



Coaching for Improved Performance

in Tech and SaaS Sales



Introduction

One of the most valuable skills a sales manager can learn is sales coaching.

When managers know how to coach, companies can readily leverage them to improve the sales performance of their entire sales force.

This white paper explains the benefits of sales coaching, when to coach, and details an effective 5-Step Sales Coaching Model.



**Benefits of
Sales Coaching**



When to Coach



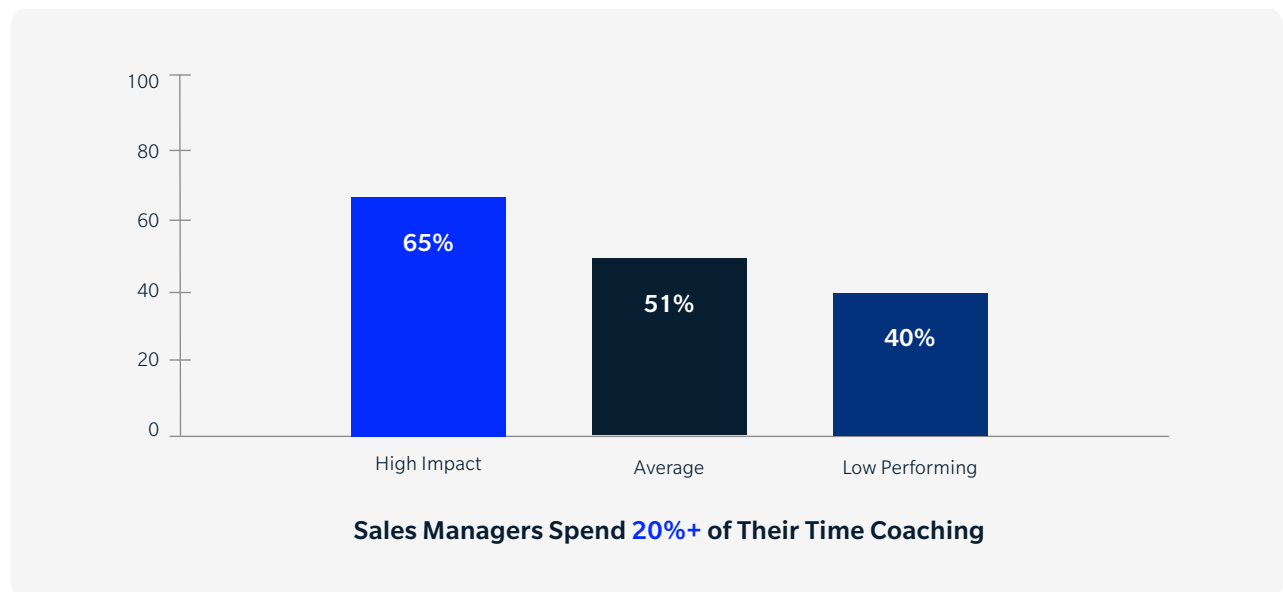
**5-Step Tactical
Sales Coaching Model**



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Benefits of Sales Coaching

In a recent study we conducted with Selling Power, [Sales Management Research Report: 5 Hallmarks of High-Impact Sales Organizations](#), we found that managers at high-impact sales organizations (defined as organizations where more than 75% of the sales reps achieve quota) are more proficient at sales coaching and spend more time coaching their teams than managers at average (25% - 75% of reps achieve quota) and low performing (less than 25% of reps achieve quota) sales organizations.



The reason sales coaching can have such a huge impact on sales results is based on the “multiplier effect” is that one trained manager can coach multiple sales professionals and improve their overall performance. With such potential benefits, it is no wonder that managers at high impact organizations spend significantly more time coaching their team than managers with average or lower performing teams.

There are two types of Sales Coaching:



Strategic Sales Coaching

Strategic coaching focuses on how a sales professional approaches an account to acquire new business or sell deeper into existing accounts. Strategic coaching focuses on helping sales professionals work through challenges such as account penetration, inability to access decision makers, competitive issues and formulating overall account strategies.



