



Sales Coaching - Redefining the Role of Sales Management

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For all of the change that we have seen in selling, why is sales *management* at many companies mired in a model originating in the dark dawn of commerce?

It is painful enough that key sales leadership functions such as strategy, planning and process alignment are so often poorly served. But when I see forecasting and pipeline management handled in exactly the way they were in my father's day, (replacing ledger paper with an Excel spreadsheet) I want to send everyone in the sales management line to see *Death of a Salesman* over and over until they get it. And even more painful is that this dark ages approach sustains a set of management behaviors based on hounding and glad-handing at worst, and at best making the sales manager the alpha-dog rather than an experienced coach and mentor.

Technology was supposed to fix this- or at least enable us to do it differently. Whether you have invested \$5,000 or \$25 million in an opportunity management system, the information about what happened last week is supposed to be at your command already. It is there for your managers, directors and VP's to look at without asking sales reps to call (or worse yet, come in) to regurgitate it in a weekly sales meeting. Since the historical information is all there, meetings, whether 1:1 or attended by an entire sales organization should be able to focus on the future. Rather than a weekly update meeting to review pipeline changes, a sales manager, especially one with an effective opportunity management system, should be able to use that meeting time (and information) to support the team in strategizing next week's activities. Unfortunately, in the absence of training for a different way to lead a sales organization, managers fall back on the leadership that was modeled for them. And that is really odd because if you ask them, most will tell you that they had Neanderthal management when they were line sales people.

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Another detriment in this process is the way that opportunity management systems do get used. Instead of using the trend information and deal stream that is contained in the OMS to support and develop sales talent, it most often gets used as an electronic sledge hammer. I have seen dozens of articles on why sales automation fails. Here is a key element that is often overlooked. In the old days, a sales manager would have a weekly call with a rep about what had happened that week. The tone and the counsel were often heavy handed, centered in the deal at hand with little or no attention to development and were sometimes even threatening. If all your hotshot sales automation system does is make that call happen faster because the data base gets updated overnight, then successful automation is the least of your worries.

The effect is often labeled "Big Brother"- but the analogy only goes so far. An older more experienced sibling who is willing to share experience, assist in thinking through challenges, guide the development of skills and support you in the delivery process is a welcome confidant with whom any of us will gladly share information. An overbearing know-it-all who needs to track what you are doing so that he can ride in at the last minute and change everything or simply call to second guess your approach is in fact someone to be feared and often loathed.

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In this age of the automated pipeline report, we have the opportunity to redefine sales management. Actually, to be more accurate, we are presented with a tool custom made to support sales management the way it has always been most effective. That tool, like a surgeon's scalpel can either be used to great benefit, or to simply hack off a limb. We can use the information available to relieve us of the need to waste time reviewing the past and invest that time in planning for a better future. Rather than bullying sales people based on raw numbers, we have access to the kind of trend data necessary to discover or deduce the underlying causes of success and failure and to customize a development program. The real ROI on your sales automation system is in what it can enable in the way of supported and empowered sales people.

One of the single best ways to see that ROI, is to redefine the role of sales management to stress coaching. Some tasks must be managed, no doubt about it. But people, especially sales people, blossom when they are coached.

So, we are going to look at a few topics that have the potential to make a huge difference in the success of your sales organization:

1. A working definition of coaching
2. Why and how coaching works for sales people
3. A development plan for new coaches- how people learn
4. Infrastructure: What will you need to make the transition real and successful

Coaching: A Working Definition

Coaching as a developmental activity lies between the worlds of training and consulting. Like training, the point of coaching is to expand understanding and capacity. However, a skilled coach has many more questions than answers and will pretty much never do a stand up presentation or class. Consulting on the other hand can be very efficient for getting a job done. A team of experts lands on your site and takes the problem over on your behalf. The good news is that if all goes well, a consultant can install something that takes care of the problem. The bad news is that no one in your shop truly owns either the problem or the solution, and the experience of how the problem was addressed goes out the door with the team and the consulting fees.



Coaching provides a shoulder to shoulder collaboration for solving problems and uses the solution development to set up a learning experience. A good coach will have feedback, observations, practices and questions that are not about directing a client to a specific end, but about ensuring that they are getting an objective and supportable view of any issue and their approach to it. If the coach has long experience in the problem on the table, he or she can anticipate issues that are likely to crop up and help create a risk management and development plan. What is critical is that the coach does not take the problem off their client's hands or even tell them what to do. A coach is a skilled observer, facilitator and questioner with a strong bias for creating independence, purposeful conversation and measurable business results.

