

SALES MANAGEMENT

Sales falls

AN ENTREPRENEUR'S GUIDE TO THE 7 HABITS OF HIGHLY *INEFFECTIVE* SALESPEOPLE—AND HOW TO BREAK THEM

BY TIM ROONEY

It's easy to take sales management for granted. I know I used to when I was a CEO. During my 25 years of running five firms in three divergent sectors, I attributed their competitive edge to superior marketing, continuous product development and progressive human-resources practices. I figured if you got those things right, sales would take care of itself.

What I failed to grasp was the difference that superior sales management can make to your top and bottom lines. When I was CEO of AAB Building Systems Inc. in the late 1990s, our revenue grew from \$9 million to \$34 million over four years. Not bad. Still, had I known then what I later learned about sales management, I estimate we could have increased our revenue by a further 10%—boosting profits by 25%, or \$1 million.

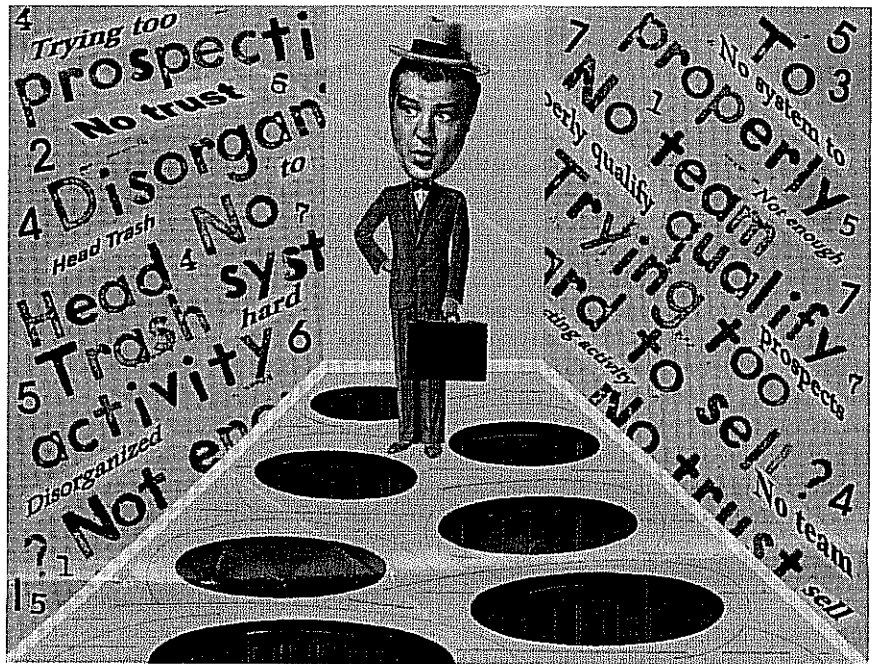
My work since founding a sales-training firm in 2001 in partnership with Sandler Training, a global sales and sales management training franchisor, has opened my eyes to where we fell short. I now realize, for instance, how much of the "free consulting" our reps gave away to woo prospects was wasted due to their bad habit of failing to gauge up front which prospects were even worth pursuing.

I've seen sales-destroying habits like this across an array of firms. Chances are, your own reps have at least one of them. Read on to find out how to spot the seven habits of highly *ineffective* salespeople and help your sales team break them.

1 THEY DON'T HUNT ENOUGH

THE PROBLEM: Your reps dedicate too little time to hunting for new business because they fear rejection or follow the line of least resistance by focusing largely on existing accounts. This habit likely does more to undermine sales than any other.

THE SOLUTION: Your sales manager needs to work closely with her team to craft a strategic account plan that sets explicit targets for generating a major share of sales and profits from new clients. She should then use a customer relationship management (CRM) system to identify



where her team needs to make course corrections as they pursue those clients.

As well, you should rejig your compensation plan to offer higher rewards for time spent hunting for new business than for servicing existing accounts. And your sales manager should specify how much time she expects reps to devote to each type of prospecting—such as networking, making cold calls, contacting referrals and attending trade shows—and hold them accountable for doing so.

2 THEY LET "NO" GET TO THEM

THE PROBLEM: Having to live with frequent rejection is part of the job. Yet many salespeople let the inevitable setbacks eat away at their ego and make them feel like losers. Unchecked, they'll fall into a downward spiral of declining belief in themselves that robs them of the energy they need to get out and sell.

THE SOLUTION: Tell your salespeople that it's okay to feel frustrated at times—as long as they don't stop trying. Focus on managing their behaviour, which you can control, rather than the outcome of their efforts, which you can't.

Review the steps they've taken and the

results, then suggest how they should improve. Recognize their small victories in the "pre-breakthrough" stage, such as getting a prospect to agree to talk or meet.

3 THEY FIRE BEFORE AIMING

THE PROBLEM: Qualifying prospects to confirm that they want what you're selling and have the ability to buy it is essential to making a sale. Yet salespeople often derail this three-stage process by failing to ask the right questions.

The first stage is to identify the "pain" or gap between where the prospect is and where he'd like to be. Many sellers rush past this stage, alienating the prospect by prematurely jamming him with product features and benefits before identifying which ones might interest him.