Tactical Sales Coaching

Tactical coaching focuses on selling skills and knowledge. Here the sales manager observes and analyzes a sales professional's selling skills or sales knowledge in an actual sales call, discusses what went well and the areas for improvement and then provides constructive feedback.

While both forms of sales coaching are important, we find that many sales managers have the most difficulty with tactical sales coaching. With this type of coaching the sales manager must act as a teacher and help his/her sales professional learn or improve specific selling skills. That, however, can be exceedingly challenging for sales managers.

Remember, many sales managers were formerly successful sales professionals before being promoted to sales management. For them, selling came naturally, and they often cannot understand why one of their team members isn't "getting it." Moreover, sales coaching is an on-going process in which a sales manager must coach his/her entire team systematically.

Fortunately, tactical sales coaching is a skill that can be learned, practiced, and perfected.



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When to Coach

If you want to maximize the performance of your sales team, there is almost universal agreement that you must master the skill of Sales Coaching. This makes sense because sales coaching provides the greatest point of leverage when it comes to improving sales team effectiveness.

Even a small improvement in quota attainment can make a huge difference when you multiply that by 7 – 10 sales reps (the typical number of direct reports for a sales manager).



But there are cases when sales coaching is not an appropriate management action.

Sometimes we assume coaching can solve any problem. Unfortunately, that's not the case. For example, you don't coach someone who is chronically late to work.



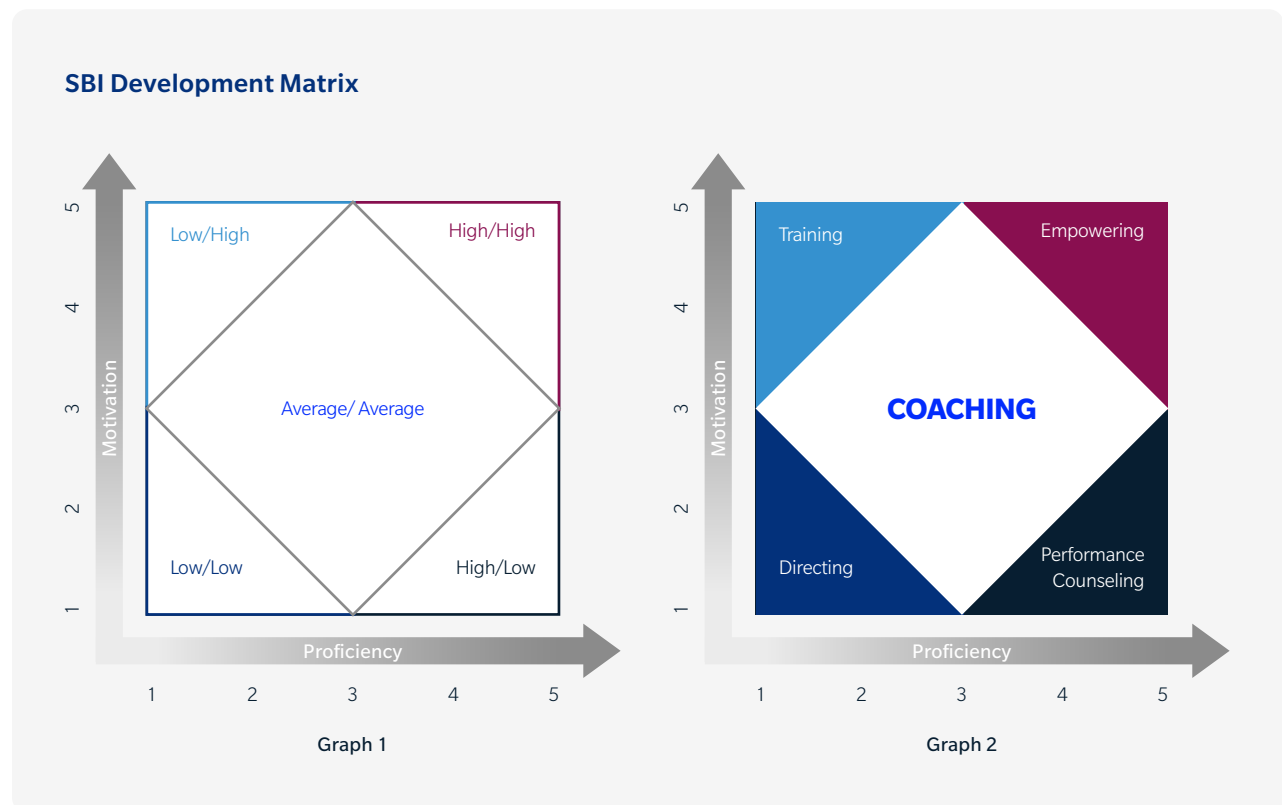
So how can a manager systematically identify skills and behaviors that are best addressed by coaching rather than by other management actions?

