Mythbusting For High-Performance Selling

Nicholas Read

Evidence from a million minutes of sales coaching contradicts some common beliefs about sales performance, writes sales guru Nicholas Read.

Researchers recently completed a significant study in which regular coaching sessions with salespeople and their managers were run in Europe and North America over a two year period.

The goal was to focus on a specific skill, coach the seller to master it, listen for evidence of it being applied in subsequent customer calls, then track its impact. This was repeated across multiple skills.

After a million minutes of coaching and analysis, a statistically significant milestone was achieved and variations no longer appeared in the data. The study busts six common sales myths.

Myth 1: "You can't coach every skill"

A list of popular selling skills was drawn from books, competency maps and job descriptions. These totalled 172 and were deemed too unwieldy to coach, so researchers applied four filters:

Skills had to be observable in a b2b sale (no behind-the-scenes *prospecting*, *planning or follow-up*); relevant in 70 percent of sales situations (no outliers); accessible to the masses (personality-independent); and seen to demonstrably advance the sale.

The list distilled to 18 observable, coachable skills with high impact. The research team dubbed this discovery "SalesDNA". So you don't need to coach every skill—only the ones that matter.
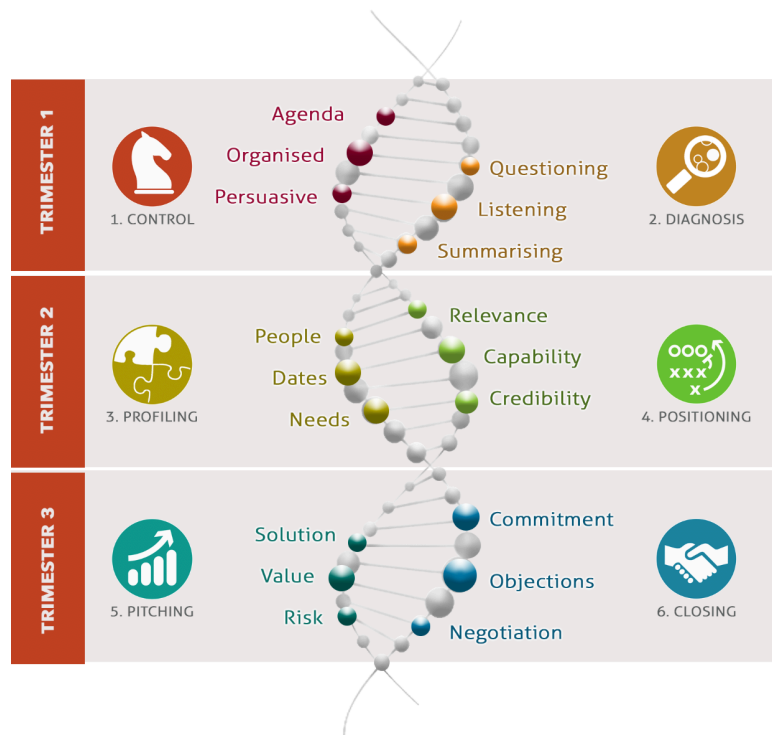

Figure 1: SalesDNA

VERDICT: MYTH BUSTED

Myth 2: "Training improves skills"

Researchers found content-rich manuals and slideware follow a design philosophy called 'massing', which psychologists believe conjures a cognitive illusion to seduce people into thinking they've learned more than they really have[1].

This is compounded by the adult brain operating on 'use it or lose it' rules of *neuroplasticity*[2]. Sixty percent of what is taught in a group classroom setting is forgotten within six hours if not put into immediate practice[3]. Another 27 percent is lost within a month without reinforcement[4]. That's an 87 percent 'forgetting gap' within 30 days.

For these reasons, while group training works for knowledge training, it was eschewed as a method for skills development, and one-to-one coaching was selected instead. Training doesn't improve skills. Coaching does.

