

# Changing the Game:

*When you take a look at the information in the “Why” section of this document, you quickly recognize the opportunity. In many situations, sales management is under-skilled, under-developed and under-utilized. But that does not negate the fact that, if salespeople are under-performing or failing, it is a reflection on sales management! Together, we can change the game for your sales organizations by partnering to implement a Sales Managed Environment®.*

*“Tony, just a quick note to provide you an update on our progress since we started working with you this past year. The training group is currently on track to have a 20% improvement year over year while the control group is on track for very good improvement but at 13%. It is clear that the instruction, the accountability to new standards, the reporting of sales activity and the online learning are contributing to our success. We are currently in discussions internally on how to continue into next year with the current group and expand into others.”*



# Sales Management

*The Link Between  
Sales Strategy and  
Generating  
Sales Growth*

By Tony Cole

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*Introduction: Sales management is an oft used and misdefined role in an organization. Regardless if you are a company of 1 or a company of 1001, someone somewhere is responsible for executing the sales strategy – the revenue generation strategy – of the company.*

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# Introduction:

*“I think the most important aspect of this idea Tony is accountability. If we don’t get better at setting the right standards and then hold people accountable to the commitments they make, then the other behaviors just won’t matter.”*

*Tom O’Neil, Former COO, USI Insurance*

*The Sales Managed Environment® program was built between August and December of 1999. Since that time we have continued to refine, add, and improve the content, direction and delivery of this program in a variety of industries from Portland, Maine, to Portland, Oregon. It is now time to formalize the process and ‘certify’ those that complete this field of study.*

Whether yours is a company of one or a company of many and regardless of the environment or structure, we know this:

*“Every company is perfectly designed for its results.”*

It is important to consider this statement as it applies to your organization. It is fundamental to everything regarding sales and sales management. My last Google search for ‘sales management structure’ elicited over 30 million hits. I stopped looking after page 2.

There is enough information on two pages of hits to choke any president, CEO or sales executive.

*‘The production of the sales team is a reflection of how they are coached and managed.’ Bill Eckstrom*

Between the in-the-field experienced self-proclaimed experts and the theorist of sales and sales management at the Harvard Business Review, it is hard to determine what is exactly the right way to manage both the sales process and the systems and people responsible for generating revenue.

Regardless of the theory or strategy you adopt, there is still one extremely important contributing factor – the WHO.

# Introduction



Take a leap of faith as I describe what sales management roles are tied to a solid Sales Managed Environment®. You might find that you can add to the list but these 5 major skills and activities must take place:

1. *Coaching*
2. *Recruiting*
3. *Performance Management*
4. *Motivating*
5. *Sales Systems and Processes*

*Be efficient with things, be effective with people.*

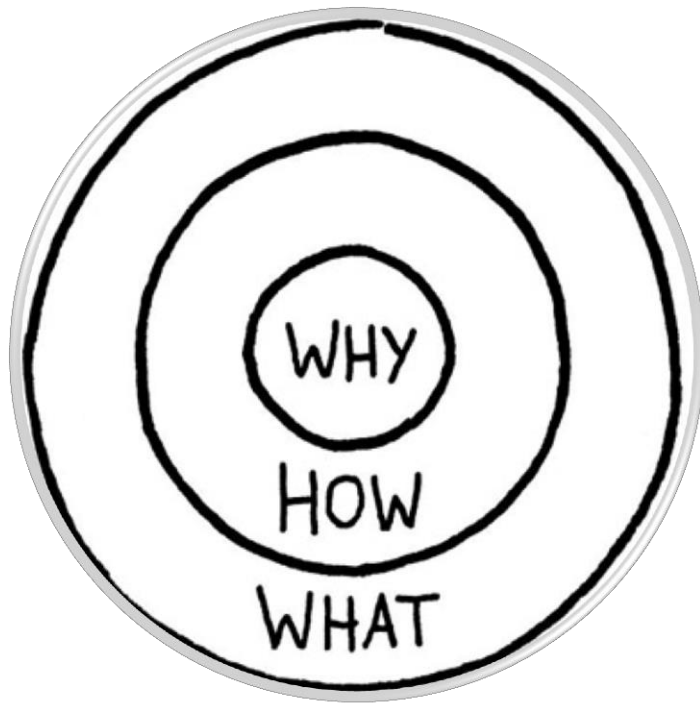
What I will attempt to do over the next several pages is this:

Explain why professional sales management is needed to drive sales results.

