

Sales Coaching for Improved Performance:

Turning Sales Managers into Great Coaches



Sales Readiness Group

Abstract

Companies know the value of training their sales force, but many don't realize the importance of developing their front-line sales managers. They assume sales representatives can seamlessly transition from a position of selling to one of managing, despite the requirement of a substantially different skill set between the two job functions. Yet training front-line managers not only produces a compelling return on investment, it's also a critical element of sales success.

One of the most valuable skills a sales manager can learn is sales coaching. When managers know how to coach, companies can readily leverage them to improve the sales performance of their entire sales force.

This white paper explains the benefits of specialized training for sales managers, describes the reasons sales coaching is so important, and finally, details an effective five-step sales coaching model.

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. In addition, few companies offer comprehensive sales management training programs for their front-line sales managers. This is counterintuitive because sales are the life blood of any business.

Yet the reality is that most sales managers learn how to manage through on-the-job experience. More often than not, sales managers are former sales representatives (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 managing a sales pipeline, coaching their team, forecasting, hiring new sales representatives, strategic planning, and sales administration. In many cases, sales managers are also asked to carry sales quotas or held responsible for a target list of accounts. Additionally, they face the challenge of managing sales representatives who are typically independent, strong willed and often have little day-to-day contact with their managers

Companies tend to assume that successful sales representatives 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 representatives often have a hard time making the transition to management.

The key reason why this transition can be challenging is that each role requires a different set of skills.

Sales Managers Need Different Skills than Sales Representatives

Sales Rep	Sales Manager
Prospecting skills	Setting team goals, priorities
Questioning skills	Recruiting & selecting team
Listening/communication	Coaching
Managing objections	Sales performance management
Gaining commitment	Leadership and 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 managerial skills necessary to manage their sales teams. Key symptoms of this problem include being overwhelmed by supervisory problems, spending too much time “putting out fires”, sales representatives turnover, and poor performance.

Given the diverse range of skills required to effectively manage sales teams, it is imperative that sales organizations provide their sales managers with the requisite knowledge, skills and tools to succeed. Many organizations may be hesitant to invest in sales management training in today’s troubled economy. There have been hiring freezes and budget cuts, and organizations face increased pressure to achieve sales goals with fewer resources. What’s more, there is more scrutiny placed on purchase decisions and companies must demonstrate a return on their investments.

What many companies don’t realize, however, is that investing in sales managers is actually one of the single best training investments an organization can make in a down economy. Better managers produce better sales results, since a great manager can unlock the sales team’s potential.



Source: CSO Insights, 2010 Sales Performance Optimization – Sales Process Analysis

Benefits of Sales Coaching

Given the range of skills a sales manager needs to be successful, where should a sales organization start?

We recommend Sales Coaching since this skill has a significant “force multiplier” effect. Teaching managers how to coach produces a high return on training investment, as one trained manager can coach multiple sales representatives and improve their overall performance. According to the Corporate Executive Board, a leading research and advisory services company, 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 front-line sales managers spend 25% - 45% of their time sales coaching.

There are two types of sales coaching: strategic and tactical. Strategic coaching focuses on how a sales representative approaches an account in order to acquire new business or sell deeper into existing accounts. Strategic coaching focuses on helping sales representatives work through challenges such as account penetration, inability to access decision makers, competitive issues and formulating overall account strategies. Tactical coaching, on the other hand, focuses on selling skills and knowledge. Here the sales manager observes and analyzes a sales representative’s selling skills or sales knowledge in an actual sales call, discuss what went well and areas for improvement, and then provides constructive feedback.

While both forms of sales coaching are important, we find that many sales managers have the most difficulty with tactical sales coaching. With this type of coaching the sales manager must act as a teacher and help their sales representative learn or improve specific selling skills. That, however, can be exceedingly challenging for sales managers. Remember, many sales managers were formerly successful sales representatives before being promoted into sales management. For them selling came naturally and they often cannot understand why one of their team members isn’t “getting it.” Moreover, sales coaching is an on-going process in which a sales manager must coach his entire team in a systematic manner.

Fortunately, sales coaching is a skill that can be learned, practiced and perfected.

Five-Step Sales Coaching Model

A sales organization should focus on a sales coaching model that is simple for its sales managers to learn and use. In addition, the sales organization should set clear expectations as to the amount of time it expects sales managers to spend coaching their sales representatives (25%-40% is typical for a high performing sales organization).

Sales Readiness Group recommends the following Five-Step Sales Coaching Model that is used by numerous sales organizations as the basis for successful sales coaching programs:

1. Plan a coaching visit.
2. Perform a pre-call briefing.
3. Observe the sales call.
4. Conduct a coaching session.
5. Follow up.



A detailed explanation of the Five-Step Sales Coaching Model and how to implement a sales coaching program is beyond the scope of this white paper. However, the summary below is an excellent starting point for sales organizations looking to improve their sales coaching efforts.

Step 1: Planning a Coaching Visit

When planning a coaching visit with a sales representative, the manager should first establish clearly defined coaching objectives. That means the manager should first conduct a candid assessment of the sales representative's knowledge and sales skills to identify strengths, as well as areas that need development. Then a limited number of specific coaching objectives should be set in order to focus on the most impactful development areas.

