

Developing Great Sales Managers

Four Key Sales Management Abilities



WHY SALES MANAGERS NEED MANAGEMENT TRAINING

How does a sales manager learn how to manage a sales team? Unlike traditional business disciplines such as finance, marketing, or general management, most business schools offer few, if any courses, on sales or sales management. Also, few companies offer comprehensive sales management training programs for their sales managers. This is counterintuitive because sales is the life blood of any business.

Yet the reality is that most sales managers learn how to manage through on-the-job experience. Often, sales managers are former sales professionals (often star performers) who get promoted into management with little or no training in managing sales teams.

Managing a sales team is probably the most challenging position in any company, requiring a unique set of skills. Sales managers are responsible for a range of diverse tasks, including recruiting and hiring new sales professionals, managing a sales pipeline, coaching, sales forecasting, and leadership and motivation. And in many organizations, sales managers are required to both sell and manage. Additionally, they face the challenge of managing sales professionals who are typically independent, strong-willed, and often have little day-to-day contact with their managers

Companies tend to assume that successful sales professionals will make successful sales managers. This is a flawed assumption. Think about professional sports where many great players ended up being mediocre coaches. Likewise, great sales professionals often have a hard time making the transition to management.

The key reason the transition from sales professional to sales manager can be challenging is that each role requires a different set of skills and knowledge:

Sales Rep	Sales Manager
Prospecting skills	Setting team goals, priorities
Questioning skills	Recruiting & selecting
Listening/Communication	Coaching
Managing objections	Sales performance management
Gaining commitment	Leadership & motivation
Time management (self)	Time management (team)
Product knowledge	Industry knowledge and trends

Unfortunately, most sales managers are not positioned to succeed because they lack the full complement of the managerial skills necessary to manage their sales teams. Key symptoms of this problem include the sales manager being overwhelmed by supervisory problems, spending too much time “putting out fires,” high team turnover rates, and poor performance.

BUSINESS IMPACT

Given the diverse range of skills required to manage sales teams effectively, it is imperative that sales organizations provide their sales managers with the requisite knowledge, skills, and tools to succeed. In a recent study we conducted with Selling Power, [Sales Management Research Report: 5 Hallmarks of High-Impact Sales Organizations](#), we found that high-impact sales organizations (defined as organizations where more than 75% of the sales reps achieve quota) are much more likely to invest in sales manager development than average (25% - 75% of reps achieve quota) and low performing (less than 25% of reps achieve quota) sales organizations.

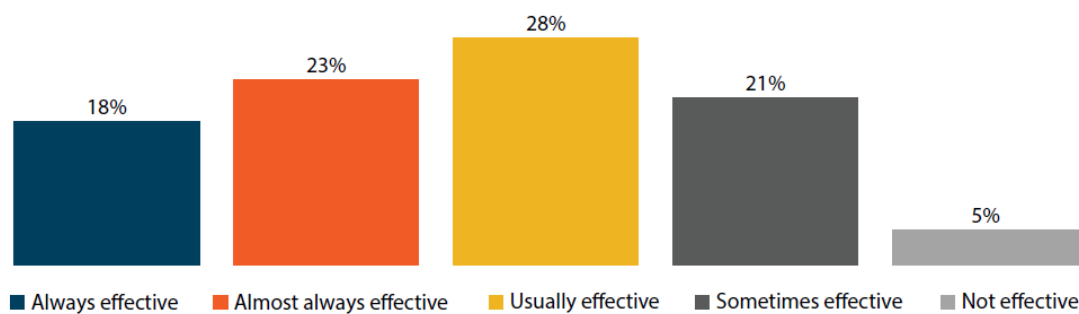
The report also revealed that top performing sales organizations have sales managers who are better at:

- Coaching
- Managing sales performance.
- Recruiting and hiring top performers
- Earning their teams' trust and respect.