Describe how a company could go about building a Sales Managed Environment® and then find the qualified individual to run the operation. Or to better qualify the person already in the role of managing sales and revenue growth.

What can happen/what has happened when an organization decides to formally structure the process and, in addition to formal structure, either develops the person to run process or hires the right person.

# WHY



*"People will buy the why before they will buy the how or what." Simon Sinek*

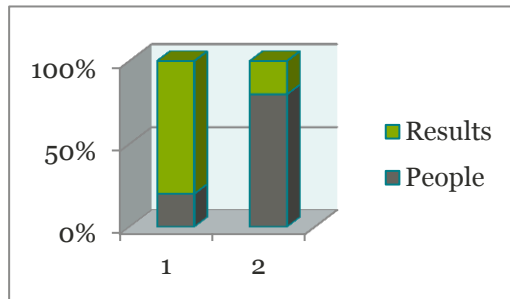
## WHY DOES WHY MATTER?

*Simon O. Sinek is an author best known for popularizing the concepts of "The Golden Circle" and "Start With Why". He joined the RAND Corporation in 2010 as an adjunct staff member, where he advises on matters of military innovation and planning. His first TED Talk on "How Great Leaders Inspire Action" is the 3rd most viewed video on TED.com.*

*Regardless of what you think, if someone is the 3<sup>rd</sup> most viewed video on TED.com, then a lot of people are listening to the message – Start with Why.*



# WHY – CURRENT SALES PEOPLE FAIL TO PRODUCE AS EXPECTED



*They look like sales people.  
They act like sales people.  
But, wait - they aren't  
getting done what my real  
sales people get done.*

Several years ago, I was meeting with an organization to discuss the state of the union of their sales force and sales culture. As part of the discussion, I asked three questions: *As a percentage of your total sales force, how many are...*

- 1) Knocking the cover off the ball – exceeding goal by at least 10%?*
- 2) At goal or close to goal?*
- 3) Failing to hit their goal – below 90% of expected results?*

(This question referred to all sales people regardless of line of business or tenure with the company.)

About 3% were knocking the cover off of the ball. About another 5% were somewhere *close* to goal. Another 7% were at least above 90% but not in the other category.

*“Not only are they not hitting their goal, Tony, but we still pay some of these people incentive/bonus compensation!”*

That left us with a whopping 85% of the organization that was below 90% of their goal. Regardless of how a company can and will sugar coat the category of the 85%, the reality is that they are FAILING.

Forget the 80/20 Rule. At best, one might make it a 35/65 ratio in an organization. The Pareto Principle, just like gravity, cannot be denied.

The fact is that salespeople failing is a reflection on the environment and sales management!

# WHY – THE COST OF BAD HIRES (GHOSTS)

*“Tony, it’s a 2 comma problem.”*

*“I don’t know exactly but, over the last 3 years, hiring people that haven’t worked out, are gone or are still underperforming has cost us millions of dollars”*

*“Jim, I looked at your production numbers. 36 of your 125 sales group is responsible for over 90% of your revenue. What’s everyone else doing?”*

Most B2B businesses hire people. If the company is over \$2 million in revenue – they probably have a sales person or two. Though the sales manager is responsible for developing, coaching and training the people on their team, they are also responsible for *building* the team. They cannot, nor should they be allowed to, transfer the responsibility to a recruiting team or HR. Though people in those roles play an important part in recruiting, they don’t have any dogs in the hunt. In other words, they really don’t have a stake in the game if someone doesn’t work out. They just go about finding more of the same. According to Brad Smart of *Topgrading*, 75% of the people hired to replace someone that has just been exited have the same or worse skill sets and potential as the person they are replacing. The sales manager/management processes cannot transfer the responsibility!

*“The job of sales management is to put the best possible team into the market place.”*

No doubt about it, hiring people that do not perform as expected costs money. Beyond that, it costs morale, opportunities, time and resources.



