

SPG Sales Performance Group

# The Key to Sustained Superior Sales Performance: Execution and Helping Clients Succeed™





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# The Key to Sustained Superior Sales Performance: Execution & Helping Clients Succeed™

## How Is Your Sales Execution?

Today's business environment is more competitive than ever. Companies are spending a significant amount of time and money in an effort to differentiate themselves from their competition and win more business.

Yet, despite all their marketing analysis, product development, advertising, promotion, quality control, sales technologies, etc., it is the client-facing men and women of the sales force that create the first and most important impression in the customers' minds.

In fact, according to a study published in *Harvard Business Review*, your sales force's performance can account for as much as 40 percent of your company's revenue production.<sup>1</sup> This is particularly true for those who are selling complex strategic business solutions to organizations that have long purchase/decision cycles and multiple decision makers.

With so much riding on their sales force, many companies invest in some kind of sales training in an effort to differentiate themselves and improve performance. Yet the return on that investment is tenuous at best. One question companies are asking themselves is: Is our investment in sales development giving us the results we need?

In their book, *Execution, the Discipline of Getting things Done*, Larry Bossidy and Ram Charan suggest that the critical difference between a company and its competition is the ability to execute. They claim that "Execution is the great unaddressed issue in the business world today."<sup>2</sup>

They also explain that "Execution isn't something that gets done or doesn't get done. Execution is a specific set of **behaviors and techniques** that companies need to master in order to have a competitive advantage. *It is a discipline of its own.* In companies, big and small, it is the critical discipline for success now."<sup>3</sup>

In sales, execution is even more important—your company's revenues and profits directly depend on it. Your ability to differentiate yourself in an increasingly competitive and commoditized marketplace depends on it. So,

any sales development program you engage in has to successfully impact your execution.

Here are some questions to consider when determining if your current sales development efforts are as successful as they could be:

- Is our sales execution effective and consistent?
- Are we getting results we want?
- Have we adopted a disciplined sales process to assure an execution culture across the sales force and sales organization?
- What are our execution gaps?
- How can we fill these gaps for sustained superior sales performance?

According to ES Research Group's research findings, "90% of all sales training programs result in a 90- to 120-day increase in sales productivity...and fewer than 20% of companies show a sustainable productivity gain that lasts a year or more."<sup>4</sup> In other words, people go to sales training but don't execute on what they learn. If that is true, what is the point of sales training? To achieve much higher rates of return on your training investment, you must have execution-centered sales development programs with clear ends in mind, reinforcement, measurable results, and sustained follow-ups.

### **The Problem with Sales Training—Going Beyond the Smorgasbord Approach**

The problem many companies face in using sales training to help improve execution is they have a smorgasbord approach. That is to say, they offer a variety of courses and allow people to pick and choose what classes they will take, assuming training alone will get them the results they seek. When the current courses don't produce the desired effect, the company adds more or different courses to their training offerings. As a result, sales training becomes a collection of courses and classes rather than a targeted, strategic curriculum designed to specifically produce a desired outcome.

Just as people do with a smorgasbord, some get a balanced diet with this approach, while others just go to the dessert bar—while it tastes good, it is not always good for them.

Structuring your sales development into a **strategic curriculum** rather than a **smorgasbord** is the first step to achieving better results. However, not all curricula have the power to help your people make the fundamental shift necessary to execute at a consistently high level. To do that, you need to have strategic programs that address each of the following Five Levels of Sales Development, Training, and Execution:

- Level 1: Product Knowledge Training**
- Level 2: CRM Tools and Techniques Training**
- Level 3: Solution/Consultative/Strategic Selling Training**
- Level 4: Executing at the Individual Level with Conscious Competence**
- Level 5: Institutionalizing Conscious Organizational Competence and Execution**

The first three levels are necessary, yet (by themselves) not sufficient to sustain the thinking and behavioral change necessary for your people to consistently execute in difficult situations. Levels 4 and 5, however, provide a breakthrough approach that goes beyond training to focus on sustained superior sales performance.

## **The 5 Levels of Sales Development, Training, and Execution**

The five levels of sales development, training, and execution focus on specific issues and outcomes in sales. As companies move through each of these levels, they gain different abilities, skills, and results in their approach to sales. Levels 1 through 3 deal with some of the basics but are not designed to teach concepts that sustain true sales execution. Levels 4 and 5 focus on specific execution skills required for breakthrough, sustained sales success.

As you examine your offerings based on these five levels, remember, training and development content from the first three levels can spill over

into each other: Level 1 might have concepts in common with Level 2, which can in turn relate to Level 3.

**Level 1: Product Knowledge Training**—Understanding your product's features and benefits and how to position them against the competition.

