

Increase Revenue with a Winning Sales Culture



Introduction

A winning sales culture embraces risk, innovation, and collaboration. Lacking a positive, blame-free coaching environment, however, salespeople tend to feel demoralized by losses and often withhold valuable information that could otherwise help advance deals and win new business. This white paper outlines the characteristics of a winning sales culture and describes how a science-based approach to coaching creates a framework for positivity, greater collaboration, and increased revenues.

Establishing a Sales Culture That Gets Results

Sales organizations operate under intense pressure to deliver excellent results. The company's staffing, investments, and business results all rely on the sales team hitting its targets. Frequently, that pressure carries over to the coaching culture. The coaching relationship between the sales leader and his or her team is paramount. Salespeople need to know the coach cares about their development just as much as he or she cares about the wins. There must be mutual respect and trust in order for salespeople to comfortably share the truth about their current sales situation. Without this foundation, salespeople will be less likely to openly share information, and the coach's impact will therefore be limited. Thus, to help salespeople cultivate good habits, strong selling skills, and a winning mind-set, the salesperson and coach need a positive partnership.

To win and grow revenues consistently, sales leaders need more than the top 20 percent of their teams hitting quotas; they need the majority of the team to make their numbers. This requires a team effort starting with clear expectations, personal accountability, collaboration, and clear communication as part of the day-to-day sales culture. This is where a positive sales-coaching culture gains a dramatic edge over a negative culture.

Salespeople who fear retribution from leaders who use intimidation and scare tactics often suffer impediments to long-term success. While a negative sales culture may communicate the same high standards for excellence, it rarely outlines a clear path to achieve those standards. These sales leaders are often overly focused on achieving numbers, rather than on the quality and impact of a salesperson's activities. They may hit their short-term target but often experience high turnover in the sales force. When salespeople operate under stress and intimidation, the following patterns typically emerge:

- They will be less inclined to ask for help and instead will act independently and hope for the best.
- They will be less inclined to speak up and report when a deal is going off track, missing opportunities for valuable coaching.
- They will be less willing to take risks and experiment with new ideas, either individually or as a team, thus limiting how they sell and their opportunity to differentiate from the competition.
- They may feel less respected or appreciated, which often translates to increased turnover.
- They may feel more susceptible to feelings of negativity and pessimism, which is detrimental to sales success and emotional resilience.

Two Tools that Increase Revenue

Revenue Storm has developed two scientific tools that help sales teams increase revenue. One tool, the StormTracker, helps salespeople improve their consistency in winning deals by identifying which pursuits are more qualified than others, evaluating the degree of competitive advantage and culminating in a calculated probability of winning. The other tool, the Relationship Suite, helps salespeople develop a relationship and political strategy to highlight areas of over- and under-investment in relationships. To generate reports, or "X-rays," to analyze your current position and to use for coaching, salespeople are asked to evaluate a series of statements on a one-to-four scale.

Relationship Barometer: Sample Statements from Relationship Suite™ Tool

On a scale of one (disagree) to four (agree), rate the following statements about a person in this key account.

- *Proactively advocates our company to contacts and colleagues in other companies.*
- *Has sponsored us into strategic meetings that he/she initiated.*

Political Power Radar: Sample Statements from Relationship Suite Tool

On a scale of one (disagree) to four (agree), rate the following statements about a person in this key account.

- *People look to this individual for endorsement and buy-off before moving forward on projects and initiatives.*
- *This person's opinion carries huge influence that is disproportionate to his/her position and title.*

Perhaps the biggest drawback to a negative sales-coaching culture is that it creates reluctance among salespeople to volunteer or share information about their pipeline and important sales situations, either with peers or with sales leaders.

According to Debby Rizzo, CEO of the revenue performance consultancy firm Revenue Storm, collaborative brainstorming is invaluable when it comes to solving sales challenges. "Particularly for large, complex deals with long sales cycles, if there is vulnerability in the pursuit, exposing it sooner rather than later is key. Sales leaders cannot bring their best thinking to an issue if they're not aware of the problem. Like my father told me, never lie to your doctor, your lawyer, or your coach. Their sole purpose is to help you; that is their job! They cannot help you if they don't know the real story."

Good sales coaches don't use interrogation as a means of learning about the current sales situation, says Rizzo. Instead they use a structured discussion format that enables the salesperson to share his or her story, followed by targeted questions of evidence, not judgment. They create an environment that encourages discussion, reflection, and collaboration.

"This raises the probability of winning and builds up the knowledge and skills of the salesperson," Rizzo explains. "By contrast, salespeople enter interrogative meetings with a defeatist approach. Rather than think, 'This meeting is going to help me win the deal,' they come in trying to minimize their pain."

