



# If Time is Money, What's it Really Worth?

***Time is Money - Money is Time:*** One of the best-known axioms in the business world. But can we put a dollar amount on the value of time? There are only so many hours in the workday and each one is intrinsically valuable. This is especially true for sales teams, since ineffective use of time quickly turns into lost deals and decreased company revenue.

Traditionally, the value each sales professional provides to the company has been determined by dividing the company's revenue by the number of sales people it employs. However, the true value of each sales professional is contingent on how much time he or she has to devote to tasks that take them away from selling, illustrated by the formula:

$$\text{Value of a Salesperson} = \frac{\text{Company Revenue}}{\text{Number of Salespeople}} \times (1 - [\% \text{ Time Spent on Non-Sale Tasks}])$$

Depending on the individual or organization, the exact value of this time is subjective. However, sales leaders and other managers can better understand how much it's worth by subtracting the percentage of time spent on non-sales activities from total compensation and other costs associated with each team member, such as salary, benefits, commissions, bonuses, travel and office space. This creates the following formula:

$$\text{Value of Time} = \frac{\text{Cost of Salesperson} \times (1 - [\% \text{ Time Spent on Non-Sale Tasks}])}{\text{Hours in the Workday}}$$

But effective use of time goes beyond time-management techniques. It also relies heavily on the tools used by sales teams. For example, sales professionals collect huge volumes of information when engaging with prospects and customers. To organize and manage this data, businesses often turn to customer relationship management (CRM) platforms. While intended to create greater efficiency on the front end, many CRM platforms simply aggregate the inputted information. The need for manual reporting and data entry creates a substantial time sink on the back end, one that traps sales members and leaders alike.

But what if you didn't need to insert such information? How much time would an organization save with a platform that released sales teams from the shackles of CRM, providing the freedom to focus on selling by:

- ⊕ Eliminating the need for data entry;
- ⊕ Making it effortless to instantly prepare for a meeting;
- ⊕ Giving sales leaders complete visibility regarding team performance; and
- ⊕ Facilitating efficient communication and collaboration between team members.

What could a salesperson accomplish with just two additional hours of freedom each week? What if this were multiplied across the organization? When applied to highly productive work, how much would this time really be worth?

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## Growing Trends

Customer relationship management has evolved from its modest beginnings, when Rolodexes served as cutting-edge tools for organizing contact information. In the ensuing decades, Rolodexes were replaced by digital methods of managing such data, methods that soon began integrating other aspects of B2C relationships – including intra-organizational collaboration tools and customer-interaction tracking.

Modern sales environments offer endless streams of tools and mobile applications designed to empower team members in cultivating and managing relationships, with the goal of creating more business and increasing revenue. Still, studies have shown the average sales professional spends less than 40 percent of his or her time on tasks that actually drive sales, such as prospecting, closing and ongoing customer service.

The future of customer relationship management focuses on streamlining the lead-to-revenue process with greater integration of marketing and sales data. Successful sales teams will be able to collect and utilize information via connected websites and apps, gaining better context for improved planning and delivering more personalized engagement. SaaS solutions will continue as popular options for taking on this task, replacing or enhancing legacy systems.

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## A Multi-faceted Problem

A myriad of pain points can potentially hinder a business person's efforts – many of which are particularly pronounced for sales professionals. Truthfully, members of sales teams spend most of their time on non-sales tasks. Instead, Emma Snider of HubSpot found that a full 61 percent of a sales professional's day is spent:

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professional's day is spent:

- ⊕ Reading and responding to emails;
- ⊕ Tracking down prospecting information and customer documents;
- ⊕ Sharing data and communicating with colleagues;
- ⊕ Preparing for and attending meetings;
- ⊕ Creating reports to management; and
- ⊕ Covering for others on the team.

Sales professionals are often forced to choose between such low-value chores and more high-value tasks, such as prospecting customers and closing deals. In the end, neither responsibility is really accomplished effectively, creating gaps in sales intelligence and decreasing a company's ROI on sales activities.