This level of training focuses on teaching sales people the fundamentals of their product or service and how to present it to their customers. It teaches features and benefits, positioning against the competition, and gives boilerplate proposals and ad slicks.

While this information is important, alone it does not teach the skills necessary to handle all the issues that must be addressed in a complex sale. Just because people know their product does not necessarily mean they can execute well enough to compete in today's sales environment.

**Level 2: CRM Tools and Techniques Training**—Understanding the tools that facilitate what sales people do to interact with clients.

This area of training focuses on the tools used by an organization to contact and track their sales. It might include sales force automation and customer relationship management (CRM) training. It is designed to boost productivity and professionalism. Some refer to this level as *Sales Training 101*; it teaches procedures such as time management, how to follow up on leads, make appointments, behave on calls, present features and benefits, basic need-probing, trial closing, objection handling, follow-up and the associated paperwork.

Some companies feel this is sufficient. It is as sophisticated as their sales force needs to be. While it may work for transactional sales, by itself it is woefully inadequate for complex sales.

**Level 3: Solution/Consultative/Strategic Selling Training**—Understanding and applying the steps to the particular sales approach the company has adopted.

This area of training focuses on relationship management, limited probing for customer needs, and understanding purchasing behavior. The sales force learns how to develop *value propositions* that they can use in their presentations. It is the heart of what marketing experts call *value selling*: working with customers to ascertain your offering's economic contribution through cost reductions or revenue increases.

This consultative sales training is like the more basic second-level training: it often relies on teaching formulaic thinking. Trainees memorize rote responses to critical junctures in a customer conversation; e.g., exactly what to say if the buyer claims that a competitor offers better performance, cheaper product/service, or more customized solutions.

Trainees learn the *what* of consultative selling—finding problems for their solutions—but are less likely to learn the skills of flexibility and thinking on one's feet that constitute the "how" of building trust and credibility. Simply, they do not learn how to execute on a high level.

Levels 1 through 3 provide the 80 percent of Pareto's 80/20 rule; this is where 80 percent of the sales force stays. They are competent and can get some information from their clients; they can present a good case for their product or service. When they compete against other 80 percenters—they can and do win work. The problem does not become apparent until they compete against a 20 percenter.

The difference between an 80 percenter and a 20 percenter is that a 20 percenter consistently executes at a high level. They find the real business issues driving the client's need. They discover and overcome barriers that prevent them from winning. They can discuss difficult and sensitive information in a way that endears the client to them.

The 80 percenters often wait for rapport to ask a tough question. The 20 percenters realize it is often the tough questions that develop rapport and trust. Simply, the 20 percenters are trusted business advisors who execute consistently to help clients succeed!

While many training programs claim they can teach participants to execute—it is not as easy as it sounds. Bossidy and Charan explain what is involved in executing:

"Execution is a systematic process of rigorously discussing hows and whats, questioning, tenaciously following through, and ensuring accountability. It includes making assumptions about the business environment, assessing the organizations capabilities, linking strategy to operations and the people who are going to implement the strategy, synchronizing those people and their various disciplines, and linking rewards to outcomes. It also includes mechanisms for changing assumptions as the environment changes and

upgrading the company's capabilities to meet the challenges of an ambitious strategy."<sup>5</sup>

With growing competition and a desire to meet growth projections, companies realize the need to get their people "up to speed" as quickly as possible, so they jump into new-hire training. Later, however, when they do not see significant improvement, they re-examine their training classes and begin looking at new or different Level 1 through 3 training courses. They substitute a new training class to see if it has a better impact. The key is not the number of training offerings—rather it is the area of focus for that offering.

## Stepping Up to Levels 4 and 5

Levels 4 and 5 go beyond training and provide the significant shift in thinking necessary to execute effectively and gain breakthrough, sustained superior sales performance. Stephen R. Covey puts it this way: "If you want to make *minor*, incremental changes and improvements, work on practices, behavior, or attitude. But if you want to make significant, quantum improvement, work on *paradigms*."<sup>6</sup>

These two levels require a shift in paradigms about selling and buying and how we view sales people and approach clients—and, therein, are significant power for creating and sustaining radical change.

**Level 4: Executing at the Individual Level with Conscious Competence—** With a combination of training, coaching, and consulting, this level effectively focuses on the mindset, skills, and tools necessary to execute for business results. This involves not just the *what-to-do* but more importantly the *how-to-do-it (execution)* for successful consultative, complex sales and business partnerships. This level of training addresses the execution gaps of *how to* intimately understand clients and *how to* develop a winning client-centric sales approach by asking effective questions and *how to* become true business advisors to clients. Simply, Level 4 is the How-to Execute and Win by helping clients succeed!