VERDICT: MYTH BUSTED

Myth 3: "Managers don't make good sales coaches"

Past studies show three hours of quality skills coaching a month puts an underperforming seller over quota, whilst those who receive less than three hours underperform by 20 percent[5]. More than five hours yields a diminishing return.
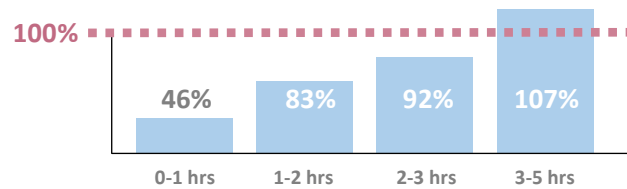

Figure 2: The 'sweet spot' for coaching hours

"Quality coaching" is when a salesperson deals with a live customer, is debriefed by an observer on how the call went, then improvements are practiced. This shouldn't be confused with a meeting post-mortem or deal review. The focus must be on skills.

We found few sales managers are goaled to deliver sales coaching, so most don't. They agree *someone* should, but claim they are unable to find time, don't know what to coach, or fear losing face—especially those from a non-sales background.

However, where managers coach well and have fewer than six direct reports, success is high. One manager can comfortably provide three hours of coaching to six salespeople a month. Planning, travel and reporting raise this to a 40-hour commitment—roughly a quarter of their time.

Teams where the manager delivered coaching averaged salesperson tenure of 4.2 years, annual attrition of 15.3 percent, with 79.8 percent of team members achieving quota. Where managers outsource coaching to external parties, staff tenure is 2.7 years, annual attrition is 26.8 percent, and team members achieving target falls to 61.3 percent. The big shock comes where no coaching is given. Average tenure jumps to 7.4 years, attrition slows to 9.6 percent, and only 47.2 percent of the team hit their goal.

Manager-led coaching delivers a strong output faster. But its absence encourages mediocrity for longer.

VERDICT: MYTH BUSTED

Myth 4: "Salespeople are born, not made"

In 2010 *Harvard Business Review* reported only 37 percent of salespeople impact their company revenue[6]. Our research found similar statistics where no coaching is attempted, but uncovered low-performers can become stars in under a year with the right coaching.

Lead project coach Sam Ogrizovic explains: "There was no existing technology to support a project like this, so we invented what we now call the ROCKET coaching platform to upload recordings of sales from smartphones and call centres. It's an acronym for *Remote Observation of Competency, Knowledge, Effectiveness and Tone*.

"With customer permission, an encrypted recording of the meeting or call would upload to a portal where the manager/coach could log in, listen to the sale, score the SalesDNA, and leave pointers for the salesperson to consider."

Each salesperson received a portal to study their SalesDNA scorecard before weekly skills drills with their coach. Ogrizovic adds, "The rhythm of this coaching was key to success. We also gave executives a heat map of how team and individual skills were changing over time, to help decisions on talent and recruitment."

The project ran two years, concluding November 2016. In that period, 84 percent of salespeople improved their SalesDNA by an average 48 percent, and achieved a year-on-year lift in revenue of 29 percent in markets experiencing single digit growth. These are significant numbers that prove while some sellers may be born, others can certainly be made.

VERDICT: MYTH BUSTED

Myth 5: "All salespeople are the same"

Even with coaching, some salespeople didn't master all 18 skills of SalesDNA. They were locked in certain 'persona loops'. After a million minutes of sales coaching, these persona loops were revealed as follows:

