Designing, Implementing, and Living Your Physician Sales Plan: Part 1 of 2

In Part 1 of a two-part series, you'll learn why planning is crucial to making your sales goals and how to do it better.

The Basics: Why Plan?

Healthcare organizations have established a well-defined pattern of budget, strategic, business, and marketing planning, all focused on financial goals. Sales planning was not a part of the mix until the advent of employer and physician relations sales initiatives. With the integration of sales goals into the organization's overall strategic goals and with the sales department's accountability for growth and retention of referral volumes, sales planning has become a credible partner in the planning process.

A physician sales plan defines objectives, strategies, and tactics identified by the department and the salesperson as necessary to deliver measurable results. Similar to business and marketing plans, the sales plan is focused on identified, targeted customers within a specified geographic market or service line niche. Specific sales tactics are then positioned under each strategy. The plan also identifies the messaging and how to engage the customer, coupled with projected end results. The sales plan aligns with the marketing plan for this customer group in terms of messages, materials, and resources needed to support the sales plan.

Successful sales planning is something that professionals do in order to provide:

- A level of expertise that effectively positions the sales team's value.
- A mechanism to report on the sales team's contribution.
- An articulated version of what sales can and cannot do.
- An established, agreed-upon return on investment (ROI) for the department.

Successful sales planning not only makes you look like a winner; you will actually *become* one. If you develop a good plan and follow it, you will serve your customer better, both during the sales process and after closing. You will also enhance your results for your organization while working more smoothly with your sales team colleagues and management.

Why Plan?

- Planning keeps you organized and on schedule.
- You can use it as a reference tool to monitor results, such as follow-up with prospects or conversion of prospects to referral sources.
- It will prepare you for specific appointments and enable you to focus on growth opportunities.
- Planning helps you track your own progress, whether you're working alone or with a team, and (bonus!) it will make your sales reports more effective and sales meetings much more efficient.
- Planning will make you feel productive. It will help you focus on the most important or valuable customers for your sales effort.
- Planning will help management evaluate and reward you, and it will help you understand how you can better support management's strategic decisions.
- Finally, planning will elevate your efforts in the eyes of the C-suite, positioning you to achieve results they value and market intelligence they crave.

Getting Ready to Plan

It's important to gather your information and materials—the tools you will use to build the plan. Here are seven key steps:

1. ***Understand the overall strategic goals of the organization*** and how they relate to the sales and service department and the intended customer. Recognize the roles and functions involved in achieving the goals, and consider the interdependence of others who are needed to achieve an end result.

2. ***Determine your target customer.***
- Conduct market research to identify the right customer base to meet the goal.
- Investigate internal perspectives on who the right customer is or who refers the right patient population for a given goal.

3. ***Refine the customer list*** into defined criteria such as level of need for the service and best fit for referring patients into the service. Are your physician customers loyal to your hospital, or are they "splitters," referring their patients to more than one hospital?

4. ***Assess service line readiness.*** Conduct an assessment of the services you plan to represent to determine access, capacity, and readiness for new business as well as responsiveness to physician issues or requests.

5. ***Develop weekly and monthly work plans*** and timelines for sales calls and other activities to ensure your ability to hit goals.

6. ***Differentiate your hospital's offerings*** from those of competing organizations.
- Using your research and knowledge of your customer base, identify the service line offerings, and build feature/benefit worksheets that translate into specific benefit/solution messaging you will use with the customers.

- It's a cluttered market today—everyone seeking to gain physicians' time and ears—so determine what you have to offer them that is different and better at meeting their needs.

7. Develop a CRM (customer relationship management) system or customer profile so you can document, track, share information, and measure the results of your efforts. Tie the CRM activity to your team's performance standards and sales plan accountabilities to ensure your future ability to improve planning and forecasting.

The last item drives a critical question: How will you manage and track this information? This is where a CRM system or process comes in.

CRM: Part of the Sales Plan

CRM systems are available in off-the-shelf or web-based versions. They can help you, the salesperson, track your planning, prospecting, forecasting, and customer contacts. These applications can help you set and monitor your sales goals, create schedules, generate sales reports, and manage your accounts.

Tracking your progress is important because work plans and timelines are ever-evolving documents. As time passes and you meet or move your deadlines, things happen—you will constantly be updating your CRM system as part of your progress assessment. But you know that there will be a final aim: meeting those annual sales goals.

