



CSO Insights™

The Research Division of Miller Heiman Group

Sales Managers: Overwhelmed and Underdeveloped

2017 Sales Manager Enablement Report | Summary

Without Change, We are Destined to Decline

You've heard it all already: Buyers have access to more information. There are more of them involved in buying cycles (up to 5.8 per deal in complex B2B). And their expectations for value creation are sky rocketing.

In the face of these challenges, salesperson quota attainment -- a key sales manager metric -- has been steadily declining.

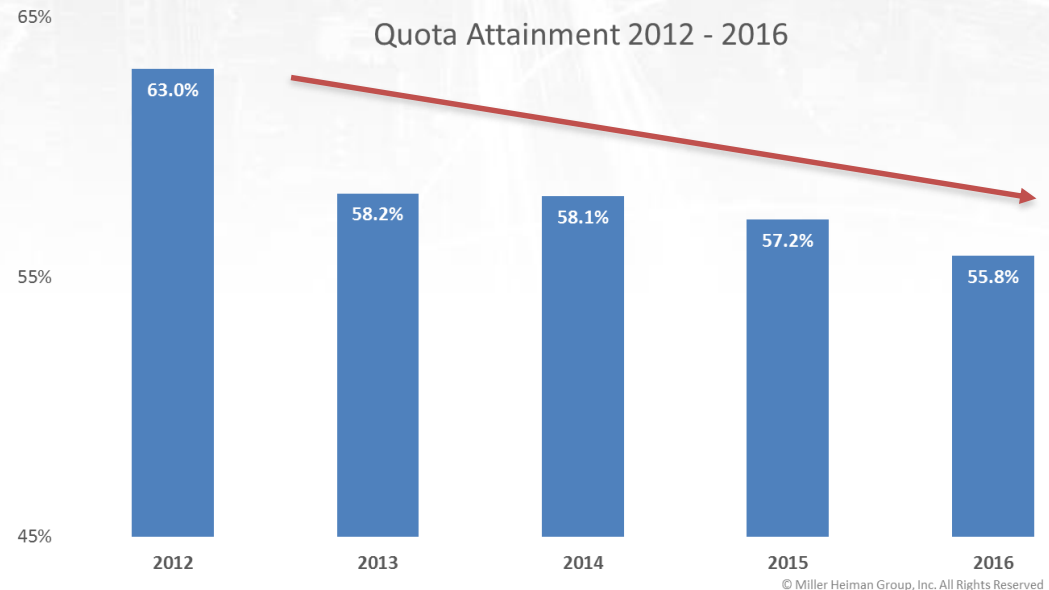
The response has been a frantic onslaught of sales transformation initiatives: tools, technologies, processes and systems. Yet, as numerous as these tactics are, they too often overlook sales managers.

How could you expect a Sales 2.0 or Sales 3.0 organization to ever be successful with 1.0 Sales Managers?

What retooling have you done with your sales managers to keep them current in these times?

Quota Attainment Has Been Decreasing for Years

Today, only 55.8% of salespeople make their annual quota goals.



Sales Managers Could be the Catalyst for a Turnaround

Sales managers have a unique position in the organization. They sit between customers, their salespeople and the business.

As each of these brings unique and unrelenting pressures, Sales managers arguably have the hardest job in sales.

And yet, the silver lining is that they have leverage that no other role does. If you improve a single manager, you will improve some multiple based on that individual's number of direct reports (usually 6-10), the number of clients they serve and the number of business units they touch. That's impact.

Sales managers are your biggest catalyst and your biggest fail point. Do you have a clear plan to support them the way you should be?

Sales Management Complexity Requires Balance

All sides are equally important and all require simultaneous focus.

Sales Manager Triangle



Yet, We Set our Sales Managers Up for Failure

Organizations invest more heavily, and more frequently, in salespeople development than in sales managers.