The second stage is to determine how much the prospect has to spend. Many salespeople shy away from this because they believe incorrectly that what they're selling is overpriced relative to the competition, or because they were raised to consider it intrusive to ask direct questions about money.

The third stage is to suss out the prospect's decision-making process. Many

salespeople never get to this stage because they've failed to secure an agreement up front giving them enough time to do so. **THE SOLUTION:** Warn your reps that in their thrill at landing an appointment, they must not fail to ask the prospect for sufficient time to cover all the qualifying questions. Better yet, they should request a bit *more* time than they need so they can please the prospect by wrapping up early.

Then have your reps develop a list of questions to probe the prospect's likes and dislikes about the product category, your offering and those of your rivals. Teach them how to follow up on the answers to zero in on the features and benefits most relevant to a given prospect.

Train them on the rationale for your pricing strategies so they're comfortable defending them and can show the return on investment to that client. Teach them to use a nurturing tone to find out how much the prospect has to spend. Rather than ask bluntly, "What's your budget?", they should say, "I wonder if you could share with me, in round numbers based on your past experience, how much you're hoping to pay for X."

Finally, coach them on how to complete the qualification process by asking about the customer's decision-making process, such as who else will be involved, the criteria for selecting a vendor and when to expect a decision.

TEACH YOUR REPS TO PLAY IT COOL EVEN IF—ESPECIALLY IF—THEY'RE GOING THROUGH A SLOW PATCH

THEY WING IT—WILDLY (4) **THE PROBLEM:** Many salespeople are "let's get on with it" types who don't take the time to figure out where to focus their energies. They hate fussing about details, so planning doesn't come naturally to them. Instead, they head off in all directions, reducing their effectiveness.

Many firms enable this bad habit by managing their salespeople strictly by the numbers, not worrying whether reps use their time efficiently as long as they hit their targets. What they don't see is the revenue lost from letting a salesperson make it up as she goes along.

THE SOLUTION: Your sales manager needs to get into the guts of the issue with her reps: "How, exactly, are you going to make these numbers?" That means sitting down with each salesperson to set a plan that identifies existing accounts with high growth potential, new target

opportunities that best fit with the company's products and offerings you can sell to both new and existing accounts.

Next, break down this macro plan into priorities for the next 90 days. Assess progress every week and month, fine-tuning as needed to stay on track. Your sales manager should use weekly one-on-ones with each rep to keep them focused, and record their progress through a CRM application accessible to both of them.

THEY FAIL TO BUILD TRUST

THE PROBLEM: Suspicion of salespeople runs deep in our society. Job titles that carefully exclude the word "sales" reflect this; you wouldn't think that a "senior account executive" sold anything! Yet many reps have a bad habit of ignoring the widespread wariness of their occupation, so they fail to do what it takes to earn a reputation for trustworthiness.

THE SOLUTION: The most basic element in building trust is to do what you say you'll do—or, if something arises to make that impossible, to give the other party a heads-up and renegotiate what you have agreed to. Teach your reps to under-

promise. Then they can easily deliver on, and usually exceed, their promises.

Another way to build trust is for your reps to "match and mirror" a prospect's words, tonality and body language, such as his talking speed and how much detail he goes into. Most people prefer to buy from people they like, and people generally like people like themselves! An extroverted salesperson who speaks and makes decisions quickly and glides over the details needs to learn how to mirror the style of, say, an introverted, slow-talking prospect who painstakingly reviews the details before making decisions. The goal is to help the prospect relax by building trust, not to manipulate him into buying something he doesn't want or need.

THEY TRY TOO HARD TO SELL

THE PROBLEM: There's a fine line between wanting and needing a sale. Many reps

cross this line, revealing their anxiety to close the deal. And neediness in a salesperson is as much of a turnoff as it is in a dating partner.

THE SOLUTION: Teach your reps to play it cool, even if—especially if—they're going through a slow patch.

The best way for a salesperson to signal his confidence that he doesn't really need this sale is to give an "It's okay to say no" speech along these lines at the outset: "As good as our products and services are, we know they're not the right fit for everyone. So, at any point in this process, if I can't meet your needs, I want to be comfortable telling you that. And I'd like to ask you to do the same if you feel that I can't meet your needs."

THEY DON'T ASK FOR HELP

THE PROBLEM: Teamwork doesn't come automatically in our individualistic culture. That's certainly true of sales reps, above all of the risk-taking "hunters" who love to pursue new accounts.

When firms recruit salespeople, they often focus so much on finding people able to work on their own that they overlook the downside of these Lone Ranger types: they're too proud to ask for help. Reps like this won't admit it if they're floundering, so they take longer than they should to move up the learning curve and achieve their potential.

THE SOLUTION: Create a team culture that makes it clear to your reps, especially your new hires, that you're aware of and fine with the fact that they'll struggle and make mistakes. Make it easy for them to learn from your "grizzled old-timers."

Effective ways to do so include having your newbies go on sales calls with seasoned reps to learn first-hand from them, lining up senior members of the team to act as coaches or mentors, and encouraging them to share their knowledge in role-playing exercises and discussions of best practices at sales meetings.

But don't forget to offer your experienced reps incentives. Giving one of your old pros a cut from a greenhorn's sales during his first year can ensure that your veteran really puts her heart into getting the new kid up to speed. □



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