**[Link: 10 Statistics on Bad Hires \(Ghosts\)](#)**



# WHY – STRATEGY ALIGNMENT - WHAT THE RESEARCH SHOWS

*Management Strategies – From the OMG Sales Effectiveness and Impact Analysis Report: “When the entire sales leadership team is aligned on strategy, whether that team is two people or two hundred, the odds of the strategies being communicated to and executed by the sales team are much greater.”*

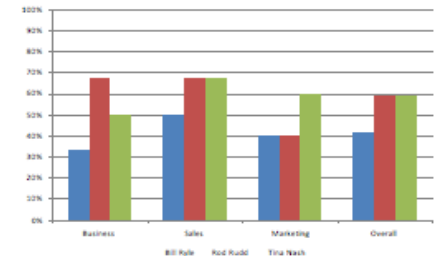
- The strategy to make profit: the manager manages the team to gain market share.
- You have a high priced, custom engineered product: the manager has success in a commodities business.
- The environment is to develop people to succeed: the manager believes to cut losses early
- The role requires the manager to spend at least 75% of their time coaching, recruiting, mentoring and holding the sales team accountable to behaviors, skills and results: The manager spends time in operations.

The findings show that there is often a serious disconnect between what leadership has determined as priorities and strategies and what management is managing to.

*In addition to alignment, understanding the role is critical. If the manager does not understand that the role requires intense coaching – up to 25% of their time – then all the skills in the world at coaching and motivating will not make a difference.*

**53%**

Sales Manager	Business	Sales	Marketing	Overall
Bill Ryle	33%	50%	40%	41%
Rod Rudd	67%	67%	40%	59%
Tina Nash	50%	61%	60%	59%



*If the manager isn't in alignment, the sales team won't be in alignment.*

*If the sales team isn't in alignment, objectives won't be met.*

# WHY – BEHAVIORS AND SKILLS - WHAT THE RESEARCH SHOWS

The completed assessments and findings of thousands of sales organizations worldwide serve as research and basis for our premise. We have studied, with our partners from Objective Management Group, the findings from the assessments and it is abundantly clear that there is a significant deficit in the area of effective sales management.

The role is a combination of implementing the right systems and processes to 'run' the sales organization, the execution of behaviors - 'sales management behaviors' and the skills required to execute the processes and behaviors effectively and efficiently.

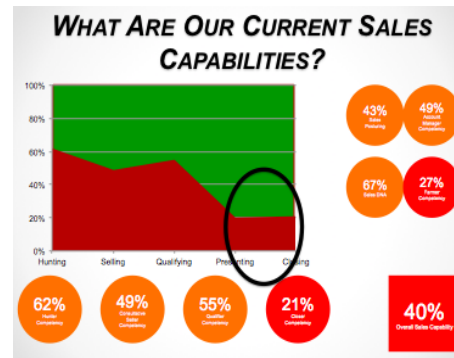
The charts to the right represent a small piece of the findings pie. As a guide: **RED** – is **NOT** GOOD.

The right systems do not exist

The pipeline funnel is opposite of what it should be

The sales team lacks closing skills

Coaching, recruiting and mentoring is ineffective



# WHY – WHAT SKILLS DO AND DO NOT MATTER

## *WHAT MAKES A GREAT SALES MANAGER?*

In the 22 years I've been researching, coaching, and teaching sales management and building sales organizations, not once have I seen that expertise (versus experience) in a specific field or industry was critical to the effective execution and performance in the role of sales manager. The fact is that, in many cases, expertise in the field is actually a *hindrance*. The person in that role has a tendency to spend too much time focusing on the technical end of the business and sales rather than the execution of behaviors and skills that matter most in selling.

