

## The Point System

The Point System is a little gem of a sales management process that has been embraced more by salespeople than any other tool I can think of. The beauty is in its simplicity.

The Point System is especially useful when new reps start up and have very little, if any, base business in their territory. However, I know seasoned veteran sales pros who continue to use the system even though it is not required. They do so because it keeps them honest with themselves about their own activities, It's self-monitoring and it works.

If you haven't any revenue and you want the satisfaction that you are hitting numbers (knowing quality activities will ultimately lead to opportunities, contracts, and revenue), it's a way to keep yourself motivated.

### How it Works

- 1. List the type of activities in your sales process.** For example, targeted prospecting letters, emails to key contacts, online demos, face-to-face calls, proposals submitted, presentations made face to face, telephone sales calls completed, appointments booked—even an order received or contract signed.
- 2. Apply a point value to each of them and set a weekly point target.** It might be 30 or 50, depending on your industry and the type of territory you manage. Inside sales teams love this because it goes beyond the traditional metrics they are accountable for and gives proper credit for hard work.

Here is a sample scorecard to illustrate how you could assign the points.



ACTIVITY	POINTS
Letter/Phone Call to Prospect	1
Referral	1
Phone Appointment Booked	2
Face-to-Face Appointment Booked	2
Face-to-Face Meeting	3
Presentation Made/Program Demo	4
Proposal Presented	5
Leader Service Day/Program Conducted	6
Public Preview Held	7
Order Process / Invoice Out	10

I say that this is a self-managing tool because if it's 4:00 pm and you know you have to average **ten** points a day and you only have **five**, you get on the phone, write a few prospecting letters, or get a referral to raise your average score.

**Note how celebration is built in with an order scoring a lot of points allowing you to go hit the golf course that day by 4:00 and get nine in before dark.**

At the end of the first month, you will have enough data to begin to see trends that are increasing the number of quality sales calls your force makes. You will also start to see a higher gross potential revenue and expected value forecast in the pipeline.

**By the end of the first 90 days, you may also track the following results and be able to:**

- + Shorten the time it takes to get new reps productive and paying their way
- + Increase the number of reps making quota
- + Increase the average revenue productivity per rep
- + Increase the average deal size (share of wallet) with existing customers
- + Reduce the amount of scrap and waste in your call activity production
- + Improve your forecast accuracy
- + Improve your win-loss ratio

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**Want to learn more about Level Five Selling?**

Reach out to me at [David@LevelFiveSelling.com](mailto:David@LevelFiveSelling.com) or [John@LevelFiveSelling.com](mailto:John@LevelFiveSelling.com)