



# **Selling with Competence:**

## **HOW SALES TEAMS SUCCEED**

April 2008



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### About ASTD

ASTD (American Society for Training & Development) is the world's largest association dedicated to workplace learning and performance professionals. ASTD's members come from more than 100 countries to connect locally in 140 U.S. chapters and 24 Global Networks. Members work in thousands of organizations of all sizes, in government, as independent consultants, and as suppliers.

ASTD started in 1944 when the organization held its first annual conference. ASTD has widened the profession's focus to link learning and performance to individual and organizational results, and is a sought-after voice on critical public policy issues.

### About the ASTD Sales Development and Performance Advisory Team

The advisory panel is dedicated to setting sales development and performance expectations while at the same time defining standards of professional selling development. Members from the advisory panel collaborate to define the sales development and performance framework so that organizations and individuals in all industries can measure their effectiveness against the committee's definition of world-class sales enablement, development, and effectiveness.

Dear colleague,

We are pleased to release "Selling with Competence: How Sales Teams Succeed," an ASTD report from the ASTD Sales Development and Performance Team.

Much has been written about the need for increased efficiency, accountability, and effectiveness by sales team members. Popular trade magazines and bookstore shelves are stocked with the latest tips on successful negotiations, staying motivated, and asking the right questions that help buyers understand and diagnose internal problems. Researchers warn that shifts in buyer expectations amplify the need for a more holistic approach to sales development and performance. Stories about managers lacking the necessary leadership capabilities and a shrinking pool of qualified sales talent are the topic of many trade articles. And, concerned about the United States' ability to compete with China and India, U.S. policy makers are introducing legislation to spur innovation and boost competitiveness in an increasingly global economy.

However, these discussions have focused primarily on the market forces that challenge sales professionals and their management teams to change their approach. Likewise, advice on salesperson training or sales process improvement is often given against the backdrop of technological improvements or product rollouts. Some argue that the environment of professional selling has undergone a rapid change driven by increasingly savvy buyers, others find that professional selling processes and approaches to hire, train, and motivate salespeople are not adequate to meet their current business needs.

Much of this dialogue has focused on a reactive approach to competitive markets. While these discussions are relevant and provide insight to the challenges faced by sales managers and sales trainers, they are often conducted with little regard for the holistic system required for sustained sales excellence. As such, until now, very little has been written on the strategies or best practices of executing a sales development and performance initiative to drive sales or attain business outcomes.

Equipping client-facing, revenue-generating professionals with the skills they need to help organizations grow and excel puts the learning function at the center of this issue. Together with the leaders of their organizations, sales development and performance professionals can use the action plan in this paper to assess potential gaps, set goals, implement learning solutions, and measure the results for their organizations. We invite your comments on this paper and your insights into sales development and performance. Please send them to the ASTD Sales Development and Performance Advisory Panel at [salestraining@astd.org](mailto:salestraining@astd.org).

Through this paper and ASTD's leadership in workplace learning and performance, we hope you will engage in this dialogue and be part of our learning community. Together, we can help organizations achieve sales development and performance success by building knowledgeable and highly skilled sales individuals and teams.

Best Regards,

Tony Bingham  
President and CEO, ASTD

Dave Stein  
President, ES Research Group  
2008, ASTD Sales Development & Performance Team



On behalf of ASTD, I would like to extend my gratitude to the ASTD Sales Development and Performance Team for their guidance, insights, and thoughtful contributions to this paper. “Selling with Competence” will play a key role in shaping the dialogue between all levels of the organization about the important topic of improving sales team performance. Learning professionals, business executives, and sales team members will benefit from your expertise. Thank you for your dedication to this project.

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There's an old adage that says, "Great salespeople are born, not made." At ASTD, we believe that great salespeople can be helped to improve: educated, trained, nurtured, and coached to deliver stellar business results for their companies and for themselves. But that won't happen without a quantum change in the way companies conduct sales training.

Why do sales teams fail? Because sales training, in its current form at most organizations, simply doesn't work. Our research shows that, although companies spend an average of two thousand dollars per year on training for each salesperson, those same salespeople find the training ineffective or less than useful. Even if they're receiving great training, salespeople say that the organizational context in which they work—defined by a lack of management support and an unproductive focus on short-term results—prevents them from truly implementing the things that they've learned. Significant change, both in the ways companies train their salespeople, and the environment with which they surround them, is required. Without it, organizations worldwide are collectively throwing away billions of dollars in business-to-business sales team investment—\$15.5 billion each year in the United States alone.

## Who We Are

Faced with the reality of rapidly changing skill needs, the efficiency of technology-enabled learning, and an increasing shortage of skilled labor across many industries, business leaders understand that they must train and develop their employees or risk business success. To do this, they rely on workplace learning and performance (WLP) professionals to manage employee learning and development, measure its impact on performance, and demonstrate business results based on the performance change.

Founded in 1944, ASTD is the world's largest association dedicated to workplace learning and performance professionals and the suppliers that serve them.

