

Excerpt: The Sales Management Quandary

From *On Selling Management – The PATH to a better top line*, Chapter 1

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Recent articles in the news have suggested the average tenure for a sales manager in the U.S. has dropped to just 19 months, a decrease from 24 months just a few years ago. Not a proud statistic by any measure, but it's a situation that is going from bad to worse and merits the attention of the business community.

Today's sales managers are faced with a multitude of internal corporate issues, and the expectations of upper management are often unreal. Meanwhile, regardless of current economic conditions, the consequences for missing sales targets are brutal.

Just to survive, the sales manager must focus his or her time and efforts on the urgent tasks—fighting the daily fires in a corporate world. He will deal with customers ready to defect, argue with engineering and manufacturing about product fit and quality, complain to IT about the unusable CRM system, struggle with finance about credit issues, somehow survive a periodic commit session with his boss, and cover for a personnel shortage due to dubious reasons in some territory. He will listen to his people and their endless litanies of complaints—an indistinguishable mix of moans about the firm, the home life, the customers—all designed to excuse their underperformance. With all these demands on him, how can the sales manager find time to focus on the selling hopefully going on in his department?

Despite all this, the sales manager has to find the time to focus on the selling activities of his people in order to survive in most companies. We like to use the term ***Selling Management*** to talk about the direction, measurement and control of the collective, external, person-to-person selling activities an organization is engaged in. *Selling Management* is an integral part of many other corporate functions, including Sales Management, Marketing, Strategy and Human Resources. But when corporate selling declines, sales managers are usually the ones to suffer the consequences.

Successful selling management requires focusing the activities of people whose actions are very unpredictable, as they are subject to a constant stream of external influences. At the same time the very nature of the Seller's tasks requires independent decision making, and with it a considerable degree of freedom of movement. Eliminating the independence and enforcing repetition of predictable tasks is counterproductive in a professional selling environment. It is a forced implementation of simple transacting where transacting does not work. What is needed is a foundation that will allow accurate measurements of the critical elements of the selling process, and subsequent monitoring and directing of the activities. In a world of incredible distractions and interruptions, what the PATH imposes is an intense focus on the things that matter in selling.

Of course, the introduction and implementation of the PATH will require additional actions and with it time from the sales manager in the beginning. And often we will find basic elements of a corporate selling strategy, such as the non-existence of compelling value statements, or tactical issues such as the ability to collect relevant data in a timely manner, needing significant attention. But once the PATH implementation is underway a transformation will take place. This is when the sales manager finds the chance to increase his or her own efficiency and work smarter. They may even start to enjoy their jobs again.

Using the PATH system, smart sales managers look to the Buyer for answers, not the salesperson we describe as the Seller. Unfortunately, in many companies, sales management qualifies the Seller. The Seller, in turn qualifies the manager, feeling his way to determine what he can get away with. But who qualifies the Buyer? Isn't he the one whose thinking about a proposal is the most relevant? The PATH not only provides the foundation for this, it literally mandates this measurement and with it eliminates one of the key distortions in the communication between seller and sales manager

Most sales managers we know are hard driving individuals sacrificing countless hours for the "cause." In the professional selling business, success usually does not come without the commitment to heavy traveling and weekend engagements. And every seasoned sales manager has stopped counting the many times he waited in airport lounges to cross time zones, sacrificing dance recitals and missing soccer games only to find himself talking to utterly unqualified prospects.

It is no surprise that we find devastating effects on the work-life balance of the individuals with ruinous consequences for the company, the family and the individual's career. One of the tools of the PATH foundation uses to try to address burn out for the sales manager is to clearly define which opportunities in the collective pipeline merit his personal attention and involvement. Using well-defined parameters, he will be in a much better position to judge for himself which deals really matter and when to better spend his time attending his son's football game.

