and reporting to your sales mix. Implemented properly, these simple changes can increase productivity by 30% or more.

This paper is the first in a series on increasing the effectiveness and profitability of outbound calling campaigns. Stay on the lookout for the second in the series, "Better Quality Calls Really Do Result in Greater Profitability."

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About Ken Murray
Ken Murray is a recognized leader in the field of telephone sales management. Over the course of his career, he has built and managed inside sales groups that generate in excess of $1 billion in footing sales on an annual basis, as well as consulted extensively with companies to help them dramatically increase the productivity and profitability of their inside sales groups through simple system and process changes. Ken is a partner in Parker, Murray & Associates, a large outbound marketing service provider, and serves on the board of VanillaSoft, a leading provider of software that enables organizations to increase sales and revenues through intelligent use of the telephone. Ken lives in New Orleans, LA and is an alumnus of the Harvard Business School. Ken can be reached by e-mail at *ken@parkermuray.com*