Several years ago, ASTD took a rigorous, disciplined approach to defining exactly what a WLP professional must know and be able to do. From this research, ASTD created the ASTD Competency Model for the Workplace Learning and Performance profession, which spells out precisely the competencies a qualified WLP professional must possess to be successful in his or her career. This framework enables WLP professionals to identify gaps in their skills and knowledge, pursue training and education to fill those gaps, and, eventually, if desired, to attain professional certification.



## What is a competency?

The dictionary defines a competency as a requisite skill, ability, or quality. ASTD defines a competency as a requisite behavior required for job success. Competencies roll up into areas of expertise—the specialized knowledge and skills a job requires—and roles, which are groupings of targeted competencies. Taken together, these combine to form a competency model.

Growth is necessary and urgent in today's fast-paced, global business world; but sales force training and development has not kept pace with the rapid technological, cultural, economic, and social change that drives multinational business. Although effective sales results are critical to growth, outmoded training and development approaches represent a very real barrier to that growth. At ASTD, we believe adopting a holistic, strategic, competency-based approach to sales training and development will help tear down that barrier. Aligning business needs and revenue goals with sales training, situated within a context that values long-term relationships and ongoing employee development, can dramatically improve the return-on-investment that companies obtain for their sales training dollars.

In this white paper, we seek to answer the following questions:

- What are the barriers to sales team performance?
- What are the implications if no dramatic change occurs?
- What are the benefits of adopting a holistic, competency-based approach?
- What can sales people, sales managers, and sales trainers do now?



# Barriers to Sales Team Performance

**A**dvances in technology in the past two decades have created markets that are totally global and glutted with information. The buying and selling methodologies of the twentieth century have changed completely and permanently, and with them the role of the salesperson. The demands created by empowered, informed buyers, as well as innovations such as category management, buyer facilitation, and team selling, have served to create an entirely new model for salespeople—and an entirely new set of knowledge, skills, and attitudes that must be developed.

Changes on the macro level, affecting sales forces worldwide, fall into two major categories:

- environmental changes, including globalization, competition, commoditization, technology, and demographics; and
- changes in buyer expectations.

As sales teams attempt to deal with those macro changes, their own structures and responsibilities are also changing, and turnover within the field is high.


## Environmental Changes

**Globalization.** Every day, more companies are developing strategies to distribute their products or services internationally. As they become global, understanding cultural differences is critical to sustaining long-term relationships. Salespeople are often the front line of a company's presence in a new country, but can face potential language, cultural, and geographic challenges that require specialized knowledge to overcome.

**Competition.** Intense and often brutal competition is a fact of business life. Although historically strategy has been thought to be the purview of marketing, and execution was the province of sales, savvy sales managers have come to realize that success will not come in a strategic void. It is critical that sales team members are equipped to respond to competitive threats while managing and allocating internal resources.

*“In order to remain competitive, sales organizations must enable a strategy from the customer's point of view. Doing so will allow them to set realistic objectives, design new strategies that add real customer value, avoid wasting time on price-oriented customers, and deploy resources for maximum results.”*

—Beth Rogers, *Rethinking Sales Management*



Response-driven direct marketing campaigns measured by revenue acquired help drive competition for access to decision-makers. Frontline sales managers who have spent months or years developing single-contact client relationships are now being asked to develop relationships at multiple levels within the client organization, often competing with marketing messages from their own organization.

**Commoditization.** In today's marketplace, there is greater supply—of almost everything—than demand. Products become increasingly commoditized, and competition becomes even more about price. In that environment, salespeople must strive harder to demonstrate any added value across multiple levels of the buying organization.

*“Understanding when to compete is an important first step. Allowing your product to become commoditized reduces your opportunity to offer unique value. We must learn how to stem that increasing desire of buyers to buy commodities, and instead focus on differentiation and linking those differences to the customer's realization of value.”*

—Dave Stein, *principal, ES Research Group*

**Technology.** The field of professional selling has been buffeted by technology in multiple ways. First, salespeople are no longer the gatekeepers of information about products and services. Buyers arm themselves with information long before the sales call ever occurs. They have access to buying consultants, automatic replenishment systems, decision making models, and customer reviews of products and services. Buyers hold less inventory, want just-in-time inventory, and embrace systematic purchasing.

Salespeople are also called upon increasingly to use technology in their jobs. Handheld devices, mobile computing, instant messaging, social networking, and search engines have revolutionized prospect identification. Customer relationship management systems are intended to help salespeople manage and prioritize their contacts.

Selling takes place in new venues and channels. For example, the “click to talk live” feature of many websites blends customer service with telesales in a call-center environment. Selling is also becoming the responsibility of nontraditional sales roles, and companies are cross-training installation, service, product-development, and other staff in sales techniques.



**Demographics.** For the first time in history, some sales managers find themselves managing members of three or four generations in the workplace. These diverse workers bring differing approaches to their work, their learning, and the ways in which they respond to managers and hierarchy. While many older workers prefer to work independently, younger workers place value on collaboration and enjoy working in teams. While older workers respect tenure and experience, younger workers expect a flatter organization and a say in their work and how they approach it.

