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The Case for Sales Coaching

IN OVER 50 YEARS' combined experience training and coaching salespeople and their sales managers, we find that many of our clients share the same goals: to increase market share, revenue, and profitability.

Market share improves when sales performance improves. Sales performance improves when sales teams are better trained and coached, because it creates a cycle in which salespeople feel better about themselves and their career, experience more success, stay longer, and achieve even higher levels of success.

“Of all the codes Gallup has been asked to crack dating back 80 years to our founder, George Gallup, the single most profound, distinct and clarifying finding – ever – is probably this one: 70% of the variance in team engagement is determined solely by the manager” (Clifton and Harter 2019, 12).

Employee engagement drives retention, higher levels of buyer engagement, revenue, share price, and market share. The Gallup research validates everything we have learned over many years of helping companies improve the performance of their sales teams. Sales managers matter, you matter, and you can make a big difference!

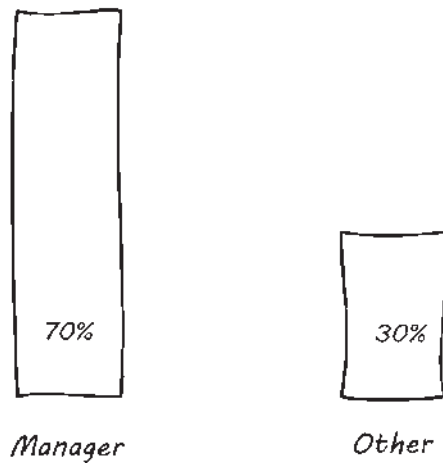
Relative Impact on Engagement

Figure 1.1 Relative Impact on Engagement

Dynamic Sales Coaching is Better than Random Sales Coaching

While implementing sales coaching programs for our clients' sales leadership teams, it is not uncommon for them to express very early in the process, "We're different. We are unique. We are not like everyone else."

You know what? They're right! We know that different companies take different approaches to sales coaching. Miller Heiman's CSO Insights 2019 Sales Enablement Report identified four different approaches (Miller Heiman 2019a, 34).

1. Random: 42.9% of companies take a random approach, in which sales coaching is completely left up to sales managers.
2. Informal: 20.0% take an informal approach, in which there may be guidelines.
3. Formal: 24.5% implement a formal approach.
4. Dynamic: 12.6% are dynamic, meaning that they have a formal sales coaching process and methodology, and enablement services tailored to individual salespeople.

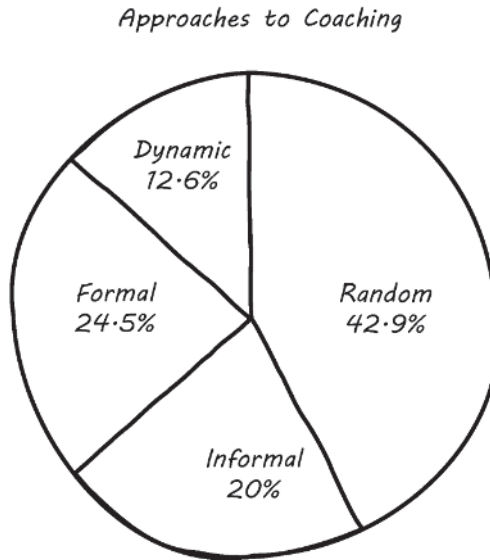


Figure 1.2 Approaches to Coaching

Take a moment to reflect on your own experience. Does your company have a formal approach where there is a clearly defined sales coaching process and methodology that you have been trained on? Does your company take an informal approach in which there may or may not be guidelines? Or is it more random? We know there is a high probability that your company takes a random approach in which the sales coaching process and method is left entirely up to you.

Let's take a look at how sales coaching impacts win rates. Generally speaking, you don't get half a sale. You either get it, and you entered "closed-won" on your pipeline tracker, or you entered "closed-lost." It's all about the win rate.

So, what impact does the approach to sales coaching have on win rates?