In this area of development, sales forces learn how to move past the nonsense in sales that cause dysfunctionality. They learn how to say what they mean, be authentic, expand their awareness and choice, and enable clients to do the same. They learn how to ask tough questions while building client trust.

The focus of Level 4 is on execution, because, as Bossidy and Charan put it: “In its most fundamental sense, execution is a systematic way of *exposing reality and acting on it*. Most companies don't face reality very well. [Emphasis added].”<sup>7</sup> In fact, the authors note, “You need robust dialogue to surface the realities of business.”<sup>8</sup>

**Level 5: Institutionalizing Conscious Organizational Competence and Execution**—If Level 4 focuses on individual execution, then Level 5 focuses on organizational execution. It focuses on the three processes necessary to execute: People, Strategy, and Operations.

This level of sales consulting, training, and coaching examines and develops leadership to coach and ensure sales execution that result in highly profitable and sustained client relationships. It also aligns people, strategy, processes, systems, and tools to execute more perfectly together for success. This is where a culture and discipline of execution is institutionalized and formalized throughout the organization for sustained superior sales performance.

Level 5 builds “conscious competence” throughout the organization and extends Level 4 methodologies to the entire firm. It focuses on evaluating and removing gaps and barriers to execution as well as on consistently reinforcing key knowledge, skills, and behaviors. It also includes people from all levels of the organization, including the C-level executive team, each of whom should have regular contact with their clients.

Level 5 institutionalizes the culture and discipline of execution. It is formalized throughout the organization for sustained superior sales performance—and this is a company's true competitive advantage in an increasingly global competitive marketplace.

### **Execution Requires a Fundamental Shift in the Way We Sell**

Bossidy and Charan note that execution has to be embedded in the norms of individual and collective behaviors of everyone in the organization. “It is a relentless pursuit of reality coupled with processes for constant improvement. And it's a huge change in behavior—a change, really, in culture.”<sup>9</sup>

This fundamental execution-culture shift is the component that is missing in most companies. When companies execute well, however, the reward is equally fulfilling. In fact, companies that train their sales force in a defined

execution process (and hold them accountable to that process) report meeting quota by 68 percent of their people.<sup>10</sup>

### How Can I Assess My People and What They Need?

When people understand the different areas of focus for sales training, they often ask: *"How can I tell if my people need Level 4 and 5 sales execution development and reinforcement?"* or *"Is my current approach working?"* Interestingly enough, the answer is embedded in the question:

*"Are the behaviors your sales people exhibit giving you the results you want?"* If so, a change may not be necessary.

### Self Assessment: Sales Behaviors Indicate the Level of Sales Mastery

One way to assess your organization is to examine the behaviors of your people. Sales people's behaviors indicate the level at which they currently perform. The following table demonstrates the specific differences between behaviors exhibited by people trained in Levels 1 through 3 compared to those focused on Levels 4 and 5.

Behaviors at Levels 1-3	Versus	Behaviors at Levels 4-5
Learn and be able to articulate the key differences of your product/service	Or	Learn to understand clients' issues by asking the right questions in the right way.
Learn the answers to the most common objections	Or	Learn how to <i>uncover</i> objections and resolve them with the client to everyone's satisfaction
Learn the "cold-call" script	Or	Develop rapport-building conversations for initiating new opportunities that are relevant
Receive their territory and begin making calls	Or	Understand the problems and results that prospects face. Use these as dialogue builders
Hand out advertising brochures that describe the features and benefits of your company's offerings	Or	Engage in structured conversations to effectively uncover the driving forces behind the client needs
Fill out forms addressing number of prospects in the pipeline	Or	Use a process and tools to identify the right opportunities and where to spend their time
Develop/deliver PowerPoint slide decks to "tell your company's story"	Or	Develop effective questions that discover needs, build trust, and develop a business case with the client
Tell the client about the features and benefits of the company's solution	Or	Engage in mutually beneficial conversations that explore possibilities and build trust
Report on the number of calls made and the result of each	Or	Use key measurements to improve skills and manage time in order to win more sales

Behaviors at Levels 1-3	Versus	Behaviors at Levels 4-5
Examine the sales forms to determine who the key decision-makers are	Or	Engage key decision-makers in meaningful conversations to understand their specific needs
Position your offering against the competition	Or	Discover/develop key differentiators in the mind of the client based on evidence and quantified impact
Get opportunity to give a proposal/present a solution	Or	Pre-test key elements of your solution with the client to discover areas to improve
Give trial close	Or	Remove barriers to allow clients to select you
Wait to hear if you won the deal	Or	Get specific feedback during your presentation to ensure you can address their concerns

Table 1: Behaviors exhibited by mastery at each level

## What Level Are You at? Where Do You Want to Go?

Your future selling success in today's competitive markets likely depends on keeping your sales force ahead of the competitive pack. This paper paints a broad picture of the kinds of sales development and sales training approaches available to you, methodologies ranging from product presentation basics to building and sustaining complex inter-organizational relationships. The more sophisticated and knowledgeable your customers, the more your sales force needs the advanced mind-set, skills, and tools found only in Levels 4 and 5.