24 percent of salespeople are **Masters**. 100 percent of these drive next steps, and 84 percent ask for commitments. Masters are all-rounders on SalesDNA, who can sell products or value-add solutions equally well. If there is a chink in their armour it is found in their tendency to assume their value is obvious, and that the customer is as prepared to buy as they are to sell.
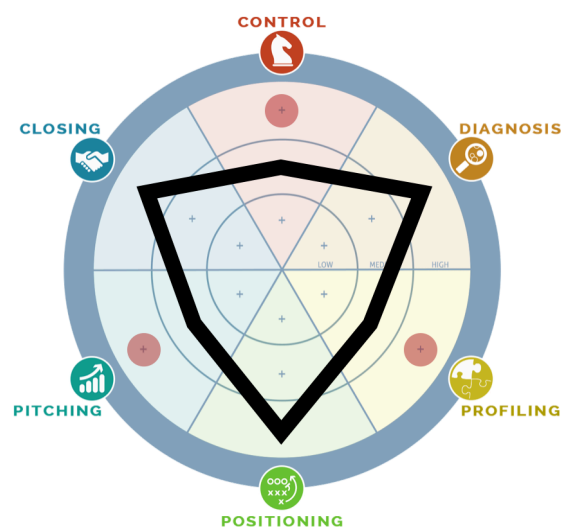

Figure 3: The SalesDNA of Masters

39 percent of salespeople are **Closers**. 94 percent of these drive next steps, and 62 percent ask for commitment. Closers are well-suited to commodity products in shorter sales cycles where they can present, negotiate and close quickly. They tend to skip needs qualification and go straight to the pitch. Buyers seeking transactional efficiency appreciate their economy. They tend to do well in wholesale or retail roles. But solution buyers just see them as pushy.
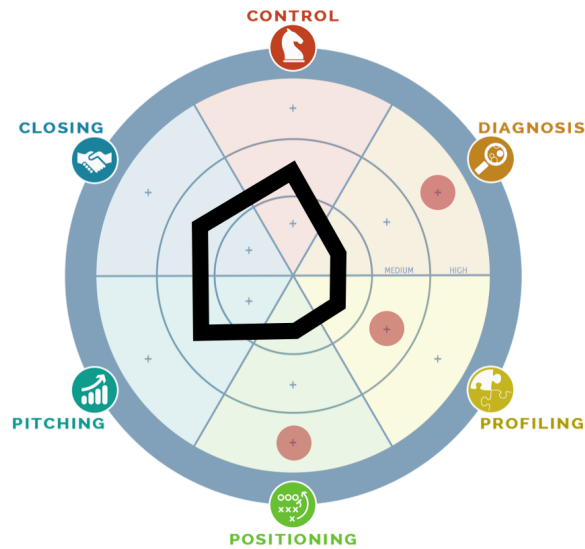
Figure 4: The SalesDNA of Closers

22 percent of salespeople are **Narrators**. 65 percent of these drive next steps, but only 36 percent ask for commitment. Narrators sell using demos, catalogues, scripts and canned presentations. They are product experts and technical wizards who rely on customers placing an order more than they earn it. If a customer gives an unscripted response or objection, these 'talking brochures' default to bombast about their product or brand superiority.
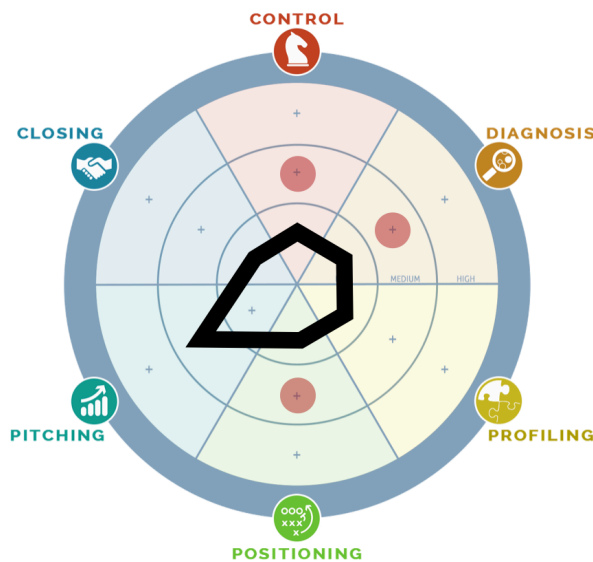