### *FROM JOB-INTERVIEW-SITE.COM*

Manager Skills: List of Skills, Qualities, Strengths and Competencies – Sales Manager:

Sound expertise in sales - Excellent written and verbal communication skills - Good communicator - Strong Presentation skills - Persuasiveness – Know-how to demonstrate, promote and sell - Goal-oriented - Strong networking skills - Negotiating skills - Good Judgment - Decision making

### *FROM OBJECTIVE MANAGEMENT GROUP*

Sales Manager hidden skill sets, strengths and tendencies – Sales Management:

Coaching - Pipeline management - Performance management – Mentoring – Motivating - Asking questions - No need for approval - Rejection prove - Strong effective sales processes - Supportive beliefs – Recruiting - Allows failure - Self managed - Figure out factor - Goals, goal plan, accomplishes goals

# WHY – PROMOTING YOUR BEST SALES PERSON - MISTAKE

*Harvard Business Review: Managers are coaches, not players; they get satisfaction from achieving objectives through others. When a salesperson gets promoted to manager, it's no longer about "me" – its about "the team." Managers help people grow by walking around with a watering can in one hand and a bag of fertilizer in the other.*

## *Problems:*

- Can't let go of role
- Manages by results only
- Avoids administrative responsibilities
- Sales people stop learning , growing

## *Inc. Magazine 5 Problems:*

- Roles are different
- Competencies are different
- Instincts are different
- Urge to sell supersedes coaching
- Lose revenue from your best sales person

**Lee Salz:** *In sales management, the move from sales to sales management isn't really an elevation – it's a completely different job. Unlike some other business functions, being a salesperson doesn't prepare you to manage.*

**Jeffrey Gitomer on promoting your best sales person to manager:** *This is a great idea if you want to gain a bad manager and lose your best sales person. It's the most difficult jump in business for two basic reasons: 1) Companies don't train managers before allowing them to take the position. 2) The company doesn't replace the loss.*

# How

+ *Test* + *Train* + *Explore* + *Teach* + *Coach*

+ *Track*



# HOW - TEST

*So, I'd been playing tennis for a year and decided that I wanted to get better. That's always the first decision – I want to get better. I asked one of my tennis partners about what I should do to get better. Every one of them said, "Take a lesson from a pro." So, I called the club and scheduled a meeting with a pro. I showed up at my appointed time ready to learn. The pro stood on the other side of the net feeding me various types of balls to hit. After 30 minutes, he said, "Great, I've seen enough. I'll see you tomorrow at the same time."*

Getting better at something is like wanting to get to heaven. Everyone wants to get there, but no one really wants to die. Okay, not exactly the same, but the point is people want to get better, but only a few, very few, want to do what it takes to get better,

One of the requirements of getting better is finding out who you are, what you are, what you have a tendency to do and how effective you are at what you do. The tennis pro couldn't help the tennis player until they had a chance to evaluate the "current" state. Then and only then can the pro begin to help the player.

The Sales Management Certification process starts with testing. We will uncover the skills, strengths, weaknesses, tendencies and areas of effectiveness so that the participant along with Anthony Cole Training Group can map a develop program to maximize the investment in training, coaching and developing.

Name	Desire	Commitment	Outlook	Sales DNA	Weaknesses	Total Growth Potential	Skills	Effectiveness	Time
	✓	✗	✓	58%	4	54	36%	65%	42%
	✓	✓	✗	86%	1	102	57%	64%	71%
	✓	✓	✓	64%	4	163	73%	63%	85%
Bill Byle	✓	✓	✓	84%	4	103	13%	83%	82%
Bob Budd	✓	✓	✗	80%	1	105	21%	84%	11%



# HOW – THE RIGHT TOOLS FOR THE RIGHT JOB

*The right tools for any job are essential. I don't do plumbing because I don't have the tools or the expertise. Sales managers certified through this program will have the know-how and the tools to succeed.*



Next year's team will be better than this year's team because you learn how to upgrade not just replace



*Sales Managed Environment®*



There is coaching and then there is coaching for success to change behaviors and improve skills



Recruiting someone to warm a seat is not the same as STAR – You will learn to recruit “A” players



When the standard is – “you have to do this to keep your job,” then that is what you get! Setting higher standards for success and accountability are the keys!