*“Sales managers must balance the tension of building a culture of teamwork with the need for increased levels of praise and feedback for individual achievement. Compounding the difficulty of these changes is the desire of younger employees who are seeking, and even demanding, to relate to their leaders as peers.”*

—Tim Ohai, President, Growth and Associates

Changing demographics are having a notable effect on sales organizations across a variety of industries and geographies. In a 2006 IBM and ASTD study on the impact of changing workforce demographics on the learning function, 239 learning executives were asked to identify their primary concerns regarding this generational shift.

They are:

- Important issue, little action: Most companies are ill-prepared to adapt to the changing workforce.
- Passing the torch of experience: Transferring knowledge between generations is becoming a critical capability for today’s organization.
- Beyond “one size fits all”: Learning executives believe there are clear differences in the learning preferences of workers from different generations.
- Avoiding roadblocks to learning: Older workers may find more barriers to participating in learning activities.
- Bypassing the learning curve: Getting new employees rapidly up to speed is taking on a new priority.

The United States and many other industrialized nations are also facing the imminent retirement of hundreds of thousands of skilled, knowledgeable workers. Despite the fact that technology has rendered many jobs obsolete, the need for skilled salespeople is and remains great: In its 2007 Talent Shortage Survey, Manpower Inc. discovered—for the second year in a row—that business-to-business sales positions are the hardest to fill in the United States and several other countries. A 2007 survey by CSO Insights, a sales research firm, revealed that nearly 15 percent of responding organizations planned to increase the size of their sales teams by 21 percent or more.

While most other professions can rely on a steady supply of potential employees from high school, college, or workforce-development programs, the sales profession lacks a comparable system to generate new talent. Over the past five years, colleges and universities have begun to offer courses in professional selling, but not nearly enough to meet the need.

## Changes In Buyer Expectations

**D**DI, a global human resources consulting firm, recently surveyed 2,700 corporate buyers from Australia, Canada, France, Germany, the United States, and the United Kingdom to explore their views and expectations of salespeople. Their findings validated what we knew instinctively: The job of a salesperson is becoming more demanding—and customers are demanding more. Forty percent of DDI’s respondents said they have higher expectations of the salespeople they interact with, and one in five feels that sales expertise has diminished. More than half of buyers said they view their sales contacts as business partners, while 31 percent said that “relationship building” is a top quality they value in salespeople. These expectations point to the need for training and development programs that promote sales effectiveness, not only from the employer’s point of view, but from the customer’s.

### Buyer Expectation #1: “Take More Responsibility”

Buyers who are expected to make correct purchasing decisions want salespeople who work as partners to help them achieve business results. Howard Stevens of HR Chally, a sales consulting firm, says that buyers are “now demanding an understanding of their business, objective interpretation of their needs, and a more clear translation into implementation actions.” Due to evolution of buyer expectations, the knowledge, skills, and attitudes required by successful sales professionals are changing. Whereas, in earlier times, salespeople were valued primarily for their persuasiveness and persistence, their abilities now must tend toward strategic thinking, problem solving, active listening, and so forth.

Salespeople are under increased pressure to attain not only the goals of the selling organization, but the goals of the buying organization as well. Increasingly, they must accept responsibility for ensuring success on both sides of the transaction. Research at the College of New Jersey into gaps in sales training content and delivery demonstrates that salespeople are expected to ensure reduced buyer logistics costs, higher standards of quality control, greater mass-customization potential, and to act as problem-solvers rather than pushers of standard solutions.

### Buyer Expectation #2: “Understand and Relate to Our Business”

Salespeople must continue to transition from transactional selling to relationship selling, adopting a true partnership mentality. More firms are striving to become trusted advisors to their customers. Salespeople must develop deeper relationships and a personal network within customer companies, while also developing networks and expertise within their specific industry. Tom Snyder of Huthwaite, a sales-force improvement firm, suggests that “salespeople need to probe for problems, needs, and opportunities that are top-of-mind for the buyer.” As a result, salespeople should recognize that their products, typically seen as an area of differentiation, may be viewed as commodities by buyers. Key to true differentiation is demonstrating how the product will solve the buyer’s business problems.



### **Buyer Expectation #3: “Be More Professional”**

Historically, the roles of the salesperson and sales manager have focused on monthly or quarterly targets and results. Many sales professionals are forced into a commodity-selling environment that is transactional rather than strategic or consultative. However, in today’s competitive landscape, sales professionals must focus on maintaining professionalism with buyers who may not have the same timeframe in mind or who may have strong negotiating skills. The salesperson must stay focused on delivering value to the buyer based on the buyer’s goals and objectives, and can feel challenged by the need to balance revenue implications with ethical considerations while under pressure to meet short-term goals.