- Companies with a *random* approach to sales coaching have a win rate of 41.8%.
- Companies with an *informal* approach have a win rate of 47.8%.
- Companies with a *formal* approach have a win rate of 48.9%.
- Companies with *dynamic* approach have a win rate of 55.2%.

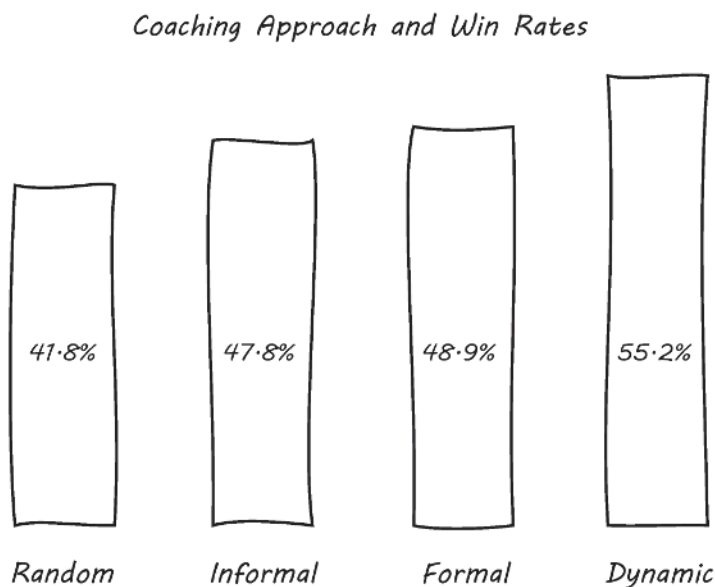


Figure 1.3 Coaching Approach and Win Rates

Dynamic sales coaching showed double-digit improvements in sales performance on both quota attainment (21.3%) and win rates (19.0%) over the study's average (Miller Heiman 2019a, 36).

What is the delta between random and dynamic? The dynamic approach outperforms the random approach by 32.1%. All the data from CSO Insights and Gallup are consistent with our own experience working with many large sales organizations on sales performance improvement programs.

In summary, we wrote this book to help you impact the level of engagement of your sales team, reduce the randomness in your sales coaching, increase the formality, and move you closer to a dynamic sales coaching process and methodology that will ultimately help you to win.

Winning isn't everything. It's the only thing.

—Vince Lombardi

The Benefits of Reading (and Using!) This Book

If you're like us, whenever you consider investing your most precious resource – your time – in reading a book, you are probably asking yourself: “What’s in it for me? This book better be worth it!” We realize that, as a sales manager coaching your team, there are many challenges you are going to face. Here are just a few ...

Delivering Consistent Sales Performance as a Sales Manager

Quota achievement has improved a bit in the last few years, but it remains an extremely challenging environment, with only 56.9% of salespeople making goal (Miller Heiman 2019a, 3).

Shortening the Time to Proficiency for New Hires

Even if you have a great new-hire sales training program, the results are still going to depend to a wide degree on the sales manager, who has to know, demonstrate, reinforce, and coach what was covered in the sales training.

Developing the Untapped Potential of Your Sales Team

Many companies categorize their salespeople into “A,” “B,” and “C” players. “A” and “C” players together often compose about 10–15% of a typical sales force, while “B” players make up about 70–80%. Coaching will more effectively optimize the productivity of your “A” players. For “C” players, it will either “*help* them out,” or it will “*help* them *out*.” That’s not a bad thing. Sometimes there are people in a sales role who are not a good fit for that role and it may be in their best interest to get on a path that might be more suitable for their skill set. The biggest opportunity is with the moveable middle, the “B” players. If you can incrementally improve the performance of the largest segment in your sales force, you can have a dramatic impact on the bottom line.