First, start by assessing the skills of your salespeople. In assessing sales skills, it is helpful to think about this from both a proficiency and motivation standpoint. A skill gap based on proficiency would typically involve a salesperson not being able to perform a skill because they don't know how, whereas motivation gets to a lack of desire.

As an example, a seasoned sales professional may have excellent prospecting skills (high proficiency) but absolutely no desire to make cold calls (low motivation).

The reason both dimensions (proficiency and motivation) are important is that the combined assessment points to the action the manager should take to address the skill gap.

By plotting these skills on a matrix, managers can readily determine what skills to coach, generally where proficiency and motivation are average (See Graph 1); and what other actions such as directing, training, counseling, and empowering, sales managers should consider when skills require more than coaching (see Graph 2).

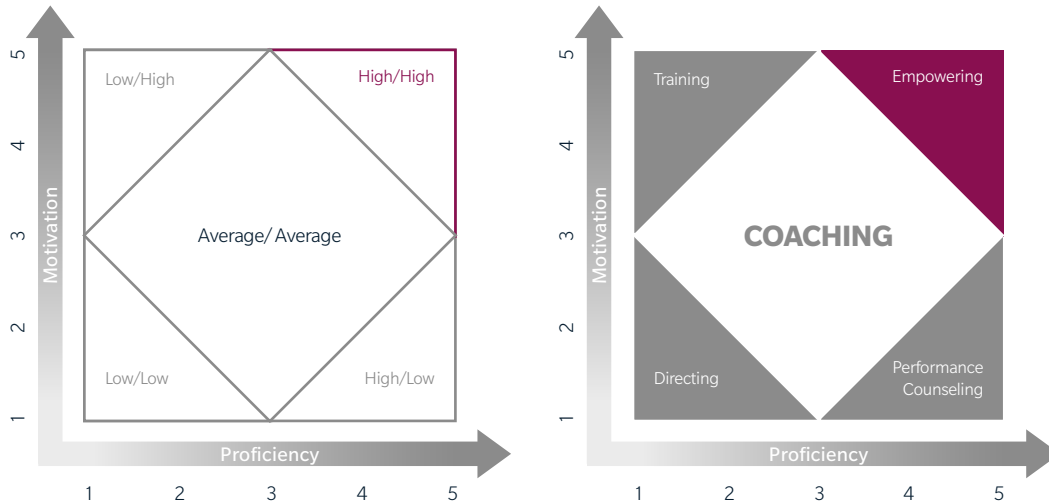


The Development Matrix above assumes that you first conduct a comprehensive skills assessment of a salesperson on a 1-5 scale.

Let's see how the Development Matrix can quickly help you determine when coaching is the appropriate management action to improve skills.

Empowering (High/High)

Assume you have a salesperson on your team who is a great negotiator, rating extremely high in both proficiency and motivation. Here we recommend that the appropriate management action is empowerment, not coaching. In other words, you should increase this salesperson's control and accountability.



For example, you can do this by expanding the salesperson's initiative by letting them manage a complex negotiation without your direct involvement.

