



ZS ASSOCIATES

SALES & MARKETING INSIGHTS

## Making Call Plans Work

Chris Morgan

**L**ots of time and energy go into generating pharmaceutical companies' call plans for their sales representatives, yet often such investments underperform because reps fail to fully execute call plans.

Execution of a good call plan is a strong driver of results, and sales forces that do not execute sales plans well lose market share as a result. Often, the reason for lackluster execution is simply that reps have a difficult time implementing call plans that management has assigned them.

This straightforward (yet often overlooked) insight can have a dramatic effect upon sales force effectiveness. Pharmaceutical companies that improve call plan implementation improve execution and increase growth.

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## Introduction

We've all done it. You start the day with a list of jobs to do around the house and by lunchtime, you're feeling pretty good about how much you've done. But somehow, at the end of the day, you're not close to finishing the list. How did that happen?

Looking back, you realize that you could have organized your time better. You could have cleaned the window frame early in the day and left it to dry so you could have painted it later, or you could have bought the screws to fix the screen door before the local hardware store closed.

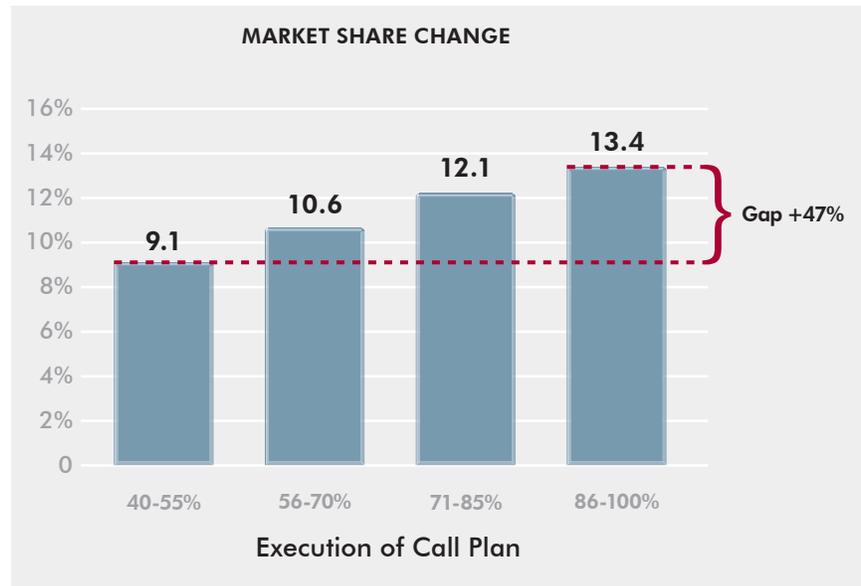
A similar thing happens when a sales force tries to execute an activity or call plan. Some customers are visited much more often than planned, while others are ignored until it's too late, and reps end up way behind objective. When it happens in a sales team, it isn't just time that is wasted—in some cases, as much as 30% of sales growth opportunity may be left on the table. Companies that help their sales forces understand this dynamic have an opportunity to improve execution and drive additional growth.

## The Origins of the Execution Gap

Lots of time and energy go into generating call plans for reps (in this article, "call plan" refers to a plan that describes each rep's targeted level of activity for each customer). The field force may have generated the call plan, or sales operations may have done so instead. Either way, the company has made an investment to ensure most sales forces have a plan that describes what they want to achieve during the year or cycle.

Execution of a good call plan is a strong driver of results, but sales forces typically do not execute sales plans as well as their designers hope and lose market share as a result (see Figure 1).

Figure 1. Call plan execution is strongly correlated to sales outcomes.



So why are call plans not well executed? There are three broad potential reasons:

- The plan is not well designed—it is inherently not executable.
- Reps do not believe the plan will work. They are not *trying* to implement it.
- Even when there is a credible, believed plan, the reps are still finding it logistically hard to implement.

The first two reasons can be addressed through improved, more realistic call plan design and better engagement of the field force in the call-planning process.<sup>1</sup>

But if a company has addressed the first two problems and call plans are still not being executed well, then the company is probably stuck with the last problem: implementation difficulties. So what are the practical impediments to execution of a good, well-supported call plan?

<sup>1</sup> For further discussion of these issues, see “The Next Generation of Call Planning: Smarter Plans, Faster Turnaround, Lower Costs,” by Torsten Bernewitz and Thomas Nacher; and “Synchronized Selling: Driving Effectiveness Through Teamwork,” by Chris Morgan.

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## Why Do Reps Find Call Plans So Difficult to Implement?