FranklinCovey's Sales Performance Group (SPG) works with some of the most sophisticated sales organizations worldwide, and we see, first hand, the execution gaps that result from sales programs grounded only in Levels 1 through 3. Companies are not happy with the results they're getting and continue to struggle because they do not have the *systematic process* that Bossidy and Charan talk about that is necessary to enable sales people and sales leaders to identify and overcome the dysfunctions inherent in sales. Again sales training isn't enough. For breakthrough sales performance, companies have to re-think what they're doing and step up to levels four and five.

Because of these critical needs, SPG has developed and designed sales training, consulting, and coaching in Levels 4 and 5 to help companies identify their execution gaps and master their sales execution and consultative selling approaches. Our focus and expertise is in helping companies rid themselves and their clients of selling/buying dysfunctions and execute in ways that create radical results for sellers and buyers.

We developed a Helping Clients Succeed™ business development and sales approach that balances the art and science of sales. The art focuses on the people skills that create authentic dialogue and language for building high-trust relationships, while the science focuses on a consistent process for initiating and qualifying opportunities, winning deals, and growing revenues.

With Helping Clients Succeed™, companies drive conscious competence in their sales force to become trusted business advisors (elevating 80 percenters) who deliver business results for clients. The focus is on thinking and communication skills that are flexible enough to disarm adversarial behaviors, handle inevitable objections, misunderstandings, and defensive posturing that arise. These skills are addressed not with formulas and checklists but with the willingness and ability to get real, help clients succeed, or not play.

As business development expert Mahan Khalsa reasons, “Regardless of what approach you use, what’s going to make a difference in adding significant value and creating long-term trust with clients is how good your organization gets at using a systematic and repeatable process that helps clients to succeed.” There are proven ways to improve business development capabilities and jettison dysfunctional selling behaviors that reinforce the adversarial tenor of supplier-customer engagements. “Get real” candor on everyone’s part is essential.

The questions remaining are: Does your sales force execute effectively on your selling objectives? Which sales improvement approaches might dramatically improve how you pursue your sales goals? And which approaches achieve a positive result that is sustainable as time goes on?

## Should We Be Talking?

If your company is ready to learn more about how you can achieve sustained superior sales performance, call us at 800-707-5191.

We’ll send you a free copy of Mahan Khalsa’s introductory CD based on his insightful book, *Let’s Get Real or Let’s Not Play: The Demise of Dysfunctional Selling and the Advent of Helping Clients Succeed*. And when you call, let’s talk, because until we do, neither of us knows what’s possible.

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- <sup>1</sup> Benson R. Shapiro, Adrian J. Slywotzky, Stephen X. Dolye, Strategic Sales Management: A Boardroom Issue. Harvard Business Review. November 29, 1994.
- <sup>2</sup> Larry Bossidy & Ram Charan, *Execution: The Discipline of Getting Things Done*. 2002. Crown Business, New York, New York. (p.5)
- <sup>3</sup>Ibid, p. 7
- <sup>4</sup> ES Research Group, *The 2006 Sales Training Vendor Guide*
- <sup>5</sup> Larry Bossidy & Ram Charan, *Execution: The Discipline of Getting Things Done*. 2002. Crown Business, New York, New York. (p.22)
- <sup>6</sup> Stephen R Covey, *The 8<sup>th</sup> Habit – From Effectiveness to Greatness*. 2004. Free Press, New York, New York. (p.19)
- <sup>7</sup> Larry Bossidy & Ram Charan, *Execution: The Discipline of Getting Things Done*. 2002. Crown Business, New York, New York. (p.22)
- <sup>8</sup> Ibid, p. 23
- <sup>9</sup> Ibid, p. 30
- <sup>10</sup> CSO Insights, *Sales Effectiveness Insights: 2005 State of the Marketplace Review*

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The Sales Performance Group, a division of FranklinCovey (NYSE:FC), specializes in sales training, consulting, and coaching to deliver dramatic sales improvements. We help clients sharpen their sales execution and build capabilities around sales planning and process, sales leadership, and individual sales skills. Our clients include Fortune 100, Fortune 500, and Fortune 1000 companies in professional services, IT, banking, insurance, and finance industries who are engaged in complex selling environments.