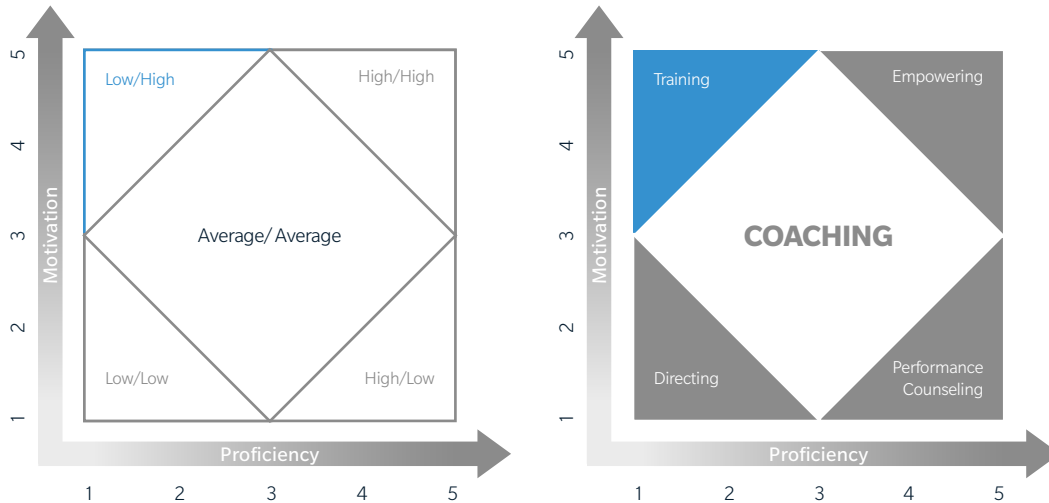
The benefit to you is that by shifting more responsibility to a highly skilled and motivated salesperson, you create "leverage" by having the salesperson do more of the work (and solving their own problems), thus freeing up your own time.



Caution: Some managers have trouble letting go and truly empowering a salesperson, so be careful not to empower with one hand but then take away with the other by micro-managing the details.

Training (Low Skill/ High Motivation)

Often with new salespeople, we find that they aren't proficient in many skills, but are nonetheless highly motivated. In these cases, coaching isn't effective since these salespeople don't yet have a baseline level of proficiency. Here training is the most effective management action to improve skills.



Training differs from coaching in that it tends to be much more structured and less customized than coaching.

Sales training is typically done in small groups, not one-to-one, although ramping up new salespeople may be an exception to this rule.

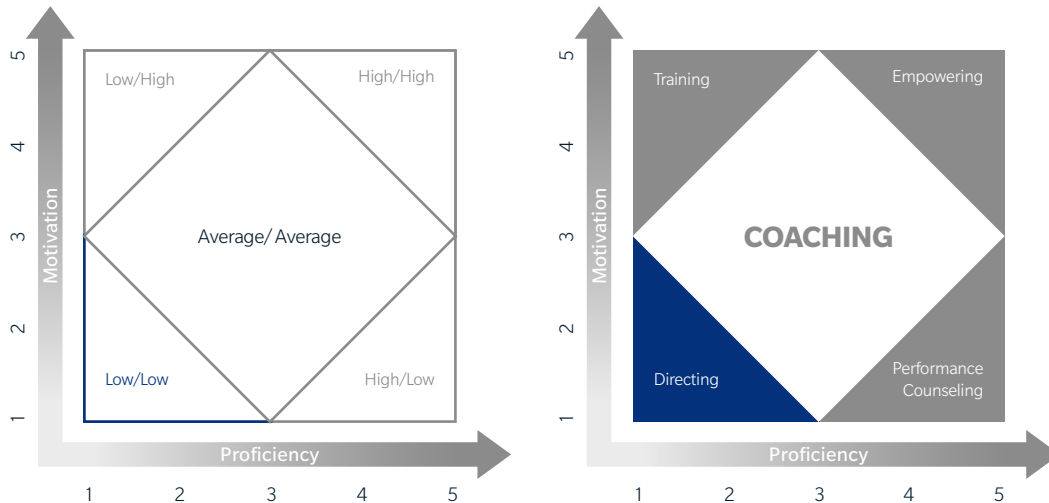


Also, remember that most adult learners forget 80%–85% of what they learn within 30 days of a training event. So, to make training effective, you must follow it up with on-going reinforcement, including coaching.