A key contributor to a sales manager's time burn is the requirement for his presence in inter- company meetings. In person, or via conference calls, he will be asked to attend countless hours of discussions with every possible group in the company. He will be meeting with product development about future product features, with the marketing people about positioning and public relations, with human resources about headcount and manpower acquisition, with IT about data requirements, with accounting about order processing and finance, and with his management about forecasts and

outlook. He must attend or participate in these seemingly endless events, even though none of them truly help him, or his team, succeed. He must, because if he does not he will run afoul of corporate expectations or, what's even worse, risk that decisions impacting sales will be made by people who could not tell a prospect from a suspect and a genuine buyer from a tire kicker.

In any company, the sales manager is the voice of the customer. What the sales manager needs is better information to effectively make the customer's voice heard, and consequently reduce the time required for meetings that are essentially an exchange of educated guesses and unqualified assumptions. Here again the PATH will help, by uncovering and substantiating unbiased buyer feedback and market expectations through the analytical evaluation of the results. Instead of arguing the merits of the positioning with the marketing team, the sales manager will be in a position to contribute with a concise statistical analysis. Rather than wrestling for headcount with the HR department, the sales manager will substantiate his requisition for increases or decreases with concrete determination of current capacity utilization. Instead of arguing the merits of data fields and workflows of the customer relationship management (CRM) system architecture with the IT department, the sales manager will know precisely which features and customizations will enhance the efficiency of the selling operation. And in place of exchanging guesses and assumptions in the periodic forecast sessions, the sales manager will present concrete evidence of the status of the opportunities in her pipeline as a basis for her compilation.

The upshot of better information is better decisions. And just as importantly for the sales manager, better information has a direct inverse relationship to the duration of inter-company meetings. When the discussion is based on clear and documented evidence, there will be not much to talk about. This is not to imply that the sales manager's peers in the company are not approaching these types of subjects with the utmost sincerity and extraordinary intelligence. We certainly believe they do. Yet, when it comes to making the right decisions, good information will beat personal intelligence anytime.

The other time consuming aspect of the sales manager's job is the time required to interface with his people. And the merit of time spent here may often be suspect. Are we really helping our people succeed or are we wasting time on lost causes? Are we addressing the real issue or covering symptoms? Is our seller actually engaged in selling to customers or is he selling to us? Are we giving a particular personnel situation enough time to develop? Or is it too much time we are allowing, paying for our tolerance with subsequent budget deviations?

The PATH, will again help to address these issues dramatically. Yet again it appears that the time requirement will increase at first with periodic “war room” reviews, which are meetings between sales management and the Sellers to address exactly what deals are in the pipeline with accompanying proof. Where a sales manager did not have a policy of structured and firmly scheduled periodic activity reviews with his team, this practice can certainly appear as an additional burden initially. Yet once the team members understand the rules and expectations, the war room discussions tend to replace most of the other extra curricular interactions between sellers and their managers. The PATH leaves precious little room to hide a seller’s lack of organization, focus and performance. At the same time the system will uncover weaknesses that will allow the manager to pinpoint his coaching activities. Conversely, the PATH will give the manager keen insight to the actions he can take to support his people and improve pipeline yield.

The introduction of a structured communication will also have unexpected benefits. We have found that in most instances, sellers cherish and appreciate the clear guidance and supportive face time with their manager. This is especially true when prior contacts were mostly ad hoc and intensive discussions reserved for emergencies. We also find that people on the fringe, such as administrative support staff, used the process and the reviews to learn about selling, only to risk the transition and become very successful sellers in their own right. Of course we have also found sellers who avoided the War Room reviews by all means possible, using alternating excuses involving schedules, executives, customers and personal matters to avoid the scrutiny of a War Room reporting. We look to these instances as a successful outcome of a PATH implementation. After all, one of our objectives is always the early detection of team members whose interests will be better served pursuing careers elsewhere.

The PATH, when implemented properly with the determination and support of sales management and executive management, will drastically increase efficiency and reduce cycles devoted to non-value-added management activities. Once PATH campaigns are repeated, their purpose refined, and the metrics and measurements institutionalized, the foundation is laid for the ultimate objective: transforming today’s chaotic selling activity into a high performance selling Culture.

But before we begin our journey down the PATH to effective selling management, let’s first agree on some terms and definitions we’ll be throwing around. ///