Developing Your Sales Team Through the Phases of Building a Business and Career

We find that many of our clients share similar goals when it comes to hiring, onboarding, training, coaching, and retaining talent. In that continuum, the first goal they have is to make sure people can survive and make it. After they have had success, the focus shifts to productivity. The best companies will then leverage those productive salespeople to be peer-to-peer coaches, ultimately grooming them to become future sales leaders. Teams that develop their sales leaders in this way are better positioned to be more competitive and gain market share.

Stays longer, sells more, succeeds, and coaches others...

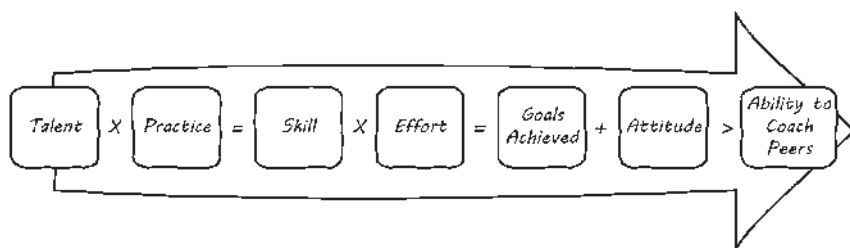


Figure 1.4 Stay Longer

Increasing Retention

Turnover in sales has increased to 18% (Miller Heiman 2019a, 4). The impact of this attrition includes the opportunity cost of having a territory/market vacant, plus the time it takes to source a new salesperson to move into the open role, compounded by the time it takes to get them to a desired level of productivity. Effective sales managers, in contrast, have a higher retention rate. They have more experienced, more productive, salespeople in the field longer, resulting in higher customer loyalty. They spend less time sourcing and onboarding new hires and more time coaching their sales team.

Leading a Diverse Workforce

This is the most diverse workforce in history. Millennials and Gen Zs typically like and expect ongoing feedback, positive reinforcement, and

coaching to their strengths. You know what? So does everyone else! Even Boomers! We know more about the science of leadership today than we ever have. Leadership style and work environment affect our brains, our physiology, our culture, and our success (Pink 2009). Effective sales managers today must be able to communicate consistently and effectively while flexing their style, so they can be the coach that each unique salesperson needs.

Getting Competitive Results on “Great Place to Work” Surveys to Help Attract and Retain Talent

Your reputation as a workplace will determine the prospective talent you attract or repel. Your reputation lives in social media (and society generally), but it can be measured using employee engagement assessments. Using the sales coaching process and techniques in this book will help boost your scores in areas such as:

- I feel my work is recognized.
- Feedback is timely and consistent.
- My sales manager supports me.
- I know what my sales manager expects of me.
- I feel supported to pursue opportunities and grow.

Delivering Competitive Customer Satisfaction and “Net Promoter” Scores as a Customer Service Manager

The Net Promoter score is an index measuring the willingness of customers to recommend a company's products or services to others. It is used to measure the customer's overall satisfaction with a company's products or services and the customer's loyalty to the brand. Although the performance metrics may be different compared to sales teams, all the techniques in this playbook are applicable to a customer service environment where the Net Promoter score is an indication or reflection of the customer experience.

The questions we asked earlier were, “What's in it for me? Is it worth my time?” If you are facing any of these challenges, we think the

juice will be worth the squeeze. We believe that the time you invest in reading this book will be well worth it. The fact of the matter is, if all you get out of this book is one good idea, it will be worth it.

What's in This Book

We believe in simplicity. This book is simple to use and easy to follow. It includes:

- A practical game plan you can start to use immediately.
- Easy to understand graphics for reference and sharing.
- Proven best practices from top-performing sales managers.
- Tools and templates.
- Inspiring quotes to get you motivated.
- Takeaway questions for individual reflection and team discussion.

What's NOT in This Book

This book is not designed to cover every area of responsibility a sales manager has. For example, we will not address hiring, recruiting, human resources issues, or compensation. We are purely focused on the sales coaching elements of the sales management role, because it has the biggest impact on performance.