While most sales organizations recognize the impact, their managers can have on their teams' performance, most sales managers are still left on their own to learn how to coach their teams. In fact, 45% of respondents reported that they do not have sufficient resources or budget for the development of their sales managers.

This is unfortunate since training sales managers offer such a high return on investment. A great sales manager can leverage his or her skills over the entire sales team to improve sales performance. As an example, sales managers at high impact organizations spend significantly more time coaching their team than managers with average or lower performing teams.

Figure 1.
Ratings of Sales Training Effectiveness



For these reasons, we believe that sales organizations should start their training initiatives by focusing on the sales managers.

FOUR KEY SALES MANAGEMENT ABILITIES

So where to start? The key long-term driver of success for a sales manager is his or her mastery of the following sales management abilities:

1. Building a sales team
2. Managing sales performance
3. Sales coaching
4. Sales leadership

1. BUILDING A SALES TEAM

High performing sales teams are built on the foundation of great salespeople. These are the ones who consistently meet and beat their quotas.

So, a successful sales manager must constantly be looking to recruit and hire talented sales professionals. The key skill in this process is the in-person job interview. Per the Harvard Business Review, approximately 90 percent of hiring decisions are based on the interview. Unfortunately, another study found that job interviews only give the employer a 14 percent accurate view of the candidate. Uncovering a candidate's intangibles during a relatively brief interview is incredibly challenging. This is particularly true with sales professionals who often do their best selling during the interview, not later on the job.

The best way of avoiding common sales manager interview pitfalls (e.g., asking leading questions, doing too much of the talking, hiring based on "gut" feeling not facts, etc.) is to master behavior-based interviewing. Behavior-based interviewing starts by translating specific sales competencies from the hiring profile into specific sales behaviors, which are then used as the basis for interview questions designed to uncover such behaviors.

To identify specific behaviors that impact performance, sales managers should examine the key traits that set apart their top performers from the rest of their team. These traits can include work ethic, motivation, resilience, and integrity.

An excellent way of uncovering specific behaviors during an interview is to use STAR questions. The STAR questioning system helps sales managers probe deeper in an interview to identify specific behaviors that great sales professionals possess. Specifically, STAR behavioral questions consist of the following types of questions:

Situation – Describe a situation where you accomplished something or used a specific behavior.

Task – Probe further by asking what the tasks were.

Action – What specific actions were involved?

Result – What was the result?

Using these types of questions, sales managers are able to systematically probe deeper into a candidate's background and determine whether he or she possesses the characteristics of an ideal sales professional by assessing a candidate's experience and behavior in previous situations.

The STAR process forces the candidate to be specific and detailed in answering behavioral-type questions. It is the opposite of asking leading questions such as, "We are looking for hard-charging, competitive sales reps, would you call yourself aggressive?" STAR questions force candidates to justify and prove their credentials.

2. MANAGING SALES PERFORMANCE

Managing a typical sales team of 7-10 salespeople is a daunting task. Just what exactly should a sales manager do on a day-to-day basis? The classic definition of management is to "achieve results through and with others." And this is the primary role of a sales manager. Unfortunately, many sales managers who were promoted from the field do not have the skills, knowledge, and tools to manage their teams.

The essence of day-to-day sales management consists of:

1. **Communicating performance expectations** so everyone knows what is expected of him or her and how success will be measured.
2. **Monitoring and managing job behaviors** so everyone knows what behaviors will lead to success.
3. **Monitoring job results** on a regular basis so that corrective actions and/or positive reinforcement happen promptly.
4. **Providing regular feedback** to assist with on-going professional development and sharing of best practices.

A key concept in sales management is understanding the distinction between behaviors and results. Results are the outcomes salespeople achieve; while behaviors are the observable actions salespeople use to achieve results. Results have already happened. They are "backward looking." Our experience is that sales managers focus too much on monitoring results, but not the behaviors that lead to the results. It is critical to monitor behaviors because positive and consistent behaviors lead to positive and consistent results. Monitoring behaviors can help the sales manager accurately forecast upswings and backslides in results so that the sales manager can take corrective action on a timely basis.

