

How to Create an Annual Sales Plan

An Interview with Anwar Allen, Managing Partner at

PIPELINE
MANAGEMENT



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About the Author



Anwar oversees Pipeline Management's daily sales operations. He is responsible for the development and execution of the firm's strategic goals, mission, and consulting service delivery. Under Anwar's leadership as Managing Partner, Pipeline Management has achieved 300% growth and has become a leading sales outsourcing and consulting partner to the high-tech industry. For over a decade, Anwar has worked as a sales leader in the technology sector building, training and managing results-driven sales teams. Prior to joining Pipeline Management, Anwar was responsible for business development and sales operations for global enterprise software organizations and boutique IT consulting firms.



Introduction

While it may not be every sales rep or leader's favorite thing to do, it's imperative to take the time to craft a well thought out annual sales action plan. It will:

- Provide a road map to help guide you through unforeseen obstacles
- Allow you to measure your success against previous years
- Create new opportunities to take your sales to the next level

In this eBook from Pipeline Management, our Managing Partner, Anwar Allen shares his best practices for crafting an annual sales action plan and tips for successful implementation.

Q: If the previous year was a good year for a sales organization, why not just go with what is working?

Anwar: Sales is an ever-changing environment, so what worked last year may not be productive this year. Take a look at why you were successful and evaluate how you can replicate that activity. To move ahead, you should **always be forward thinking**.

In order to expand and grow, it's vital to create a custom strategy that:

- Responds to changes in your customer's requirements and expectations
- Takes into account new competitors
- Is aware of new products entering the marketplace



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Q: When is the best time of the year to create an annual sales plan? And how long will it take?

Anwar: Ideally, you should spend time early in the **fourth quarter** (October), but anytime is a good time to think about plans for your sales team. The time it takes to develop a sales strategy is dependent on:

- How comprehensive it is
- What your growth plans are
- The size of your organization and its sales force

There's a perception that the process takes months, but it doesn't have to take that long. Regardless, you should consider it an **on-going** process and consider reviewing your progress on a weekly, monthly, and quarterly basis.

Q: Who should be included in the planning process?

Anwar: In addition to sales leadership, **marketing** should be there to ensure target markets, messaging, campaigns, and lead criteria are in alignment with what the sales team needs to be successful to achieve their goals.

Consider including the **product development** department to share plans for new product releases and feature updates. I also recommend that you invite **sales representatives** to be a part of the process. This is a key component that is often overlooked. Since they are expected to meet the goals being put into place, be sure to bring them to the table. This will go a long way to help with adoption and execution of your sales action plan.

Q: What resources are needed to create the sales plan?



Anwar: First thing you want to do is look at your **KPIs** for the current year and evaluate how close you came to meeting or exceeding those goals. The marketing department reports on conversion rates and new leads generated from the **campaigns** they were involved in. Sales leaders will review proposals produced, new customer acquisition, average sales cycle, and **achieved revenues**. New product development provides details on products launched, **customer service satisfaction**, deliverables, etc.

Q: What should be included in a comprehensive sales action plan?

Anwar: As you develop your plan, I suggest that you start out **by looking at your “end game”**. Sales should be focused on revenue, marketing should be thinking about new lead generation and product development should consider how you will differentiate from competitors. Map back from there, design the performance metrics and establish benchmarks for the year. In addition, evaluate sales compensation plans to make sure they align properly with the new goals so you are motivating your representatives, accordingly. Finally, take a look at your existing customer base to uncover opportunities to upsell and cross-sell. This is a much quicker sales cycle, since the door is open and you already have developed a relationship with the organization.



Q: What recommendations do you have to ensure the sales team adopts the new plan?

Anwar: First off, make sure they have a stake in the planning stage and that their opinions are being considered. Then, **set clear goals and expectations** that are realistic and achievable. The sales organization needs to understand what's expected of them, how they are going to be measured and in turn, how they are going to be compensated.

- 95% of typical workforce does not understand its organizations' strategy
- 90% of organizations fail to execute their strategies successfully
- 86% of executive teams spend less than one hour per month discussing strategy
- 70% of organizations do not link middle management incentives to strategy
- 60% of organizations do not link strategy to budgeting

Source: [Balanced Scorecard Collaborative](#)

Q: How do I know that the plan is working?

Anwar: Make sure that you **are frequently measuring your achievements** against the benchmarks you've set. Track and measure key analytics regular. Depending on the KPIs you are measuring, it may be something you review real-time via dashboards. **Leverage your technology** to automate and streamline the delivery of this information. With today's mobile technologies information should be easily accessible from any location.



Conclusion

Now that you've developed your annual sales plan, it's time to put it to action. If you need help in areas like CRM implementation, sales outsourcing, cold call training or building your sales team, check out one of our other eBooks.

Download our other eBooks:

"Five Easy Steps to Improve Your Cold Calls".

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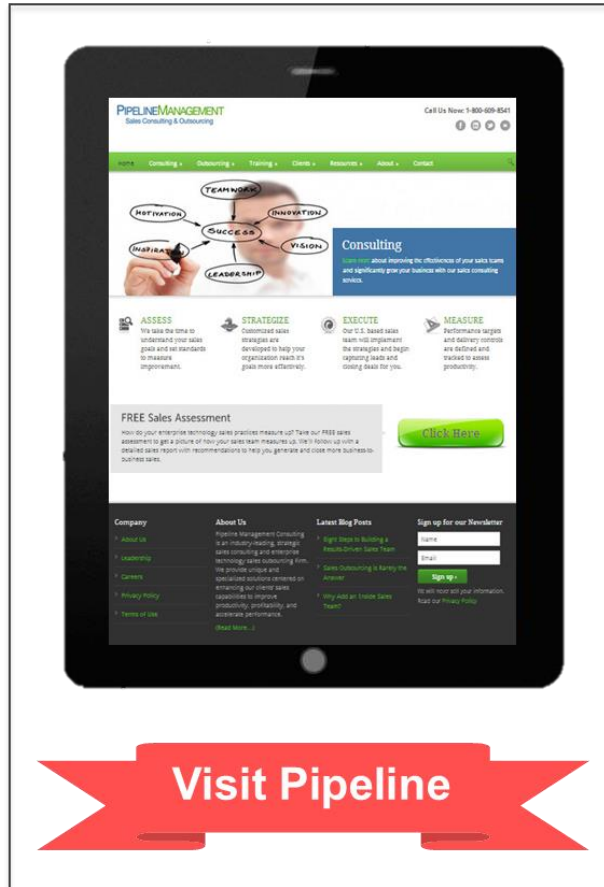
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