Figure 5: The SalesDNA of Narrators

15 percent of salespeople are **Socialisers**. Only a third drive next steps, and 27 percent ask for commitment. Socialisers excel at networking and upbeat customer service. They regard customers as friends. This dynamic can manifest as a high cost of sale because they wait for buyers to take the next step, don't assert any pressure to buy, and give away discounts—even *after* orders are received—to show their commitment!
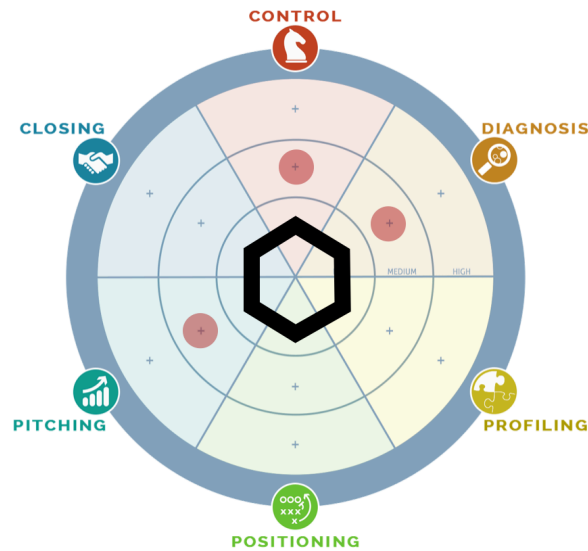

Figure 6: The SalesDNA of Socialisers

People with a sales job title are not all the same; they operate across four persona loops. With coaching, some people can change their loop. Some are best matched to selling complex solutions, others to transactional products. But some are best assigned to non-selling customer support or product merchandising roles. Developing staff to better fit their sales role, and redeploying staff not suited to selling, becomes a more exact science when SalesDNA and persona loops are used as guides.

VERDICT: MYTH BUSTED

Myth 6: "People with the best skills close the most deals"

During the research some company leaders expressed the belief that top sellers don't need coaching, low sellers won't respond to it, and it's the middle 50 percent of a salesforce who are the ideal audience for skills development.

When asked how they identifed which salespeople have 'low', 'middle' or 'top' skills, managers suggested sales-against-quota as a fair measure of capability.

But when asked, "Can you rate your salespeople's skills from high to low *without revenue as a measure*?", few managers could identify an objective alternative.

This is a problem because although Socialisers display weak SalesDNA, some can look like superstars if they have a hot territory. Similarly, Masters with strong SalesDNA may fail to achieve targets due to reasons outside their control. Revenue alone is an unreliable measure of actual capability, and can lead to wrong decisions about staffing and development.

VERDICT: MYTH BUSTED

END NOTE

As a lagging indicator, revenue is like the last chapter of a book defined by plot points that took shape pages earlier. By measuring only how a story ends, managers cannot intervene early enough to affect the narrative.

But by observing salespeople in action with real customers at each stage of the sale, managers can influence the predictive indicators of skill and behaviour. When you improve these, the results follow.

[1] Kornell & Bjork in "Psychological Science" (19/2008a).

[2] "Neuroscience: Implications for Education and Lifelong Learning". The Royal Society, February 2011.

[3] "Spacing Effects in Learning: A Temporal Ridgeline of Optimal Retention" by J. D. Karpicke and J. R. Blunt. Psychological Science, 19, 1095-1102. November 1, 2008.

"The Forgetting Curve and its Implications for Training Delivery" by Garry Platt. TrainingZone, 15 August 2011.

[4] "The Coaching Controversy" by Neil Rackham. American Society for Training & Development Journal, v33 n11 p12-16 November 1979.

[5] "Building Solutions-Ready Sales Managers". (Catalog No. SEC12V3EKL), Sales Executive Council, 2005.