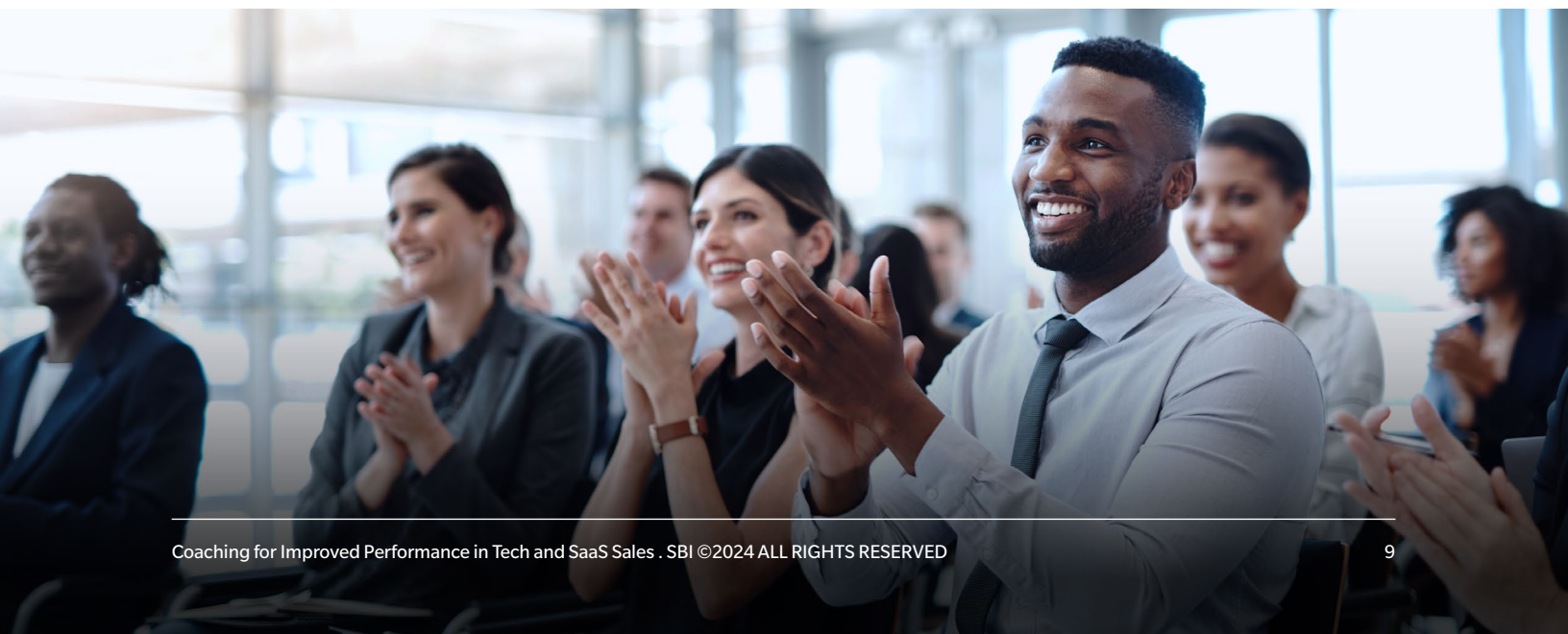
Directing (Low Skill/ Low Motivation)

When a specific skill rates low in both proficiency and motivation, you need to direct, not coach.

That means give specific instructions on how, what, and when to accomplish a task. In other words, you are telling the salesperson what to do.