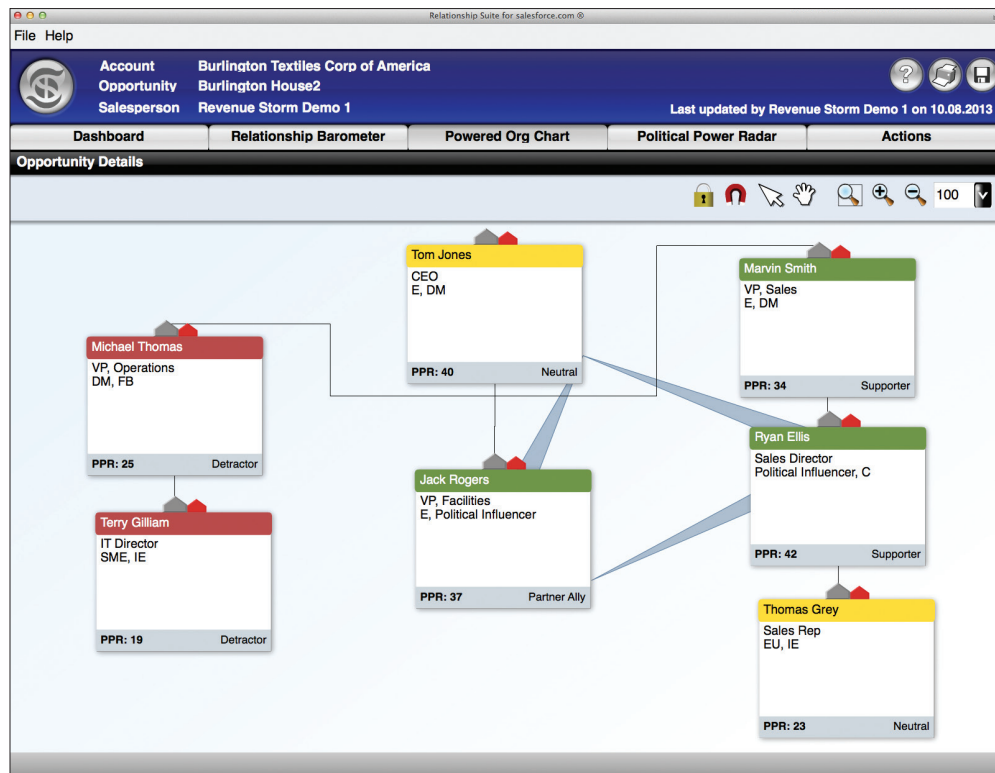
Neutralize Tough Coaching Conversations

To create a framework for shared insight and constructive dialogue, it is imperative to use some kind of tool or checklist to guide discussions and coaching sessions. For fifteen years, experts at Revenue Storm have been advocating a three-dimensional coaching approach (see “Three Ways to Approach Sales Coaching”). Tom Rourke, director of strategy and business development, SIH West, at IBM, worked extensively with Revenue Storm’s Kevin Doddrell during an engagement designed to evaluate IBM’s pipeline position in Europe. As the leader of Revenue Storm’s team of world-class revenue consultants and coaches, Doddrell helps clients manage and improve their revenue streams by implementing strategies to both create demand during the sales process and capture demand by executing strong, competitive sales plans. He also personally provides one-on-one coaching for senior executives and large, complex deals.

“Every month to six weeks, we were touring in the northeastern Europe region and did key coaching around critical deals with Kevin,” Tom says. “Over the course of our working together, one of the revelations for us on the leadership team was what it means to be a coach as opposed to a sales manager.”

To keep coaching sessions impartial and positively focused on a successful outcome, Revenue Storm has developed a methodology wherein salespeople are asked to evaluate a set of statements in two areas: relationships and political power (see “Two Tools that Increase Revenue”). These evaluations are used to generate reports, which Revenue Storm refers to as “X-rays.” Salespeople evaluate their current sales position several times throughout the life cycle of a deal so that coaching sessions can evolve accordingly as deals move forward.

Colors and scoring systems help sales managers and salespeople read, analyze, and discuss results of each X-ray. For example, in the report below, the green is good, yellow is neutral, and red is bad. The numbers next to “PPR” indicate a political power rating.



As Doddrell explains, this approach is a three-dimensional style of coaching (see “Three Ways to Approach Sales Coaching”), combining the art of the salesperson’s selling skills, the science of the tool, and the thought leadership of the coach.

