

E-BOOK



IMPLEMENTING A MORE SUCCESSFUL SALES PERFORMANCE MANAGEMENT PROCESS

INTRODUCTION



When sales organisations want to truly modernize their sales process, they need to be looking towards employee engagement and how to harness performance management. If we think about the sales process as a cycle, rather than as the traditional linear chain of activities, we can see how sales staff can actually be perpetually improving over time to create continual organisational growth.

Sales performance management is a broad concept that takes on many different shapes. But if we look closely, it's actually certain principles that lead us to a universal process that we all know to be true. This e-book will guide you "back home" to the foundational activities that will transform your sales organisation. By focusing on each step of the sales process, and how crucial employee motivation and communication are, we can then implement a methodology that encourages better performance and more efficient and effective sales.

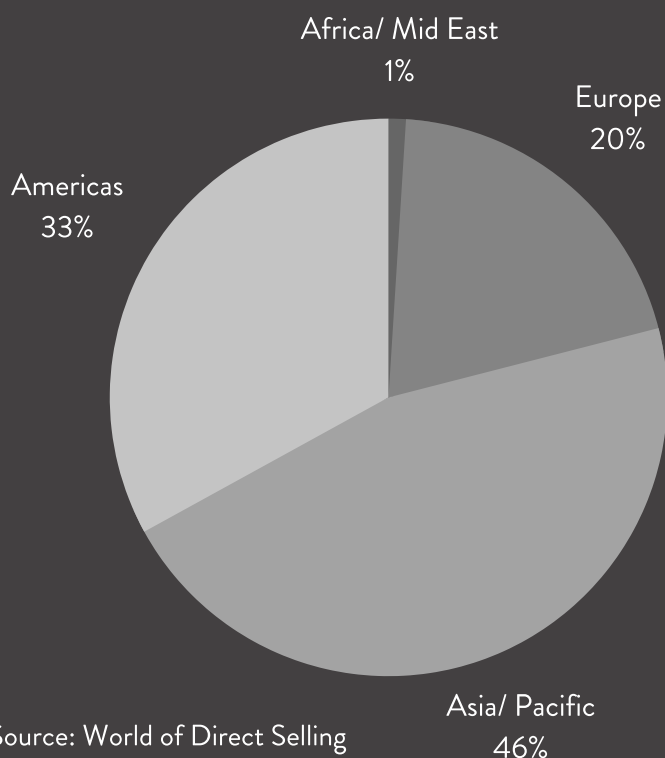
The Goalplan Sales Performance Management Cycle



Sales industry

BY THE NUMBERS

Global share of direct sales volume by region



**\$189.6
BILLION**

direct sales volume 2017

**\$2.304
TRILLION**

B2C e-commerce and
retail volume 2017

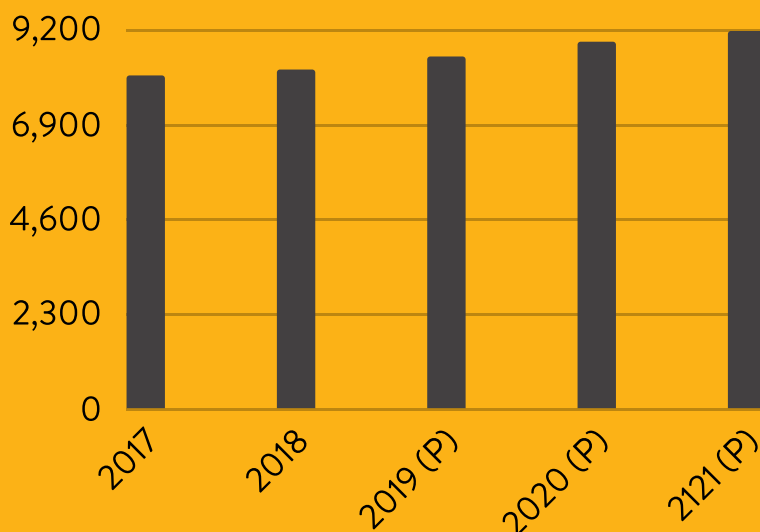
The sales industry has been steadily increasing year over year in all sectors. Thanks to many strong economies globally, and growing middle classes gaining purchasing power such as in China, retail volume is at an alltime high. The Americas saw negative sales volume growth between 2016 and 2017, but all other markets are still growing rapidly, such as Europe which had a 3.5% growth rate in the same period.

B2B sales have also been growing steadily, with e-commerce beginning to make up over 11% of the total sales volume across B2B industries in the US alone. Revenue brought in annually by B2B companies is increasing, and is projected to top 9.2 trillion USD by 2021 thanks to more companies adopting SaaS platforms, and outsourcing software products and services for tasks such as administration, sales and project management. Enterprise sales, therefore, result in increased average customer spend, and greater customer lifetime values.

Source: Forrester

B2B Sales volume in US alone (trillions USD)

P = Projected



Step 1:

THE BUDGET PROCESS

For any sales organisation to be successful in understanding performance, goals must be set first. Without creating a target budget for your team and the individual sales representatives within that team, you will be unable to accurately track and measure performance. This is crucial for achievement in sales. Because targets ensure that the business is growing, and individual sales employees are pulling their weight, the budget process is a first step in your overall sales process that can't be missed or taken lightly.

Implementing the budget process

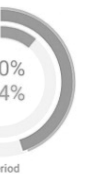
Currently, many sales teams are still using spreadsheets and manual reporting for tracking budgets and sales goals. Or, if you are using a tool to track performance, it can be difficult to actually set and measure KPIs on both the team level and the individual level. So how can you implement a better budget process?

To start the budget process, you're going to want to take historical data on sales and performance. How can you know how you're improving if you have nothing to measure against? If you haven't yet started tracking historical data, do it now. Then next month, you'll have some sort of indication of what you can be aiming for and tweak the targets over time.

Implement a system for staff to set individual budget goals and combine them for team targets. Allocate the monthly budget by dispersing it between your sales team, and having them accept or reject their target. Through this process you can then get a feel for which team members are falling behind, which are biting off more than they can chew, and which need a little help in getting up to speed. With a transparent goal setting process done in this way, you can ensure that everyone knows what they are contributing, and what is expected of them. This means no surprises, and less coming up short at the end of the month.