Using the previously established formula of **Value of Misused Time = (Cost of Salesperson – Percentage of Time Spent on Non-sales) / Hours in the Workday** (and remembering 61 percent of each day is spent on non-sales activities), a salesperson that costs a company \$100,000 annually (or around \$417 daily) ends up squandering \$254 every day. That's \$1270 each week down the drain.

Likewise, the formula **Value of a Salesperson = (Company Revenue/Number of Salespeople) - Percentage of Time Spent on Non-sales Tasks** show us that \$50 million in earnings divided across 50 sales professionals is supposed to equal \$1,000,000 in annual revenue (or about \$21,830 a week) per salesperson. However, subtracting the 61 percent of a salesperson's time spent not selling brings the actual value of their revenue building activities down to \$390,000 a year (or \$8,125 a week). Decreasing busy work by just 25 percent can increase the value of the same sales professional to \$487,500.

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Though it's far from the only disruption, data entry is one of the most significant drains on a salesperson's time, with studies showing that up to two hours of each day is spent manually performing data-entry tasks. Using numbers from the above example, time spent on data logging alone equates to roughly \$64 per salesperson per day. In an eight-hour workday, each of these lost hours is worth approximately \$32.



Sales leaders face additional issues. They are tasked with monitoring and motivating their team's performance, an undertaking that requires full transparency and unambiguous insight into prospect development and potential weak spots. These are some of the most important functions a team leader fulfills, but they're also some of the most time-consuming. What if a platform could automate much of this work? Sales managers would then have more time to do what they do best – lead and help their teams close more deals.

Just think ... if an entire sales team could save just an hour a day from these pain points, what would all that time be worth?

## An Opportunity to Recover Value and Capture Revenue

Sales managers can often be heard saying, "Imagine what we could do if we had one or two more people ... we could close X more business, grow our revenue by X amount, hunt X additional prospects and close X percent more." What if each salesperson found one extra hour a week to commit to sales activities? Using the formula:

$$\textit{Team Hours Saved Per Week} = [\textit{Hours Saved Per Week}] \times [\textit{Number of Team Members}]$$

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We find that 10 team members eliminating just one hour per day of data entry can save 50 hours each week. That's right – one extra hour each day is just as powerful as hiring another team member.

What if you could help sales teams circumvent low-value tasks? What if you could eliminate many of these pain points by automating data entry and streamlining administrative processes? CRMs are here to stay for the foreseeable future, and there is strong value in them. So instead of replacing a CRM, there is an opportunity to complement a CRM or offer a standalone solution in an effort to streamline the 61% of administrative tasks. And what if leaders and managers can monitor their team members' activities and easily identify opportunities that deserve their attention and bottlenecks that need their help?

A sales professional's activities, contacts, and opportunities if not documented dilutes the value of a CRM. So given the Emma Snider's observation, there is a significant opportunity to streamline a sales professionals' day, including:

- ⊕ Email;
- ⊕ Contacts;
- ⊕ Calendars;
- ⊕ Tasks;
- ⊕ Notes and other documents; and
- ⊕ CRM systems.



Another axiom familiar to businesses: garbage in, garbage out. Or in the case of sales, CRMs are only as good as the information they receive, and sales leaders can only help their employees where they know where and when. Enter the Sales Intelligence Platform.

Sales Intelligence Platforms should integrate the tools critical to sales organizations from leaders to

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their employees. Everything critical to a sales leader is available at his or her finger tips on web and mobile – everywhere. The platform should seamlessly integrate what was once silos into a holistic view of prospects, opportunities, and team members.

There wouldn't be duplicate manual data entry, either. Because the Sales Intelligence Platform would integrate the critical systems of sales, aspects of deals and interactions of relationships would not just be automatically documented and centralized, but it would all be categorized. Sales professionals could proactively prepare for meetings and quickly catch up on relationship details without searching. Sales leaders could instantly see which prospects are on the cusp of signing, but the deal needs a gentle nudge and guidance.

