



The Role and Importance of Effective Sales Management



There are many points of view on how to improve the

overall level of performance of sales organizations. These ideas run the gamut from better technology and analytics, better hiring, improved training, or more effective linkage between sales and marketing coupled with enhanced demand and lead generation capabilities.

Yes, all of the above list and more will improve the effectiveness of a enterprise sales organization. That all said, no role is more important to the overall level of performance of a sales organization than that of the first level sales manager. This person has the responsibility to recruit the sales team, train, coach, motivate and performance manage the team. They have the responsibility to translate the overall business strategy of their company into actual operation. They must be opportunity strategists, they must be great at leading, managing and coaching, have great judgment, must be capable of understanding and

impacting performance on an individualized basis. Finally, their job of attracting and retaining a high performing team is fully measurable – each and every month, quarter and year.

It is our view that the overall level of sales management effectiveness that exists today in many US companies needs considerable improvement. In a 2014 Harvard Business Review article, the Gallup organization pointed out that overall, American companies hire the wrong person for a first level management role 82% of the time. Yes, they get it right 18% of the time. We see a similar scenario play out in sales management roles as well, perhaps even more so as first level sales management is an exceptionally challenging role, especially as compared to many other first level management roles, and it requires great skill to execute this role effectively.

For reasons consistent with the Gallup study, we see that the overall level of competency and capability that exists in business with first level sales managers as sadly lacking. While the lack of proper training and development of first level sales managers by most companies is a contributing factor, the primary reason for the lack of sales management effectiveness is due to improper selection of the individuals to promote into sales management positions.

At the heart of this problem is the fact that **great**

salespeople typically make **terrible** sales managers. The data is clear on this point. Certainly, no salesperson worth their salt wants to work for a manager who hasn't "carried a bag." And while this is understandable – who doesn't want a manager who has the experience and battle scars to understand what their team members are going through, an even cursory examination of the data quickly reveals its flaws.

GrowthPlay has assessed hundreds of thousands of candidates for sales and sales management roles and we do this in a way that lets us empirically assess a person's "fit" for both roles. What we found is more than a bit counter-intuitive. First, only about one out of every six candidates (~15%) who is a strong fit for a sales role is also a strong natural fit for a sales management role.

Of course there are exceptions: most people you speak with will have examples of a great salesperson who was also a great sales manager. That the data are clear about trends doesn't mean that there won't be exceptions – there certainly will be exceptions. But in analytics, the "exceptions don't prove the rule" and if you want to optimize your talent decisions you will play the odds. And when it comes to sales management at least, the odds are strongly against great sales people transforming into great sales managers.

Back to the Data

So, back to the data. How do we explain the fact that great sales and great management are antithetical? It's rather straight forward actually. At the heart of every great salesperson you will find a strong achievement motive. This is the part deep inside of us that compels us to test ourselves against an external standard of excellence. It's what drives us to prove we are competent, capable, and can get stuff done. And make no mistake, achievement is a compulsion in every meaning of word. It's a gnawing, never satisfied, always hungry, relentless drive. Achievement just can't help itself, it needs success

like a fish needs water. And that's why it's so central to sales success. It's what makes great salespeople the energetic, persistent and driven sales machines that they generally are.

There's different motive at work in great leaders. Where great salespeople are driven by a need to achieve, great leaders are driven by a need to influence and have an impact on the world. Importantly, influence does not equal personal success. In fact, whereas a great salesperson can only accomplish what they are personally able to get done (and are, therefore, limited by the harsh reality of 24/7) a great sales leader can inspire and train and motivate legions of salespeople and have an influence far beyond what any one person can accomplish on his or her own. Achievement points with great pride to what it has accomplished. Influence points with equal pride to what others have accomplished.

Each of us has some amount of both motives. And the motives are not mutually exclusive. There are people who have little of both, people who have lots of both and people who have lots of one and less of the other. When thinking about a given person's fit for a particular role what is key is the relative proportion of achievement drive and influence drive. It's only a slight oversimplification to say that a modest amount of achievement drive and a whole heck of a lot of drive to influence is the hallmark of successful managers while an overabundance of drive to achieve coupled with some but not too much influence drive is what makes a successful salesperson.

Behavior of Effective Sales Managers

Great sales leaders correctly understand that their job first and foremost is to help each of the individual salespeople who are part of their team achieve success. The job is not about micromanagement, it is not about control, and it is not about being on every call and looking at every piece of correspondence that is being sent to clients

and prospects. It is fundamentally a higher order calling.

Great sales leaders as we pointed out previously are rare. They absolutely must have the ability to provide direction, guidance and help in a way that the individual receiving the advice hears it, and is able to incorporate the communication into learning, commitment and action. By definition, this means that the communication strategy and tactics used by the sales manager must be customized by person if the manager wants to be effective – one size surely does not fit all. In the same way that an effective sales person strives to meet a customer where they are, the effective sales manager must meet the individual sales professionals where they are – assuming of course that the manager has the correct individuals on the team. While it is not necessary or even advisable that the manager is a personal friend with his or her team, it is necessary for the individual sales professionals to both like and respect the sales leader. I have learned over time that if you don't like someone, you avoid talking to them, and if you don't respect someone, you may still speak with that person, but the lack of respect will surely breed cynicism. Either scenario creates the potential (actually, the propensity) for turnover, as high performing sales professionals quit their manager, not their company.

Consider the life of a typical sales leader that has eight to ten direct reports. Typically, they will have at least one open territory, one or two individuals performing at a high level, one or two who are underperforming, and the balance somewhere in the middle. The tendency of most managers is to spend nearly all of their time on the open territory and the underperforming individuals, and to basically ignore the high performing individuals. This of course is not a great strategy; the good people can be made better, and further, recognition is important to most high performing sales professionals.

One trick I learned long ago when working for GE is to require each sales manager to do an informal, but nonetheless written review of each sales person

on his or her team each and every month. This sounds a bit onerous, but when implemented correctly, it drives the kind of behavior that will correlate with success. Writing a quality review by definition means that the manager must have spent time during the month with the person for the review to be useful – this fact insures that every person on a sales team receives one on one time with the sales manager each month. Really great performers get positive feedback and suggestions for even better performance. Marginal performers are likewise given direction, feedback and advice on specific sales opportunities. The monthly review also creates a bit of an audit trail, so that when the decision is made that the person is just not the right fit for the role, you can do away with the charade of a performance improvement plan – all of the documentation already exists in the form of the monthly reviews. Life gets better for all involved.

If your sales team is performing well, most likely you have quality sales managers in place. If you are underperforming, perhaps it is because of some underperforming individual sales people. But before addressing this issue, look hard and be realistically critical about the answers to each of the following questions: Do I have the right sales managers in place that will build and retain a high performing sales team over time? Would I want to work for this person? Will great people thrive, good people perform better, and those that are not a good fit are quickly pushed out? Will our clients come to the understanding that the sales leader is really an advocate for them, and they can trust the sales manager to hold his or her company accountable to deliver the product or services as promised that will actually address the real client issues?

Hopefully you will like the answers to these questions. If not, it is time to act. ■

Daniel J Weinfurter is CEO and Bruce Sevy, PhD is Managing Director, Talent Analytics, of GrowthPlay Find out more [here](#)