



*The business improvement people*

**KoruConcepts™**

Identifying and understanding  
the bad habits of sales people

A Call for Action Paper from Koru Services

Issue Number 1.0  
Date June 2012

## 1. Introduction

As is the case in other activities the more familiar you are with them the more likely you are to fall into bad habits. The classic example is driving; when we learn to drive we are taught how to steer, to observe "mirror, signal, maneuver", to drive within the speed limit etc. Within six months of passing our test these are largely ignored; it's as though we were taught them to annoy us rather than to help preserve life. Unlike bad driving habits, bad sales habits are rarely life or health threatening, but they are definitely wealth threatening and the destroyer of shareholder value.

## 2. Causes

There are several key causes of sales bad habits:

- ① The first is inappropriate or complete lack of sales training. Indeed if it is not these it is often the lack of reinforcement or coaching by sales management, which brings me on to the next point.
- ① Poor sales leadership. I use the word leadership rather than management as generally there is far too much management and review. Good sales leaders have very few things to do. All they need to spend their time on is:
  - a. Looking after their people by inspiring them, coaching them and helping them to reach and surpass their objectives
  - b. Spending time with their customers, understanding their business and its needs, issues and opportunities. Building sustainable business relationships and ensuring that their customers get the best buying and post sales experience.
  - c. If they do these two correctly they will meet their numbers and need to spend less time on them. Many sales managers spend endless time addressing the "whats" of sales rather than the "hows".

- Ⓢ Complacency is the biggest thief of sales time. “I have been doing this for twenty years. There is nothing you can tell me about selling”! Great sales people will always want to learn, to practice and reinforce their knowledge and skills and to deliver the best possible results over their target. Complacent ones are happy achieving 80% of their target.
- Ⓢ Poor sales people motivation is often brought about by unrealistic targeting, numbers myopia (forecast/review/task syndrome) and low respect for sales people in the business and in the management team.
- Ⓢ Misguided focus on the short term is a bad habit and often drives inward looking behaviour rather than focusing on the customers where revenue and profit are generated
- Ⓢ Let us not forget that selling is not just the domain of sales people, it is a corporate responsibility. If the company has lost that focus, it is the ultimate bad habit.

### 3. Simple Diagnostics

Here are some examples of the tell tale signs of sales people and their management developing bad habits or just doing the wrong things.

Symptom	Diagnosis
Are elapsed times from lead to close increasing?	Generally brought about by poor campaign and call planning. Classic signs of complacent sales people and poor leadership.
Are an increasing number of campaigns ending in no result?	Caused by the inability to qualify sales opportunities correctly. Working on instinct rather than hard data regarding a customer's intention to buy. Often a sign of holding on to "prospects" for too long to prove activity levels to management.
Is your win rate falling?	The usual excuse for this is price and/or product features or service performance. The truth is often far removed from these. Falling win rates stem from poor qualification, not listening to and/or not understanding the customer's needs, the inability to quantify and demonstrate real benefits and value and

## KoruConcepts™ - Identifying and eliminating bad sales habits

	poor motivation – “nothing fails like failure”.
Are your customers turning to alternative suppliers?	Rarely does any company always have the best product at the right price. Great sales people flourish in any environment and win business when they really shouldn't. The main reason that customers defect is poor service and service starts with the sales person. Poorly motivated or complacent ones are likely to see more defections. Having said that, service is a company issue and if the company is not delivering the best customer experience then they will leave.
Is price increasingly becoming an issue?	The classic sales excuse in hard times. Lack of a clear articulation of your value proposition and focus on customer needs, benefits and value are more likely to be a root cause. Continual pressure on sales people to deliver the numbers often causes price erosion.
Is your forecasting accuracy declining? Are delayed decisions and competitive pressures becoming the dominant factor in your sales report? Are your sales people spending too much time on too few prospects? Is the gap between budget and actual planned to be met by a few big bets? Is there management judgement in the forecast?	Any yes answer indicates lack of forecast cover generally created by a short term, inward looking focus (see also the item on too few leads below).
Are the number of internal complaints and debates increasing?	The uneasy relationship between sales and the rest of the organisation is acceptable when times are good. When business is difficult there is always conflict which leads to a mass of product, service, commercial and organisational issues and the focus becomes very internal. Strong and unified leadership will address this bad habit
Are your sales people claiming there are too few leads? Are your sales people dumping “not yet ready to buy” leads rather than nurturing them; are they generating referrals from existing satisfied customers; are they generating case studies and	One of the greatest ironies is that sales people really only value the leads <u>they</u> generate. The lack of any these activities are signs of poor motivation, short termism led by sales management and finding excuses for poor performance.

<p>testimonials; how much of their time is spent prospecting? On a broader front are your references current? Has your website become a comprehensive catalogue of bits and pieces rather than a focused lead generation engine? Are sales and marketing targeted with the same objectives or are they are conflicting?</p>	
<p>Are your sales managers spending more time in the office?</p>	<p>The whole "sales engine" needs to spend time with their people and their key customers and prospects. Many managers and not just sales managers spend too much time in the office talking a "good game" rather than playing one where it counts.</p>
<p>Are the numbers of sales reviews increasing?</p>	<p>On average sales people spend between 18 and 40% of their time on customer facing work. Every review and follow on action plan has the potential to blunt rather than sharpen the cutting edge of your sales team. Do managers place actions and then retire to their offices rather than help reducing the load and maximising selling time? If they do this is poor leadership which drastically reduces motivation and performance.</p>

#### 4. About Koru Services

Formed on January 1st, 2012 by a merger of Koru Consulting Ltd, a specialist sales improvement company and The ContinuousImprovement Practice Ltd a business transformation company, Koru Services Group has a unique portfolio of products and services suitable across the widest market spectrum. In summary the statements below define what we do and why we do it.

*Our mission is to "help and enable our **customers** to better help **their customers**"*

We use the 100 + years of sales and service delivery experience of our three directors, plus that of our like minded associates and partners, to enable public and private sector organisations to get the best out of their people and processes, to deliver improved client interactions and superior customer satisfaction, helping them flourish in today's challenging business and service

climate. We are dedicated to helping, coaching, enabling and where necessary leading cultural change to put customers at the forefront of their minds. We have a straightforward and energetic approach to customer engagements. We aim to and do make a difference.

Our [Wellbeing Assessments™](#) help our customers understand in detail how their performance can be improved, particularly by maximising their return on investment in sales and marketing.

For further information contact [Brian Sellers](#).