### **Buyer Expectation #4: “Listen More”**

To help buyers solve their business problems, salespeople must have a strong understanding of the buyer’s business, industry, customers, competitors, and products. Such skills as listening, analyzing, problem solving, and questioning have overtaken product knowledge in importance for the successful salesperson. These skills are key to a salesperson’s ability to help buyers navigate the complexity of the solution and the volume of available information. While communication skills are essential to success in any occupation, listening skills can help sellers identify root problems and hidden obstacles that could affect the buyer’s business success. Listening also requires skill in building rapport, patience, and timing in order to build the foundation for a trusting relationship. As a result, listening provides the foundation for learning about problems and supplying relevant solutions.

### **Buyer Expectation #5: “For Us to Be Productive, You Have to Be Productive”**

Traditionally, sales organizations have focused on volume of individual activity—number of calls made, number of presentations given—as an indicator of productivity. Compensation was determined by meeting or exceeding sales quotas. Now, firms are instituting new metrics, such as the profitability and customer service satisfaction. Further, the relevance of a salesperson’s activities can be scored and measured in addition to, or instead of, their frequency. These more sophisticated measures are surfacing as organizations attempt to shift or replace direct selling with lower-cost sales channels, such as telemarketing, direct mail, or email marketing. Plus, organizations must ensure that their sales team stays focused on the most appropriate use of time.



### **The Sales Organization**

**S**alespeople are considered to be the front line of nearly any business that sells a product or service. As the face of the company, their skills and knowledge must be of the highest quality possible. Yet, training sales team members often falls to their managers: ASTD research shows that 61 percent of internal sales trainers work within the sales department. Most organizations report that more than half of their sales training is delivered by sales staff, yet many of those same organizations report that sales managers have received no specific education in delivering sales training.

Further, two in three self-described “sales trainers” spend less than half their time actually conducting sales training. As the manner in which salespeople communicate with and advise their clients changes, their training requirements also become increasingly sophisticated—needs that most sales managers are ill-equipped to meet.

Given time and productivity pressures, most learning efforts beyond the most basic product and skills training are completely overlooked. A Nightingale Conant/Andy Miller survey found that 51 percent of sales managers say they don’t have the time to develop and coach their sales teams, and 67 percent say they are not using or are sporadically using sales coaching. Yet, 50 percent of sales trainers say that coaching is extremely important.

**Turnover.** Salesperson recruitment, training, development, and retention are also hampered by a dispassionate corporate culture that undervalues salespeople and—perhaps unwittingly—drives high turnover. Current research shows that only 9 percent of annual corporate training dollars were spent on sales and service training; executives feared that high turnover in the field would make their investments short-lived. Indeed, CSO Insights reports that sales person turnover rates average 18 to 23 percent annually.

The impact of attrition and the talent shortage are likely to be compounded by lower engagement and productivity. Recent academic research by Gordon and Lowe shows that fewer than half of employees feel a strong attachment to their organizations or believe that the organization deserves their loyalty. Fully one-third plan to leave their organizations within the next two years.

Rather than seeing turnover as a barrier to employee development, however, companies must come to view education and training as a retention tool. Particularly among younger workers, employer-provided training and development is viewed as a valuable benefit and plays a vital role in employee engagement and retention.

Taken as a whole, these changes in buyer expectations mean that successful salespeople must develop new knowledge and skills, and sales managers and trainers are challenged to help them fill those needs. Learning organizations and sales team members are positioned to work together to determine the most appropriate sales training activities, measures of success, and training solutions.

# Implications of Failing to Act

*“Because the industries we are competing for—the industries of the future—are all based on brainpower, the dominant competitive weapon of the twenty-first century will be the education and skills of the workforce.”*

—Lester Thurow, professor, MIT Sloan School of Management

Senior leaders are looking for more revenue results from their sales teams. For the third year in a row, the same business objectives were identified by a majority of senior business leaders surveyed by the CMO Marketing Council: increasing revenues, increasing sales effectiveness, and increasing market share. Given the volatile business environment, this trend is likely to continue in coming years.



Three top business objectives of marketing leaders for 2005, 2006, and 2007, according to the CMO Council.

It is vital that companies create a winning sales-team culture that attracts and keeps winning sales talent—a task that can be extremely challenging. David P. Snyder, author of *How to Mind-Read Your Customers*, says, “There is no better barometer than that of internal customer service to see if the sales department feels supported and appreciated since salespeople, in general, are treated as ‘second-class citizens’ in arrogant or dysfunctional organizations. If morale in the sales team is low, organizations can be assured that on the outside, customers are being short-shifted as well, which will further erode the company’s bottom line.”

The impact of sales team turnover and the talent shortage in the sales profession are likely to be compounded by lower sales-team member engagement and reduced productivity. ASTD’s survey of salespeople found that only 20 percent described themselves as very or extremely satisfied at work; 42 percent described themselves as only somewhat satisfied.

Despite many companies’ best efforts, sales training and development efforts are falling flat. Business objectives are not being met. Top-notch sales talent is harder than ever to find. Sales team turnover is high and employee engagement rates are falling.