“Three-dimensional coaching changes the psychology between the coach and the salesperson, because now you look at the science together, and you’re both on same side of the table,” he says. “For example, you would look at a tool in a Relationship Suite and say, ‘Fred is a very powerful person, because he’s at the top of the Political Power Radar, but he feels neutral toward us. We know we need to shift him to a Partner Ally, so what do we need to do to make that happen?’ Or it’s ‘How do we get to Fred, and who do we know who can influence him?’ But if Fred is at the bottom of the Political Power Radar, then he probably won’t be as critical in the overall strategy of the deal. So we wouldn’t want to overinvest in Fred.’ There are three relationship sins salespeople commit: they overinvest in the wrong people, they underinvest in the right people, and they miss key people altogether. An X-ray helps you avoid all of them.”

Three Ways to Approach Sales Coaching

In general, there are three approaches to sales coaching.

One-dimensional. The sales manager tells sales reps what to do. Typically, there is very little engagement or collaboration, and the manager is an authority figure who dispenses wisdom accumulated through years of experience in sales. The effectiveness of this approach is limited by the sales manager’s experience, the salesperson’s relative willingness to follow instructions, and salesperson’s ability to execute those instructions just as the manager did.

Two-dimensional. The sales manager and salesperson have rounds of collaborative coaching sessions. Typically, this form of coaching involves role plays and brainstorming and is sometimes grounded by a sales methodology. This style works best for relatively low-pressure sales situations in which both salesperson and manager have quite a bit of time to collaborate and organically develop solutions to selling challenges. It is also used frequently for coaching over performers when there is a more mature, collegial relationship between the sales manager and the salesperson.

Three-dimensional. The sales manager uses scientific tools to guide highly focused and structured discussions with salespeople. Because it is driven by science and metrics, this coaching style neutralizes the kinds of subjective discussions that might occur with two-dimensional coaching. This style works best for high-pressure, complex, team pursuits, or time-sensitive selling situations. It can be particularly useful for pushing through complicated deals and keeping extended sales cycles on course.

“There is no other single place in organizational performance where strategy execution is more susceptible to the fragility of human judgment and human behavior,” says LaVon Koerner, chief revenue officer at Revenue Storm. “As with an X-ray in the hands of a trained physician, the sales coach can diagnose in minutes where a sales campaign is at risk.”

This science-based coaching approach sidesteps common differences of perception that can sometimes create a drag on productivity. The presence of tools in the coaching session also allows authentic discussions on tough issues without damaging internal relationships. By replacing subjective judgments with proven science, this three-dimensional approach to coaching

- depersonalizes formerly tough conversations,
- allows coaches to focus their energy on facilitating the discussion,
- creates the groundwork for curative action,
- ultimately helps build the salesperson's self-sufficiency.

"When you're so close to a deal, sometimes your view gets distorted and you just go with your gut. Salespeople are naturally optimistic; they need to be to overcome rejections," adds Rizzo. "You'll hear, 'Well, John said he wants us to win, and John will push it through.' Sales leaders need to ask questions of evidence that support that John has taken steps towards that conclusion and that he has the political clout to make it happen. This isn't about blaming the salesperson for putting too much risk on one sales contact, nor is it showing a lack of trust in the salesperson's abilities. The point of the questions and scientific analysis is to ensure the sales leader and salesperson are on the same page and both have a realistic view of the sales situation."

Conclusion

Creating a positive sales-coaching culture requires a purposeful intention. At some companies, it's not unusual for more than one sales leader or executive to join a review meeting to discuss whether or not to continue to pursue a large deal or how to move an existing deal from one stage to the next. Within a positive sales culture, salespeople enter these meetings, not with a defeatist attitude, but well prepared and ready to show management their business case to justify why the deal should be pursued and their plan to advance the sale.

It's fairly easy to create a positive sales culture when sales are skyrocketing. Eventually, however, sales teams will need to figure out how to prosper in lean times or when competition increases and sales become tougher to win. Sales leaders are uniquely responsible for creating a winning culture in which calculated risks are accepted, transparency is required, expectations are clear, collaborative thinking is valued, and sales excellence is pursued with a vengeance. With a positive coaching culture, a combination of leadership, skill, and science can transform a team of individual performers into a disciplined and successful sales force.

About Revenue Storm

Revenue Storm is a sales consulting firm that helps clients implement processes and disciplines to drive sustained revenue acceleration. We provide comprehensive consulting, training, coaching, and rigorous analytics to help Fortune 1000 firms create demand and increase profitable, sustainable revenues. Headquartered just outside Chicago, the firm accelerates revenues for its clients in 44 countries and nine languages. For more information and to experience the power of their approach, visit www.revenuestorm.com.

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