Motivation is an inside-out job. Certified managers will use motivation that WORKS

# HOW – EXPLORE SALES AND SALES MANAGEMENT RESOURCES



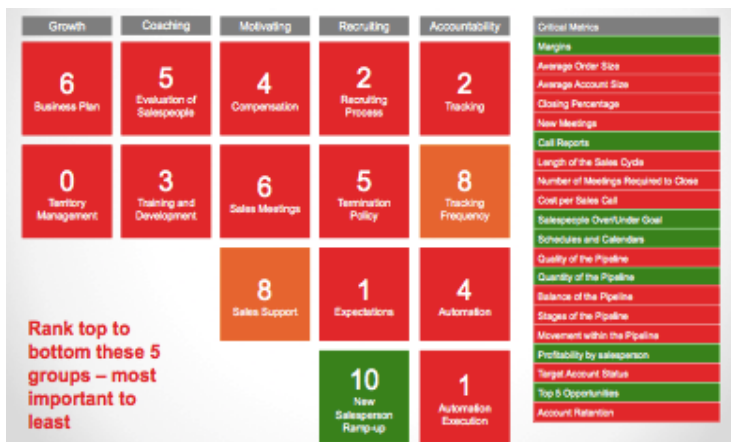
## *Problem*

Every area in red or orange below represents a sales system or process that is either missing or ineffective. Tools, systems and process should be designed and implemented to enable more efficient and effective intentional coaching and performance management.

## *Solution*

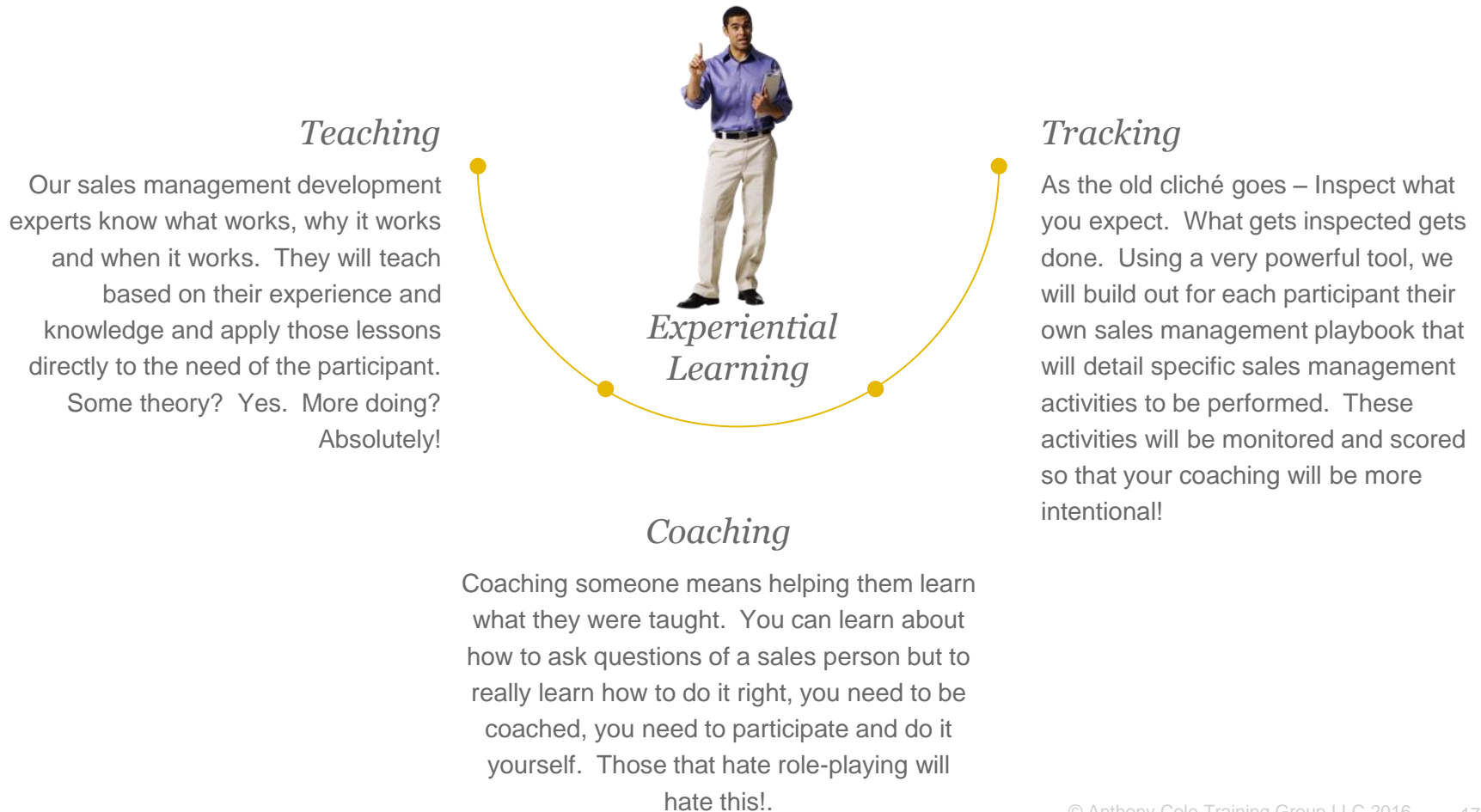
Participants will be introduced to and learn about various systems and processes specifically designed to address sales process choke points and problem areas:

- Not getting enough “at bats”
- Not converting appointments to opportunities
- Losing winnable opportunities
- Not executing to the individual business plan
- Not closing enough business within an appropriate time frame while protecting margin (pipeline management)
- Current CRM system not impacting sales growth or productivity



# HOW – TEACHING, COACHING, TRACKING

*Teaching – participants will be taught what they need to know and do. Coaching – all participants will improve skills to execute what they've been taught. Tracking – we will make sure that they learn what they need to learn and the critical functions, behaviors, systems and processes are executed.*



So  
What  
Can I  
Expect?



“

Tony,

*We've spent literally millions of dollars on sales training. When it was all said and done, there isn't anything that we can point to that tells us what the ROI is/was or if, in fact, this really made a difference. We are certain that it really didn't make a difference in our culture. We certainly don't believe that it was sticky enough - it's practically gone today except for one of the systems we put in place for retail. No, what we need is a culture shift, what we need is a process that builds a framework so that any sales training we do has a chance of sticking, working and becoming part of what we are and what we do. We need your Sales Managed Environment® Program.*

”

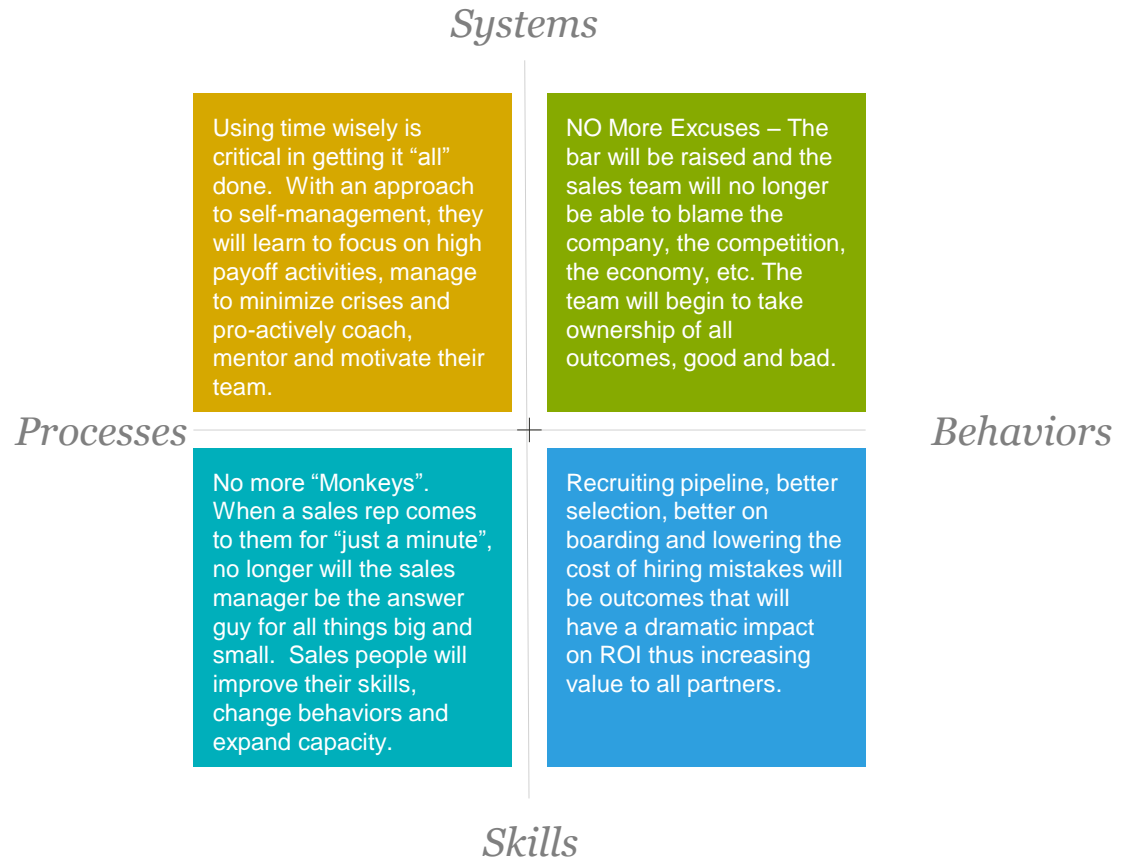