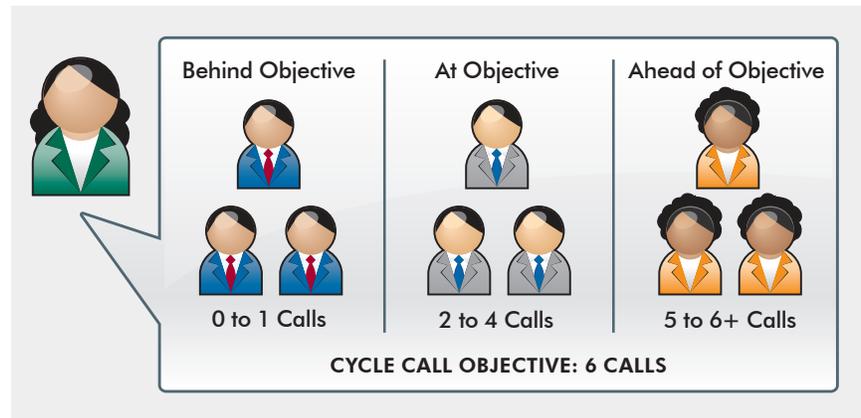
A fundamental reason for the execution gap is lack of customer access. Some customers have purposefully decided to limit access to representatives, and even those who are happy to see representatives may be busy, in surgery, on vacation or in a hundred other places on the day that the rep tries to visit. The upshot is that representatives may not be able to see a customer exactly when planned. “No plan survives contact with the enemy,” as a general famously said.

Because it is impossible to plan in advance the timing of every call for a cycle (whether it be a quarter, a trimester or a year), representatives must manage their activity so they still achieve their objectives over the course of the cycle. This is more difficult than it might at first appear—it is often a lack of purpose in this area that leads to problems.

One commonly adopted tactic to help with this planning problem is routing; i.e., the creation of a journey plan, and therefore a fixed order of customers, that the rep repeats every three or four weeks. But routing only works well for customers where access is good and high frequencies of calling are possible. As access becomes increasingly difficult, routing is less effective at solving the problem.

A good way to understand the problem is to consider the situation in the middle of a cycle. Figure 2 shows a simplified example of a territory in which all customers have an objective of six calls per cycle. When Susan, the rep, looks at her reports midway through the cycle, she finds that some of her customers are tracking nicely toward the annual objective, having received between two and four calls (ideally they should have received three by this point). Some customers, however, have received only one or no calls at all. Others have received five or more.

Figure 2. In the middle of a sales cycle, customers are progressing toward their objectives at different rates.



How did Susan get into this position? The first thing she realizes is that she hasn't actually made any calls that are not on the call plan, but the picture makes her uneasy nonetheless. She recognizes that the customers who are "ahead of objective" are those who are relatively easy to see. If she is honest with herself, she acknowledges that she will call on these customers frequently if she is nearby and needs to keep her call rate up. The customers who are "behind objective" are the more elusive customers who require appointments set well in advance. Some of her most valuable customers are in this latter group.

Susan now has a problem. How should she deal with each of these groups? She has already reached her cycle target with the ahead-of-objective segment of customers. Should she just stop seeing them altogether for the second half the cycle? That doesn't seem smart, but at the same time, calling on them will take time that she needs for calling on other customers.

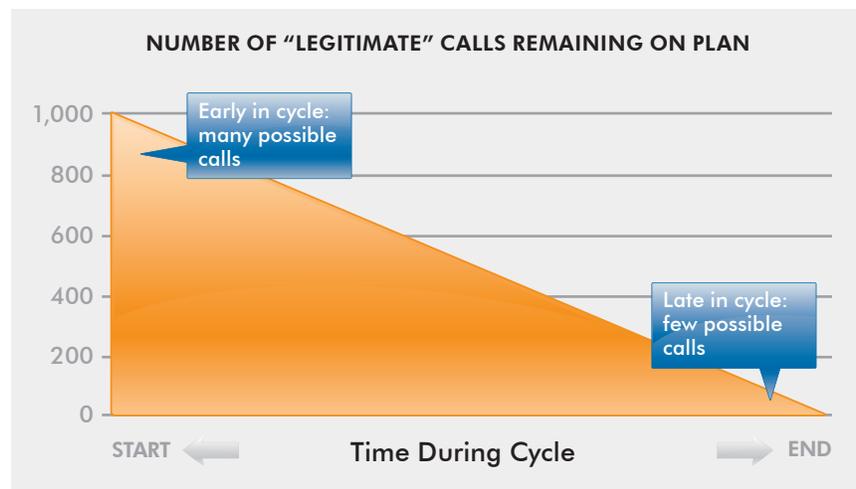
The behind-objective segment also poses a problem. Susan has already had trouble finding these customers to make three calls during the first half of the cycle. Now she has to make five or six calls in the second half of the cycle. That seems impossible, especially if she is still spending time calling on "ahead of objective" customers.

Susan's problem has its roots in the initial part of the cycle. Back then, just about any call made on a target customer seemed to contribute toward completing the call plan, and it was easy for Susan to generate a high call rate. It is common for representatives to do this and inadvertently

store up a lot of trouble for the second half of the cycle. It isn't enough to get halfway through the cycle and be 50% of the way toward the total call plan—representatives need to be near 50% on most customers.