The Sales Coach- A Powerful Model

Coaching, and especially sales coaching, is being applied in a wide range of sales intensive businesses. IBM, Hartford Insurance and Capital One for instance have all made significant commitment to sales coaching programs in the last few years with very positive results. While every company that implements a "Manager as Coach" program cites their own reasons, one recurring theme is that it is no longer enough for a sales manager to just drive the numbers to be successful. He or she must do so while demonstrating an ability to develop independent sales people who can move quickly into broader responsibilities. Their methods need to be within an acceptable and reproducible set of processes. And, expense management (including recruitment and training) begins to take on a more significant part in compensation. In short, sales managers are being asked to manage the organization- not just the pipeline.

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So- how do we begin to differentiate traditional sales management from coaching? Let's take a look at a typical sales and management interaction from the two points of view. In our scenario, Karen is the National Sales Manager and Mike a representative in the Midwest with an opportunity in the pipeline. Typically, a conversation might sound like this:

Karen: Thanks for returning the call Mike. Has there been any movement in the Jones deal?

Mike: Not really. I sent specs today- so we are actually a little early and everything is on track. The senior engineer loved the design.

Karen: Well that is good- but the engineer is not buying. What have we heard from the buyer?

Mike: I do not have any trouble getting to him, but he is pretty tight lipped with information.

Karen: I do not mean to be harsh here Mike, but you need to be able to find out what you do not know from the buyer- The engineer does not have the answers we need.

Mike: I know, I know- but they have everything they want from us and there is nothing to do until they are though their next meeting.

Karen: Mike, we need to get this one- both of us. I want to be certain we get our best shot. Tell you what- I will fly in next week. You get us a meeting with the buyer and we will go double team him- OK?

This is a fairly typical scenario. The manager can clearly see where the issue is and is very focused on ensuring that the company gets the business. Now, let's play the same scenario from a coaching point of view.

Karen: Hello Mike, thanks for returning my call. I would like to talk about the Jones deal if you have a few minutes.

Mike: Sure Karen, I just sent the specs today. I have a really good feeling about this one. The senior engineer there loved the design.

Karen: Great, I am glad you have a positive attitude. We would both like to see you get the business. What, if anything, are you concerned about on this one?

Mike: Well... not much really. I have easy access to the buyer. He indicated that we were in the finalists. And they did not push back on the contract terms at all.

Karen: Hmm- not a word about the contract? Mike, when was the last time you worked with a company who passed our agreement, or any other for that matter, by their lawyers that had nothing to say about the contract?

Mike: I have never thought about it Karen. Hmm- never I guess.

Karen: So, what do you make of their silence on it, Mike?

Mike: I guess that they have not sent it to counsel yet- or not heard back. I will call the buyer this afternoon to find out what is up.

Karen: Great Mike- but first... I do not want to rain on your parade, but I wonder what else we don't know about this deal that we need to. What would cause them to not have contract comments back at this stage? What would help that make sense here?

Mike: Huh? What do you mean?

- Karen:** I mean that it is fine to be positive, but this is the stage where most of your lost deals have gotten away in the last year. We talked about this at your last quarterly review, remember? So I want to work together to be certain we have asked everything we should. I notice that the "competitors" field in the SFA system is blank. Did you forget to fill it in, or are we blind on this one?
- Mike:** The truth is that I do not know. I asked, but they would not tell me who else they are talking with. Their current vendor is Ajax and I did see in the visitor's log that the rep from Harmony had visited last week.
- Karen:** I love that old trick of checking the visitors book. Harmony was in last week? What does that tell you, Mike?
- Mike:** Harmony is a small company. I am not really worried about them here. I am certain that they want the business, but they are not a real threat.
- Karen:** Well, OK. But I wonder... why would Jones be seeing a rep from a company not in their final group this close to the deadline date- and in the middle of their busiest time of year?
- Mike:** Busy?- the place is dead!
- Karen:** What do you think the impact of their offshore sourcing is Mike? Because so much of what they source comes from Asia now, while the production lines and project engineers are slack, the buyers are under a lot of pressure to lock down raw goods pricing and delivery. And as often as not- those conversations happen late at night to be able to reach people in China and Korea. So- what do you make of them taking a meeting with Harmony?
- Mike:** Well, I guess they must be in the final 3.
- Karen:** Could be. And according to the latest competitive information we have, Harmony has a new alliance in place with an Asian firm for product design. So what do you suggest?
- Mike:** I am not certain- you are supposed to be the guru here... Do we have anyone who has beaten Harmony lately?
- Karen:** Good call. Mary in the west did. Tell you what. If you will set up a call, maybe the 3 of us can put a strategy together. What else can you do on this?
- Mike:** Well the design engineer would likely let me know what the buyer will not. At least I can find out if he has looked at anything from Asia. Also, although we are not certain, it would not hurt to build in some traps for both Harmony and Ajax- and maybe revisit pricing to see what we would do differently if we can confirm that they are our competition.