## What does all this translate to? Lost time and wasted money.

ASTD research found that sales organizations spend about \$2,000 per year per business-to-business salesperson for training and development purposes. According to the Bureau of Labor and Statistics, there are 6.5 million business-to-business salespeople in the United States. Using this \$2,000 figure, companies spend about \$13 billion on sales training and development initiatives in the United States alone. Additionally, we found that sales team members spend about \$400 of their own money on professional development each year, which equates to an additional \$3 billion. The total annual investment by U.S. companies and their employees in business-to-business sales training is about \$15.5 billion. Even if the sales team helps drive the global economy, that’s a large investment to attain mediocre results—and this represents only about half of the entire sales population: the rest work in business-to-consumer and direct selling.

\$15.5 billion (USD) in business-to-business sales team training and development in the United States

- Not achieving business outcomes
- High sales team turnover
- Global talent shortage
- Salespeople not exceeding buyer expectations

Clearly, such a substantial investment with so little return will negatively affect a company’s bottom line. In addition, an ineffective sales force can be directly tied to a loss of competitive advantage and market share to more agile companies that train and equip their salespeople. In their forthcoming book *Stall Points*, Corporate Executive Board (CEB) researchers assure that positive change is within leadership’s own hands. They write, “The vast majority of stall factors result from a choice about strategy or organizational design. They are, in other words, controllable by management.” If anything, these words should be encouraging to companies considering revamping their sales competency and training model.

In the current global economy, many companies pursue a model of continual expansion; but an ill-equipped sales force can hamper growth. In a Harvard Business Review article, the CEB researchers go on to say, “What stops growth dead in its tracks...is not merely a shortage of talent but the absence of required capabilities—such as solutions-selling skills or consumer-marketing expertise—in key areas of a company.”

Sales trainers, sales managers, and sales consultants can positively affect business outcomes—but this requires a holistic approach. They must learn how to think differently within a new paradigm of sales development and performance.

# A Holistic, Competency-Based Approach

In order to determine what salespeople need to learn, we must first determine what they need to know. As markets, models, and buyer expectations have changed, so have the necessary knowledge and skills for the successful salesperson and sales manager. No longer are product knowledge, persuasiveness, and persistence enough. To truly understand what successful sales team members need to know and do, ASTD asked them.

ASTD Research surveyed 210 sales trainers and 179 salespeople during the summer of 2007. Overwhelmingly, respondents said that they value sales training and believe it to be very or extremely important.

When asked about the skills required to be successful in their jobs, survey respondents indicated these top five:

- Asking effective or productive questions of customers
- Becoming a better listener
- Selling with the customer's best interest in mind
- Making ethical decisions
- Leveraging sales approaches that are adaptable from one situation to the next.

Respondents were also asked what kind of knowledge is required to be successful in their jobs. Valuable knowledge areas include:

- Customer requirements and potential uses of the product or service
- Product knowledge
- Company knowledge (of the selling company)
- Knowledge about competitor companies.

Accenture research found that although 146 of 244 executives from six countries said that the sales team plays the most prominent role in their company's long- and short-term success, 41 percent of managers and executives from more than 2,500 sales organizations said that their salespeople are performing below expectations (Nightingale Conant/Andy Miller).

ASTD advocates a new approach, one in which the sales development and training needs of sales teams are viewed through a strategic and holistic lens. To be successful, this approach requires the alignment of all aspects of talent management, skills development, and sales process execution. Revenue goals must be aligned with business outcomes and business processes that are deliberately designed to allow salespeople to develop productive customer relationships and deliver appropriate solutions. Further, salespeople must be equipped and empowered to make decisions that benefit both the buying and selling organizations, and sales managers must be given both the time and the training to coach and develop their sales teams.

**Talent management.** Studies have shown that a deliberate approach to talent management, including the recruitment, selection, orientation, engagement, and retention of top sales performers, results in annual sales force turnover of less than 10 percent (BPT Partners). Top sales organizations focus keenly on the proper identification and selection of new sales team members for best fit with the sales culture, selling system, and types of products being sold.

**Skills development.** Training is conducted with the purpose of helping salespeople increase their knowledge of the business and developing higher level skills, not just focusing on one element of the sales training mix such as product knowledge. Sales leaders coach and develop their team members.

**Sales process execution.** Once equipped with the appropriate knowledge and skills, salespeople must be free to use them. They must be permitted—and expected—to take initiative, use good judgment, and make ethical decisions. Yet, 81 percent of sales organizations say that they don't have a consultative sales process or are not following the one they have.

Foundational selling skills—presentation skills, speaking, closing, and follow-up—seem to be less important in today's selling climate. Salespeople believe that addressing tough customer requirements, leveraging industry knowledge, and troubleshooting complex business problems provide the right customized experience for the buyer. Salespeople provide value to buyers through a collaborative approach that co-creates a solution through a complex sales cycle. These approaches require salespeople to develop a wide variety of skills to keep pace with the increasing sophistication of the market and of their offerings. A competency model can help to define and guide that development.