In fact, Susan probably should have aimed to achieve well above 50% of the call plan. Why? On the first day of the cycle, she had 1,000 calls in her plan, and any of those would be reasonable to make. By the last day of the cycle, assuming that her execution had been perfect, there would be only five calls left for five specific customers who can help take her nearer to her goal. The further she gets through the year, the fewer options she has, and the tougher each call will be (see Figure 3).

Figure 3. At the beginning of a cycle, the rep can deliver many possible calls, all of which contribute to achieving the call plan. By the end of the cycle, only a few specific options remain.



## What Can Reps Do to Improve Execution?

We have found that the critical first step for any sales force or representative is to understand the problem and what causes it. A workshop for teams of representatives incorporating simple simulation exercises can have a dramatic impact. Representatives are much more likely to confront the challenge and take action once they have discovered the problem for themselves by experiencing it in a simulation. The workshop also helps to reveal five key lessons for execution:

- 
- Make plans to deliver activity.
  - Create contingency plans.
  - Do the hard work first.
  - Aim to achieve coverage before frequency.
  - Use a simple scoring system to prioritize activity.

Susan attended one such workshop, and the following weekend, as she prepared for the upcoming week, she reflected on what she had learned and started applying it to her own territory (see Figures 4, 5 and 6).

The clear message Susan had taken from the workshop was that it is necessary to make short-term plans in order to achieve a long-term objective. If you don't have a plan for what you are going to do this week, you will always be much more likely to have your business run you, rather than the reverse.

With this in mind, Susan plans her week.

Susan also learned that it is critically important to prioritise the most difficult work first. She already has a lunch meeting booked with Dr White in Westtown on Tuesday. Looking at other doctors nearby, she sees that Dr Grey in Northtown is tough to visit, and will only see representatives on Mondays and Tuesdays. She plans to see Dr Grey on Monday, but also makes a contingency plan—if she fails to see Dr Grey on Monday, then she will try to catch him on her way back from Westtown on Tuesday. Failing that, she will at least make an appointment with him for as soon as possible. Susan's scheduling reflects the importance of contingency planning she learned during the workshop, especially for difficult-to-see customers.

Another insight was that in order to hit a long-term frequency goal, it is important to get high coverage as soon as possible. It is more important to try to achieve coverage early than to push up the frequency for a few doctors. She realizes that she hasn't visited Dr Brown in Northtown at all this year, so Susan plans to visit her as well.

Figure 4. Susan's implementation plan centers around the toughest customers to visit. She also identifies a customer whom she has not yet covered this year and adds her. This shapes where she will be geographically.



These decisions have set Susan's geographic focus for the beginning of the week. She then develops the rest of the week around this focus. She starts by prioritizing other customers in the vicinity, looking for those who are behind target, who have not been visited recently, who are available on the relevant days and who have high potential for sales. Susan's sales operations department has provided a simple scoring mechanism based on the ideas shared in the workshop, which she uses to help identify targets.

Figure 5. Susan then adds other customers who are nearby and who are either behind plan, hard to access, high potential or a combination of these factors.



Finally, the workshop had showed Susan the value of a contingency plan. Using the above approach, she generated a backup list of customers to call if she is unable to cover her ideal list.

Figure 6. Susan realizes it is unlikely that she will be able to deliver this plan perfectly, so she identifies backup work if she cannot visit her ideal customers.

|                | MONDAY<br>(AROUND<br>NORTHTOWN)                                     | TUESDAY<br>(AROUND<br>WESTTOWN)  |
|----------------|---|--|
| <b>IDEALLY</b> | DR BROWN<br>DR BLACK<br>DR GREEN<br>DR GREY<br>DR BLUE<br>NURSE RED | DR TAUPE<br>DR CYAN<br>DR WHITE (LUNCH)<br>NURSE OLIVE<br>DR PINK<br>DR GREY (ON RETURN) |
| <b>BACKUP</b>  | DR ASH<br>DR MAPLE  | DR OAK<br>DR PINE  |

As Susan headed out into the field for the week, she felt a sense of liberation—she could focus on having productive discussions with her customers instead of constantly fretting about where to drive next. As the year progressed, she found that thinking about her plan this way became second nature, and she was doing better at covering her doctors.

By midyear, she was pleased to find that she had successfully accessed significantly more of her most valuable targets than before, and more important, she could see sales picking up as a result. Susan’s business was growing faster than ever, and a place in the President’s club awaited.

## Conclusion

Many representatives find themselves in the same position as Susan, struggling to overcome the messy realities of customer access and time management in an effort to deliver their call plan. There is an opportunity for their sales leadership to help them understand what causes these challenges and learn a few simple strategies to overcome them—the final link in the chain of successful call plan delivery.

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## About the Author

Chris Morgan is a Principal with ZS Associates based in London and Frankfurt. He has worked on a wide range of sales and marketing strategy issues, including go-to-market strategy, sales force effectiveness, sales organization design, portfolio strategy, opportunity assessment and targeting. In addition, he has worked on numerous global and regional initiatives with pharmaceutical companies to achieve results through account management. Chris holds a B.A. in natural science and a PhD. in materials science from Cambridge University.

## About ZS Associates

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