Your Own Motivation, Drive, and Desire

We can show you what great sales managers do. But we can't do it for you. Only you can act on the principles in this book, and the drive to do that will come from within. What is not in this book is the motivation and desire to get better at coaching, be consistent, and adapt the tools to your specific situation. However, if you apply this coaching process consistently, you will increase your motivation, drive, and desire as you experience success.

It's kind of like diet books. There are thousands of them out there, and every year they publish more. A lot of people are looking for a book

that will just promise them they can continue doing what they are now but get better results. In contrast, some people are so motivated they could read the world's shortest diet "book" (*Burn More Calories than You Consume*) and get amazing results. What kind of book are you looking for? If you're not that motivated, but you've already bought the book, or someone gave it to you, look on the bright side: you can always re-gift it or sell it on Amazon!

A Sales Process and Methodology

Another thing you won't find in this book – but will need – is a well-defined sales process and methodology as the framework for your coaching.

Just as with coaching, there are different organizational approaches to sales process and methodology. Some companies have a random approach, some informal, some formal, and some dynamic. In our experience, the most successful sales teams have a dynamic approach to selling, meaning it is formal and consistent, yet also adaptive to the individuals involved.

Are You Ready?

Are you ready for this book? Hopefully you answered "Yes!" because now is the time, you are the person, and this is the playbook. The largest room in the world is the room for improvement. You know you're ready if you:

- Believe you can make improvements to your sales coaching.
- Are open-minded to new ideas.
- Are not afraid to let your team know you are making changes for everyone's benefit.
- Are willing to live with some temporary discomfort while you and your team adopt and adapt to new tools and activities.
- Want to implement repeatable sales coaching and management processes that deliver predictable results.

Takeaway Questions

Below are questions you can use for further reflection.

Takeaway Discussion Questions for Your Organization

If you are leading a sales organization, here are some things to think about:

- Do you have a consistent sales process and methodology that is supported from the top down? If not, what can you do to promote one?
- How proficient are the sales managers on the sales process?
- How well-calibrated are they with one another on the sales process?
- How proficient and consistent are they on coaching and reinforcing the sales process?
- To what degree are they open-minded to making changes?
- How open are they to new ideas that could potentially help them to become more effective managers?

Takeaway Questions for Personal Reflection

If you are leading a sales team, here are some things to think about:

- How open are you to new ideas?
- Do you believe you can make improvements to your sales coaching?
- Are you willing to let your team know you are making changes for everyone's benefit?
- Are you willing to live with some temporary discomfort while you and your team adopt and adapt to new tools and tips?
- Do you want to implement repeatable sales coaching and management processes that deliver predictable results? Why now?

The Road Ahead

In Chapter 2 we will look at the reasons that coaching fails, or fails to happen, by considering four sales manager personas: the Achiever, the Culture-Shocked, the Change Agent, and the Sales Rookie.

Chapter 3 introduces the critical sales management activities and attitudes, along with a self-assessment.

In Chapter 4 we cover (annual or semi-annual) review and plan meetings, including: key performance indicators, benefits of review and plan meetings for sales managers and salespeople, and the agenda for a review and plan meeting.

Goal-setting meetings provide the opportunity to follow up consistently on the goals set forth in the review and plan meeting, and we cover this in Chapter 5, including positive recognition, review of key performance indicators, skill development training, and building action plans.

In Chapter 6 we note the similarities between athletic performance and sales performance by talking about the importance of skill development training, and how to do it.

Check-ins are important to help salespeople sustain momentum, and we address this in Chapter 7.

In Chapter 8 we tackle live performance observation and feedback, including a discussion of co-selling roles and how to use live sales calls as opportunities to conduct skill development training.

Chapter 10 investigates team huddles, why they are important, and how they work, so you can inspire your team to great performance.

In Chapter 11 we provide seven best practices for coaching sales or service in the contact center, including tools you can use to build your team's skills, one at a time.

Chapter 12 discusses how to deploy sales enablement tools to enhance your sales coaching.

Finally, the Appendix includes examples of sales coaching cadences for field sales teams, inside sales teams, and contact center teams.

