

Trend Reporting

A Powerful Under-Utilized Management Tool

An Effective Reporting Systems should provide for Accountability and Trend Analysis

A program/project/task tracking system should help focus management on the detailed steps that are necessary to complete each project.

A weekly trend analysis information system should cover most of the important operating data. Management at all levels is going to have to carefully control costs and promote growth. *This type of reporting tool will help spot trends early.* This type of system is also an effective way to have selected members of the management team become aware of the operating characteristics of the business and to highlight areas of accountability.

Some information is already tracked on weekly and monthly periods in most organizations. Four week reporting periods are often easier to use for comparisons. This is different than the standard monthly cycle but it offers some significant advantages. A trend analysis system is effective for various, consistent reporting periods...weekly, monthly, quarterly, annually. This structure permits quick analysis of current periods and also comparable periods. This information can be easily picked up from daily records. Trending will give you an ability to quickly see the progression that is taking place. By using the first working day of each week, everything that is trended can be put on a comparable basis.

As enough weeks are accumulated, the historical information should be trended on a four week (or monthly) basis. (4Wks/Ending) When you compare four-week periods to comparable periods, a better picture is developed.

ANYTHING OF IMPORTANCE SHOULD BE TRENDED!



Trending permits quick analysis of sales performance in dollars of sales, numbers of calls made, numbers of prospects moved up in cycle, etc. When information is trended for critical sales factors, and/or by sales person, customer type, or market segment, it is very useful for a sales manager.

There is no right or wrong final format as long as the elements and reporting have sufficient integrity and comparability. Each manager should develop her/his own short list of items to trend and then work with the

departmental staff to develop simple weekly reports that will focus on the critical items that relate to accountabilities/objectives.

By a quick comparison on a year-to-year basis or a period to period basis, progress or problems can be immediately identified. Every report should have the minimum information necessary to assess the target situation. If the period information is on track, the objectives will be reached as planned.

(If the 4-week periods are used, after everyone becomes familiar with the report format, the weeks of the 13 periods can be numbered. This is helpful when making year-to-year comparisons.)

One of the major benefits for management is that focusing on trend data indicates areas where changes are required. It should be recognized that the true corporate benefit will not be realized unless adjustments to plans, decisions and actions follow to correct any negative trends, and to take advantage of opportunities.

FINAL NOTE

Management should recognize that most companies are a long way from developing effective reporting. The struggle is well worth the difficulty if it provides the foundation for solid future growth. The key to growth is sales management, systems development, and a complete customer orientation at all levels. Even though the company's products/services may be infinitely superior, the customer and the company will not benefit without constant dedication to sales development and productivity improvements. Use of an effective reporting system will help management identify the required actions to assure that this progress occurs.