

5 Sins of Sales Bosses

Your humbling guide to the worst sales-management mistakes ...
and the simple ways to fix them

Sales is the big black hole in most organizations. Blame that on human nature: for entrepreneurs whose backgrounds are in engineering or finance, sales is a function that they know little about – so they tend to avoid it. And when they do get involved, they make mistakes.

Even for seasoned sellers, the specific task of sales management is a minefield. One wrong move and you can lose not only potential sales, but also the people who do the selling.. To preserve you're your sales and sales people – if not improve them – avoid committing these five sins of sale management:

SIN #1 Obsessing over the close

“Always be closing” may be a well worn cliche’ among salespeople, but it should be banished from the vocabulary of sales managers. That’s because the beginning and middle of the sales process are just as important as the end – a fact that too many managers forget, thus neglecting to help their staff advance through these stages. If you have a sales cycle of 90 days and the sales manager is not asking ‘what started today?’, 90 days from now there will be no sale.

To get out of the ‘always be closing’ mentality, map out a process that details the when and how of such steps as starting a new relationship, conveying pricing information, doing a demonstration and asking for the sale. Sit down regularly with your people to make progress checks, and always consider the skills your people need along the way. Test them and observe them live to get a sense of these skills, so you can train and develop their underlying capabilities.

Most sales commissions kick in at the close, yet to really reinforce the process and encourage skills development, offer perks along the way. Offering praise and/or awarding prizes for generating the most new contacts or the most customer referrals put the emphasis on stages other than the end.

SIN #2 Ignoring HR basics

Mistakes made in hiring, firing and rewarding salespeople can result in dysfunctional teams with low morale. One common error is hiring too fast. When the hiring process is short-circuited we often hire too fast, to get a warm body in the position. Just as bad is being too slow to fire chronic under performers or those who don’t fit your culture. When you delay the inevitable, it’s just dollars lost.

Getting the right salespeople on the bus is especially difficult, because they have above average verbal skills and have been trained to tell the customer what they want to hear. They turn on the same charm in a job interview. So often you hear from managers that the person in the interview is not the same person working for them.

Psychometric tests for salespeople are one tool for checking your perceptions against reality before you make a hire. Sold by specialist testing companies, psychometric tests can often be done online and cost as little as \$100. As well, be sure you are asking the right questions in job interviews. Among one of best questions is something like “What is it about you that makes you a successful salesperson?” The answer reveals that person’s definition of success, which you can match up with your firm’s ideals. Get interviewees to sell you a pencil: the ones who know what they are doing never start by talking about the pencil’s attributes; instead, they probe about the pencil and the person’s pencil and writing needs.

Perhaps naturally, many managers devote an inordinate amount of time to lauding their superstars and rehabilitating their underperformers, ignoring the average, hard working reps. Superstars tend not to be team based and burn out or leave. You need to look at the people who are steadily growing in performance

over time. Such people can become rock solid sellers and great team players. Encourage them and give them power and responsibilities as they develop.

SIN #3 Neglecting to harvest

In their daily interactions with customers, your reps hear how the market is evolving and how well your company's products are filling needs. But sales managers rarely ask the right questions to get this information, and few organizations give salespeople the chance to get the word to marketing, R&D or other departments.

It is important to look beyond point-form notes on a sales-call report, and really probe. Talk to salespeople about more than whether or not they got the sale.

To help the word spread throughout the company set up cross functional teams that meet monthly. Provided these meetings are run efficiently, your salespeople won't likely begrudge the fairly modest time and energy they'll require. But be warned: if you never act on their suggestions, they'll stop offering feedback.

When a sale goes south, find out why. Be patient and non-judgmental in your approach. Sales people aren't used to being lambasted for losing a sale, and they have great verbal skills in selling, but necessarily the same acumen when conveying ideas.

SIN #4 Thinking it's all about the money

Sales get commission for their closes, without which they'd be unlikely to make cold calls or spend weeks pursuing tough leads. But there is also an emotional side to their work. Since it's already a job that is full of rejection, salespeople will leave a company at which morale is poor or they're not treated with respect. And they crave a little positive feeling in their workdays. They hear the word "no" a dozen times before a faint "yes".

Motivate your team with perks that fuel their pride in their work and make their jobs more positive. Show them you understand what it's like to lose.

Recognize their efforts with positive comments and bonuses such as a mention in the company newsletter or a gift certificate. As well, make them feel needed by the rest of the firm. Even when your volume of sales is down, lecturing, bullying and filling salespeople's ears with negative comments won't turn things around – and likely will only make things worse.

SIN #5 Failing to train yourself

Directing a sales team is not the same thing as selling. Nor is it like overseeing manufacturing or running an entire company. Sales management requires a very specific skill set. If you've never been trained, you'd never have a clue.

You need to know, among other things, how to hire and fire, draft a compensation plan that doesn't just reward sales but meshes with your firm's overall strategy, organize sales territories and set appropriate quotas. Most sales manager learn on the job, but that takes years and incurs invisible costs – namely lost revenue and disgruntled staff.

You can't take on this job halfway; you'll end up merely bossing your staff around and fail to create a team that respects you and follows your processes even when you're not around. A lot of sales managers don't lead, they manage, and when that doesn't work, they turn up the heat a bit.

Threats and bullying don't work, but leading with confidence and skill does. Send yourself or your manager out on seminars or courses specifically about sales management – or, at the very least pick up a book or two on the subject.

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