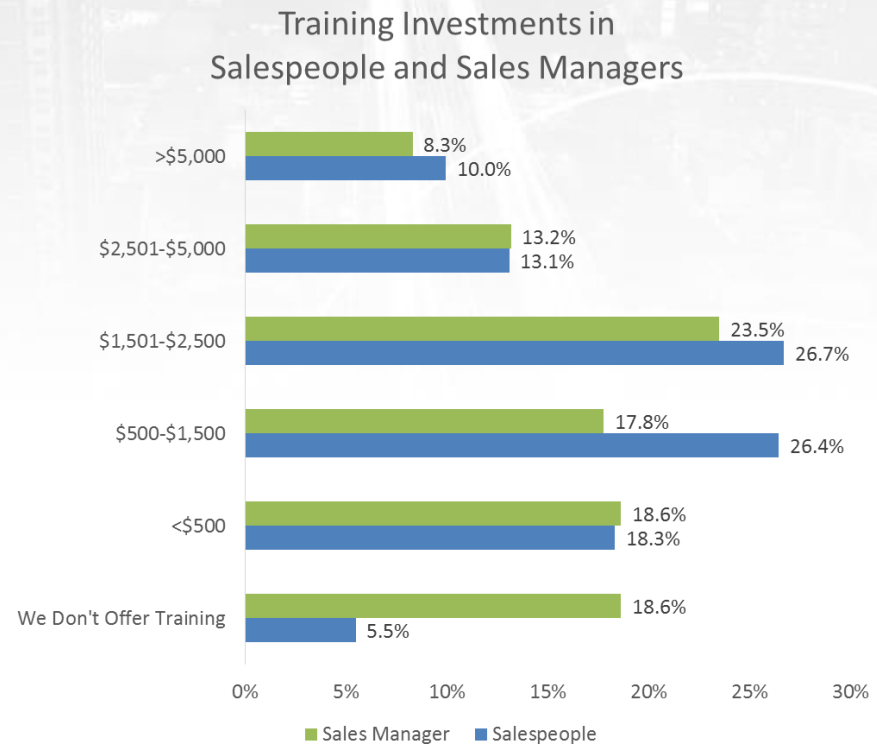
Is this a case of doing what has always been done? Or, is there a pre-set bias assuming that sales managers either do, or should know how best to deliver results? Are sales leaders who manage sales managers so pleased with the status quo as not to change it?

The arguments for making the investment far outweigh the organizational inertia.

Revenue attainment – the key management metric – was 23% higher for firms investing >\$5k than firms not training their sales managers.

Sales Managers Receive Less Training than Salespeople

Almost 1 in 5 organizations don't offer their sales managers any training at all.



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Change Must Start with a Candid Look In The Mirror

To break free of this stalemate, begin with a candid assessment.

Start at the organizational level. Consider role definitions, career paths, compensation, development, coaching processes and key performance measures. Where is your sales management maturity ranking today?

Now move to individuals. What skills and abilities do your sales managers possess? Do they have the leadership skills needed to work through others? Or are they still salespeople?

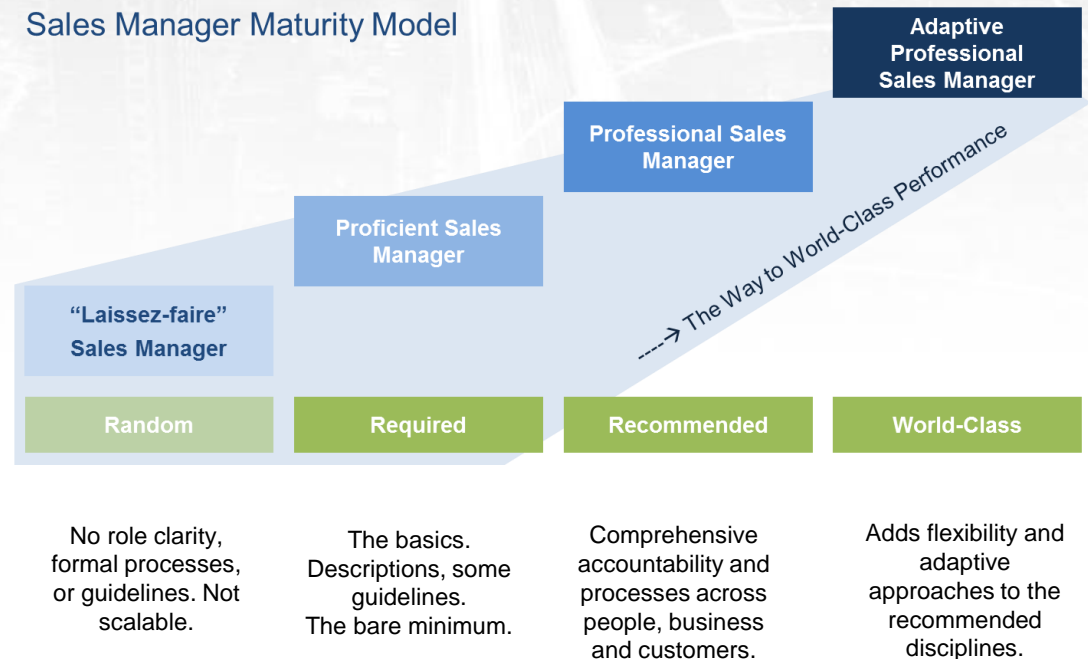
Use assessment results to build a business case for change: Why this? And why now? How will this work in our business? Who will champion it? How will we measure?

