



An EcSell Institute White Paper

COACHING MEASURED: THE VITAL SALES PERFORMANCE METRIC

**SALES LEADERS ARE MISSING 50% OF CRITICAL
PERFORMANCE DATA**

COACHING MEASURED: THE VITAL SALES PERFORMANCE METRIC

SALES LEADERS ARE MISSING 50% OF CRITICAL PERFORMANCE DATA

Coaching not measured is a soft skill. Coaching objectively measured becomes a vital sales performance metric.

Imagine playing multiple games of solitaire—with real playing cards—not on your tablet. You get close, but after several games you have not yet won and are now getting frustrated. One more game is what you commit and it starts off well; you immediately get three aces up top, three kings are also turned over, followed by queens, jacks and 10s. You say to yourself, “finally,” but as you again go through the deck you only place a single card up top, and when the deck is run through for the third time you realize the game is over. Frustrated, you gather the cards when you glance down to the floor and notice a single card under your seat. “Really? Please let it be a joker or something,” but when you reach down and turn it over you see it—the king of diamonds. The entire time you had only been playing with 51 cards...

Success in solitaire is the ability to get cards to the top, preferably all of them. In the games you just played, though the number of cards placed up top varied each game, you were never going to win, it was impossible with a partial deck. But, here is the kicker... while you were playing you didn't know a card was missing, so you naively continued with the hope of achieving something that was unattainable due to not having the proper resources.

The Challenge

A similar lack of resources is alive and well in the sales world, and we witness this daily as individuals and teams do their best to grow revenue. Research and technology continue to challenge our perception of accepted and applied best practice, but in spite of it all, in the sales world the producers are the only ones provided all the cards. The sales leaders, keeping true to form, are handed an incomplete deck with cards unknowingly strewn on the floor.

This article is not about how to coach (which is what you might expect from EcSell); it is about closing the information gap that prevents sales departments from maximizing the performance of sales team. This gap could be closed by all, but will only be closed by a few, and not just those who believe sales leaders are a way to grow, but only by those who believe that sales leaders are the primary way to grow.

Side note: We will generally use the word “coach” or “sales coach” to describe what is typically known as a sales manager. Our research shows that the duties, behaviors and tools needed to be successful are more reflective of those utilized by a high-performing athletic coach, so we believe the word “coach” more accurately describes the position. For simplicity sake, I will use the term “executive sales leader” as any position to whom a sales coach reports.

Our research shows that over 90% of executive sales leaders believe that the amount sold by a group of sales people is a direct reflection of how well they are coached - the better the coach, the more gets sold. The challenge is that historically all the research, data, studies, etc. have been done on sales people, and not until the '90s was it made clear with research (thank you Gallup) to what degree a manager impacts the performance of any team in business. However, in sales, it still wasn't made clear what specific coaching activities and behaviors correlated closest to "motivation to sell." And, if nobody had identified the high pay-off coaching activities and effective behaviors, they certainly couldn't be measured for quantity or quality.

Sales Leaders are Short on Data (no joke)

This may be hard to comprehend given the volume of reports reviewed by any sales leader on a given day, but much is missing. Prudent decisions in business are usually made as a result of having data, and data is only produced as a result of inputs. When visiting with sales leaders, we ask them what data they regularly review, and inevitably we will hear items such as:

- Pipeline metrics
- Forecasts
- Performance-to-goal by person/division/company/product line
- CRM dashboards
- Profitability reports

Today, the only inputs and resulting data available to sales departments, inclusive of the above, are based on what sales people do. The "gap" mentioned earlier in this piece is this: NOBODY has provided the opportunity for coaching inputs, so there is no resulting data on how a sales coach is impacting performance. To bring even greater urgency to this is to know that EcSell's research, along with that of other reputable organizations, shows that approximately 70% of existing sales coaches, even those who've had "coaching training," are not executing the necessary high pay-off activities with the right frequency or quality that will lead a team to sell more. Or consider this: odds are that 50% of your sales coaching team is preventing your sales reps from selling more. So, without objectively measuring coaching performance, you are simply guessing as to the effectiveness of your entire sales leadership team. Guessing is what leads to a high turnover rate in our profession (19 months was the average tenure of a sales leader in 2013.) You can't win the game without having all the cards in your deck!

Coaching is no longer new and we see that most Fortune 500 companies have some sort of coaching program in place for their sales management teams. However, the programs are woefully short on substance and resulting measurements. Don't misunderstand, something is better than nothing, but our organization has yet to see a sales coaching program that fully provides what a sales manager needs to maximize the performance of a sales team.