Bringing on new reps or preparing for growth would be as simple as sharing the holistic view of relationships through the Sales Intelligence Platform. Hand-offs and training would be simple. New professionals could review a deal's history through a single view, not through multiple file shares or forwarded emails.

It's apparent there is value in a Sales Intelligence Platform for sales leaders and their professionals beyond streamlining manual data entry with greater visibility to entire sales activities.

## Improving Your Bottom Line

Bringing back the opportunity of a sales professional's annual revenue goal of \$1,000,000 from earlier, instead of losing 61% of revenue due to administrative tasks, a sales professional could recover massive value with just an incremental recovery of time. That is, each per cent of time recovered for a sales professional has an intrinsic value of \$6,100. A 25% improvement recovers \$152,500 in annual value that was previously lost. That's no chump change!

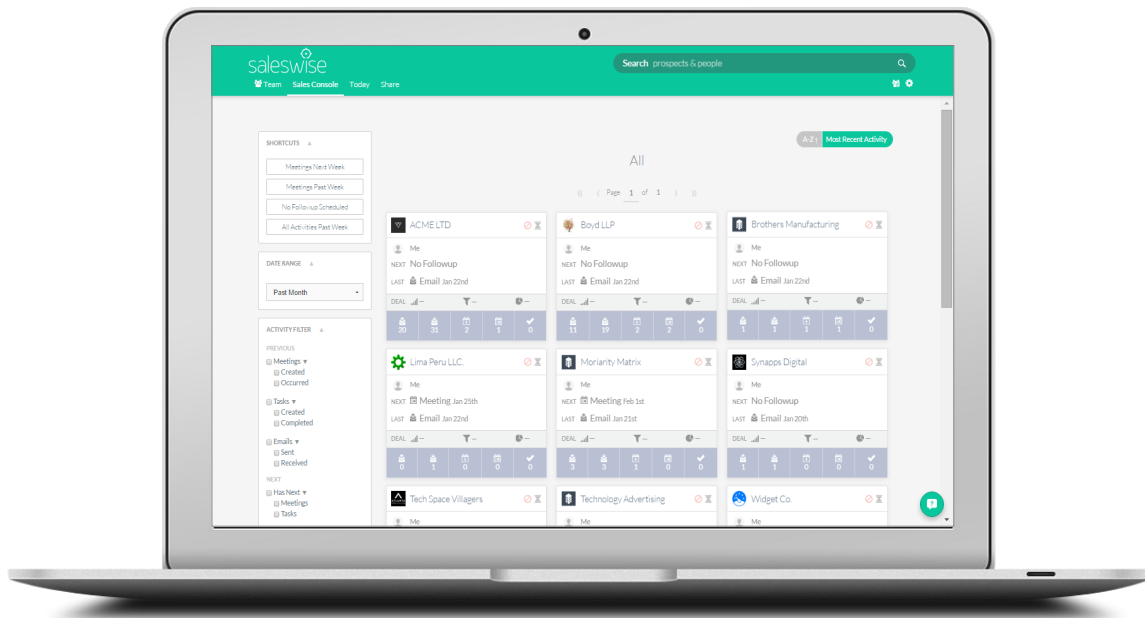
Too often, sales leaders are faced with "what ifs." What if their employees had just one more hour in the day? What if leaders knew who, when, and how to help their teams close more deals? What could the Team accomplish?

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## About SalesWise

SalesWise is a Sales Intelligence Platform enhancing efficacy of sales operations through comprehensive visibility and data portability for sales teams. SalesWise automatically integrates a sales professional's critical tools including email, calendar, tasks, documents, and CRM to reduce manual data entry. The integration of these components enable sales leaders the full end-to-end view of every deal, every relationship, and every prospect to lead their professionals effectively. Freedom to lead. Freedom to sell. Freedom to win.

Learn more and experience sales innovation in action at [SalesWise.com](https://SalesWise.com).



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