

coach your sales team

A Hands-On Guide for Sales Managers



Strengthen Your Core

How to improve sales results by coaching the middle performer

If you could spend your coaching time with only A-, B-, or C-level reps, where would your time yield the best rewards?

Many managers are surprised to learn that coaching their core group – the 60 percent or so of reps who make up the majority middle of the team – is the best, most financially rewarding use of their coaching time, according to research by CEB's Sales Executive Council. That's not to say your "A" and "C" players shouldn't be coached; they should. In particular, coaching has critical retention benefits for your A's; however, to drive top-line revenue growth, coaching effort directed at the B's will produce the best results, says Brent Adamson, managing director at Sales Executive Council and coauthor of *The Challenger Sale: Taking Control of the Customer Conversation* (Portfolio, 2011). The belief that coaching the outer segments (the top and bottom 20 percent) will yield the greatest results stems from the following two myths that CEB's data revealed to be incorrect:

Myth #1: Top performers generate such a large percentage of revenue that any improvement in their performance will result in sig-

nificant revenue gain.

Reality: Coaching top reps rarely results in anything more than an incremental boost in performance. They are stars for a reason. Most are already performing at peak capability.

While high performers do outperform the core individually, the middle 60 percent account for a much greater percentage of total revenue. So shifting core performance ultimately produces more significant results. In an SEC Solutions team analysis of performance data from 625 sales reps across 11 sales forces, researchers uncovered that a 5 percent shift in productivity across the core would yield greater than 70 percent more revenue than the same shift in top-tier productivity.

Myth #2: Low performers have nowhere to go but up, so devoting time to coaching them should enable them to make great leaps in performance.

Reality: The "C" tier is typically comprised of people who are a poor fit for the role they play in the organization, especially if they are in the bottom 10 percent of your team. These people usually are limited, not by a lack of desire to excel, but by an inability to do so in their current position. This is often due to either a poor

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Use the space below to make your own notes on coaching your midtier reps.

hiring decision or a shift in the sales environment requiring aptitude and abilities they do not possess.

These findings raise an important question: does the recommendation to predominantly focus coaching effort on "B" players change with the ability of the manager to coach effectively? Adamson says no. When CEB researchers correlated sales rep performance with coaching quality, they expected to find that all sales reps with great coaches

would outperform all sales reps with bad coaches. But that wasn't the case.

For the A's and C's, coaching quality didn't matter. For these outer-tier sales reps, there was little to no movement in performance, regardless of how well a rep was coached. For the middle 60 percent of reps, however, the difference was striking. For that group, there was a 19 percent delta in those reporting to the best coaches versus those reporting to the worst. The average was about 8 percent.

COMMON CHALLENGE

Build Buzz about Your B's

"A" players typically attract a disproportionate percentage of management attention, incentives, resources, and pats on the back. It makes sense: leaders want to do all they can to attract and retain these high achievers, as they can make the difference between a company hitting its numbers and missing them. And let's face it, many superstars remind today's VPs of their younger selves, making time spent with them fun and energizing.

But Thomas DeLong, Philip J. Stromberg professor of management practice at Harvard Business School, cautions sales leaders not to let fascination with "A" players cause them to shortchange the middle tier. "In our collective twenty years of consulting, research, and teaching, we have found that companies' long-term performance – even survival – depends far more on the unsung commitment and contributions of their 'B' players," wrote DeLong with coauthor Vineeta Vijayaraghavan in a June 2003 *Harvard Business Review* article calling for greater focus on core performers. "These capable, steady performers are the best supporting actors of the business world."

"B" players counteract the charismatic, sometimes volatile A's with their stability, solid work ethic, and consistent contributions to company performance. They are steady performers who don't want or need attention, often place a premium on work-life balance, and keep the sales machine running through turmoil in the market and changes in the company.

But like all employees, they need nurturing and recognition. "Without recognition, most 'B' players eventually begin to feel that they're being taken for granted. They disconnect from the soul of the organization and start to look for jobs elsewhere," warns DeLong. "Losing a solid 'B' performer in this way is a failure for any organization." Here, according to DeLong and Vijayaraghavan, is how to avoid it:

Accept the differences. See your B's for who they are and the important contribution they make to your sales team. Coach and recognize them for these important differences.

Give them your time. Track the time you devote to each person on your sales team. Do "A" players get too large a share of your attention? Do you pay too much attention to certain squeaky wheels and not enough to those with their heads down, working hard, and not asking for anything? Check that your day or week includes regular interaction with your entire team.

