

**THE 5 ISSUES THAT PREVENT
OPTIMAL SALES
PERFORMANCE**

-A WHITE PAPER

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Research Findings

The following is based on research findings conducted by Nightingale Conant in conjunction with other sales and learning specialists. 2,663 sales organizations took part in the survey and the survey was published to help Sales Directors understand the issues that prevent optimum sales performance results.

ISSUE 1

A POORLY DEFINED SALES PROCESS, which dilutes sales revenues.

Even companies that enjoy the luxury of a clearly superior product line know that their products won't sell themselves. At a minimum, companies need a sales force comprised of skilled professionals who understand their products and who know both their customers and their market. It also helps to provide the sales force with effective sales support (for example, literature and demonstration kits). But even all these elements together are not sufficient to ensure maximally efficient and profitable sales.

- Lack of direction
- A discouraged sales force

Both diminish sales efficiency

- Developing a consultative sales process

From the perspective of Sales Directors, developing a consultative sales process means developing a comprehensive, formal, realistic, and step-by-step outline of what salespeople are expected to do. This outline includes the activity and calls they must make, the relationships they should establish with prospects, the material they should use in sales calls, the

issues they must achieve in sequence along the path to each sale to make their sales approach maximally effective. It's only when such an outline is in place and has been vetted by the experience of the top performers that sales management is in a position to (1) monitor the sales force's activity, progress, and their results (2) assess problems as they arise, and, when necessary, (3) redirect individual sales representatives' efforts efficiently.

Although many organizations appreciate the importance of being customer-focused and talk in vague terms about their "consultative sales process," surprisingly few sales leaders invest the time and energy required to develop a formal sales process- a sales process that is at once detailed and resilient enough to guide their salespeople and permit effective management of their efforts.

The hurdles that must be cleared in order to get people throughout the organization to actually implement it are enough to cause Sales Directors to tear their hair out. But a select few of the very best have found some innovative strategies that have enabled them to achieve the ultimate: sustained sales growth achieved efficiently, reliable, and by design.

ISSUE 2

LACK OF ESSENTIAL SKILLS which leads to below average performance and consequently below average sales results.

During the 1970s and 1980s, it was common for large corporations such as Hewlett Packard and IBM to put their new sales recruits through a twelve-

to eighteen- month training program. Today, salespeople consider themselves 'lucky' if they get an initial two weeks of training. Have companies discovered that training doesn't really pay off? On the contrary! Training appears to be even more important today than years ago, and it is getting more important all the time.

-Less training with higher expectations

So, what's going on here? How should Sales Directors reconcile the fact that many corporations today provide less upfront training for their sales staff than in years past yet attach increasing importance to staff development!

This is hardly a surprise, because the current stock market ethos creates a powerful disincentive for firms to invest in their people. A firm's investment of human capital, in the form of training and other forms of education of staff, is not separable from the general expenditure of a corporation. It therefore appears as a cost on the corporate balance sheet. To the investor it appears that companies that invest in their 'intangible' assets are being less cost efficient. This prevents investors from assessing the firm's future earnings potential.

ISSUE 3

LACK OF ONGOING reinforcement and development.

Adults learn through repetition.

The operative word here is "repetition." Even if salespeople have undergone initial sales training, there's not guarantee that they will be

successful. It is common knowledge that skills grow rusty over time, and salespeople are prone to pick up bad habits along the way or to simply skip steps and take shortcuts that can lead to long-term trouble. Perhaps even more important these days is the fact that markets, competition, technologies, and customer preferences are all in a constant and accelerating state of change over time. The fact requires that salespeople are able and willing to rethink sales strategy and approach frequently. Research by the American Society for Training & Development (ASTD) has shown that organizations that are able to offer their salespeople opportunities for ongoing development are ten times more likely to create more peak-performing salespeople than those that don't.

The lengthy initial training for new hires that once was the norm was well suited to a world in which the market and sales cycle were both reasonably stable. In today's more dynamic business environment, development and training are more important than ever before but must be delivered in smaller and more frequent chunks, with less disruption to the daily flow of salespeople's work and tied more closely to subtle shifts in the marketplace.

Unfortunately, selling is viewed as non-academic, functional, and not sophisticated. No M.B.A. required! In reality, selling is the key to real marketplace knowledge and brand success. For Sales Directors, the challenge is how to design and deliver skills development programs that produce the desired results in today's competitive markets.