Ask yourself the following questions:

1. Does our coaching program teach our managers the high pay-off activities and tools to execute each day, week, month or year (hint—there are five of them)?

2. Does our coaching program train our managers how often to execute the activities and with whom?
3. Does our coaching program objectively measure coaching quality, coaching activity and overall coaching effectiveness?

I will go out on a limb here and say it is likely “no” for every answer. The reason I feel comfortable saying this is because we have never seen all the above in place—ever. Every sales department that states that they have a coaching program provides little more than a methodology for effective feedback, specifically how to conduct a post sales call review or a 1:1 coaching session. And, while those are important activities, nobody is measuring if they are being done, how well they are being done and with whom they are being done. Said another way, nobody is measuring coaching inputs and outcomes; and, colleagues, measurement of inputs and outputs is management 101. Coaching not measured is a soft skill, coaching measured becomes a vital sales performance metric.

Don't Play Solitaire with 51 Cards

There are four quadrants that should be filled with data that every sales coach and executive sales leader should have at their disposal, without which effective decisions as to how to sell more cannot be made. The four quadrants are:

- What a sales rep does (quantity of work)
- How well a sales rep does it (quality of work)
- What a sales coach does (quantity of work)
- How well a sales coach does it (quality of work)

	SALES REP	SALES COACH
Measure what they do (quantity)		
Measure how well they do it (quality)		

Earlier I made the point that both front line sales coaches as well as executive leaders typically have access to data that results from what sales people do; however, I would then argue they don't have a firm grasp on how well they do it. Most companies have devices and tools (such as a CRM) to populate the upper left quadrant, some have good review structures and perhaps measure customer experience that can populate the lower left quadrant, but nobody has the

tools to populate the right two quadrants. The result is that sales leaders are only supplied with, at best, 50% of the information they need to grow sales.

Think about it, what coaching metrics does anyone review? Here are a few that should be reviewed by the executive sales leader or through self-analysis by the sales coach:

- 1:1 coaching meetings completed
- Number of joint sales calls worked with reps
- Coach's role in the joint call (observer, participant, lead)
- Sales stage in which coach helped the rep (needs analysis, presentation, closing, etc.)
- Percent of coaching time with top 20% of reps, versus middle 60%, versus bottom 20%
- Coaching score (an objective measurement of coaching acumen)

What we have found is almost every reason a team hits goal or does not hit goal is because of the sales coach, not the sales rep. And, if this is the case, what is the coach doing or not doing that causes the team to achieve or under-perform? Because nobody measures, nobody knows. Sales departments are famous for providing sales people all the success disciplines, measurements and methodologies, but until these same structures are brought to the sales coaching role, sales growth will be minimized.

How?

1. Define expectations around the high pay-off coaching activities—how often and with whom
2. Provide coaches the tools and train on how to use them effectively
3. Use a tracking method so inputs and outcomes can be gathered (such as EcSell's Coaching Cloud)

As mentioned earlier, the purpose of this piece is not to share how to coach, but to help readers understand that if they had more data on their coaches, they would know more about how to develop them into high-performance coaches as opposed to having them behave like “compliance managers” (which is how many sales reps define their respective coach.) Logically then, the only way to create and sustain a team of high-performing sales people is to equip them with a high-performing coach.

The Close

The solitaire analogy applies to every sales department we've seen, and we've seen many. Regardless of company size, management tenure, technology, learning and development teams, sales effectiveness departments, strength of leadership, etc., they have all had a card (or more) under their chair. They were all missing critical data that limited their ability to maximize sales. So, before you play another game, stop and look under your chair. Don't make another move, certainly no strategic moves, without first holding all the cards.

ABOUT THE AUTHOR



BILL ECKSTROM

President

beckstrom@ecsellinstitute.com

Bill Eckstrom is the President and founder of the EcSell Institute. EcSell helps sales departments create world class sales coaching teams, for the research shows—nothing impacts performance more than coaching.



EcSell Institute provides strategies for continuous improvement by showing our members how to apply the latest research, technology, and best practices in leadership and sales coaching, and by involving them in a network of the top sales management minds. Why? Because we know that improving a sales manager's ability to coach and lead has the biggest impact on sales team results.

**EcSell Institute | 3201 South 33rd St., Suite E | Lincoln, NE 68506 | 402-805-4238
info@ecsellinstitute.com | www.ecsellinstitute.com | www.ecsellinstitute.com/blog**