Reward solid performance. "B" players tend to get fewer promotions and win fewer awards, so recognize them in other ways. Even just a handwritten note to thank someone for a job well done can pay huge dividends in loyalty and performance.

Offer job choices. While A's are groomed for management roles, there is often little thought given to the long-term career paths of B's. Look for opportunities to "promote promising employees sideways" within the company to give them genuine career choices while keeping them – and their solid track record of performance – in the organization.

COACH'S TOOL KIT



BECOMING A BETTER COACH

CEB research showed an eight-point difference in performance between "B" players coached by world-class coaches versus those coached by average coaches. That's a big difference! So how do you become a world-class coach? Here are Brent Adamson's recommendations:

1. Coach behavior, not outcome. A lot of coaching today is about deal inspection: "Tell me where the Smith account stands," or "Did you follow up with Acme about the collateral you sent?" Or it's about numerical outcomes: "I wanted you at 90 percent and you're at only 82. What's going on?" Instead, coaches should coach to a specific skill – for instance, giving more effective sales presentations or asking better questions to understand a prospect's situation.

2. Map success – then coach to it. "Companies that tell their managers, 'Go coach!' really struggle, because managers don't have a picture of what good [sales rep performance] looks like," says Adamson. For managers to become consistently great coaches, the head of sales first must map out the behavior that defines success for each step of the sales process. This gives managers a specific target for coaching.

3. Ask open-ended questions that prompt introspection. Know ahead of time which questions to ask for each behavior you want to drive. For instance, precall planning questions might include, "What is your primary objective for this call?" or "What barriers do you expect to encounter as part of the sales call today?" The key is to ask open-ended questions that steer the rep toward the behavior that leads to successful outcomes.

Two other points to keep in mind regarding coaching questions: 1) The question after the question is often the most important. For example, when the rep explains his or her primary objective for the call, the coach's asking, "Why that objective and not this one?" can drive the deepest thinking and most significant behavior change. 2) Ask all your questions to understand, not to judge. Approach questions with the goal of understanding how your rep thinks – not to admonish – so you can steer him or her toward successful behavior.

CEB's research revealed that the optimal coaching time is three to five hours per rep, per month. Fewer than three hours per month, they found, is not enough to drive meaningful change. At more than five hours, gains in coaching effectiveness diminish sharply.

In other words, top-quality coaching improved performance up to 19 percent in the core group, while average coaching boosted it about 8 percent. "Performance" is defined as a rep's gap to goal, or percentage of quota attained.

"The data clearly suggest that organizations should do away with coaching democratically and instead shift the majority of the coaching focus away from low and star performers and toward the core," Adamson and his *The Challenger Sale* coauthor Matthew Dixon wrote in a January 2011 *Harvard Business Review* blog.

Adamson admits that this is tough for many managers to embrace, as most take an all-reps-deserve-equal-time approach to coaching. Many also have stories to tell

of low performers making a miraculous turnaround after intensive coaching effort, keeping these managers hopeful that other C's are also latent stars.

Still, while there are certainly C-player turnaround stories out there, evidence shows that coaching the middle tier will, overall, yield the greatest payoff. And in this era of pressed schedules and overloaded calendars, it is crucial that managers consider the best use of their coaching time. As Adamson pointed out following a recent CEB Sales Leadership Roundtable, "high-performing managers teach reps to target time where they are most likely to have the greatest impact." Shouldn't you do the same with your coaching time? – HEATHER BALDWIN

THE MODEL

PAUSE for Coaching Success

When CEB's Solutions Group trains sales managers to be more effective coaches, they teach them to use the PAUSE model, which captures the entire coaching process from beginning to end. PAUSE stands for prepare, affirm, understand, specify, and embed. Here's the framework:

Prepare. Prepare ahead of time for each coaching interaction by anticipating what you should see based on the specific rep being coached and where he or she is in the sales cycle with a specific client.

Affirm. Complete a firsthand observation to affirm that what you expected to see is indeed happening.

Understand. Seek to understand the observed behavior by asking questions aimed at grasping the why behind the rep's actions. For instance, ask, "When the customer asked this question, you said... Why did you answer that way?" or "Why did you decide to pursue this prospect and not that one?"

Specify. Once you understand the reasoning behind a rep's behavior or actions, specify the behavior change. This is not about admonishing the rep; rather, it's about coming to an agreement on what things need to change and how to change them.

Embed. After achieving initial behavior change, long-term success comes from embedding the new behavior into a rep's regular patterns. It is easy to slide back into old habits; coaching conversations must help ensure that the behavior that will lead to success is reinforced until it becomes habitual.