

MAKING SALES WORK



To start going on a roll you have to get with the flow.

US – Small and medium businesses now say they are looking to rejig their sales compensation in order to optimise sale productivity.

A survey by Makana Solutions which polled 100 organisations with less than 1,000 employees saw 63% of respondents saying their greatest business challenge in the economy is generating new revenue streams. At the same time, only 38% of respondents report a drop in revenue in 2009.

The most common actions to cope with the tough times includes reducing costs, identifying growth strategies and optimising sales productivity, with each action receiving about 30% of votes from respondents.

Forty-one percent of respondents reported no reduction in staff headcount. Furthermore, sales staff are viewed as an essential part of meeting goals as only 7% reported layoffs in the sales department.

Seventy-five percent of companies are spending at least 5% of their revenue on sales compensation, and 30% of respondents want to optimise sales productivity. However, only 13% indicated that their sales compensation is very effective in driving strategy.

Some companies are still using tools like Excel (61%) and Word (17%) to develop and manage their sales compensation. These tools, which are error-prone and time-consuming, are less effective and make it difficult to model costs accurately and prevent overpayments.

Makana Solutions recommends developing sales compensation plans that align people's behaviours with strategic goals. Identifying customer-facing roles and preparing to offer at least 15% of the target total compensation as an incentive is a start, it says, while keeping measures focused and unambiguous.

Areas companies made reductions in

Administration	14%
Support	14%
Operations	9%
Other	9%
Sales	7%
Finance	3%
Manufacturing	3%

Source: *SMB Sales Compensation Survey Report* by Makana Solutions

GENERATION Y WORKERS FIGHT NEGATIVE STEREOTYPES



Singapore – Generation Y employees are still perceived to be uncommitted employees with poor work ethics, despite young employees saying that they put in long hours at work everyday.

A study jointly conducted by The GMP Group and Temasek Polytechnic found employees from other generations having less favourable perceptions of Gen Y workers in terms of work ethics and their commitment and enthusiasm towards work. On a scale of one to four where a higher rating indicates having a less favourable impression of fellow colleagues, workers from other generations gave a their Gen Y colleagues a scathing review of 3.79.

The survey was conducted among 2,610 Singapore participants ranging from working adults as well as students from universities and polytechnics.

Gen Y workers reported working an average of 9.2 hours a day, instead of the contractual 8.3 hours. However, employees from other generations as well as their employers perceive the younger employees to work only 8.8 hours a day. Gen Y workers say working overtime is often due to their own desire to get work done, but other generations view the overtime to be a result of backlog work.

Gen Y workers also say they prefer relation-

ship-oriented leaders, and believe that their superiors should be more inspiring (45%) and caring (54%). However, organisations deem competence (52%) and honesty (32%) as most important in Gen Y employees.

Senior manager of The GMP Group, Josh Goh, says unfounded biases and stereotypes have a detrimental impact on the generational harmony of the workplace, and may lead to misunderstandings and disharmony. Thus, it is important that companies check the validity of these stereotypes. "Nothing beats keeping the

doors of communication open. Honest two-way dialogue contributes towards removing negative perceptions and helps pave the way for mindset shifts. Over time, this enhances the common ground between groups and improves relationships in the workplace," says Goh.

Top factors that motivate Gen Y to stay in organisations

Opportunities for career advancement	63%
Good work-life harmony	37%
Good relationships	24%

Source: *'Y' are they different?* by The GMP Group and Temasek Polytechnic

54%
of Gen Y workers polled say their superiors should be more caring.