Have you looked at this in the past 18 months?

Changing Sales Management is an Evolution

Organizations move through four phases of maturity: Random to World Class.

Sales Manager Maturity Model



If You Are Going to Do It, Don't Short Change It.

It is tempting to take the easy way out -- general leadership training for first-time managers. Instead, use your assessment to prioritize all organizational and individual needs.

Challenge yourself to look at content, training, coaching and the underlying technologies together.

Think more holistically. Be sure that you help sales managers drive the entire customer journey with your organization, not just a narrow view of the sales process. Plan ahead for cross-functional collaboration.

Consider the full range of enablement when building out a sales manager program. The more formalized your approach, the more like your sales enablement outcomes will meet your goals.

Enablement Across the Entire Sales Manager Triangle

Think broadly, holistically, cross-functionally. Developing truly enabled managers is much more than simply promoting successful individual contributors.



If You Do Nothing Else, Get Sales Coaching Right. It's Worth It.

Coaching is not the only focus needed in your sales manager enablement program. Yet, it is certainly one of the most critical.

Time and time again, organizations bemoan the lack of consistent, high quality coaching.

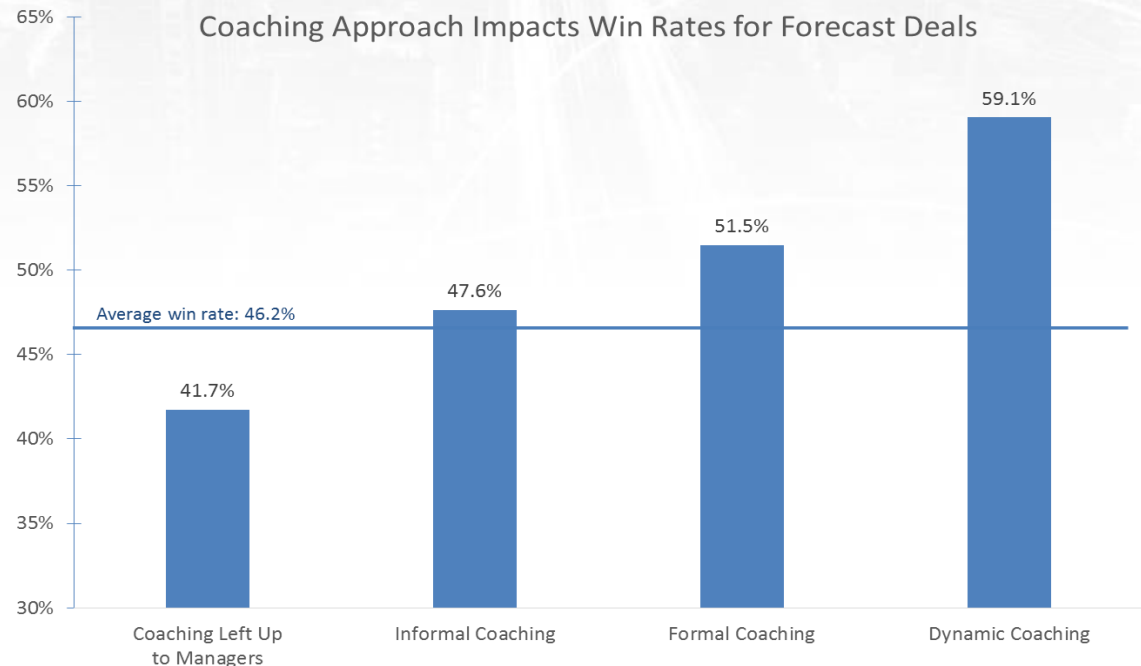
- ❑ **47.1% of sales managers spend less than 30 minutes per week per salesperson coaching skills and behaviors.**
- ❑ **67% spend less than 60 minutes per week per salesperson coaching leads and opportunities.**

