



Managing Sales – is this really an option?

Recently I had an intense discussion about KPIs in sales and marketing.

The question was: *“Who finally decides which drug is prescribed and / or dispensed?”*

New decision makers and decision making bodies have been established in **all countries** I have ever been to. The prescriber’s decision making role is widely gone! Getting the drug on a list is the new paradigm and a big threshold. Non-reimbursement in many countries equals “no sales”. Besides the reimbursement list many other drug lists have been set up and are enforced. Your drug is listed: fine; not listed = “no sales”.

There are plenty of lists around: regional lists, medical school’s list, essential drug lists, listed in national, regional or local tenders, hospital lists, healthcare scheme lists, etc.

Despite these market changes the field force is seen and hold responsible for **“revenue achieved”**. They get **bonus** and ever more important, their **reputation** is derived from “revenue achieved”.

REVENUE is a metric beyond the rep’s reach. No-one inside a providing company has his hands and can manage REVENUE. Revenue / Sales **happen outside** of your company!

The discussion ended with senior management’s **confession**: In the doctor’s office the **drug list makes the decision**, not (no longer) the doctor. In the pharmacy the drug list or pharmacist’s preference make the difference, not the doctor who prescribed. “Why then do you send reps to doctor’s **still and ever more asking them to sell** and then you pay bonus for something they do not even carry responsibility for?” Reply: **“This indeed is a good question!”**

Remember: What you measure gets done!

The title from an HBR-blog indicates the **billion dollar** risk:

Do Your Company’s Incentives Reward Bad Behavior?