

Dave Stein

From: Sullivan, Tim [TSullivan@spisales.com]
Sent: Wednesday, August 06, 2008 11:55 PM
To: Dave Stein
Subject: RE: Question

Hi, Dave – [...] Let me try to give you my perspective.

SPI offers public sessions, for several reasons:

1. Most of the attendees at our public sessions are new hires from existing clients. These are usually from small to mid-sized clients that aren't bringing aboard enough people to justify a dedicated on-premise program. The fact that we offer regular open sessions is a definite selling point for small and mid-sized organizations that are hiring a steady number of new sales talent, but not enough to have a formal in-house sales ramp-up program. The downside of this approach, of course, is that the training is not tailored for their particular company, product, competitors, etc. We try to bolster standard open session programs with less expensive e-Learning tailored with sales job aids for particular clients, but even then, many smaller clients don't want to spend the money on tailored materials, despite the obvious shortcomings.
2. Some of our current customers use open sessions for "refresher" training. Although this is a small percentage, we do get a few repeat participants in the open sessions. We have one customer that comes every year. He says it keeps his sales skills sharp.
3. We offer two types of public sessions now: one is a blended e-Learning with a 2-day application workshop experience, and the other is a more intense 4-day instructor-led workshop. Frankly, I always thought that the shorter duration blended program would be more popular, but I was wrong – by almost a 2-to-1 ratio, more people opt for the 4-day experience. Why? Because most of them are from very small companies and this open workshop is their total sales development budget, and they want the highest level of mastery possible. For many of these companies, the one or two people they send are their entire direct sales team.
4. Admittedly, we always have one or more "tire kickers" that want to experience what one of our Solution Selling workshops "feels like" – open workshops are frankly an easy way to accommodate this request, although we always limit this number so that they don't distract the "real" program participants.
5. True confession: we used to use open sessions to "break in" new instructors, thinking this would be an "easier" teach. After surveying some workshop attendees last year, we learned that this isn't true. In fact, because public workshop participants come from a number of different companies, instructors must be quicker on their feet, be far more facilitative, and be able to draw out common best practices from participants who compete in sometimes vastly different businesses and industries. So now, we only put our most experienced instructors in open workshops. The "downside" of this is that now our open sessions get some of our highest-rated reaction scores from participants, because they get exposed to ideas outside of their usual ways of thinking.

All this aside, I totally agree with your assertion that the value of training alone, if not reinforced and integrated with the organization's business practices, is limited, at best. In fact, we measured the "erosion rate" of standalone training over two years ago, and found that half of a sales training program's content is forgotten by participants just 5.1 weeks after the event, on average. Further, participants in sales training only remember 16% of the content after 90 days, on average.

On the other hand, that 16% might represent the one idea that helps close one more piece of business that otherwise would be lost – the upside potential for sales training is huge. We find that the upswing from Solution Selling workshops, even when not reinforced or integrated in the organization, is between 3%-5%, on average, for at least 180 days after the event – the effect does fade away after that, however. By the way, size of organization doesn't seem to be correlated to these results – we see the same general range of uplift for large companies as we do for small. And we see these kinds of results from participants in open workshops, too.

The upside of sales training sometimes works against our argument for investing more time and resources to fully maximize adoption and organizational impact. I recently had one client ask me, "Why invest more beyond the training event, when we get a nice improvement from just the training itself? When our results begin to fade, why don't we just send 'em all through training again in another six months?" This client, from a multi-billion high-tech organization, is more than satisfied with the occasional

motivational improvement and sales results they get from “sheep dipping”, as I like to call it – they bring the flock in from the field every once in a while, get rid of all the fleas, and then send them back out again, all fresh and clean, only to repeat the process again in another 6-12 months.

The real story, of course, is the potential upside of investing beyond the training event – and making the training part of an overall transformation and sales improvement project. We have some very large clients that have committed to this level of investment in time and resources, and the numbers speak for themselves. Their adoption and application rates after training are much higher – instead of a 16% retention rate from unreinforced training alone, their average is over 85%, even after several years in some cases. Further, their sales productivity is markedly higher – our latest internal survey shows a 16% - 35% year-over-year improvement for those clients that invest in full implementation – the median is just under a 22% improvement. Again, size of company does not seem to matter much – it’s the investment in time and resources that matters.

I think the difference is the perception of sales training as an event unto itself, or as part of a redefinition of an organization’s sales culture. When training is limited to sharpening skills alone, you can get some positive but limited returns – when it becomes part of differentiating your organization not only by what you sell, but ***how*** you sell, then it has the potential for order of magnitude returns.

Unfortunately, not all of our customers are willing to invest time and money to the degree required to realize double-digit returns – many seem quite satisfied with consistent single-digit returns, even for a limited time. And that, ultimately, is why we continue to offer public workshops.

Feel free to quote me on any of this, if you find it helpful.

By the way, love the work you’re doing on your blog – I read it faithfully. And thanks for the link to my personal Selling Geek blog and podcast, too. I appreciate it.!

Hope this helps,
Tim

TIMOTHY T. SULLIVAN
Director

SALES PERFORMANCE INTERNATIONAL
4720 Piedmont Row Drive, Suite 400
Charlotte, NC 28210 USA
email: tsullivan@spisales.com
t: 704.227.6520
f: 704.364.8114
m: 770.500.5316
Skype: tsullivanspi

www.spisales.com | www.solutionselling.com