SellingPower.com

Sales Management Newsletter (1/2/2007) Featured Articles by Heather Baldwin

Manage Your Sales Reps as if They Were Prospects

New sales managers often find it tough to transition from being a superstar rep with very few skill gaps to managing a team of reps with many and varied skill gaps. You can deal with that challenge by approaching your reps as if they were prospects in a territory, suggests Jeff Hoffman, CEO of Basho Strategies, a sales and sales management training firm that draws from the world of sumo in its approach to training (www.bashostrategies.com). "Treat your team as you would treat a pipeline of opportunities," says Hoffman. "Understand you have different individuals with different needs at different stages of the relationship."

In other words, just as you have a basic sales process, you need a basic process for managing your three kinds of reps – your "A" players, or your top performers; your "B" players, or your mid-level performers; and your "C" players, or your bottom reps who consistently struggle to make quota. And just as you move your prospects toward an end point – the close – you need a defined close with each of your reps. In general, here are the closes toward which you should be working with each type of rep, says Hoffman:

"A"s: You're closing your "A"s to be 10 percent more productive than they would be without you. Although 10 percent may not sound significant, it usually translates into tens of hundreds of dollars with A reps.

"B"s: In sports terminology, your "B"s are your bench for the "A"s, who will eventually be promoted to management or spirited away by the competition. Figure out which "B"s are your next "A"s and how to get them there.

"C"s: Your goal with "C"s should be to close them out of their current role, whether that is to another position in the company or to another employer.

With these "closes" in mind, here are the three steps you'll use to get there:

1. Assess your territory. When you take over a new sales territory, you first do a detailed assessment of that territory, right? Similarly, you need to start with a detailed assessment of your reps. Determine your A, B, and C reps and where each rep's strengths and weaknesses lie.

2. Develop a plan. After an initial territory assessment, a good rep develops an activity plan and figures out exactly how they're going to attack each account. So next you're going to develop a plan for building the skills and performance of each rep. And you need to do this by leveraging a strength to address a weakness. For instance, say you've got a B rep who isn't getting enough good leads into his pipeline. His weakness is cold calling: he hates it and doesn't do enough of it. But he's great at building solid relationships with his contacts. Instead of telling him he needs to make 100 cold calls this week, tell him that over the next five days you want him to get 15 referrals from clients with whom he has an existing relationship. It's important to give him a specific goal and an end date, says Hoffman. That way you can measure progress.

3. Define the consequences. As you give each rep a specific goal and an end date, it's also important to define for them the consequence of not meeting that goal. Those consequences should be aligned with the performance level of the

SellingPower.com
Sales Management Newsletter (1/2/2007) Featured Articles by Heather Baldwin

Manage Your Sales Reps as if They Were Prospects (cont.)

rep. An A-rep consequence should be minor – something like sitting in on three weekly meetings in your place. It's kind of a pain, says Hoffman, but it's not that big a deal and will give the rep exposure to what it's like to be a manager. B-rep consequences should take on a little more severity. For instance, if that B rep who needed to get 15 referrals in five days doesn't make it, he might have to stay late on Friday and make 30 phone calls while you sit with him to listen to his phone work.

Finally, your C rep consequences are all about "moving them out of the business," says Hoffman. You might tell a C rep, "If you miss this goal, I think the only appropriate consequence is to put you on a plan and start documenting expectations more formally to make sure this role is the most appropriate one for you." Hoffman says they'll either make the goal or voluntarily leave the department or company. Rarely, he says, will someone simply languish until they're fired.

When you learn to manage your reps as if they were a territory of prospects, the seemingly overwhelming task of handling multiple abilities becomes suddenly much more manageable. "When we share this metaphor in our sales management training programs, there's an audible sigh of relief in the room," says Hoffman. "Managing a team of people seems complicated to new managers, but managing a territory - that's something they understand."