THE THREE

M's

OF SALES LEADERS

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M A N A G E M E N T

Success in sales is 90% process and 10% magic.

Sales management is about process. Process, when done correctly, is boring. The 90% of the time that a sales manager spends on process creates the opportunity for him or her to be magical the 10% when sales leadership is necessary.

How to Manage Sales People

Management and leadership in the role of sales are not the same thing. Different goals, different skills and different muscles. For sales management, I believe you are working on the execution of a process. Think of it like manufacturing. There is a design and engineering phase and then there is a production phase. The production phase is about efficiency and quality control. Sales management is what happens in the production phase of sales. To successfully manage sales people during this production phase I recommend the following:

1. **Drive to a Step Process**
   Just like manufacturing, when you go to production phase, you set up a series of linked processes. In each process there are requirements to be completed in one step before you can go to the next step. Sales management's role is to ensure that we are following the process and that this execution is efficient and meets quality standards.

2. **Only Focus on the Gaps**
   It is tempting to try to armchair quarterback every deal in a weekly meeting with sales people. Don't. The sales management process should be pointing out gaps in either the information that is supposed to be gathered in a particular step of the sales process, the people who are engaged, or how long that step is taking in comparison to your expectations. Focus on just those gaps. If there are no gaps, then the process is working. Focus on only those accounts with gaps.

3

Compliance and Coaching Are Different

Coaching to solve gaps is a different exercise than ensuring that the machine is working. If you are brainstorming a solution for handling a thorny prospect or a stuck deal, set a separate meeting time. Production discussions are about running the machine, period.

4

Own the Time

Have your sales people bring their calendar with them to their weekly meeting with you. Their calendar is not their own, it is yours. Working through the next week or month's schedule is a part of the meeting. These are the questions that sales management must ask as a part of the regular meetings: Where will they be next period? Are they going the right places with the right expectations? Are they visiting just to visit or are they advancing the sales process along through the steps?

How to Run the Sales Management Machine

I have seen as much as a 40% lift in productivity of sales people over a less than 90 day window in the companies who have implemented the following set of practices:

1

No Group Meetings

There is a self-delusion that sale managers have. This delusion is the belief that sales reps learn from each other as they go through a sales meeting and discuss accounts. The only person learning in a session like that is the one sales person who owns the account. In addition, he or she is usually evasive or defensive when put on the grill in front of his or her counterparts. Group meetings are for product and process education, recognition and market planning - that's it.

2

Weekly 1:1 Meetings

As a sales manager, you have to drive sales process compliance and efficiency rep by rep and account by account. I advocate a 30 minute meeting every week with each rep for whom you are responsible. Set it for the same time every week and run it the same way. I know, it's not sexy, but it is enormously effective.

3

Thirty Minute Rule

All sales reps have ADHD, (unless they are the one talking), so don't have long meetings. A simple rule is 30 minutes of prep for you, per rep meeting, and 30 minutes of meeting with each of them, done every week. If you have 5 reps, that's 5 hours per week to run the machine. If you run the machine, the machine will run and get better, but it is boring. That's OK. Run the machine the right way and you get to make more magic.

4

Get Commitments, Take Notes

By running this meeting every week, you should be able to implement rigor and impeccable follow-up, which is what is necessary for a good sales process. Take the notes of what is to be done each week by each person and start off the following week with where the person is on their commitments from the prior week. Sounds simple, right? This is one of the biggest mistakes we see- a lack of consistent rigor around commitments.

5

Be Consistent

If you want to train someone to think like you, ask them the same questions every time and they will soon anticipate your questions. This means that they will prepare to answer your questions and begin to ask those questions of themselves every time. Soon you will have people who think like you. If you play "gotcha" by asking all sorts of different questions, they will give up because they can't get it right. By working to a process, you can develop your series of management questions. By asking those consistently, you will soon get a group of sales people who are following a consistent process. That's an efficient machine.

> Process involved in management is boring.

Isn't it? That's why so few managers do it -- they want to perform the magic and forget the need for rigor. You get to do your magic because you earned the right by following your process.

M A G I C

We call it "deal coaching," but trust me, it's magic.

This part of the job requires all the creativity, risk-taking, strategy, experience and play-maker talent that I have, and I love it. I'm not alone -- most of the sales leaders, regardless of title, love this part of the job the most.

There are three categories of sales leaders magic:

1. **Strategy**
   The big pieces are market, product, big account sales, budget, and key account management. These are all areas where experience, insight and instincts come together.

2. **Coaching**
   Shaping the "how" and the "what" that will be executed in the strategy created. It shows up as tactics, however, which tactic to use when is where the value is.

3. **Troubleshooting**
   The ability to decide what to do when you are out of tricks in the bag and have to conjure answers from thin air.