# WHAT – IMPROVED PRACTICE MANAGEMENT

Ultimately, the question to be answered is this: *“What can I expect to happen, what will the outcomes be, what will really change?”*

## Answers

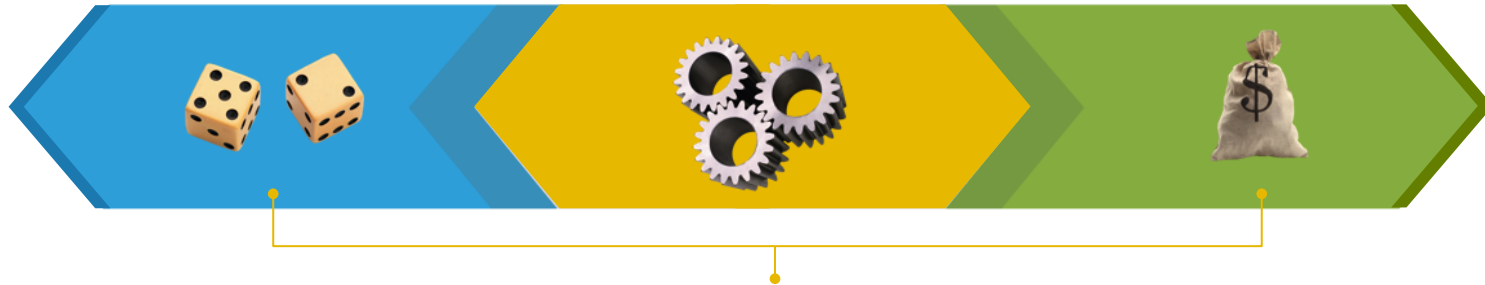
**1. “It depends” is a bad answer but...** If the participant fully participates instead of just attending classes and checking items off of the list, then you can expect a great deal. As a matter of fact, you will be involved in the process of identifying key metrics to determine success and establishing standards to be met!

**2. You can expect... change?** Good outcomes or bad outcomes never happen instantly. Either hitting the bottom or reaching the top is gradual at first and then BOOM, there you are. You should first expect denial, then resistance, then change and then results. A great deal will depend on the appetite of all involved.\*



*\*Note; If the participant is working with a sales team that is weak, unwilling to change or severely lacking in skills, then replacing the underperformers will be the first order of business and replacing them with the right people.*

# WHAT – FROM THIS TO THAT



*trans·for·ma·tion , tran(t)sfər'māSH(ə)n/*

*noun: a thorough or dramatic change in form or appearance. (dictionary.com)*

The transformation of an organization starts with leadership deciding that something has to change and then leading from the front. The sales leader (post certification) will be in a position to lead that change.