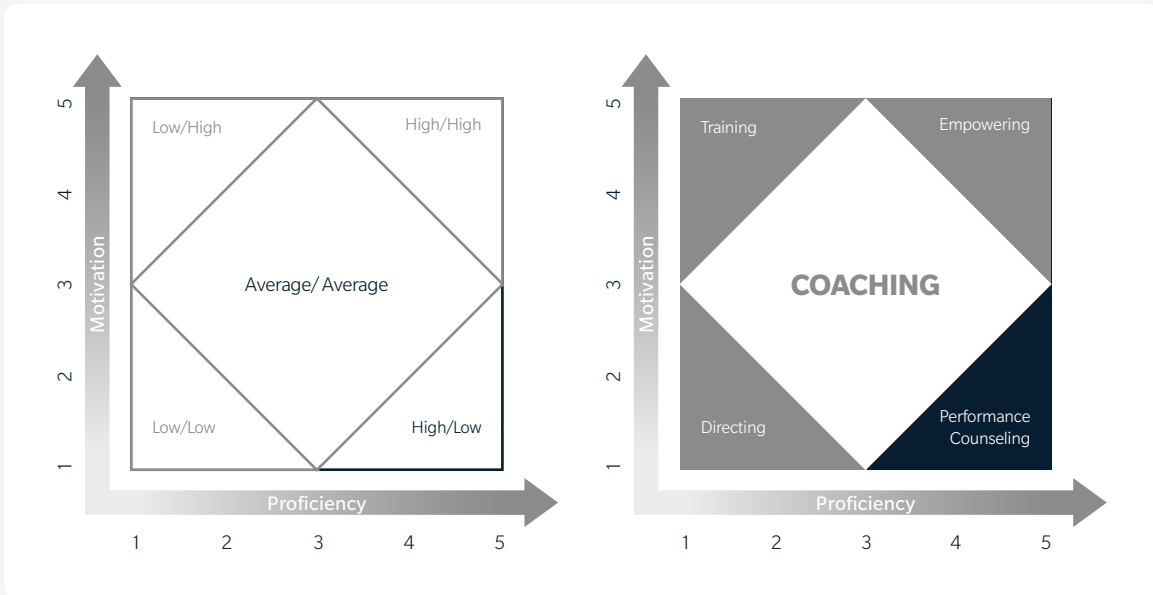


As a manager, there are many times when it is appropriate to direct, including when someone is new in their position. Having to direct a salesperson continually is a very inefficient use of time, and it should be used sparingly with high performers who typically don't like to be micro-managed.