Yet, more time is not always better; it's the approach. The more formalized the coaching, the more effective it can be.

Why do we continue to prioritize other activities over coaching? Is it a motivational issue? Or is it a skill issue? Are the root causes addressed in your enablement plan?

Formalizing Coaching Drives Higher Win Rates

When coaching is formalized (consistently defined and implemented), it helps to improve win rates by 11%. A dynamic process (tied to a broader enablement framework, incentive systems, etc.) improves results even more... by 28% over average.



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Take Advantage of Technology

Sales as a function is notoriously slow to adopt technologies. While decades later, most organizations are finally fully up and running on a CRM, most still don't feel like they are fully leveraging it's real potential.

Newer and more predictive technologies are emerging all the time. In fact, there are over 50 different kinds of technologies available to support sales managers.

Three key technologies which we see having broad impact include:

- Using sales analytics to improve the accuracy of forecasting
- Virtual coaching supported through artificial Intelligence and assessment tools
- Online hiring assessments provide insights into fit and allow managers to take better advantage of interview time

World-Class Performers Boast Better Technology Tools

Sales Managers benefit from technologies that focus their limited time on the work that produces results. Less digging and more decision-making..

“We use sales analytics to measure and predict sales performance.”



“Before making a final hiring decision in our sales organization, we assess all candidates using a standardized assessment tool.”



“Our sales management team is highly confident in the data available from our CRM system.”



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How Are YOU Doing?

How well is your organization enabling its sales managers? Our guess: Not as well as you may think. It isn't easy, quick or cheap—and it isn't optional.

You will encounter obstacles. "Lack of budget" pays lip service to the merits of enabling your sales managers, just at a later date. But such delays honor your plan while gutting your program. Maintaining the status quo has the appeal of not needing new/extra budget. If you buy this, literally, you're spending money in ways you simply don't recognize. Calculate, "The Cost of Doing Nothing," the true cost of lost quota attainment, lower win rates, higher sales personnel turnover.

Even if there is interest, you may lack urgency. After all, you made it as a sales leader with little support. Are things really that different today? Short answer: YES! Leverage these 3 C's to gain momentum:

- ❑ "C" for Change: Nobody wants to be told to spend time on something if the WHY is not crystal clear and accepted.
- ❑ "C" for Collaboration: Create a cross-functional support team to drive change from the very beginning
- ❑ "C" for Communication and Community: As in every change or transformation, communication is necessary to sustainable success

Consider an 18-36 month horizon. Realize you'll be laying the foundation for the next generation of salespeople at your firm, because you'll be recasting the vision of your sales managers as enabled, supported, adaptive, and successful.

*This brief overview is intended to spark your thinking about Sales Manager Enablement. Want to learn more? Download our full 2017 report, **Sales Managers: Overworked and Underdeveloped**. Members can contact their representative for access to underlying data sources and research notes.*



About CSO Insights

As the research arm of Miller Heiman Group, CSO Insights is dedicated to improving your organization's performance and productivity. Our respected analysts provide sales leaders around the world with research, data, expertise, and best practices necessary for developing sustainable strategies that improve sales performance. Although we are part of Miller Heiman Group, our research is independent and uninfluenced by any organizations and companies we measure.

Our benchmarking capabilities are the industry standard when it comes to delivering behavioral and operational insights for improved performance. They can also provide a holistic assessment of your organization's selling and sales management effectiveness.

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