From	Characteristics of Change	To
Lack of consistent sales process	Risk	Scalable predictable sales process
Little predictability in forecasting	Failure	Closing more business, more quickly
Hiring mistakes	Success	94% predictability for sales success
Lack of accountability	Discomfort	Complete ownership of outcomes
Mediocrity in the core group	Growth	Higher levels of performance by all
Wrong behaviors, Lack of needed skills	Ability to change again	Consistent activity leading to results



# THE PROGRAM

*Instructional design is the practice of creating "instructional experiences which make the acquisition of knowledge and skill more efficient, effective, and appealing." Tested theories of learning are used and may take place in student-only, teacher-led or community-based settings. The outcome of this instruction may be directly observable and scientifically*

*measured or completely hidden and assumed. There are many instructional design models but many are based on the ADDIE model with the five phases: analysis, design, development, implementation, and evaluation. .*



## CONTENT

*We know, based on client input, that it's good, very good. We know based on client results, it works.*



## APPROACH

*The Sales Managed Environment® Program is proven to be practical, executable and "game changing".*



## PEOPLE

*Our people are Salespeople, Coaches, Teachers, and Managers. That makes a difference!*

# PROGRAM – THE CONTENT

*The Essence of the Sales Managed Environment® Program* – The structure for any effective sales group in any organization must consist of these components:

## *Coaching*

In reality it will be teaching and coaching. In many instances those who have ended up in sales management have not had the formal training, education or instruction to be an effective coach. Based on our assessments, less than 5% of all sales managers have the required skills to execute the required behaviors. We must first teach them ‘what’ and then coach them ‘how.’

## *Accountability*

We call this the 14-letter dirty word. Everyone knows about it, people talk about it but just try and get a company to execute a “no excuse” environment. Try to get them to really be accountable to their commitments. Try to get a company to demand – without exception – data collection and you begin to find out why companies settle for mediocrity from the sales team.

## *Motivation*

Telling a sales professional that they have to increase their goal by 10% to help the company meet its goals for shareholder value is like telling a child not to put their hand in the cookie jar. It just doesn’t work.

Motivation is an inside out job and the goal of a Sales Managed Environment® is to create an opportunity for people to explore and document what really motivates THEM!

## *Recruiting*

Getting the right people on the bus goes a long way to getting the bus to where it needs to go, when it needs to go and getting it there on time and on budget. Many sales managers have inherited their team. Some have built their own. Regardless of the circumstance, when a manager looks at those who are not performing as expected, they will be asked to answer the question: “*Did you hire them this way or make them this way?*”

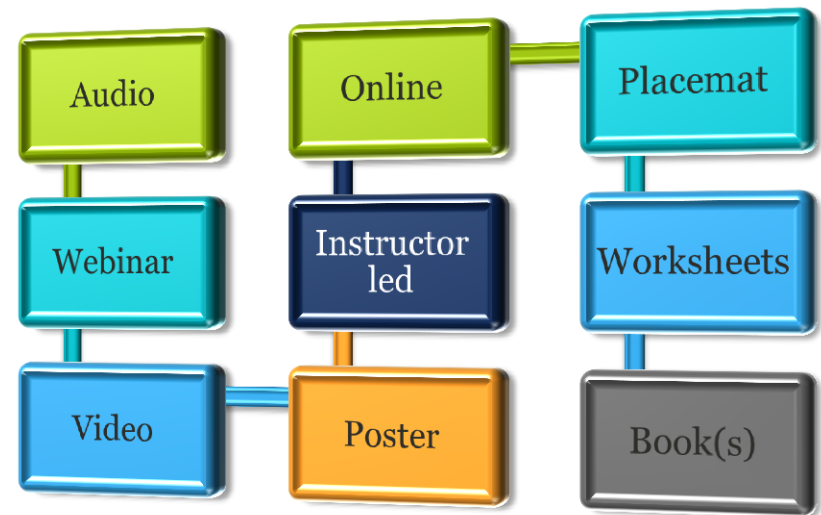
## *Upgrading*

Speaking of those who have been inherited and those who are not performing as expected, it is critical to realize that in spite of Jack Welch’s approach to the bottom 10% - you will always have a bottom 10%. The key is to learn and know how to identify the reasons why people are in the quintile they are in AND then implement training, systems and processes to make sure that next year’s bottom quintile is better than this years!

# PROGRAM – DELIVERY METHODS

## *Approach Overview*

Distance learning is nothing new. Audio capabilities and new digital technology have expanded distance learning approaches and now make it possible to deliver and receive information anytime, anywhere. Your people will have the opportunities to learn what they want/need to learn, when and where they want to learn. Obviously, nothing replaces face-to-face instructor-led training for the development of soft skills. However, by providing other options, ILT can be utilized to maximize skill development.



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