



12 Major Mistakes Sales Managers Make

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As a Sales Manager, you have to be remarkable. It's not enough to have proven yourself as a highly competent salesperson, but you must also be a highly competent manager, responsible for sales quotas that can only be achieved through the efforts of others. Your challenge as a sales manager is so complex that it can easily be overwhelming.

Here are 12 major mistakes that make your job much more difficult than it needs to be, with suggestions for how to avoid them, resulting in less stress *and* higher sales!

1. New Position. Stop doing your old job. As a newly appointed sales manager, you have an entirely new position. The knowledge and skills that helped you get promoted are not the ones needed in your new position. Effective sales management is a whole lot more about selecting, keeping, and coaching the right people than it is about individual sales ability. You must now educate yourself in new areas of learning and skills. And you certainly are capable of doing so; you wouldn't have promoted otherwise.

2. 80/20 Salespeople. You know 80% of your sales are made by 20% of your sales force, but you spend far too much of your time (50%?) coaching, prodding, and hand-holding the 70%-ers. Hire the best seasoned sales people and be brutal about how you spend your time, focusing on helping the top

20% be great and the next 10% be even better.

3. 80/20 Customers. You also know 80% of your sales come from 20% of your customers. This is true in total and true for each sales person. Transfer responsibility for each sales person's bottom 70% accounts to inside sales, Internet ordering, or contract representatives so your best sellers can focus on their top 20% customers and the next 10% high potentials.

4. Fire Too Slowly. You keep coaching and keep hoping low performers will get better. You avoid even thinking about the unpleasantness of firing anyone. You wonder how to cover those accounts until you can *find* and *hire* and *train* a new sales person. Recognize that there will always be turnover in your sales force and create clear guidelines for taking action, put them in place, and stick to them. Admit you, or your predecessor, made a hiring mistake. Fix it.

5. Hire Too Quickly. One of your best sales people just resigned. You make adjustments and redistribute account responsibility as quickly as possible, taking on some yourself, and then go into hiring mode, trying to find someone immediately. Big mistake. Find and contract with industry veterans who can step in and relieve the pressure to hire too quickly. Building an effective sales force is your most important

responsibility *and* the most expensive decision you make if you get it wrong.

6. Limited Sales Force. You focus on achieving your sales quota through the sales team assigned to you, which may include both inside and outside sales people, but you rarely have organizational authority beyond sales. Don't let an organization chart limit your sales force! Include Customer Service Reps, Field Engineers or Field Service Technicians, *all of them*, in planning, implementation, and compensation strategies. Typically, support personnel have longer, stronger, and deeper relationships inside customers' organizations than sales people. Use it all.

7. Poor Fundamentals. How many of your sales people understand and use the *Paradox of Influence*,TM which says before you can influence someone else, you must first convince them they have influenced you. This begins with asking relevant questions, listening carefully, taking notes, feeding back key points in summary form, and then asking, "Have I got it?" If "Yes," you're half done. Now the other person's mind is open to listen to what you have to say, shaped by what you know and have just heard. Using the *Paradox of Influence*TM well takes study, practice, and focused concentration. As a sales manager, you must provide the opportunity for your sales team to understand this and other proven sales techniques, continually providing them with the tools they need to achieve mastery. If they are unable to do so, or worse, choose not to, you need to fix a hiring mistake.

8. Limited Objection Responses. One of the most challenging aspects of selling is handling objections. You have to think on your feet and respond intelligently to what your prospect has said or asked. This is difficult for most sales people because their repertoire of responses is limited by their own knowledge and experience. Bring your team together and list 90% of the objections they are likely to encounter; then *script* responses to each one of them. Next have your sales people memorize these responses, hold

quizzes on a regular basis, and make memorization part of their performance review. It takes work, time, and a lot of drill to memorize all those scripts. And will the memorized response be appropriate in every situation? No, but each sales person now has a solid, thoughtful base of responses from which to work. Once your sales force knows all potential objections and how to counter them, you'll see their confidence *and* their closing ratios increase.

9. Weak Negotiators. Every sale is a negotiation, but, unfortunately, people raised in English-speaking cultures don't grow up learning how to negotiate, and most sales training courses don't include negotiating skills. In all other cultures, parents teach their children, at as young as five, how to negotiate but not in the United States where discussing price is often considered coarse. Not knowing specific negotiating strategies, coupled with the tendency of being so focused on losing the sale they give in to practically any customer request, puts the average sales person at a costly disadvantage. It's your job to ensure each person on your sales team is a master negotiator. It takes reading, training, and practice, not just once, but several times a year to acquire the negotiating skills necessary to compete locally, nationally, and internationally. But the return on investment will break your calculator.

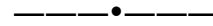
10. Poor Presenters. You have many experienced sales people or you only hire experienced sales people. Because they are so experienced, you assume good sales people are also good presenters. But, if you watch one sales presentation after another, you will be shocked to discover few sales people have memorized their opening and closing statements; they move around too much; their comments are mostly about your company and products, not about the customers'; they don't know how to create eye communication; and they don't illustrate their key points with relevant and compelling stories. Now you know your assumption was incorrect; experienced sales people are not necessarily good presenters. In every sales

process, one or more sales presentations is critical. In a very real sense, the sales person delivering the presentation *is* your company. Make sure your sales people are master presenters *and* require repeated presentation practice before every presentation. You'll know you're making progress when all your customers believe you sent them your very best sales people.

11. Little Innovation Focus. Innovation is about changing what you do and/or how you do it in order to achieve better results. Most innovation can be classified as *sustaining innovation*, making incremental improvements to what is already doing, or *disruptive innovation*, implementing a new or a very different approach. Both kinds of innovation are essential to an organization's long-term success, and sales people are uniquely positioned to look for and discover innovative ideas and solutions. They must, however, be taught how and where to look and what questions to ask.

12. Marketing Minor. Marketing is about creating and keeping customers. If it were possible for marketers to create the perfect product/service and communicate the perfect message to exactly the right target audiences, you wouldn't need sales people, only order takers. However, marketers don't know what you know about creating and capturing sales opportunities. And therein lies opportunity. If you read, study, and learn what marketing is about, what research is being done or not done, and how powerful messages are created and delivered, you'll be able to ask key questions, such as, how do we specifically know what marketing program worked, or didn't work, and why? If these questions can't be answered, how can you calculate your return on investment? Marketing can be an incredibly powerful force to help you hit quota and to guide and direct the marketing people's efforts. But you must get a Minor in Marketing to go along with your Major in Sales. Remember, they don't know what you know and most have never sold anything. So if you learn what they know, you will become

a very influential and most exceptional Sales Manager.



Avoiding these major mistakes may be easier than you think, unless you make the 13th mistake, trying to do it all yourself. Just as you bring together a team of sales professionals, you need to bring together a team of knowledge and skills experts to help your whole team move to a higher level.

What you have read is a small part of the advice I give in my work with sales managers. If you are ready to move more rapidly to a higher level of effectiveness, let's have a short phone conversation.

Call my office (408-246-2600) or send me an email at david@dpalmer.com and we'll arrange a time to talk.

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