Next, the manager should determine the types and number of calls to make. Here, it is important that the sales manager stay focused on the coaching objective. For example, if a sales representative is having trouble identifying a customer's priorities, the sales manager should observe a sales call where the customer is still early in the buying process. On these types of calls, the sales representative should be asking the customer needs identification questions. Conversely, if the sales representative is having problems managing difficult objections, the sales manager may want to observe sales calls where the customer is further along in the buying process.

The sales manager should then review the sales coaching objectives with the sales representative and discuss his or her expectations of what specific behaviors they will be evaluating on the sales call.

An effective sales coaching program should also include sufficient tools to assist the sales manager in assessing his or her team and planning each coaching visit.

Step 2: Performing a Pre-Call Briefing

A pre-call briefing takes place just before the actual sales call and sets the stage for effective coaching. The pre-call briefing should begin with the sales representative describing the account history and status. Next, the manager should discuss the sales representative's sales call objectives—what does the sales person want to accomplish on the sales call? The sales manager should then explain what the coaching focus will be and

gain the sales person's commitment as to what specific behaviors they should be demonstrating during the sales call.

There should also be a discussion about the roles the manager and sales representative will play during the sales call. This is critical to avoid situation where the sales manager takes over the call. The preferable roles are the manager as observer and sales representative as seller. It is important to remember that people observe best when they are not involved; therefore managers should try to take a back seat during calls.

Step 3: Observing a Sales Call

The key to successfully observing a sales call is to know what to look for. Managers should focus their attention on the limited number of objectives discussed in Step 1. The trick is to perform a delicate balance between observing and knowing when to step in if needed.

Managers should also make mental notes regarding specific activities behaviors the sales representative is doing well or poorly so it can be covered in the coaching process.

It is also important for the sales manager to maintain his role as an observer throughout the call. Tips that can help managers maintain an observer role include having the sales representative make introductions, physically positioning themselves so that the primary interaction is between the customer and the sales representative, and re-directing questions to the sales representative.

How does a manager decide when to step in and perform a "rescue?" There are a few key factors to consider. If the sales representative provides inaccurate information, it's time to step in. That's also the case if managers feel the progression of events on the call might jeopardize a major sale or strategically important account relationship.

However, it's important not to jeopardize the sales representative's credibility, so managers should not intervene if this might be the case. Remember: the objective is to build a better sales team, not demonstrate personal expertise. Managers should also consider the way a rescue might affect the sales representative's confidence and attitude. Managers need to make judgment calls based on balancing the sales representative's development and the best interests of the company.

Step 4: Conducting a Coaching Session

Coaching sessions should not follow exactly the same format each time, otherwise the coaching becomes too mechanical and predictable. It is important for managers to vary their approach and the elements they include in each session.

One of the critical elements in the coaching conference is to use positive reinforcement to strengthen a skill that the sales representatives did well. Many managers make the mistake of only focusing on poorly performed skills.

Next, they should have the sales representative analyze the call. In many cases, the sales representatives will be far more critical of their own performance than the sales manager. Also, a sales representative is likely to take action to solve a problem that they uncovered on their own. Leading questions can also help

sales representatives “discover” their strengths and weaknesses. For example, a manager could ask, “How do you think you could improve on future sales calls?”

After the analysis, managers should make suggestions to the sales representatives about how they can improve. Then they should ask for feedback to make sure the sales representatives understands the suggestions, and provide an immediate opportunity for practice including conducting role plays and/or mock sales calls. And finally, managers need to obtain the sales representative’s commitment to use the new methods.

Step 5: Following Up

Once the sales manager obtains the sales representative’s commitment for change, they need to establish a follow-up mechanism to ensure that the coaching suggestions are being successfully adopted by the sales representative. In order to encourage follow-up from both sides, managers and salespeople should work together to create a Personal Development Plan (PDP). The PDP should be developed soon after the coaching session and summarize strengths and reinforce positive behaviors, highlight 1-2 areas that need development and include an action plan with clear dates.

Developing Great Sales Managers


While sales coaching is an extremely valuable skill for a sales manager to master, it is just one component of a comprehensive sales management development program. In order to successfully lead productive sales teams, sales managers must possess the requisite sales management skills. In addition to sales coaching, other critical sales management skills include managing sales performance, leading and motivating a sales team, recruiting and consistently selecting great sales representatives, managing a sales pipeline, counseling underperforming sales representatives, and running effective sales meetings.

About Sales Readiness Group

At Sales Readiness Group (SRG), our singular focus is helping organizations improve sales performance. We improve sales performance through our innovative sales training, sales leadership programs, and sales consulting solutions. Our leadership development programs, including Sales Coaching, provide front-line sales managers with the skills, tools and knowledge they need to lead highly effective sales teams.

To learn how your sales managers can become effective sales coaches, please contact SRG at 1-800-490-0715.





Sales Readiness Group, Inc.
Toll Free: 1-800-490-0715
info@salesreadinessgroup.com
www.SalesReadinessGroup.com