Sales managers also need the ability to systematically analyze the causes of inevitable gaps in performance among their teams. Sometimes the cause of a gap in performance is "internal" to the salesperson – e.g., lack of skill or knowledge, attitude, motivation, etc. While other times the cause is "external" to the salesperson – e.g., doesn't understand performance expectations, lack of feedback, etc. In either case, once they understand the root cause of such gaps, sales managers then need to be able to take the appropriate management actions such as coaching, counseling or communicating expectations.

A common concern we hear from sales managers is time management. Given the range of management actions that a sales manager must take, where should they start? While each salesperson deserves some time and attention, reality tells us that sales managers must know how to set priorities to maximize their efforts. We recommend that sales managers allocate their time and attention to individual salespeople on their teams based on the salesperson's (1) sales potential, (2) number of areas for improvement, (3) ability to improve, and (4) receptivity to improve.

3. SALES COACHING

Effective sales coaching can potentially increase top-line revenue by up to 20 percent. With such potential benefits, it is no wonder that many sales organizations recommend that their sales managers spend 25 - 45 percent of their time sales coaching.

Perhaps the most challenging aspect of sales coaching for sales managers is conducting the coaching conference after the manager has observed the sales professional on a sales call. During the coaching conference, the sales manager must act as a teacher and help his or her sales professional learn or improve specific selling skills. That, however, can be exceedingly challenging for sales managers. Remember, many sales managers were formerly successful sales professionals before being promoted to sales management. For them, selling came naturally, and they often cannot understand why one of their team members isn't "getting it."

Fortunately, sales coaching is a skill that can be learned, practiced, and perfected. For example, the coaching conference should follow a structured four-step process.

- 1. Reinforce positive behavior**
- 2. Lead sales professional in self-discovery**
- 3. Provide an opportunity to practice**
- 4. Gain commitment to use new methods**

One of the critical elements in the coaching session is to start by using positive reinforcement to strengthen a skill that the sales professional did well. Many managers make the mistake of only focusing on poorly performed skills.

Next, the sales manager should lead the sales professional in a process of self-discovery. This subtle process begins by having the sales professional analyze the call. In many cases, the sales professionals will be far more critical of his or her own performance than the sales manager. Also, a sales professional is likely to take action to solve a problem that he or she uncovered on his or her own. Sometimes the sales professional's self-analysis misses the mark, and in those cases, the sales manager should use leading questions to help the sales professional "discover" his or her strengths and weaknesses. For example, a manager could ask, "Do you remember the customer's reaction when you stalled before answering her question?"

If at this point the sales professional is unable or unwilling to recognize a skill issue, the sales manager should make suggestions to the sales professional about how he or she can improve. Then they should ask for feedback to make sure the sales professional understands the suggestions and provides an immediate opportunity for practice including conducting role plays and/or mock sales calls. And finally, the sales manager needs to obtain the sales professional's commitment to using the new methods.

4. SALES LEADERSHIP

Sales managers who are also dynamic sales leaders can positively influence the actions and attitudes of the sales team to achieve or surpass their goals. These positive changes in performance and results are the bottom line, tangible benefits of great sales leadership.

Sales leadership is a powerful skill and enables a sales manager to achieve outstanding results. Great sales leaders know how to motivate and influence others to reach their full potential. Sales leadership skills are generally more proactive than traditional sales management.

Sales Management	Sales Leadership
Implements directions from above; is generally in reactive mode.	Generates new ideas and directions; is generally in pro-active mode.
Directs salespeople and enlists their cooperation.	Motivates and inspires people to achieve goals.
Focuses on short-term day-to-day results.	Focuses on a long-term vision.
Helps salespeople cope with change.	Helps salespeople initiate change.
Improves the salesperson's skills.	Improves salesperson's attitudes and motivations.