Why it's important to get everyone on your sales team on board

Keeping track of individual performance is important to understand how each of your sales reps are contributing to the bottom line, and if there is room for improvement in order to your team relatively on the same level. Having your team set their budgets individually also ensures that you are enforcing personal accountability and that everyone understands what is expected of them. It's critically important in the Goalplan sales performance management process that employees have autonomy and their own say about proposed budgets.



ions Insights



20-25%

improvement in work performance
from teams who set goals over those
who don't

Source: CMOE

57%

of salespeople missed their quotas
last year, indicating a need to be
more creative in the sales process,
and accurate when setting and
following up on goals

Source: Forbes

THE BUDGET PROCESS CONTINUED

Especially in large corporate sales offices, and with distributed teams, it can feel like staff have the ability to hide. It can be months before a problem is discovered, or a sales rep who needs additional help or training is found. When you implement individual budget and goal setting, you're not only telling your staff that you hold them accountable, but that you care about their performance and skill sets so that you can be more supportive.

Additionally, when staff can't fly under the radar, it also ensures a feeling of security amongst your employees. We've all had a colleague at one time or another who we feel underperformed or didn't pull their weight. When you include each staff member in the goal setting process, then you implement confidence in your team that everyone is held to a defined standard. This kind of accountability and responsibility also encourages job satisfaction, and reduces the frustrations sales staff can have when organisations aren't transparent.

With Budget tools and Scorecards, you and your sales team can own the budgeting and goal setting process. By distributing the budget based on historical keys, and using real-time performance tracking that sales reps can access at any time, you have total control over the whole goal process.

Step 2

PERFORMANCE STATEMENTS

Performance statements are important for there to be progress in achieving the sales goals. While individual staff are involved in the budget setting, they also need to be involved in reporting on their own performance. This ensures that you and your team are on the same page about what constitutes a good performance, and whether or not your team is going to make their target each month. It also ensures that management and leaders are getting valuable information about how the staff is feeling regarding their performance, even after the first week.

Implementing individual performance statements

Individual performance statements may be a new concept for you and your staff, so there can be some hesitation or resistance initially. But once you transition into including statements into your total sales process, you'll find that they become easier to execute and a crucial part of achieving sales goals.

You should set a periodical schedule four times a month for your sales team to submit their individual performance reviews to you.

This way, you're keeping track of results in a reasonable timeline that can allow for changes to be made, and for the budget to be distributed differently amongst team members if certain individuals don't feel they can meet their goals.

You should emphasize with your staff that performance statements aren't meant as a critique or as a micro-management tactic. It's a method to check that your staff are able to meet their goals, and identify if support is needed. Performance statements should actually enable trust, since they are an element of transparency within the sales process.

What they mean for awareness and accountability

While performance statements act as a way for management to be aware of individual and team results in real-time, they are really a tool for your individual sales employees to be more self-aware.

Self-awareness in the goal process will allow your team to identify strengths and weaknesses, be realistic on expectations they have for themselves, and understand where they fall within the team.



PERFORMANCE STATEMENTS CONTINUED

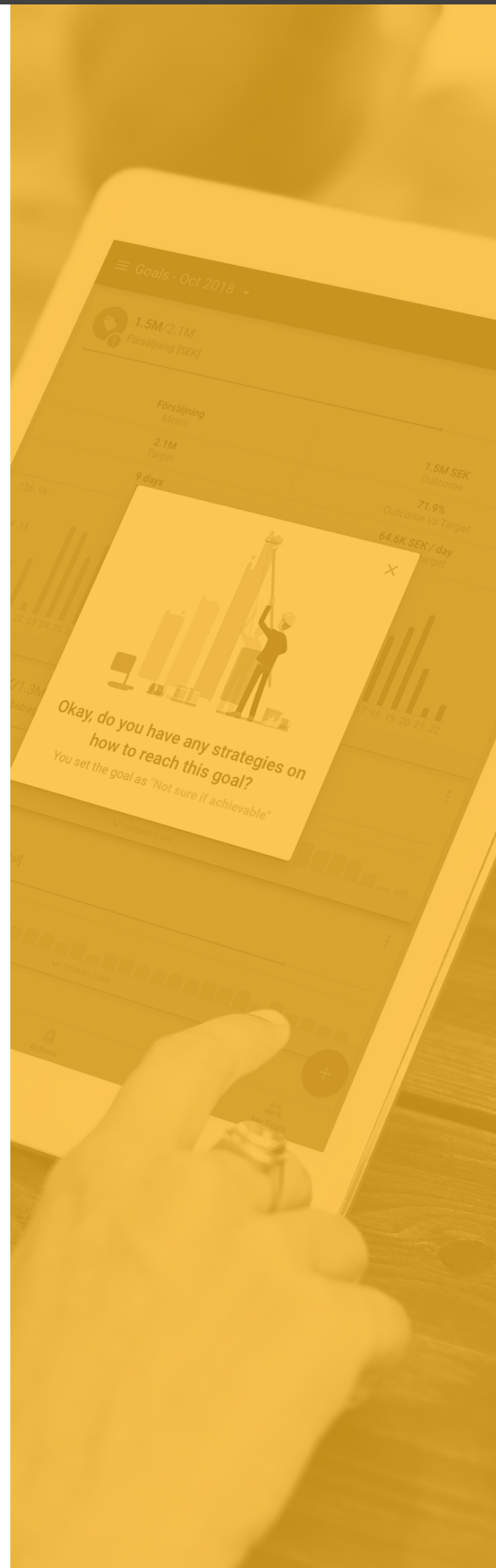
Again, this tool encourages accountability. When your sales staff are held accountable for their part of the budget and can properly identify whether or not they will hit their targets, they can be further motivated to aim higher. When we are constantly needing to evaluate ourselves honestly, it can act as a catalyst for improvement.

Most importantly, performance statements act as a tool for better employee engagement. When sales staff are left to their own devices and are never encouraged to self-reflect, they can grow complacent and performance can become stagnant. In fact, employees who are engaged show 87% better sales results over those who are not engaged. That can mean a huge difference in the overall profit margin of your business, and can motivate growth exponentially.