They all require a deep understanding of people -- what is possible with your own company and your prospect's company. Of course there is also the sales leader's own broad background from 100+ other sales experiences, winning and losing, to frame the ideas and answers and relevant examples.

Guidelines for Great Sales Leader Magicians

1. **Battles are won before they're begun.**
   The best sales leaders do their work in the planning phase of each step in a managed process. This means that the important sales calls and meetings are road-mapped and role-played well in advance. It means that the reactions are anticipated and a guideline has been established. What people, what information, what challenges and objections are all considered and determined before the meeting even takes place. Great strategy isn't done on the fly -- and even though it's methodical, it is no less magic.

2

Coaches are on the sidelines.

I have worked with many sales leaders who have only one trick in their bag -- “Take Me.” They consider themselves the magic, which means that they can only see themselves as the solution to any particular challenge. Many times they are right, the best solution is for them to go. If they do, they’ll be amazing and the prospect will close. However, it develops nothing in the organization and the role of sales leadership is to develop others, not just close. The best sales leaders stay on the sidelines most of the time.

3

Show your work.

No matter what magic it is that a sales leader has performed, a sales rep will try to imitate the same trick at another time in another place. For this reason, you need to explain your magic -- why you did what you did and why this was the right time to do it. By explaining the situational limitations of using the trick, you will teach them how and when to perform the trick, not just imitate it.

4

Do the same trick twice.

Magicians will tell you to never do the same trick twice because it becomes easier to figure out with repetition. For that reason alone, do the same trick twice and more so that your people figure out why you are picking the strategies and see how you are troubleshooting according to a model. When your team learns from you and gets better, it increases the quality of problems you get to use your magic on.

5

Cluster your best tricks.

When I work with sales teams and a strategy is developed for a problem, my immediate question is, “Who else has a client or prospect for whom this approach would be a good fit right now?” Through leveraging up my efforts with other sales people’s issues, we get more impact and greater long-term traction.

6

When to do magic.

As said before, when you are holding your weekly meetings in the sales management process, you find out which accounts require magic. It is my strong recommendation that you do not try to perform magic in that meeting. Rather, schedule another time when you can bring the right people, information and mindset to the discussion. If you try to do magic on the spot, it could produce less than magical results.

Sales management is about process, sales magic is about application.

M O T I V A T I O N

In business, it's all about the money.

You can follow a management process and conjure magic for your sales people with the best of them, but to consistently land deals you have to keep your team motivated -- and in sales, that means money.

Two simple ingredients that go into sales: time & people.

To consistently land deals, especially large accounts, you have to hold the attention of sales people for a long time. The time-to-money ratio is not 1:1 for a sales person -- the fact is that when you double the time it takes to land a deal you have to practically triple the money to keep them engaged.

Sure, part of that triple is built into the incremental commission of a bigger deal — and that can be a lot, depending on the size of the deal. But they'll probably also need an extra something to keep them on task rather than getting distracted by little shiny objects, like deals that are small and fast to close. If they're not seeing their efforts translate into money in a meaningful way (profit-sharing, bonus, spiff), they'll too be distracted by the not-so-shiny-objects of their every day job.

How to Use Money to Motivate

1 Pay more for big sales — and spread it around.

The sales representative is not the only person involved in the hunt. The fact is, after the initial interest is generated, the internal subject matter expert team does a lot of the heavy lifting. If your SME team, creative people, etc. are all motivated to land the deal, your sales people will feel that and keep the momentum. Keep the whole team involved happy by giving a piece of the cake to all, no matter how small.

2

Put a trophy-bonus on the wall.

Make it specific and personal. At one point in my career, I had a competitor for which I had a personal distaste. I wrote up on the wall that competitor's top 10 clients and told my team, "I will pay a 20% premium on commissions for every deal we land from this list in the next 6 months." We got 3 and it tasted sweet. Not only did the money motivate them, but the incentive of beating the competitor brought out their best work.

3

Cut out the money on little deals.

You can't get people focused on bigger targets if they get the same ratios of money for the smaller one-off deals. Cut little deal commission in half. This is about changing behaviors and time investment.

The 3 M's: Management, Magic and Motivation

The three M's of sales leaders may seem obvious, but can get thrown to the wayside in the course of a busy day, week or even month. If you follow a rigorous management process you will have a productive and efficient sales team who you can then teach your magic, which will result in larger and more deals being landed. If you then take a team who is following a process and working their own magic on prospects, and continuously motivate them through monetary and competitive incentives, you have a recipe for long-term success. This is the goal of every sales leader.

To read more on sales advice, leadership, and explosive growth, visit Tom Searcy's blog at www.huntingbigsales.com.

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