-Coaching

Today, more and more organizations are waking up to the value of building a strong coaching culture. Analogies to athletic coaching are common but especially apt. Training alone does not guarantee that a great tennis player will deliver Grand Slam-winning performance. This can only come from continuous daily support and guidance from an expert coach. Equally, top sales professionals need expert coaching support from their managers to stay at the top of their game. Whether sales managers deliver their coaching support face-to-face, on the telephone, or via e-mail, those organizations that have a strong coaching culture attract and retain the best salespeople.

The challenge for Sales Directors is to provide the support that sales managers-all of whom are hard-pressed for time-need in order to provide the kind of support their salespeople must have. Successful Sales Directors have found a range of supporting tools, resources, and kits that save managers' time and enhance the impact of their coaching time.

ISSUE 4

FAILING TO FOCUS SALESPEOPLE ACTIVITIES which reduces efficiency and results.

There isn't a salesperson alive who has enough time in their working week to complete all they want to achieve! Time is a huge constraint on salespeople's activities so that when their manager asks them for more, it's no wonder that they are overwhelmed!

-Inefficient activity

Frequently there are two main pitfalls that even experienced salespeople can fall into in terms of activities. First, they simply aren't doing enough. What's enough? Enough telephone calls to make appointments, enough face-to-face calls, enough calls that involve or influence the decision-makers. In general, the more focused sales activity that salespeople generate, the greater the number of sales opportunities they can create.

-Poor quality activity

Second, but equally important, salespeople often aren't clear about how to identify the prospects most likely to have a genuine need for their product or service. Without an objective way to prioritize which prospects to contact first and/or an efficient strategy for contacting them, salespeople are doomed to waste a large percentage of their time. Another huge dilemma for many salespeople is how to divide their time between servicing existing clients and generating new business from new prospects. Existing clients frequently make requests for service that could be dealt with by support staff. But salespeople who lack a disciplined, future-oriented plan for generating new contacts and sales often find themselves spending more time attending to "urgent" tasks for existing accounts instead. A common approach among salespeople can be summarized in the saying, "If you throw enough mud against the wall, some of it is bound to stick." This approach is exhausting, demoralizing, extremely unproductive, and very expensive in the long term.

-Harder rather than smarter

In the book Emerson's Essays, there is a section on "law of compensation," which can be summarized simply as "give more, get more." This is what most salespeople try to do, so they end up working harder when they could be working smarter. This begins the question, are your sales activities deciding your strategy or is your strategy deciding your sales activities?

ISSUE 5

NOT HAVING THE RIGHT MANAGEMENT PROCESSES IN PLACE to mentor, coach, and hold accountable salespeople for optimal results.

-Good salespeople don't necessarily make good managers

The single most common mistake that organizations make is promoting their number one salesperson into the role of sales manager, thereby depriving themselves in a single stroke of their best producer and hamstringing their sales force with an ineffective manager. The skills required for managing, mentoring, and developing a sales team are totally different from those required for selling. As a result, it's not uncommon to find newly promoted sales managers who regret having taken a management position and may even leave to get back into sales.

"In the past two years, many sales executives have taken off their management hats and headed out into the field to close deals themselves-an understandable phenomenon in difficult times. But now it's time to put that hat back on. Your team values you much more for your strategic thinking and coaching abilities-and you can't focus on these things if you

are spending too much time out in the field.

-Insufficient time for sales team development

The majority of sales managers-new and experienced alike-say they do not have sufficient time to train and develop their sales teams. They are so focused on sales results-and so accustomed to achieving success through their personal pursuit of those results-that they overlook their greatest potential source of power to increase sales performance by developing their people.

The sales manager's role is transforming-from evaluator to developer, from expert to resource, from teller to questioner. This change is no mere tweaking adjustment-it is a 180-degree shift from how most sales managers manage and how they are managed. Most organizations profess to want coaching, but they don't really do anything about it. Just as students are lucky to have one or two special teachers in a lifetime, most sales professionals are lucky if they get one real coach. Organizations don't have role models for coaching, they don't train for it and they don't hold people accountable for it.

For more information go to ;
www.SchulzBusiness.com and check out www.SalesHiringKit.com

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Greta is also a noted motivational speaker speaking to large corporations and organizations around the nation. She is a business graduate of The University of Miami.