

Maxing Out

After a seminar in Cincinnati a month or so ago, a quick printer came up to ask me a question. “My salesperson tells me that he’s handling all of the work he can possibly handle,” the quick printer said. “I still want to grow. What do I do?”

The very next day, after a seminar in Indianapolis, another quick printer came up to ask a variation of the same question. “I do all of the selling for my company,” this one said, “and I feel like I’m personally handling all of the customers I can handle right now. What should I do to keep the company on the growth curve I’ve established?”

Whether it’s you as the owner or a salesperson you employ, the issue of “maxing out” is an important one to a growth-oriented quick printing company. So here are some thoughts on what you can do when you face this situation.

Obvious Solution

The first and most obvious solution to this problem is to hire another salesperson. If you’re truly maxed out—and it is possible to be completely maxed out—you can remove that obstacle to growth by adding sales capacity in the form of a fresh body. The obvious answer, though, isn’t the only one...and in many cases it’s not even the best one!

Don’t get me wrong, I still believe firmly that salespeople are ultimately the best investment a growth-oriented quick printer can make. But let’s not lose sight of the fact that each new salesperson *is* an investment—in money and in management time—and that investment involves at least a little bit of risk most times.

Before I make that investment—especially in management time!—I want to make sure that I’ve really reached the capacity limits of the salesperson I’ve already got. Especially when I already have a person that *I know* can sell.

Time Management

It’s been my experience that almost every salesperson—owner or employee—can create more selling time by getting better organized. We’re talking about *time management* here, a subject that gets a lot of lip service, but unfortunately not enough real commitment and hard work toward making it happen. I’ve seen salespeople—really busy salespeople—create as much as a full day of additional selling time each week by improving their organizational and time management skills.

Maybe time management doesn’t seem so important until you start running out of time. I’ve found that the subject gets greater attention when an owner or salesperson realizes that the only way to make more money is to make more time.

How do you make more selling time? There are two parts to the process. First, you evaluate your current usage of time, and eliminate low priority *activities* from your daily/weekly schedule. What does that mean? The specifics will be different for each individual salesperson, but the process is pretty simple. Make a list of the activities that take up most of your time, then separate that list into two categories: Things I Absolutely Have To Do, and Things I Can Probably Get Away Without Doing. Some of the things that fall into the second category may still be necessary to the operation of your business, but they can be delegated or reassigned.

If you’re at all objective, I promise you that you’re going to find activities that can be taken out of your schedule, allowing more selling time.

Low Priority People

The next step in the process is to eliminate low priority *people* from your schedule—customers and prospects who aren’t really worth the time you’re spending on them. I don’t think I’ve ever met a printing salesperson who wasn’t beating on at least a few dead horses. One of the most important truisms of selling is that you can’t sell to everyone, and part of the artistry in selling is to be able to recognize when you’ve run into a prospect who you’re simply not going to succeed with. The best possible strategy for a prospect like that is to stop wasting time on him!

In addition to chasing unlikely prospects, most printing salespeople also spend too much of their time on low-value customers. This is another situation where you can reclaim quite a bit of time if you’re really objective.

I recommend that you make a list of your active customers, in descending order by sales volume. Next to each entry, add the approximate number of hours that you spend working on or for each customer each month. Add up the hours to give you a sub-total of time spent on customer maintenance and support activities each month, and then divide each customer’s hours into that sub-total. Now, you’ll have a clearer picture of what percentage of your

time is spent on each customer. Compare that to the percentage of business you're getting from each customer, and make adjustments if the percentages are out of whack.

To add another level of sophistication to this analysis, look at profit dollars rather than simply sales dollars. You may very well find that a lot of your time is not being turned very effectively into money!

Customer Depletion

It's pretty well accepted that every business is going to lose some of its customers every year. Larry Hunt says that you should count on a 10-15% annual depletion factor. I say he's probably right, but you can have some input into who you lose! So if you're bumping against either selling or production capacity, why not choose to lose low-value customers in order to free up selling and production time for better ones!

Let's say that you have a group of customers at the bottom of your list who collectively take up 15% of your time, and give you 5% of your business. You're calling on them regularly, but getting very limited results. When you look at them individually, it doesn't seem like each one demands all that much time, but when you consider them as a group, it really starts to add up!

My suggestion? Cut way back on the effort you're putting in to this group of customers, and stop calling on most of them altogether. Unless you have a real reason to believe that you can make a particular customer in this category grow, you'd be better off using this time to seek out new, higher-value accounts. You risk something by cutting back on the attention you give a customer, of course, but if you're going to lose some customers, these are the ones you want to lose. The same thinking holds true for people who give you orders, but not profitable orders!

Another Approach

Better time management can expand your selling capacity. But even time management can only take you so far. At some point, a salesperson really can come up against the limits of capacity. Are there still ways to grow without hiring new salespeople? Absolutely!

You may still need to add staff to allow growth, but it doesn't necessarily have to be a salesperson. A better answer might be to hire a support person, a CSR or inside sales assistant. I've had great success in developing sales organizations where the salesperson is responsible for managing the overall customer relationship, but a support person is responsible for managing the actual *jobs*. When you look at the relative talents involved, I think you'll agree that basic *project management* skills are far more common among potential employees that the talent to find appropriate prospects and convince them to become customers. It makes sense, doesn't it, to free up a person who *can sell to sell*?

It's been interesting to me that this has been a difficult option to "sell" to many of my consulting clients. I seem to come up against two common objections: first, that adding another full-time employee would throw a shop's sales-per-employee ratio out of whack; and second, that everything this support person would do is already being done by the salesperson, who is already being paid for doing it! "If I hire someone to handle and process all of these orders," I've heard, "why do I need the salesperson in the first place?"

As I've told my clients, this is really short-term thinking. The *problem*, remember, is that your growth is stymied by selling capacity limitations. You're going to have to do something to break up the obstacle if you want to continue to grow. But if you do it right, you will grow. Then your inside sales assistant is not just handling work that the salesperson used to handle. He or she is handling *incremental* orders that wouldn't have been possible until the salesperson had more time to sell. And the added volume, of course, will bring the sales-per-employee ratio back into line.

Bottom Line

Between better time management and the potential for operational support, I don't think there are really all that many printing salespeople in our world who are truly *maxing out*. But I know from my own selling experience how it can feel that way! Remember that hiring another salesperson *is* another possibility, but perhaps it's the one that should be considered as your "last resort." The best option is to clear the way to growth by increasing *productivity*, and that's really the essence of what I've been talking about today.