

A Recipe for Sales Growth

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“We just need our sales people to sell more!” Such was the business improvement game plan proposed by the short-lived president of a previous employer. Of course! More Sales!

Why didn’t we figure that out sooner? Someone let the sales department know that it’s time to start calling on customers.

The fact is, when it comes to revenue growth, it is often difficult to know where to start. The temptation is to make a laundry list of the things that the sales department should be doing differently. I suggest, however, that sales growth begins not inside the cubicle cluster of the sales department and not necessarily out knocking on the doors of customers. Rather, sales growth begins on—of all places—the shop floor.

Under the umbrella of price, metal finishing customers value five things above all else:

- Conforming product
- Rapid availability of information such as delivery promise dates and order status
- On-time delivery
- Short lead times
- Accurate paperwork and correspondence

The sales person representing your operation is called upon to make commitments as to these requirements. Once those commitments are made, the sales person’s credibility, and that of your operation, are on the line. Failure to meet these commitments is a sure

way to impede revenue growth.

A sales representative in the finishing industry recently lamented that he had lost a large automotive project. The Control Plan, PFMEA and other necessary documentation had been prepared, submitted and approved by the customer. The sample run was walked through the shop and the customer loved the parts. Then the production quantities kicked in. Several orders were late, the customer rejected a non-conforming shipment, one order was mixed with another customer’s parts and within the first 30 days of production, the project was pulled and awarded to another finisher. The most knowledgeable and motivated sales person in the industry cannot make up for a shop floor that can’t meet reasonable expectations.

To improve your operation’s ability to meet the commitments it makes, consider doing the following:

- *Measure on-time delivery to your customers’ expectations.* Measure it plant wide, line by line, by customer, etc. Determine the causes of line-specific poor performance (process control, equipment condition, poor planning) and initiate programs to solve the problems.
- *Measure the amount of time (in hours or days) required to complete an order from the time the order is initiated to the time it ships.* Often the opportunities to reduce lead times can be found some place other than at the machine—such as with those responsible for order entry, scheduling, packaging, inspection or shipping.

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- *Measure the number of parts your customers reject per million parts shipped (PPM's).* Determine which work centers are generating the poorest results and address the causes of poor performance.
- *Compare actual throughput by line to what your throughput should be assuming optimum conditions and develop action plans for underperforming work centers.* Many times the ability to deliver on time is adversely affected by equipment capacity limitations resulting from production inefficiencies.
- *Make it a point to keep the shop floor in proper order.* Not only will problems stand out, but a host of other positive outcomes are likely. As Keith Beach, the general manager of Northern Illinois Metal Finishing in Rockford, IL told me, “Better organization of our in-process customer orders has improved our work flow, dramatically reducing delivery time to our customers, thus increasing production and creating more available machine time. This in turn increased our customer satisfaction and enabled us to win several new accounts to fill our available capacity.”
- *Document and review customer complaints*—and not just the formal ones—but those communicated verbally. Your customers are the best source of information when it comes to determining where you need to improve.

I do not argue that the sales department should be let off the hook for stagnate sales performance. An underperforming shop floor is not an excuse for the sales team to spend its day feeding an addiction to computer solitaire while the rest of the operation gets things under control.

That said—the combination of a highly motivated and effective sales team with an operation that meets its commitments is a powerful recipe for top line growth. 