**It is about the Milestones!**

If your company is selling business to business and particularly if sales are complex with many participants and high cost and risk, you know that understanding if and when a sale will occur is very difficult. Furthermore, because these transactions may be infrequent, it can be unpredictable and frustrating to the rest of the organization to execute once they do occur.

Therefore, conventional sales management devotes enormous effort collecting and tracking activities throughout the sales opportunity with the false hope of gaining control and insight.

We at Acumen Management believe there is a better way. Regardless of how much effort and time is involved in your sales opportunities, the key is to focus on achieving Milestones.

Here is the definition of a Milestone - a significant event or stage in the life, progress, development, or the like of a person, nation, *opportunity*, etc.

Every sales opportunity has many steps and activities to be completed by your sales team and the prospective client to reach a decision resulting in a contract, engagement, order, etc. While these steps are necessary and the sequence may even be critical, there are key points during each opportunity which define the likelihood of success. We have found that focusing on Milestone achievement increases sales execution success, streamlines reporting and hence planning while providing sales personnel an easy way to assess and improve their performance.

Let’s say a typical sales opportunity might have 20 to 30 unique actions starting from an initial inquiry, leading to discovery calls, presentations, proposals, customers reference visits, legal review of contracts, follow up calls, providing technical papers, etc. etc. Much of the sales training is devoted to mastering these activities.

Now, referring to the definition of a Milestone – ***a significant event or stage*** – identify 2 to 5 points during the life of the opportunity. These should require a mutual agreement or action, is documented and auditable and represents a gate to the next set of steps.

Here are some samples to consider:

1. Qualification – an apparent need for your product/service and the prospect/client fits your company’s target market.
2. Discovery – a mutually agreed upon investigation of the apparent need, requirements and potential capabilities
3. Decision Process – a mutually agreed upon series of actions, preferably with deadlines to reach a vendor decision
4. Proof – a presentation, demonstration, prototype, sample run, proof of concept delivered by your company and a review performed by the prospect
5. Selection – a decision by the prospect on a vendor, a choice of options or termination.
6. Order/Contract – signed contract, purchase order, down payment receipt, binding both parties.

Regardless of the number you identify, concentrating on Milestone achievement will drive behaviors and simplify measurement.

As an example, a company selling a service with an initial contract value of $50,000 expects a sales person to generate $600,000 per year in revenue. This means the sales person must average a new contract each month ($600,000/$50,000 = 12 sales/year).

This company has established there are 4 Milestones per opportunity. They are:

1. Qualification
2. Discovery
3. Proof
4. Contract

and if our sales person were perfect, they would need to achieve 48 Milestones in a year (12 contracts/year X 4 Milestones) or 4 per month/1 per week. In reality, no sales person is perfect so many more Milestones will need to be achieved to meet the annual target. Our experience is to assume twice the ideal until an organization can accrue enough history to adjust the formula. Therefore, for our typical sales person, they will need to complete 8 Milestones/month or 2 per week to meet the monthly sales objective.

Note that within our example company sales people are completing Milestones each week that will lead to sales. With this focus on Milestones, the conversation between the sales person and sales manager shifts to what Milestones are planned for the week and what have been completed, instead of what and when will be sold this month.

Significantly more insight can be gained over time with Milestone selling, such as the percentage of each stage which results in a sale, how each sales person varies from the average/stage and hence where the sales manager’s efforts should be devoted, and much, much more.

Ultimately, understanding the Milestone metrics will permit better sales planning to support the company business plan and provide the Marketing team the needed input for their plans as well.

The focus on Milestone selling can be applied to existing client efforts, business development activities and partner recruitment. Further, this approach is not dependent on a particular sales methodology as most methodologies focus on the how of selling and usually recognize the concept of stages.

Finally, the most powerful aspect of Milestone selling is how it motivates sales people and increases their self-management to succeed.

To summarize, deploying Milestone management within the sales organization will increase both sales and sales management effectiveness, improve revenue predictability and substantially improve sales productivity.

A core service of Acumen Management is assist companies in deploying Milestone based management. If you would like a sample of a Milestone based process, contact John at the email below.

You can also learn much more at [Milestone Selling](http://blog.milestoneselling.com/library)

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