A competency model also will help to forecast and address knowledge and skills issues that arise due to the changes in markets and demographics. Consider the impact of a younger workforce: Will the only gap be one of turning knowledge into skill? How will companies turn the raw, undeveloped abilities of these younger players into consistently applied talent? What resources do we have for the bright, knowledgeable sales-team member who lacks the interpersonal skills to form lasting relationships with customers? And how will we address the loss of accumulated knowledge and years of experience when our most senior salespeople retire—many of them within the next five to ten years? If the experience of maturing workers is important to a company's success, how can that experience and expertise be captured and transferred to younger, less experienced workers?

Sales trainers, sales managers, and company executives must be more concerned with providing a holistic learning and development progression rather than relying on ad-hoc sales training activities. Furthermore, management must take a more proactive role in promoting the importance of this development and supplying adequate resources. Right now, many companies' leaders are getting in the way of their sales teams' success: In response to the ASTD survey, 44 percent said that there was a lack of management buy-in to sales training in their organizations, and 42 percent said that management's short-sighted focus on results was an obstacle to successful sales training.

To engineer world-class sales performance, sales team development must be holistic, all-encompassing, and proactive. There must be a paradigm shift in thinking, from "sales training" to "sales development and performance." Sales training must quickly and deliberately evolve from a sometime activity by sales managers to an intentional, qualified effort that is directly tied to business strategy and measured according to business outcomes. Its practitioners must be knowledgeable, dedicated, and guided by a competency-based approach.



A quantum shift to sales development and performance will bring sales team members together with professional sales trainers to create positive, progressive change by balancing human, ethical, technological, and operational considerations. A competency-based approach can help organizations attain business outcomes and results by focusing on sales-team member knowledge, skills, values, attitudes, and actions in relation to the workplace environment. For example, a competency-based approach allows sales development and performance professionals to work with a hiring manager to select new employees who demonstrate the agreed-upon competencies and expertise required to be successful in the position. These competencies then become part of the performance management system to monitor and evaluate the individual's performance on the job. Finally, these competencies serve as the basis for guiding future development.

## What is a Sales Development and Performance?

SDP focuses on providing dramatic results through:

- improving salesperson performance
- balancing individual and organizational needs
- building knowledge within the organization
- improving financial return.

A competency-based approach applied to the sales organization can provide a firm foundation by which sales team members can develop. With this approach, development efforts aimed at helping sales team members gain basic skills, technology skills, or even management skills are designed to be immediately applicable.

Salespeople must continually develop new skills in order to contribute to the growth of their companies. The only way for companies to grow and compete in a rapidly changing global business environment is to have a skilled sales team that is innovative, understands the economic environment and marketplace, and is driven to excel within their industry. This requires the right people, with the right skills, at the right time. The tools and systems created by a competency-based approach to sales-team development can help organizations overcome many of the barriers cited here and maximize the potential of their sales force.

**A**STD has convened a Sales Development and Performance Advisory Panel to guide its efforts in developing a sales profession competency model. This group collaborated to create the following example of a holistic approach designed to help SDP practitioners (sales trainers, sales managers, and sales consultants) identify the needs of the entire sales team. While it is commonly accepted that a successful needs analysis provides a solid platform for engineering world-class sales performance, ASTD proposes that any gap analysis should look at three core elements of the sales system: the organization, the people, and the task.

**The organization.** By looking at the selling context, sales culture, and history of sales-team performance, SDP practitioners can understand the sales strategy, key customer needs, and sales-force motivations before designing learning activities. Even with the best training programs, lackluster organizational capacity or misalignment with the sales team can prevent an organization from reaching its full growth potential.

**The people.** This level of analysis broadens the population being targeted and focuses on the sales team as a whole, not simply the roles typically labeled as “sales.” For example, breaking the sales group into the core roles of selling catalysts, selling developers, and selling enablers allows for a more informed approach to identifying needs and developing solutions. Any identified gaps now represent not only the learning needs of the individual, but potentially the entire sales team as well.

An SDP practitioner must be able to understand sales team organizational structure, the tasks performed by sales team members, and the competencies required of the people in the larger sales team. More important, SDP practitioners should be able to understand how organizational dynamics, tasks, and individual factors either contribute to or hinder alignment with the source of organizational revenue, the customer.

**The task.** This level of analysis helps SDP practitioners dissect a task into the requisite knowledge, skills, and attitudes needed to perform it. For example, just saying a salesperson needs “questioning skills” isn’t enough. Broader investigation, asking such questions as, “What questioning skills are required to build rapport and insight with frontline buyers? What about C-level buyers?” is required.

Historically, most analysis has been focused too narrowly. Unless the perspective of SDP practitioners is enlarged to view sales within the context of a greater, holistic system, training and development solutions will continually run the risk of creating more burdens for the sales team, rather than lifting them.

The ASTD Sales Development and Performance Advisory Panel has created a new model that takes a phased approach to sales development needs. It begins with an understanding of the intricacies of the buyer and seller relationship. Simply put, SDP practitioners must help sales team members leverage a standard sales process. This requires that they know as much, if not more, about the sales process as the sales team members who employ it. While many sales team members have been trained on a standard process, or have figured it out on their own, SDP practitioners are in a unique position to prioritize, organize, and implement the appropriate sales training activity to improve its execution.