You may also want to make a "war board" or wall calendar that corresponds with your major deadlines. That way, you or any member of your sales team can see at a glance what deadlines lie just around the corner.

The Crucial Parts of a Sales Plan

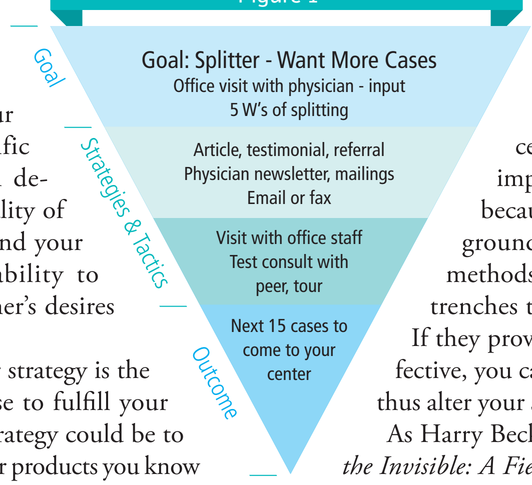
The sales plan has several key parts: the research, customer details, prospects, your coding/prioritization of the customers, and the goals you will write to achieve results.

The plan requires you to convert your organizational and service line goals into sales (growth and retention) goals for the department. From here you will build out the objectives (quantifiable, measurable targets to achieve) and the strategies and tactics that support each objective (Figure 1).

Goal: In a global sense, your ultimate goal is most likely to be a simple one: generate new business. But a specific goal for your sales plan could be, for example, to increase referral volumes or case mix by 5 percent by the end of the fiscal year. Your organization's size, resources, service line capacity, market position, and external factors such as the overall health of the economy will affect the goals.

Objective: How will you reach that goal? This is your objective. A sample objective might be to gain commitment from two-thirds of the targeted physicians to shift their cases to your organization or service line in order to achieve the 5 percent increase identified in your goal. (The specific percentages will depend on the quality of your prospects and your readiness and ability to meet the customer's desires and needs.)

Figure 1



Strategy: Your strategy is the approach you use to fulfill your objective. The strategy could be to propose services or products you know your customers need, even if *they* don't know it yet. Make them realize they want and value what you have. For example, your strategy may involve seeking their opinion about new OR suite protocols to encourage them to take a block schedule for their procedures at your facility.

Before any strategy is written, ask whether it addresses growth or retention initiatives. Growth involves defining which customers you intend to target for an increase in referrals. Retention involves maintaining the business you can't afford to lose and making sure there is no attrition. These are two very different approaches, and both should be considered.

Tactics: Tactics are the methods you use in the actual implementation of the strategy. They can include (but aren't limited to):

- Scheduling appointments, doing follow-up, and developing a customer profile on each prospect to solidify your baseline information as you place calls.
- The use of articles, outcome data, specific case studies, or a strategic visit between your clinical service line manager and physician(s).
- Face-to-face appointments with referring physicians, taking your specialists out to meet with referring physicians, engaging the physician in a grand rounds or tour of a facility, a demonstration of new equipment, or ultimately encouraging the referring physician to send you a "test case."

These become your tactics of relationship engagement—ways to allow customers to sample your organization, let you demonstrate credibility, and prove you are able to deliver on the promise, with the ultimate goal of gaining their trust and referrals.

Remember: Your tactics will be critical to your success. Tactics are more important than strategy because they exist at the ground level; they are the methods you employ in the trenches to get the job done. If they prove to be less than effective, you can change them and thus alter your strategy.

As Harry Beckwith says in *Selling the Invisible: A Field Guide to Modern Marketing* (Warner Books, 1997), "You can't learn from your strategy. It's just sitting there pretending it knows what it's talking about, while your tactics are out there getting battle-tested by the market."

Part 2 *of this article, which will appear in the July/August issue, will show you how to translate your global sales plan into a tactical territorial sales plan.*

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Editor's note: The authors will facilitate two SHSMD U online courses, "ROI: Tying the Value of Physician Relations to Organizational Goals," May 16–27 and "Make No Mistake: Your Physician Relations Program Needs a CRM Strategy," July 18–29. For information and to register, go to *shsmd.org* and click on the SHSMD U tab.