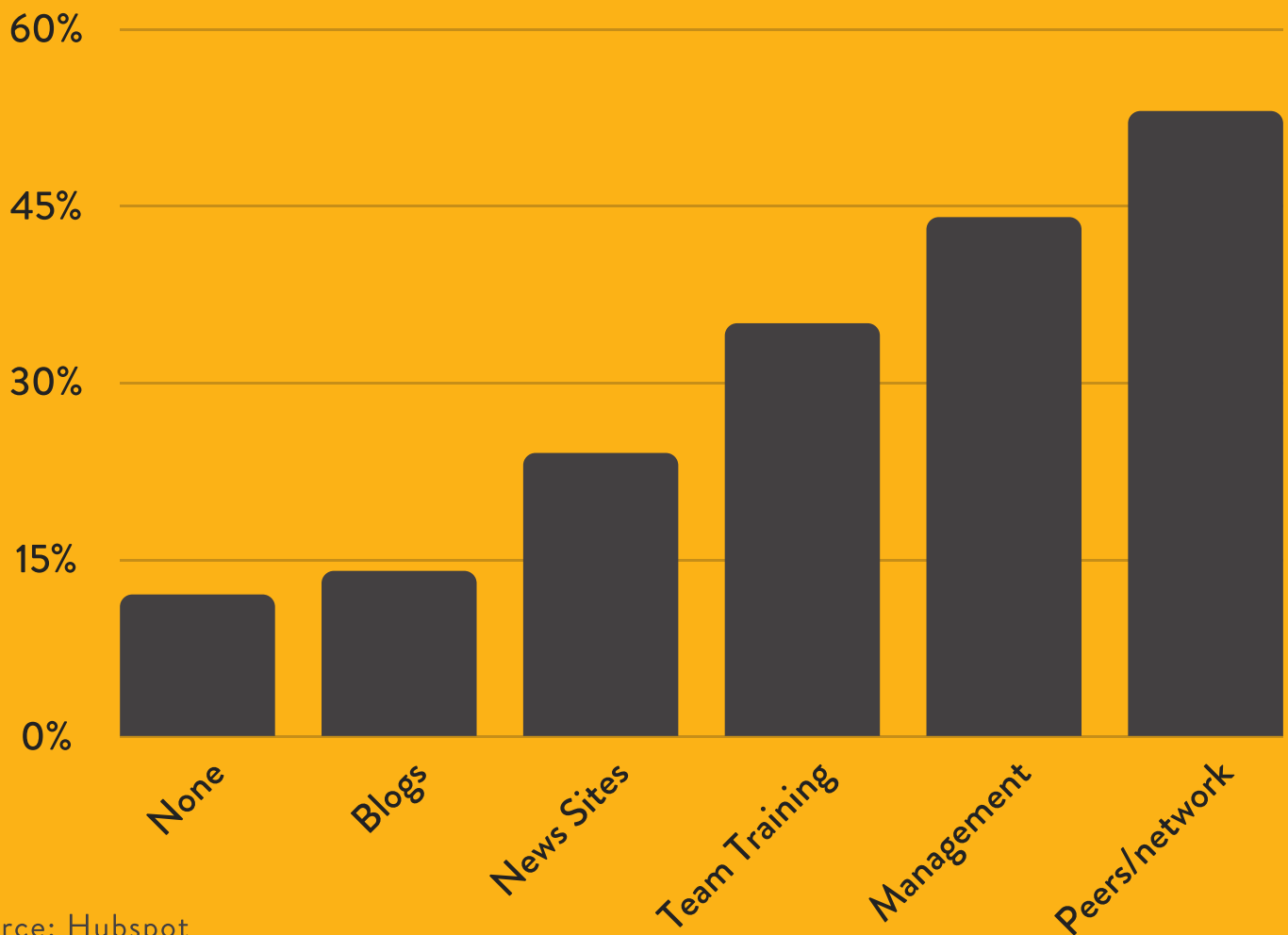
87%

Increase in sales from
employees that are
knowledgeable and engaged

Source:
Retail Touch Point



Where do salespeople go to get tips to improve?



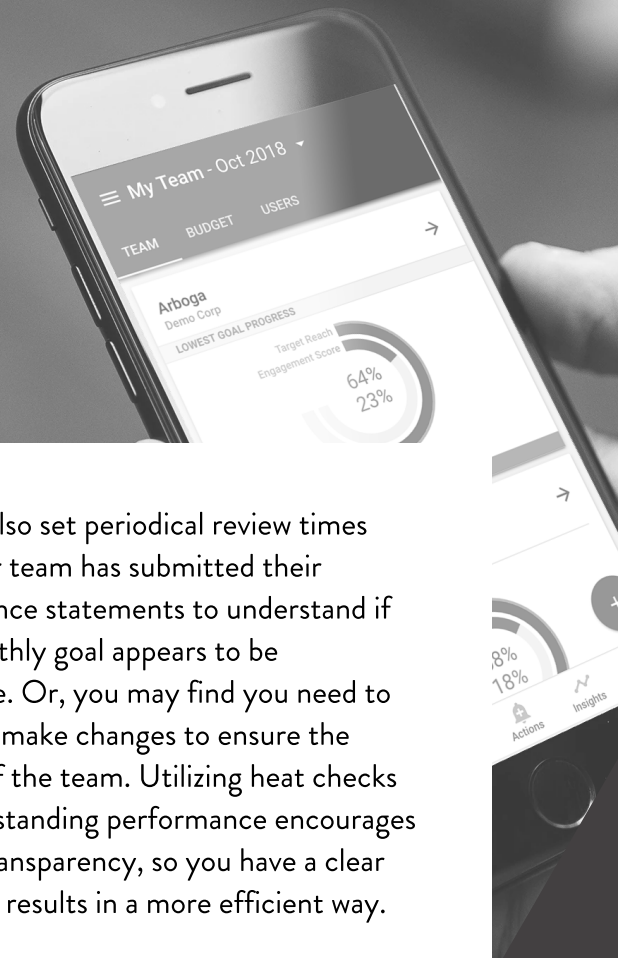
Source: Hubspot

WHAT DOES THIS TELL US?

