LEVEL FIVE COACHING SYSTEM

RED PAPERS

What Every Sales Manager Should Know About Sales Training

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According to TrainingIndustry.com, global market for sales training was estimated to be worth approximately 2.9 billion in 2020.

In addition, the market for sales management training was estimated to be worth approximately 1.1 billion in 2020. While this amount is a much smaller portion of the total, it is still a lot of money. It seems that companies make the vast majority of this investment in good faith without any solid proof of a return on investment.

Why Bother?

Five best practices to ensure a ROI on your sales training investment.

Recently, a colleague stated that he believed there are two kinds of people in the world. There are those who believe in sales training and those who do not. Unlike almost any other training, the tangible results can be easily tracked and measured to prove significant ROI. Metrics such as more reps making quota, reduced time to productivity, better win-loss ratios, and increased levels of customer satisfaction. In spite of the relative ease of these measures, few departments report them to those who sign the checks. It may be that, in many cases, the lifetime value of just a few new accounts more than pays for the expense associated with the effort.

In addition, the intangible value provided is more rationale to "double down" on your future training investments. Here are three "intangible value" examples.

+ **Improved Recruiting Brand**

  Every sales leader wants to hire top performers. Your recruiting brand is key. Companies that have a reputation for providing great training enjoy the benefits of attracting the best talent to their team more easily. As a frontline sales manager at Xerox, there was always a steady stream of resumes every week. Of course, the firm did not rely on that reputation exclusively to source candidates. Other items included actively advertising, using internal and external recruiters and promoting a robust referral program with large bounties when a new hire accepted an offer and stayed for one year. Yet, the intangible value does not end there.

+ **Reduced Turnover**

  At the time, Xerox offered a continuous stream of learning about selling and sales management. Not a quarter went by without exposure to reinforcement sessions for practice, or net new content to build on your foundation of mastering sales. Hence, the engagement level was high, success was common and rewards were handsome. Turnover was, at a minimum, the biggest payback. This meant more customers benefited from fewer "revolving-door-reps" in their account. Hence, more repeat business and fewer competitive inroads.

+ **Increased Number of Satisfied Customers**

  Customer expectations are higher than ever before. Customers do not want to waste their time with reps who do not create value for them. Sending in neophyte unskilled reps to make calls does more damage than good. It would serve companies better to not have them practice on their customers. Tim Riesterer, chief strategy officer at *Corporate Visions*, says, "At some point in the sales process, lips have to move." Your customers stand in judgment of whether your reps create value. Skilled reps are invited to come into an account; unskilled ones are avoided like the plague. If you depend heavily on repeat business and expanding relationships, you want your best foot forward in those key accounts. Training, in fact, overtraining keeps reps one-step ahead of the competition, earning that customer's business for life.

Best Practices

Whether you are a sales leader, who believes in training or one who does not, here are five best practices to maximize your return on the investment regardless of how much you spend. These practices may turn skeptics into believers and positively influence C-level support for further investment in the future.

1. Be a Partner, Not a Customer

Sure, those training dollars are really your money being spent. You generate the revenue to pay for it. However, management oversight, involvement and shared accountability with sales training are critical success factors in achieving the desired results.

Training departments can only be responsible for learning; they cannot carry the cross for sales results alone. You need to see your relationship with the training group as a partnership. Like it or not, if sales are not there at the end of the year, senior leadership will not blame the training. You own it anyway. Because you will be on point at year-end, take the lead from the beginning. Start by communicating frequently with your training team. Get involved and stay involved throughout the process. This means meeting with each individual on your team before he/she attends training to set expectations and shared outcomes. It means meeting after training to plan how to coach and reinforce what has been learned so it can be applied and transferred back to the job.

2. Prescription Without Diagnosis Is Malpractice

Many things can be learned from Dr. Rob Brinkerhoff, guru on training evaluation and measurement. He has many sage one-liners. One of those includes, "Sales managers tend to order training like they order pizza." There is a tendency to turn to the training department when performance is not meeting expectations and order a program. It may even sound like this, "Ordering, one cheese, and pepperoni. Oh, and add some mushrooms."

Training is not always the answer. Do not believe for one second they'll fix 'em or make them better like a doctor would. Conduct a needs analysis and not just a standard topical training needs analysis. Participate and practice a performance-needs analysis.

