

Efficient sales effort provides millions in profit

An increase in turnover of eight percent in a shrinking market. That is the experience of a group of sales people of the steel company Pannja, which introduced Kontineo's system to structure their sales effort. Another sales organisation, which had not adapted the method, lost 15 percent in the same period. The system is now to be implemented in all countries and branches of the company.

Claus Bernd Høgdal strives to create a productive and efficient sales effort. He is responsible for a project aimed at creating a structured sales department.

»The idea is to transfer time spent on small time-consuming customers to large, loyal ones. It is a new mindset we need; not just a new IT-system,« says Claus Bernd Høgdal, who calculates that a new structure of the sales effort in itself will provide an increase in turnover of 20-25 percent.

»And that is a conservative estimate. It corresponds to ten sales people getting two new colleagues without paying for it. This happens exclusively by reorganising the time spent by the sales people.«

Plannja has divided their customers in the construction industry in categories of potential and loyalty. The sales people report their visit to customers directly into the system according to these categories, and then they are themselves able to see when to reorganise their time to focus on the large and loyal customers who create turnover. All of it is managed by an IT solution from Kontineo, who has helped the sales people analyse, manage and plan their sales effort, so they work on the customers and projects that create the most value for the company.

Sales people empowered to manage themselves

»The task is to make sales people manage themselves while at the same time making them more efficient and productive in their work. They need to decide for themselves how they spend their time – on the basis of facts,« says Claus Bernd Høgdal.

In collaboration with Kontineo, Claus Bernd Høgdal is now working on an even closer integration of the system.

»We need to automatise some of the things we do manually today. And the work of Kontineo is a great help to us on this. Their systems do the right things so we can structure our sales effort. It is an essential tool for us, which gives us a strong and visible gain on the bottom line,« says Claus Bernd Høgdal, who has been authorised by the top management to restructure the company's sales organisation in all countries.

»The analysis was an eye opener for management, and two examples show that it works – even though we implemented the system while the global financial crisis put a halt on most construction work. One of the departments who used the new system saw an 8 percent increase in turnover, while other departments who went on as usual experienced a fall in sales of 15 percent,« says Claus Bernd Høgdal.