- With under 50% of salespeople turning to their managers for help on improving their sales performance, we can see there is a gap in how management is actually leading and supporting their teams.
- While there could be a number of factors for this, including lack of trust and communication or even simply a lack of access, sales organisations should be thinking about how internal support pathways can benefit sales reps and improve performance efficiently.
- Most often, salespeople are turning to their peers and network for support and tips for improvement. Team building and inter-organisational activities such as gamification and competitions are positive experiences for most salespeople, and are a good investment for companies.
- With less than 35% of salespeople relying on trainings, we can see that organisations may need to rethink learning delivery.

Step 3:

REVIEWS



Reviewing sales performance on the team and individual level can allow you to have some control, even while managing remote teams. Reviewing where each sales rep is in their goal process to see if they have accepted or rejected their budget, what they are saying in their performance statements, and what your analytics are telling you about sales results are a crucial part of the sales cycle. Since we have more information than ever to track performance and results, you can utilize that information to ensure that you and your team are achieving the sales that you should.

At some levels of your organisations, you'll have face-to-face review meetings. Reviewing performance together becomes easier when you have the right tools to facilitate these kinds of meetings.

Implementing reviews for individual and team performance

You shouldn't think about the review process as creating extra time-consuming work. In fact, being able to utilize real-time results and compare them to your sales staff's performance statements will actually reduce time spent on manual reporting and check-ins, leaving more time for you to allocate to growth activities.

You can also set periodical review times after your team has submitted their performance statements to understand if your monthly goal appears to be achievable. Or, you may find you need to step in to make changes to ensure the success of the team. Utilizing heat checks for understanding performance encourages further transparency, so you have a clear handle on results in a more efficient way.

Ensuring reviews serve to keep you on track

Once you review results and performance on the team and individual level, you can adjust for a new target, implement on-the-job coaching, or step in to help in an area that is struggling.

If you are finding that a sales team member is having difficulty with a customer who is taking up a lot of their time and putting them behind on their target for the month, perhaps you can reallocate the budget across the team, or take over the difficult customer, ensuring they can focus their attention on other urgent sales needs.

By utilizing real-time evaluations and data tracking, you can be much more likely to have a proper understanding of what is going on within your sales organisation.

A grayscale background image showing a person's hands typing on a laptop. The laptop screen displays a sales analytics dashboard with various charts and data points. The dashboard includes a sidebar with navigation options like 'Dashboard', 'Goals', 'Chat', 'Actions', 'Insights', 'My Team', 'Training', 'Challenges', 'Leaderboards', 'My account', 'Administration', 'Help center', 'Send feedback', and 'Log out'. The main content area shows 'Arboga Demo Corp' and 'Västerås Demo Corp' with circular progress charts for 'Target Reach' and 'Engagement Score'.

4X Faster

the rate at which organisations that use sales analytics and sales insights increase team quota attainment than non-users

Source: Seismic

33%

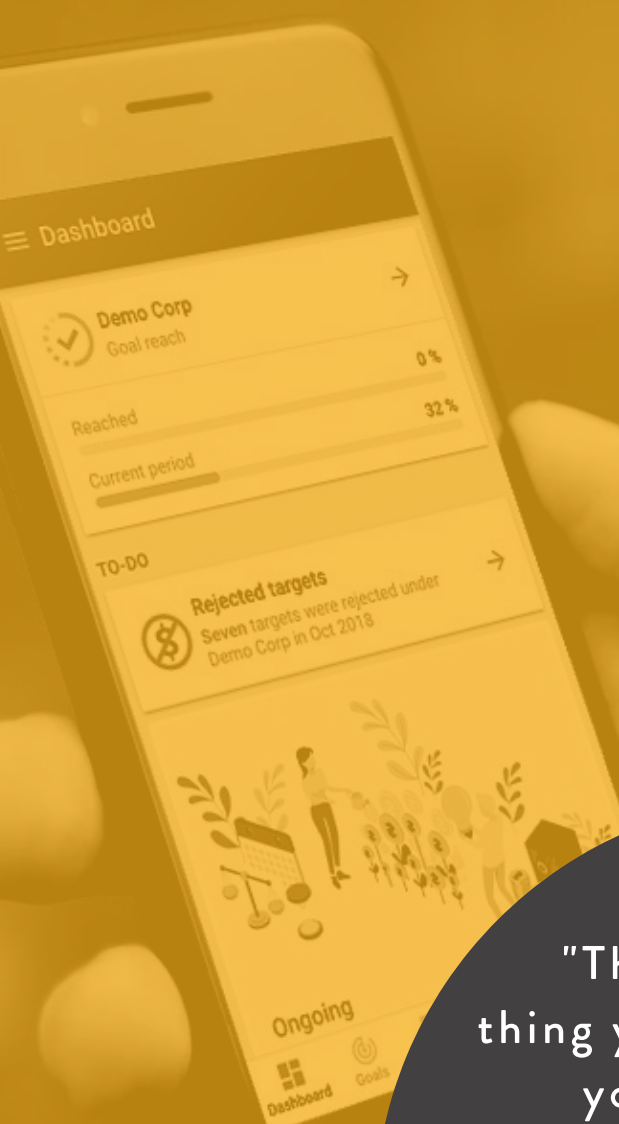
more likely to be a high performer when companies adopt a defined workflow that they continually review and improve

Source: Seismic

REVIEWS CONTINUED

Not only does the review process allow you to see an overall picture of performance, you can even drill down into the actual activities that are promoting or inhibiting sales. When you track activities against KPIs and the determined sales process that sales reps are using, you can see in real-time what activities are helping to close sales, and which are not.

When you can see specifically what is effective and what isn't, you can then re-evaluate how your team approach sales, targeting prospects, and the methods used to secure deals. In this way, you can then ensure that ineffective or even negative activities won't affect your sales process in the future. You can also use these insights to dictate your coaching and future training activities on the individual and team level.

