

## Fortune Tellers, Witches, Weathermen and Sales Reps



A good friend of mine, Marc Bridgham, who is always on top of the news, shared an article with me today:

### **Romania may get even tougher on Witches**

*A month after Romanian authorities began taxing them for their trade, the country's soothsayers and fortune tellers are cursing a new bill that threatens fines or even prison if their predictions don't come true.*

*Superstition, the Associated Press notes, is a serious matter in the land of Dracula, and at least one witch argues that practitioners shouldn't be blamed for the failure of their tools.*

*"They can't condemn witches, they should condemn the cards," queen witch Brataru Buzea tells the AP.*

*She also says witches shouldn't be blamed for bad predictions if clients don't provide their real identifies or dates of birth.*

With apologies to the Romania Witches, my first reaction to this was not to ponder their plight but rather "I wonder if the TV Weathermen will be next?" Will fines and prison be the penalty for a bad weather forecast? If so would it make the weather forecast more accurate? Will the witches become more responsible when going about their fortune telling duties? So many questions.

To explore the complex landscape of sales forecasting we must first categorize and define how differently each Sales Rep. might approach this responsibility. It is important to note that there is little direct relationship between any of these categories and the level of performance by the Sales Rep.

**Dudley Do-Right:** Forecasting is a part of my job and I do my best to accurately turn in my best forecast to my Sales Manager.

**Over-Achiever:** I am incredibly optimistic about my forecast and over estimate it every month. I am not a fast learner.

**The Sand-Bagger:** I have discovered that it is far better to not forecast a deal than to endure the consequences bestowed on the Over-Achiever. I only forecast a deal once the contract is signed. In many cases I am a recovering Over-Achiever.

**Rebel Without a Clause:** You do not pay me to forecast. You pay me to sell. I will do the bare minimum required not to be disciplined. If I am a high achiever, then many times, I don't care about the consequences because the reward is the same either way.



**Ghost-Rep:** Good luck finding me, much less getting a sales forecast out of me.

I bet you can add a few to my list...

How an organization thinks about sales forecasting can determine what kinds of Sales Rep's it encourages. Most organization I have worked with compensate for inaccurate forecast in different ways.

**No Bad News:** In these organizations it is ok to be a sand bagger. The downside to this is that leadership never really knows how to allocate future resources much less plan for them. Depending on the cost of these resources, this may or may not be ok.

**Over-Assign Quota:** This approach is very popular and it utilizes the reward system to address the issue. It works like this... From the top down everybody increases the sales quota for the level below them just a bit to compensate for poor forecast or poor sales results. The CEO adds 10% to the EVP of Sales... The EVP of Sales adds 10% to the Director of Sales... The Director of Sales adds 10% to the Sales Manager... and the Sales Manager add 10% to the Sales Rep. The net result can be a roll up quota much larger than the original. This approach is often combined with the No Bad News approach.

**Feet-to-the Fire:** Soon to be know as the *Romanian Witch System of Forecasting*... These organizations expect forecasts to be accurate and manage the business based on them. Missing the forecast high is just as bad as missing it low. They believe resources are expensive and actively work to manage them. There are consequences at all levels for missing the mark. Although, I have not yet seen a sales rep sentenced to prison for a bad forecast.

**The Gambler:** Wait until the end of the month and count up the chips. Not recommended.

### **Don't Blame Me... Blame the Tools**

Given the importance of an accurate sales forecast, it is interesting how little help we give our sales rep's so they can get it right. Is imposing fines and punishment the right answer without providing good help?

### **But, we have a CRM...**

CRM's are tools. Therefore, what many have done is automate their inaccurate sales forecasts. At least it doesn't take as long but in most cases it does not improve accuracy.

### **Blame the Client...**

They didn't give me accurate information. They told me they would sign the contract next week.

What do you think? Is Romania on the right track imposing fines and prison in an attempt to get more accurate fortunes? What about Sales Teams? What is working and not working in your organization?

And for the record... if I am asked why my sales forecast is not accurate, I will simply say that a Romanian Witch placed a Curse on me.



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