Karen: Great Mike- stay on it and let me know if I can help. In the meantime there is a white paper on manufacturing cycle times for Jones' industry group in the on-line library that would be useful for you. I will send you the link.

In neither scenario was Karen unsupportive, demeaning or otherwise inappropriate with Mike. If you have experience in sales organizations, you know it can get a lot worse! But, sometimes, a more directed approach is the appropriate way to handle an open transaction. And, If Karen and Mike take the time after a joint meeting to discuss what Mike saw and learned and then design a developmental process to sustain that experience, then Karen has turned a management interaction into a coaching opportunity.

Unfortunately, my experience with sales organizations tells me that in the former exchange, Karen will jet in, get the deal on track (or not) and leave on the next flight. Mike will be completely at sea about what he might do differently next time. He may even try to emulate Karen's style rather than having a plan to develop his own. And it is a good bet that his style and Karen's are not a close match.

So, what was different about coaching Mike? Here are a few clear distinctions:

- Coaching generally takes more time. Questions and processes that let the representative learn require that the staff development process be as important as the revenue on the table- a hard step for most companies to sustain in the early going.
- Coaching takes the manager out of the spotlight and de-emphasizes their role as the cavalry that can ride to the rescue. (Since we so often promote our best sales people to management roles- there is a natural propensity for them to jump into the pipeline personally.)
- Coaching puts the responsibility for action squarely on the rep, while sharing accountability for the business outcome.
- Coaching allows the representative to find his way through the issue, increasing the likelihood that he will retain that wisdom for the next time he faces a similar challenge.
- Perhaps most importantly, the rep gets an experience of figuring out the problem with the guidance of a more experience hand without losing control, feeling belittled or being made trivial to his own portfolio of business. And Karen still has her imprimatur on the deal. If flying in will serve to preserve the business, she still has that option.

How Does a Sales Organization Adopt a Coaching Culture?

The good news is that the returns on sales coaching are huge. The bad news is that much of what it takes to truly establish coaching as a management style flies in the face of some of the way we currently run sales. If a company is truly committed to making the leap, on the list of things that will begin to enable and sustain a sales coaching culture are:

- **Rethink Sales Management Selection** – Usually, companies promote star sales people to be sales managers. Never mind that they have no management experience and that the traits that make them great quota busters are not necessarily those that make great managers. A selection process that values development skills, management ability and even personal organization on a par with quota performance is likely to return better long term gains.
- **Incorporate Management Outcomes into Performance Metrics-** Most managers and even directors are paid purely on a plan that reflects the performance metrics of the front line sales people- revenue and/ or transactional profitability. Sales coaches need to be accountable for developing talented independent representatives along with delivering the numbers.
- **Emphasize Coaching in Training and Development for Sales Managers** Just as the front line managers need training and practice to be solid coaches to their reps, interim level managers and sales executives need to model coaching skills for their front line managers. That means redefining the accountabilities at all levels of sales management to be for more than just the revenue numbers.

However, very few organizations are ready to completely reinvent their sales organizations in that manner- at least until they have had a successful experience of sales coaching. So here are some ways to get started that are a little less intrusive.

Coaching training (and a coach) for sales management – The best news about coach training for sales managers and executives is that it is so closely aligned to solid basic selling skills. Coaches are trained in active listening, interpreting behavioral data, powerful questioning, leveraging influence and purposeful conversation. These skills should sound familiar to anyone who has attempted to learn to be a consultative sales person. The main difference is that the line of questioning for sales people is often directed at a predefined outcome- a closed sale- and everyone in the conversation knows it. A coach has to leave room for exploration rather than directing someone to a predefined answer with closed or directed questioning.

In addition to training, providing a coach for the sales manager creates the environment needed for exploration and experimentation with new behaviors and processes. For most sales professionals, this is a radical change in methods and having their own ability to learn new skills is critical. A trained coach, with the objectivity of working outside the organizational structure, but bringing experience and knowledge of the challenges faced by sales managers can be a powerful ally.

Create a Staff Coach Position - This is often difficult because line managers feel that getting an opportunity closed for their reps is their personal responsibility. But if you have a successful sales exec who does not have management skills but really has good instincts for getting deals over the transom, train that individual as a coach and set them up as a mentor.

Some Final Thoughts

A word of caution is in order about any of these programs. Coaching is an emerging field. While there are certifying bodies, the range of talent and experience among those who call themselves coaches is highly variable. There is no regulation or licensing. However, there is a body of practice for coaching that is learned and sustained through peer coaching and review. Do not simply assign someone as coach without providing the appropriate training- *coach* training. What a sales organization does NOT need is generally someone who is a loose cannon operating across territories with the title of Sales Coach but no better skills or more focused reward system for developing talent than the line sales managers.

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