A smartphone is shown at an angle, displaying a sales dashboard. The dashboard has a dark header with a hamburger menu icon and the word 'Dashboard'. Below this, there's a section for 'Demo Corp' with a 'Goal reach' indicator showing 0% and a 'Reached' indicator showing 32%. A 'Current period' bar chart is also visible. Further down, a 'TO-DO' section highlights 'Rejected targets' with a note that 'Seven targets were rejected under Demo Corp in Oct 2018'. At the bottom, there's an 'Ongoing' section with icons for 'Dashboard' and 'Goals'. The background of the dashboard features a stylized illustration of a person climbing a mountain with various icons like a lightbulb, a gear, and a target.

"The most important thing you can do to improve your [sales team's] performance is to figure out how well [they're] actually performing now and then make a plan to [help them do] better," -Al Huizinga, Sparkroom

Source: CIO

Step 4:

COACHING

Coaching may be one of the most important parts of the sales process. Without the opportunity to learn and improve, your sales team's efforts may become stagnant. It's also an important part of employee engagement, and ensuring your sales staff feel that they are valued in your organisation. Coaching is a great way to bolster your connection with your staff, and ensure that they feel comfortable and supported by their management, so not only does it help improve performance, but it aids in overall staff development.

Implementing top-down coaching and positive leadership

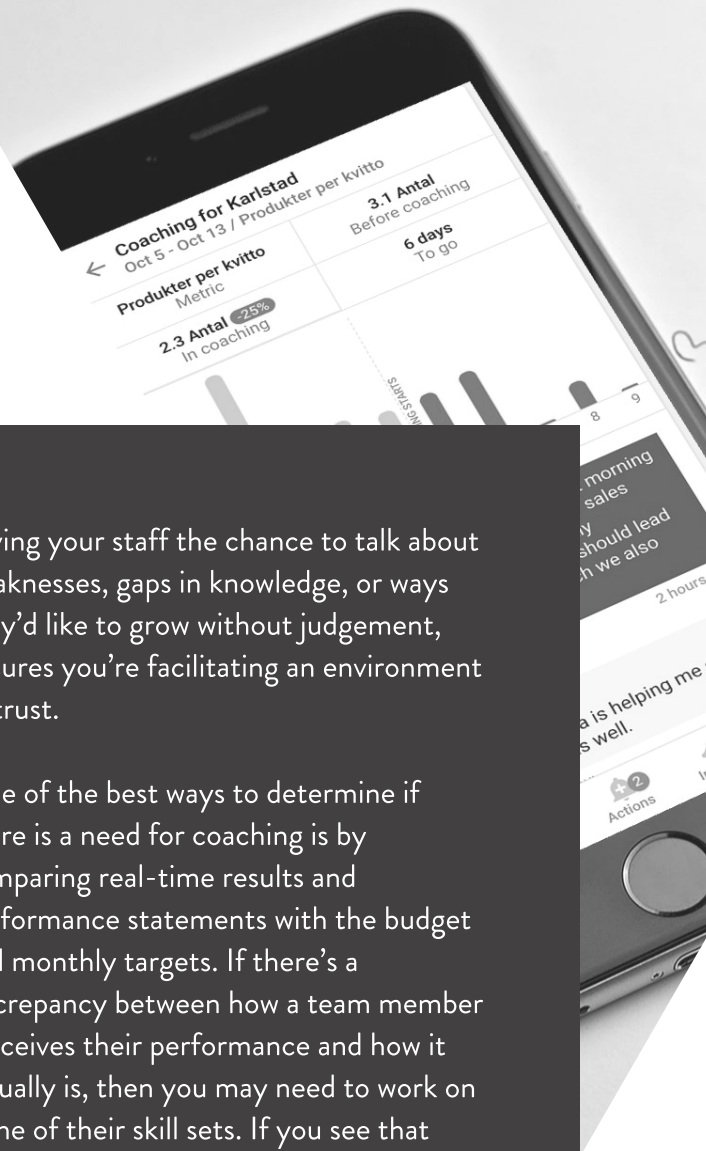
Great leadership comes from setting a good example and practicing what you preach. This is why to make sure that the budget process, performance statements, and review aspects of the sales cycle are effective, sales managers need to also show transparency and personal accountability.

To start coaching your team, you should allow them to express what areas they would like to improve in, or their personal curiosity in topics where they'd like to learn more.

Giving your staff the chance to talk about weaknesses, gaps in knowledge, or ways they'd like to grow without judgement, ensures you're facilitating an environment of trust.

One of the best ways to determine if there is a need for coaching is by comparing real-time results and performance statements with the budget and monthly targets. If there's a discrepancy between how a team member perceives their performance and how it actually is, then you may need to work on some of their skill sets. If you see that they are behind on reaching their target for the month, it may be remedied through a change in behavior that can set them back on track. Additionally, If they feel confident in one area, but data shows that actually they are underperforming, this also can be a great opportunity to help catch them up to speed and help them develop a deeper understanding of the products or business.

Coaching can also be deployed at the team level, to introduce new strategies, trends in sales techniques, or other new material that should be adopted by everyone for consistency.



COACHING CONTINUED

As a manager, you should also be clear that you always believe there is room for improvement, even for yourself.

Coaching is a great way to take your experience and share it with your sales staff, but also can be a way to open a dialogue with your team about their experiences and what challenges they face. Having different perspectives introduced as part of the coaching methodology makes for more positive leadership experiences for all.

How to know coaching is making positive behavior changes

Coaching and training is relatively pointless if you aren't seeing a positive impact. You need to know that the efforts you're making to help support your sales staff are resulting in behavior changes that are improving performance and fostering better sales.

Just as you discover opportunities for coaching through comparing performance data with your staff's individual performance statements, you should be doing the same to review results after coaching. What do the numbers show? How does your sales rep feel?

Are they comfortable or struggling in applying their new learning? Are they lacking confidence, but the numbers show they have improved? Having these kinds of conversations are crucial in determining the effectiveness of coaching.

You should also give opportunities for your staff to evaluate the coaching itself. Do they feel the delivery and methods are effective? Do they like the format, and do they feel understood and supported? The most successful coaching initiatives are those that are continuing to engage staff, rather than being formulated in a lecturing or punishment type of way. And again, make sure that as a manager, you are self-evaluating and reflecting on your own performance as a leader and a coach. It gives you so much more credibility if your staff know that you hold yourself to the same standards that you do them.