The model presented below is a recurring cycle. Leveraging this sales development analysis tool, SDP practitioners will improve efficiency and manage sales team development processes more effectively, within a strategic context.



This sales development analysis tool offers a structured way for SDP practitioners to identify, prioritize, and implement sales training solutions. Because the approach is holistic, it can help sales teams align to the buying organization, focus on ratcheting up performance, and address immediate problems while keeping an eye on the longer term. SDP practitioners will approach each sales training action with information about the their organization, the buying organization, and the relationship between them.

The model's five phases are:

- identify: determine desired outcome(s) required to achieve the overall sales strategy
- examine: determine gaps in achieving the desired outcomes
- enable: develop specific recommendations and solutions for success
- execute: create a comprehensive plan and get buy-in from stakeholders
- evaluate: collect feedback and measure against the expected outcomes.

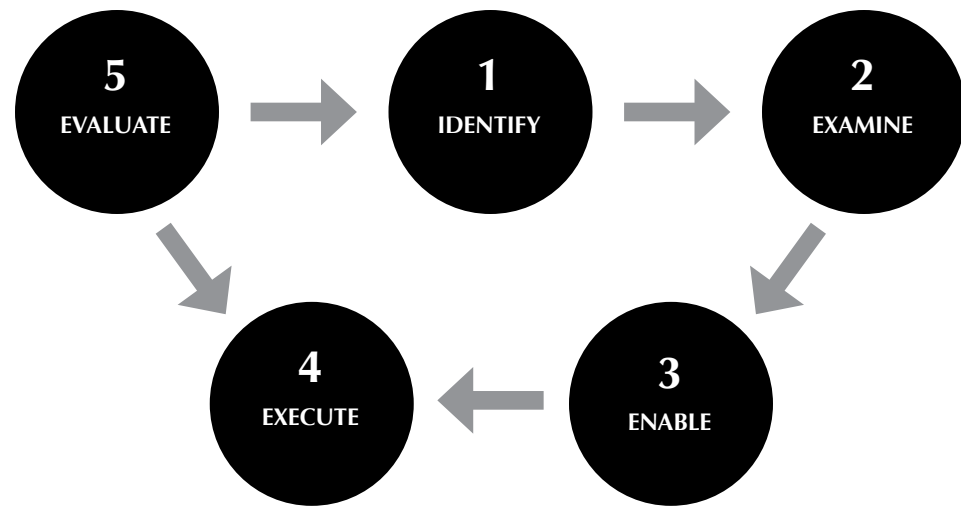


FIGURE 1: ASTD SALES ANALYSIS TOOL

As organizations begin to think of sales development needs within a phased, cyclical process, they are better equipped to adopt an overall holistic approach to sales force recruiting, retention, and engagement that includes talent management and leadership development—building a path towards improved sales team performance.

The chart that follows is an example of the tool in use. It can help your organization understand the alignment of areas of sales force expertise in relation to long-term sales goals. By answering the questions outlined under each step of the sales development analysis tool, you can begin to see how each phase builds upon the one before, and how specific skills and knowledge are developed. It will help you set the stage within your organization to effect the paradigm shift from “sales training” to “sales development and performance,” and will guide your efforts to make the business case for this shift as well as tie it to desired business outcomes. By adopting this approach, you can ensure that your sales organization is knowledgeable, engaged, and equipped to work with even the most demanding buyers to ensure your company’s future growth and profitability.

