**Lies, Damned Lies and Projections: Keeping It Real**

Leave it to the economists and politicians to try to forecast what will happen with the US and World Economies. Your job is “simply” to figure out how to make the number your owner, the Board or Wall Street demands of you.

Today, my industry insiders tell me that presenting the annual budget to corporate is an elaborate dance. You start with a little “soft shoe” and hope that you avoid “the stomp” from higher up.

Smart market managers get their salespeople to look at their billing accounts and lists prospects to build their individual projections for the year. Then the smart ones roll up those numbers and deduct 30%. That’s the number they present to corporate. That way when corporate negotiates their number up, managers and salespeople still feel they can make the number.

Managers who want to stick around for another year adapt mindset that they will be a *hero for the next 12 months* by outperforming their budget. Contrast that to being a *hero for a day* by acquiescing to the number corporate dictates.

No matter your mindset or how skillfully you dance, those budget meetings result in your number. With that in mind, here are five ideas that can help you make the number no matter how ridiculous you think it is:

1. **Have the “money talk” with your sales team.** The “money talk” is designed to get your salespeople to understand that business dollars are not the same as personal dollars. A salesperson who earns $4,000 a month will have a hard time asking advertisers to invest $12,000 a month to promote their businesses. $12,000 seems like a lot of money to a salesperson who only earns one-third of that.

There is an auto group in Madison, WI has a $35,000 per month *coffee budget.* Mind you, they have multiple dealerships and thousands of customers. But imagine a Radios sales rep going into that business with a $1000 package or a presentation for a $5,000/month schedule. Neither is a significantly large dollar amount to position the conversation about advertising as important.

Get an outsider to do the “money talk” at one of your sales meetings. A car dealer, a successful local retailer or even an accountant can talk about the kinds business dollars at play. They can discuss their goals and growth potential. They can get salespeople to change their beliefs about what a “significant amount of money” really is.

1. **Do an 80/20 analysis of each seller’s billing. Usually one month is enough. Salespeople who** discover that it takes 9 accounts to get to 80% of their billing and another 19 advertisers to get the last 20%, become aware of their need to increase their average ask. You can wisely point out that 80% of their headaches come from the last 20% of the advertisers who spend less, but demand the same levels of services as the big advertisers.
2. **Do the math. How to Double Your Sales without Doubling Your Efforts.** This is the way I laid it out in *The Accidental Sales Manager:* Wall Street and the board members have one word that they like to use a lot: *More.* Sales managers are under the gun to get salespeople to sell more. So, they immediately think in terms of *more calls, more proposals, and more activity.* And there is nothing wrong with that. At the same time, it is important to understand that salespeople already think they are giving their all. They’re not; but they think they are. If you run a $50 million dollars cluster, you will have to add some zeroes to my numbers. But I wanted to keep this very simple and show you how quickly you can increase billing by doing a little -- not a lot -- more.

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**Above,** the seller keeps adding advertisers without upselling current advertisers.

**Below,** the seller adds one new client and upsells current advertisers

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Show your sellers they can double their billing in six months by doubling the number of advertisers on the and keeping their average dollar per advertiser the same. Or they can increase their number of advertiser on the air from 20 to 25 and the average billing from $1000 to 1500 and accomplish the same thing.

Can – and will – your salespeople do this? Beats me.

But it is more likely to happen if you focus on two metrics instead of one. If new business is simply combing the bushes for new customers, you have a tough slog. But if you systematically sell 5% more customers and up sell current customers 10% a month, you will achieve staggering growth.

1. **Institute a minimum order policy.** The GM at a successful Radio station had $5,000 minimum order policy. When the salesperson brought in a $4870 agency order, he refused it until the salesperson wrote out a $130 check to make it a $5,000 order. When that story circulated through the sales department the standard became a thing of legend and salespeople started asking for and getting bigger orders. I know this is a radical idea.I know you need all the billing you can get. But, please, have a minimum billable order so you’re not collecting $143 in February from the Christmas Greetings package you sold in December.
2. **Inspect every proposal before it goes out.** You can do something about the size of the order before the salesperson presents it. You can urge higher rates and bigger asks. It must start with the sales manager. It won’t start with a brand-new commission salesperson who fears for his or her groceries and rent payment. Where do your salespeople do their best selling—in your office or in their advertisers’ places of business? It’s a critical question.

**5a. Increase every schedule 14% by duplicating the schedule from 7P to 5A.** Buyers will pay something for your evening audience. It gives your salespeople something to negotiate instead of your prime inventory. “I can duplicate your $1000 schedule overnight for an additional $140. That will add frequency and reduce your average unit rate.”

Salespeople think they’re working harder and harder for less and less. Perhaps. But working smarter means asking for bigger dollars and becoming a source of business advantage for their customers. Managers must get salespeople to stop, do the math and break down their own projections so that they believe it’s possible to blow them away.

The late Malcolm Forbes said, “[Anyone who says businessmen deal in facts, not fiction, has never read five-year old projections.](http://www.brainyquote.com/quotes/quotes/m/malcolmfor170293.html)”

That’s a fact, but your projections won’t be fiction when you go through the proven process above.

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