19%

the amount that the top
quality coaching can improve
the results of the middle 60%
of a workforce

Source: Business.com

60%

of employees who report to managers who are not good coaches that are thinking about quitting, versus 22% who report to the best

Source: Forbes

Coaching doesn't just improve employee productivity - it increases engagement as well. Leaders in the 90th percentile for coaching effectiveness had employee commitment scores in the 88th percentile

Source: Forbes

But Sales leaders continually name training and development as their top challenge, and coaching consistently in their top five challenges for sales

Source: Hubspot

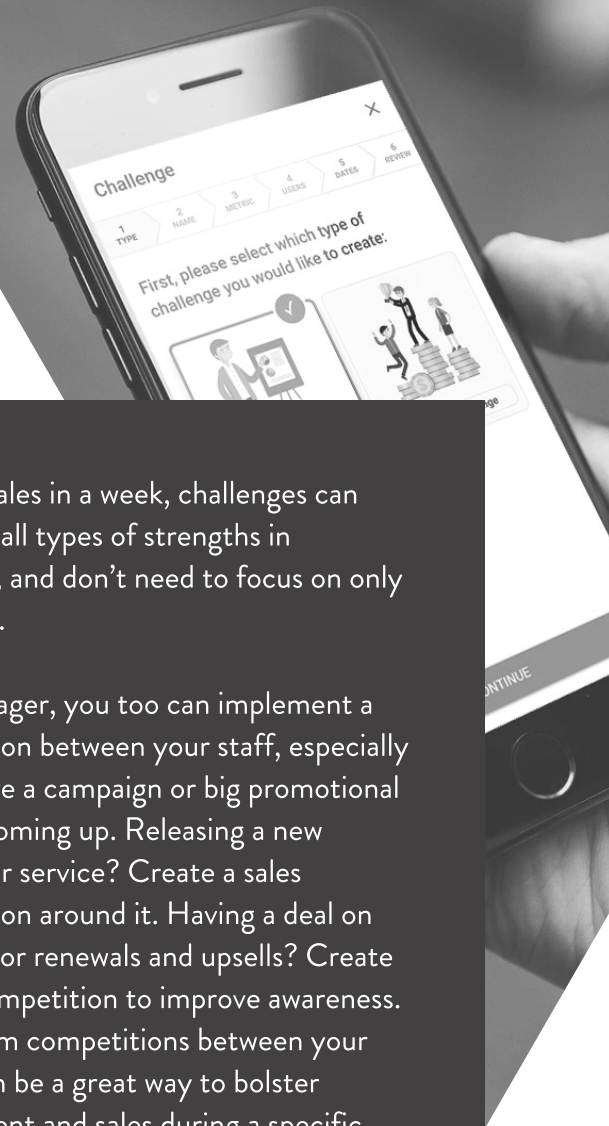
74%

of leading companies cite sales coaching and mentoring of sales reps as the most important role frontline sales managers play

Source:
Level Eleven

Step 5:

SALES COMPETITIONS



Sales can be a fairly cut-throat industry, and rampant, unbridled competition can be detrimental to the growth of your organisation. However, friendly competition amongst individuals and teams can serve to motivate and boost morale, when done correctly.

The point of a friendly sales competition is not to pit your sales staff against one another, or belittle those who don't come out on top. But they should work to encourage staff to aim and achieve higher.

Implementing friendly competition amongst your teams

Challenges and competitions should be driven by your employees themselves. This way, they can feel in control, and not like it's a tactic to win favor from management. They can challenge one another individually, or compete against the whole team. Set a specific goal and see who is the first to reach it, or establish a timeline and see who has the best results by the end.

There are a lot of different KPIs you can use to measure challenges as well. Whether it be shortest time from prospecting to deal, highest purchase price,

or most sales in a week, challenges can bring out all types of strengths in everyone, and don't need to focus on only one thing.

As a manager, you too can implement a competition between your staff, especially if you have a campaign or big promotional activity coming up. Releasing a new product or service? Create a sales competition around it. Having a deal on packages or renewals and upsells? Create a sales competition to improve awareness. Short term competitions between your teams can be a great way to bolster engagement and sales during a specific period for a specific cause.

How positive employee engagement improves performance

Think about ways to recognise those who perform well, or those who "win" the sales competition. Making it more about rewarding those who have better results, rather than punishing those who don't do well, will also help to encourage morale, rather than making those who underperform lose more confidence.

SALES COMPETITIONS CONTINUED

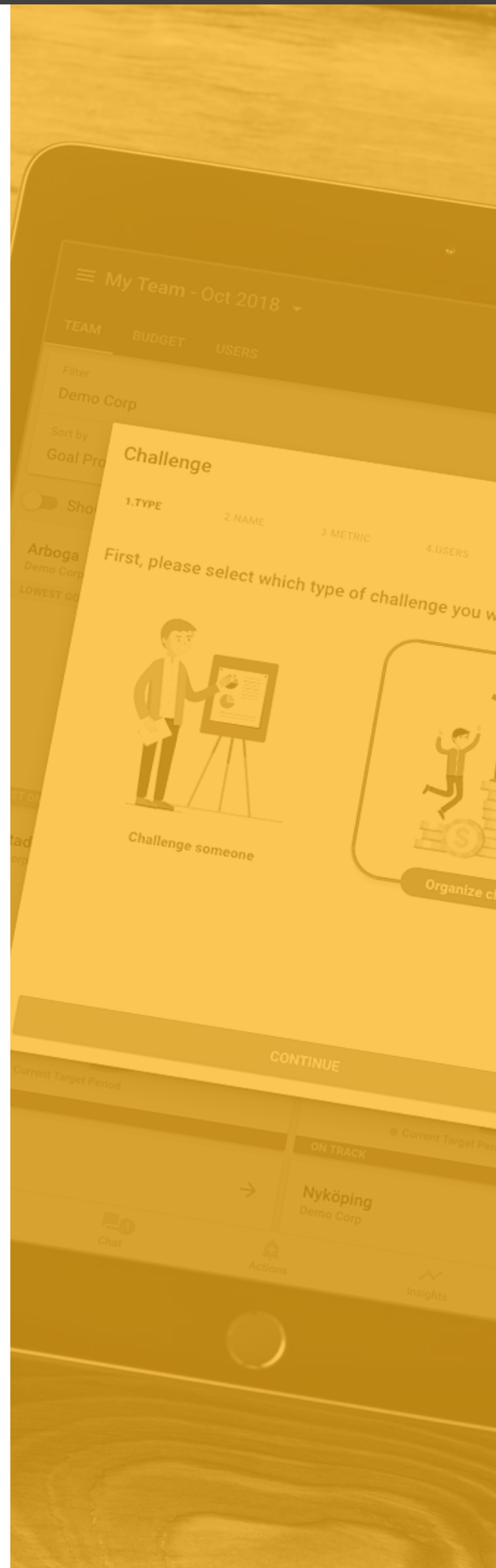
When sales staff are striving to do well, and are recognised for their efforts, this can improve performance over time. Rather than seeing that it's acceptable to have mediocre performance, your team members will want to be recognised for doing well, and want to show their colleagues that they care about helping the team succeed.