STEP 1 IDENTIFY Determine outcome(s) required to achieve the overall sales strategy / identify competencies	STEP 2 EXAMINE Determine gaps in achieving the desired outcome(s)	STEP 3 ENABLE Develop specific recommendations and solutions for success	STEP 4 EXECUTE Execute a comprehensive plan and get buy-in from key stakeholders	STEP 5 EVALUATE Collect feedback and measure against the expected outcome(s)
<p>Based on the alignment to your strategic customer's needs, what sales competencies (knowledge, skills, and attitudes) are needed in the organization?</p> <p>With your organization's sales strategies and business functions in mind, what sales competencies are needed now, and into the future?</p> <p>Assess the current competencies (knowledge, skills, attitudes) of the sales team (from entry-level workers to senior executives), in relation to the requirements of the future state, to define what gaps exist and do not exist.</p> <p>Determine the priority of sales competencies needed—what are the most critical and necessary for sales team members to possess in order to be successful now?</p> <p>Define the sales team's “future state” in relation to the sales learning mix identified—these are the competencies each sales team member must have (in the next one to three years, for example) to meet business goals.</p>	<p>How many of your entire sales group (catalysts, developers, and enablers) will be exiting the organization in the next 1 to 2 years? How much of the current levels of selling knowledge, skill, and ability will leave?</p> <p>Identify the current gap between existing content areas tailored to the sales learning gap and missing content areas. Are there unique sales learning needs by role, function, industry, or geography?</p> <p>How does your organization currently define sales training content? Does it address all necessary aspects of the sales profession, such as:</p> <ul style="list-style-type: none"> <li>• “Catalyst Competencies” (e.g., those competencies critical to quota carrying team members)</li> <li>• “Development Competencies” (e.g., those competencies directly responsible for developing sales capability in your sales force)</li> <li>• “Enablement Competencies” (e.g., those competencies directly responsible for ensuring that customer relationships are both successful and profitable)</li> </ul> <p>Consider these questions:</p> <ul style="list-style-type: none"> <li>• Are the gaps more pronounced in specific employee groups?</li> <li>• Are the gaps geographically-based?</li> </ul>	<p>Decide upon an enabling strategy. Will your organization a) hire for an already developed competency, b) develop competency internally, c) manage the gaps through outsourcing, or d) blend all three approaches.</p> <p>Set baseline measures by documenting every sale team member's current competencies (including catalysts, developers, and enablers) via assessments.</p> <p>Identify targets for closing the gap between current competency sets and those needed to support the future goals of the sales team as well as the overall organization.</p> <p>Did you address how quickly you need to develop competencies, the availability of required resources and time, and how you will measure the effectiveness of the development initiative?</p> <p>Set goals for internal communication and change management plans that will accompany the comprehensive action plan to address the entire sales team's competency gap.</p> <p>Develop a separate communication and change management strategy for sales managers. Include sales managers in every step of the strategy.</p>	<p>Create a sales-wide learning plan to address competency gaps, manage resource deployment, and measure outcomes for sales catalysts, developers, and enablers.</p> <p>Select appropriate delivery modes for learning opportunities – instructor-led classroom, online instruction, guided on-the-job experience, informal learning, or a combination of methods.</p> <p>In addition to guided learning methods (see above), include other opportunities to drive self-directed learning, such as:</p> <ul style="list-style-type: none"> <li>• Job rotation</li> <li>• Tuition reimbursement</li> <li>• Personal development reimbursement</li> <li>• Professional association memberships</li> </ul> <p>Create a development map for every sales team member (catalysts, developers, and enablers). Ensure it is meaningful to sales team leaders by mapping competencies to job function within the sales team, area of expertise, or job role. Is the map robust enough to be used for both individual development as well as an indicator of organizational development?</p>	<p>Measure sales team member progress on the learning plans against individual and organizational goals. Measure progress before and after learning takes place, including the impact on:</p> <ul style="list-style-type: none"> <li>• Leading inputs (i.e., length of sales cycle, closing rate, etc.)</li> <li>• Lagging outputs (i.e., sales results by channel, product, team, etc.)</li> <li>• Behavior change (i.e., observable increases, or decreases, in targeted areas)</li> <li>• Knowledge transfer (i.e., measured retention of knowledge pre-, post-, and 90 days later)</li> <li>• Customer satisfaction</li> </ul> <p>Report results to all stakeholders in the organization. Test for senior leadership's awareness of any progress in building needed sales competency, and challenge the continuation of non-contributing “learning” activities.</p> <p>Create or improve processes and methods for identifying potential high-performers, recruiting new players, and retaining players with the key competency sets that the sales team and organization needs.</p>

FIGURE 2: SALES ANALYSIS FRAMEWORK



## Sales Team Competency and Organizational Capacity

Maximizing the organization’s capacity to perform, while optimizing the competencies of the individuals within the sales team, will help your organization achieve sales results now and into the future. The previous chart focused on helping you move from sales training to “sales development and performance”. The table below helps you bring your organization into alignment with those efforts. As you read each question, think about what conversations you need to have with key members of your organization. Begin to build a plan that increases the efficiency and effectiveness of the organization’s capacity to support and align to the sales team members as they become more competent.

DIAGNOSTIC QUESTION	THOUGHTS, IDEAS, ACTIONS
What are the exact steps in your company’s sales process? Can you (and your sales team members) as well as other customer-facing professionals repeat it from memory?	
How well do you feel your company’s sales process, compensation plan, and marketing messages align to the buyer’s unique purchasing processes?	
How does your sales organization measure sales team productivity? Do you know how to use these measures to help roll out effective training solutions?	
What challenges are the sales team member’s facing on a regular basis? How are key organizational linkages addressing these challenges?	
What is the number 1 complaint of your customers and your sales team members?	
How does your sales training content help attain your organization’s key strategies, goals, and objectives?	
Which training content helps sales team members? Which content doesn’t help them? Which content requires the most attention in order to keep customers satisfied and engaged?	
How are you senior leaders measured? What is the relationship between their goals and the sales team goals?	
What is your company’s position in the market? In relation to that position, how adequate is each component of the sales training mix (product knowledge, selling skills, industry knowledge, and knowledge of your company)?	
How does your training program help sales team members differentiate themselves from your company’s top competitors?	
How well does communication flow from your sales team to other important value-creating team members? How well does the communication flow help sales team members transfer relevant knowledge and co-create customized solutions?	
How well does your sales culture support training solutions that you believe to be important and relevant?	

FIGURE 3: ASTD CAPACTY DIAGNOSTIC

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