Review some form of the ISPI HPT Performance Improvement Model. Examine a myriad of other performance influences to determine the root cause of the performance gap before concluding it is time to invest in training. However, once you have determined that training can move the needle, it is time to decide the content, methods and strategy for implementation, evaluation and measurement. What behaviors will change? Will they grow revenue? Don't forget to involve the sales reps in the process. Although they are generally considered the least able to predict what is needed (they may not know what they don't know), you need their input so that you can reference that the field was involved in selecting the program content. Finally, incorporate some client feedback on your reps in the analysis and do some in-field observations to know the current state-of-call behavior. The approach to field observation is detailed in my book, "Level Five Selling."

3. Select Content

> "Efficiency is doing things right; effectiveness is doing the right things."
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> - Peter Drucker

Avoid selecting an efficiency solution when you have an effectiveness problem and vice versa. Suppose the following: The sales force would sell more if they made more face-to-face calls, and you have an efficiency problem. This stands to reason. If they managed their time and territory better, they would spend more time in front of customers. It would be like, "Ordering, one-time management program, hold the cheese." Post training, you determine the sales force made 15 percent more calls next quarter. Guess what? Sales did not improve and there was no funnel growth. Making numerous poor quality calls (effectiveness) does not ever lead to more sales. Here is another common example. This is a classic. Margins are shrinking. "We need negotiation skills." Really? Perhaps your reps do not know how to sell value? Selection of the right content is key. Do not be swayed by the next new shiny object in sales training. Believe me, plenty of prospects have spent a ton of money and saw no discernible difference from those.

Be sure to customize the programs. They must be tailored to your business, your products, market segments and competition. Asking a learner to acquire new knowledge and translate it to your business is ineffective. They need to immediately see the content relevance and connect the skill or process to their job.

This aids transfer and accelerates behavior change. Last, avoid the one-size-fits-all events where everyone gets the same program. Some people may not need to learn content they are already skilled in; it is a matter of fine-tuning and coaching. Others may not have the innate DNA to do a particular skill. There are a number of times where people try to teach a specific competency to a learner who does not have a chance of doing it. The classic is teaching reps who are great farmers to prospect for new business. It is not their nature. You can hover over them and they might do it. However, once you are not there, they will not do it. Individual learning tracks are best.

4. Utilize Line-Driven, Drip-Fed Learning Methodologies

No sales rep should be asked to attend a training program that his/her manager has not attended previously or participated in simultaneously. The best of all possible worlds is where the sales manager participates in the facilitation and delivery of the program. Having them fluent in the content, whether it is skills or process, adds credibility to the program and arms them to coach and reinforce the desired behaviors. Some of the best VP of Sales clients were not the ones who showed up, introduced the program and went back to their desks and meetings. They showed up, stayed and used the training as a laboratory for observing their team's behaviors. They participated and did not lead from behind.

The contemporary buzzword for the next point is Learning Journeys. This is the old lifelong learning, CQI, Ongoing Development, a theme that essentially means the same thing. Blended methods, online, classroom, games, mobile, social learning blogs, in-field exercises, live case examples, webinars, virtual study groups, and projects. All intended to review and reinforce the learning. Don't short-cut practice and feedback. Insist on skill mastery not just book-like knowledge repositories. New video technologies allow for virtual coaching and creation of "best-in-class" role models for easy reference.

Design learning in small bite-sized chunks and drip-feed the learner touches over time versus the method of flooding the field irrigation. The latter creates learning events that are short-lived and ineffective. The former accelerates the transfer, sustains retention and increases applications and transfer. Better to learn a few things really well and master them than tanking the waterfront approach to curriculum designs that cover every topic under the sun. Add action-oriented projects and refreshers along the way to keep the concepts taught top of mind and part of the sales culture.

5. Evaluate and Measure Results

If you want senior leaders to continue to fund the development of your team, connect learning to the business impact. This is much easier than people make it out to be. Documenting bottom-line results helps you compete in the battle for investment spending when the CFO is looking at the trade-offs of those who want a big share of the pie. If faced with purchasing a new software program or buying a piece of capital equipment, the CFO will have a ROI analysis in front of them. If you present your training budget without those compelling returns, the odds are slim to none that you will get the money you want.

Start training by first committing to an evaluation and measurement process to prove your ROI. Publish those results broadly, so no one has a doubt about the value created by you and your partner in training.

Conclusion

There are many other factors that can guarantee a payback from your training investments. These are just a few of them. However, simply putting these practices in place will increase the odds of getting sales results from the training investments you make now and in the future.

About The Authors

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