This kind of engagement also ensures that none of your sales staff are slipping through the cracks and going unnoticed. In healthy competition, participation means that everyone is working towards doing their best. Plus, adding a gamification aspect to the sales process has been proven to encourage engagement, which we know makes for better job satisfaction and results.

7X

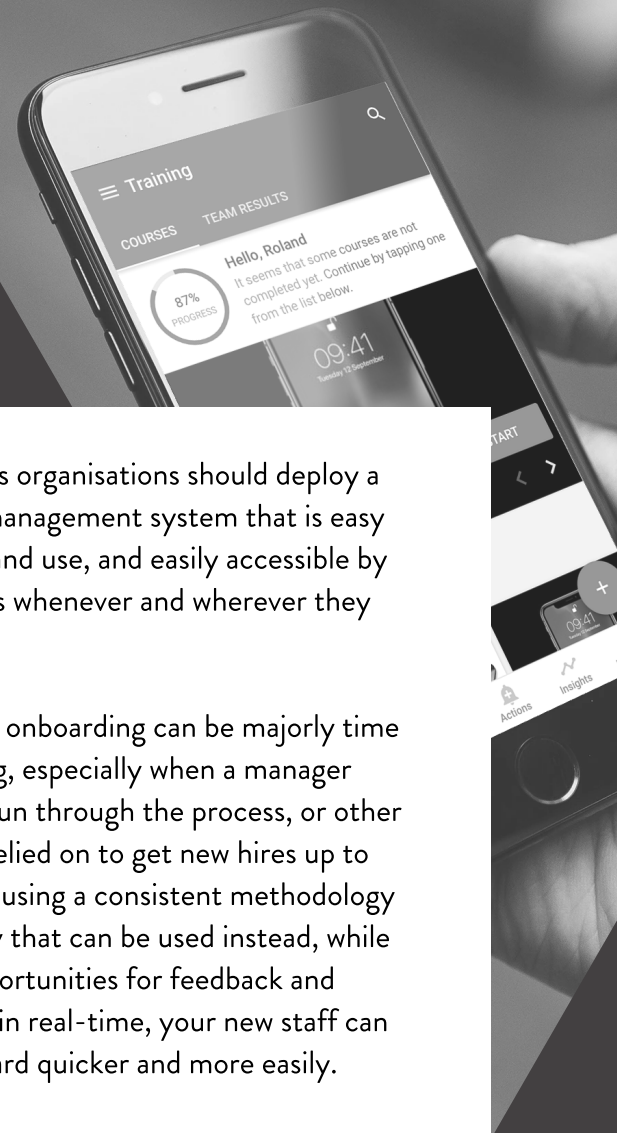
potential improvement in
conversion rate when sales teams
are motivated, incentivized,
and engaged through
gamification

Source: Tenfold



Step 6:

TRAINING



Coaching is a great way to help your staff develop their sales skills in real-time response to their performance, but training is the way to secure true growth in your organisation. Without proper training, your staff may be unable to grow in themselves, which is crucial for organisational progress.

Now, more than ever, those entering the job force are seeking positions at companies who offer upskilling and new learning opportunities. This is because gaining new knowledge and skills are crucial for life satisfaction, and ensure that employees know that you are willing to invest in them and their futures. When it comes to sales techniques and methods, consumer behavior can change frequently, meaning that in order to stay relevant and effective, your sales staff needs to learn the skills to adapt.

Implementing upskilling and new learning

When it comes to organisational learning and training, there are four main components that can be focused on: employee onboarding, manager training, change management, and compliance are some of the major areas where companies need assistance.

To implement development in these

areas, sales organisations should deploy a learning management system that is easy to set up and use, and easily accessible by employees whenever and wherever they need it.

Employee onboarding can be majorly time consuming, especially when a manager needs to run through the process, or other staff are relied on to get new hires up to speed. By using a consistent methodology of delivery that can be used instead, while giving opportunities for feedback and questions in real-time, your new staff can get on board quicker and more easily.

As we talked about before with coaching, management should be leading by example and showing sales staff that there is always room for improvement. Through management training, you can encourage your middle and upper leadership to develop their own knowledge and skills which can then be used to either manage their sales teams more effectively, or be passed on to the sales reps who can then implement the training as well.

Change management is crucial for any modern organisation. It's the way by which businesses are able to be agile and adaptable when technology and trends are changing all the time.



56%

of companies report not using post-training reinforcement to provide long-term support for their sales teams.

Source: Mindflash

50%

higher net sales are achieved on average when employees receive continuous, quality sales training.

Source: Sales for Life

TRAINING CONTINUED

Whether your organisation is prone to make large, sweeping changes, or makes small tweaks over time, utilising change management practices to help your staff be on the same page can be crucial. Without effective change management, you can end up with a disjointed sales team who may be using different processes or practices, making your sales organisation less effective.

Compliance is what ensures that your team is understanding and utilising their new skills and training. Especially after change is implemented, you want to be sure that everyone understands what is expected of them, and what it means for their roles. With compliance training, you can test your staff regarding new information, processes, and skill sets, while ensuring consistency amongst your team. Without compliance and knowing that your team is on the same page, you will have difficulty implementing effective upskilling and other parts of the sales process.