While sales leadership has many different dimensions, a sales manager must excel at the following:

- ▶ **Sales Vision.** The ability to communicate and implement a sales vision provides focus and direction to the sales team. It helps prioritize activities, energizes the team, and improves performance.
- ▶ **Decision Making.** Making decisions isn't always easy, but sales leaders need to weigh options carefully to make a high percentage of right decisions. It's the best way to build confidence, respect, and trust.
- ▶ **Influence.** The ability to persuade, motivate and drive the sales team. Influence builds the sales team's commitment to accomplish the sales manager's sales vision.

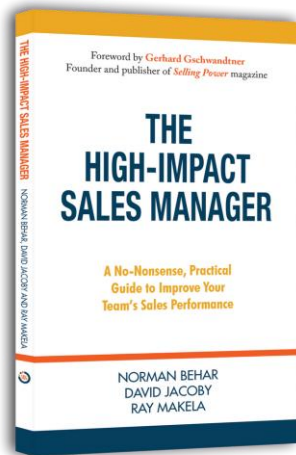
-
- ▶ **Personal Abilities.** The final force in sales leadership, Personal Abilities, includes attributes that are often difficult to measure and define, such as pride, fairness, and enthusiasm, along with tangible attributes like management skills.

DEVELOPING GREAT SALES MANAGERS

The effective sales leader must learn to excel in these abilities to have their sales team consistently perform at a high level. These four abilities or forces work in concert—even overlap at times—to shape the sales team’s perception of their manager’s leadership and to achieve peak sales performance and results.

- ▶ Building a Sales Team
- ▶ Managing Sales Performance
- ▶ Sales Coaching
- ▶ Sales Leadership

The four sales management abilities described in this white paper form the foundation of Sales Readiness Group’s (SRG) Comprehensive Sales Management development program. To learn how your sales managers can improve the effectiveness of your sales team, please contact SRG at 1-800-490-0715.



You may also be interested in our new book:

The High-Impact Sales Manager: A No Non-Sense Practical Guide to Improve Your Sales Team’s Performance.

To learn more visit:

HighImpactSalesManager.com

NORMAN BEHAR –MANAGING DIRECTOR

Norman Behar is a proven sales leader with over 25 years of CEO and senior sales management experience. He is recognized as a thought leader in the sales training industry and has worked with clients in a wide range of industries including financial services, healthcare, technology, manufacturing, and distribution. Norman’s whitepapers and blog posts are frequently featured in leading sales enablement publications. Previously, Norman served as President and CEO of Catapult, Inc., a leading provider of personal computer training services, where he oversaw the Company's operations and managed its growth and expansion into more than 20 major markets across the United States. Under Norman's leadership, revenues increased significantly, and the company was sold to IBM. Norman received his B.A. from the University of Washington, where he graduated Summa Cum Laude.

DAVID JACOBY – MANAGING DIRECTOR

David Jacoby has extensive experience developing and implementing innovative sales training and sales leadership development solutions for clients. Previously, David was a Principal at Linear Partners, a sales consulting firm focused on providing sales effectiveness and development solutions to emerging growth companies. In the past, David has served as Vice President of Business Affairs of Xylo, Inc., where he was responsible for the Company's business development, sales operations, legal affairs and financing activities. David received his J.D. from the Columbia University School of Law, where he was a Harlan Fiske Stone Scholar, and received his B.A. from the University of Washington, where he graduated Summa Cum Laude.

About Sales Readiness Group

Sales Readiness Group (SRG) is an industry leading sales training company. Our mission is to help improve the performance of sales teams by providing customized, skills-based training programs that produce sustainable behavior change. Our solutions include comprehensive sales training, sales coaching, and sales management programs.

Sales Readiness Group, Inc.

Toll Free: 1-800-490-0715

info@salesreadinessgroup.com

www.SalesReadinessGroup.com