How training encourages better performance and employee satisfaction

Similarly to coaching and competitions, training helps to encourage sales staff to perform at their best.

When they know that their company and managers care about their development, they can be more motivated to show that they are properly absorbing and utilising their new knowledge.

Additionally, you can avoid any of your staff members from feeling “lost” or “out of the loop” when you ensure that your whole team is going through the same trainings and development. It’s one of the best ways to ensure team cohesiveness, and that processes you implement are adopted across the board. When your staff members really feel that they are a part of a team, and can rely on one another throughout their development and sales process, you’ll have greater employee satisfaction and fulfillment.

100%

of salespeople said they would complete more training if it was offered in more mobile formats

Source: Sales for Life



What ties the sales process together:

COMMUNICATIONS

None of these aspects of an effective sales process would be possible without placing an emphasis on communication. If you do not establish open pathways and methods for communication amongst your team and between management and sales staff, the process can potentially fall apart.

Every step along the way requires self-reflection and honesty, which create the foundation for trust and transparency. Without it, the performance statements, review process, and coaching will be largely ineffective.

Implementing more positive and clear communication

Good communication starts with leadership. Managers need to set a precedent not only for what is expected of sales staff, but also what sales staff can expect from you. In order for your team to be open and trusting, you need to be the same way with them. Show them that you support their sales process, and be inviting and encouraging. Ensure that you have the proper channels in place, so that staff who want to communicate aren't limited by insufficient methods to do so.

Communication implementation comes from the tools you use. Be sure to rely on real-time modes of communication like messaging functions, which can allow you to address issues immediately as they arise.

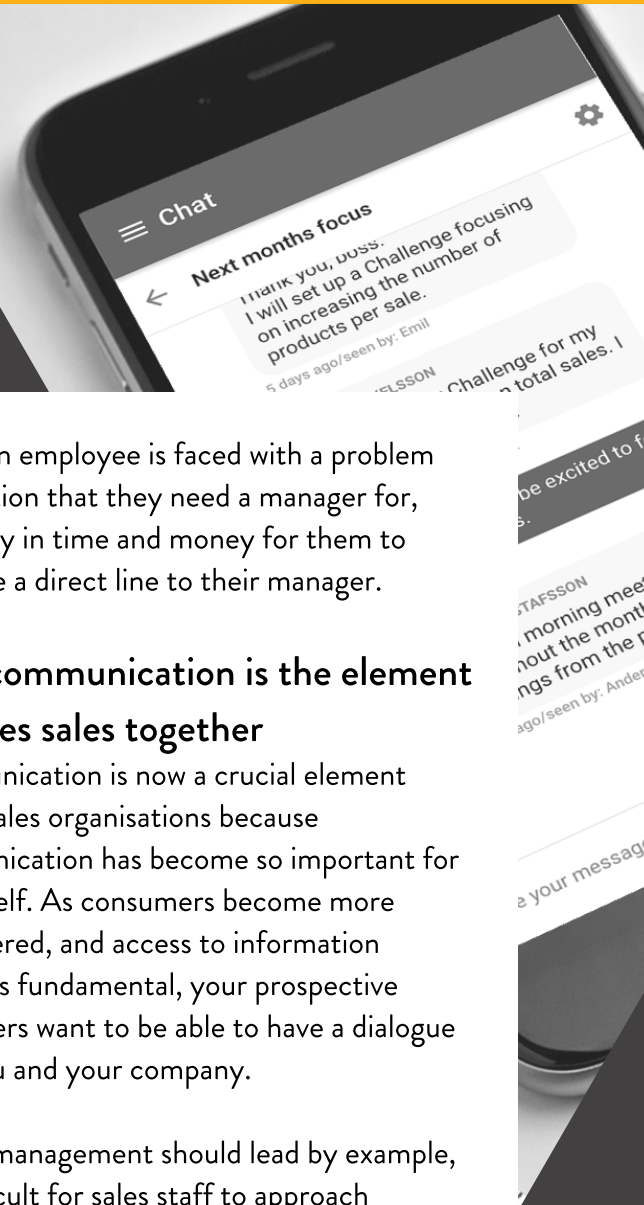
When an employee is faced with a problem or question that they need a manager for, it's costly in time and money for them to not have a direct line to their manager.

Why communication is the element that ties sales together

Communication is now a crucial element within sales organisations because communication has become so important for sales itself. As consumers become more empowered, and access to information becomes fundamental, your prospective customers want to be able to have a dialogue with you and your company.

Just as management should lead by example, it's difficult for sales staff to approach customer communication effectively if they are working in an environment that is closed-off. Creating the right opportunities for quality sales means setting the right tone within your own organisation to ensure that your sales reps are servicing customers appropriately.

Additionally, we may have more access to data analytics so we can see how individual sales employees are performing, but that data is useless if we can't talk about it. Ensuring that communication is the underlying foundation for your sales process can ensure that strengths are recognised, weaknesses are addressed, opportunities are found, and your sales organisation is able to follow-through to reach goals together.



CONCLUSIONS



A thorough and effective sales process means harnessing sales performance management in a way that emphasizes the basics of development and achievement.

With a clear process in hand that enables sales reps to fulfill a continuous cycle of achievement, reflection, and improvement, your team can be more empowered than ever before.

Engaged and motivated employees are consistently proven to have better results, greater job satisfaction, and increased feelings of loyalty to their managers and company. When you implement the right tools and a transparent formula that underscores accountability and growth at all levels of your sales organisation, you'll find that getting back to the basics in your process can be easy, and is simply just good for business.

ARE YOU READY?

We want to hear about the main challenges facing your sales organisation. How can we help you implement a better sales process, or engage your employees more effectively?

STAY UP TO DATE

Click here to read more on our blog about sales performance management and employee improvement. Sign up for updates to be delivered right to your inbox.

BOOK A MEETING

Click here to chat with Henrik, CEO of Goalplan to learn more about how our suite of tools may improve your sales performance.

REQUEST A DEMO

Click here to see how Goalplan can impact your sales organisation.