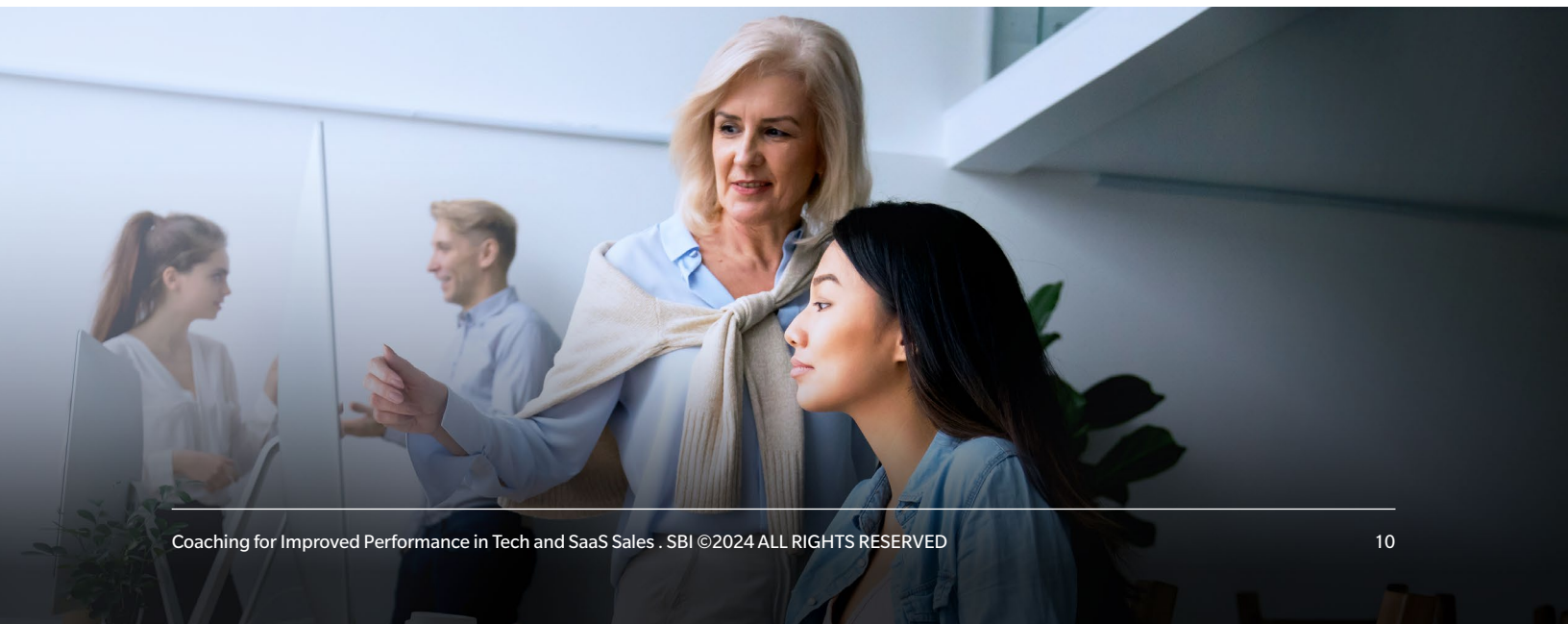


Performance Counseling (High Skill/ Low Motivation)

Performance Counseling is appropriate when the salesperson has previously demonstrated high proficiency in a certain skill, but for whatever reason now has low motivation. One common skill area in which we see this is prospecting.

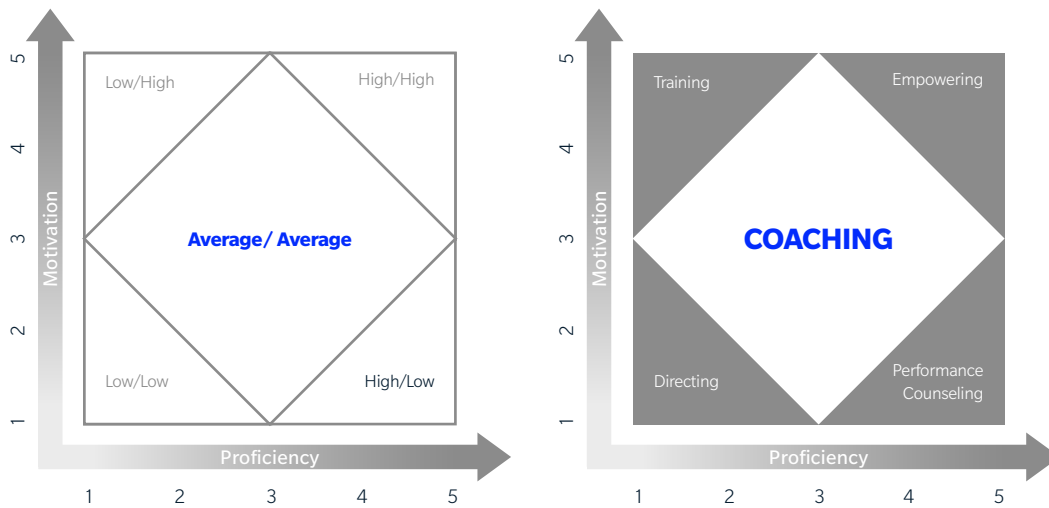


With Performance Counseling, your goal is to investigate and intervene to address motivational or attitudinal issues that negatively impact job performance. Performance Counseling is a complex management action that requires great care. Of course, always contact your HR department before attempting Performance Counseling, and be sure to keep the conversation focused on observable behaviors, not judgments.



Coaching (Average Skill/ Average Motivation)

Coaching is the most common management action to develop selling skills because coaching assumes a baseline level of proficiency and is great for fine-tuning skills.



That is why the “Coaching Diamond” takes up the most area on the Development Matrix.

The reason coaching is so powerful is that as skills go from “average” to “high,” they move to the Empowerment quadrant, freeing up your time.

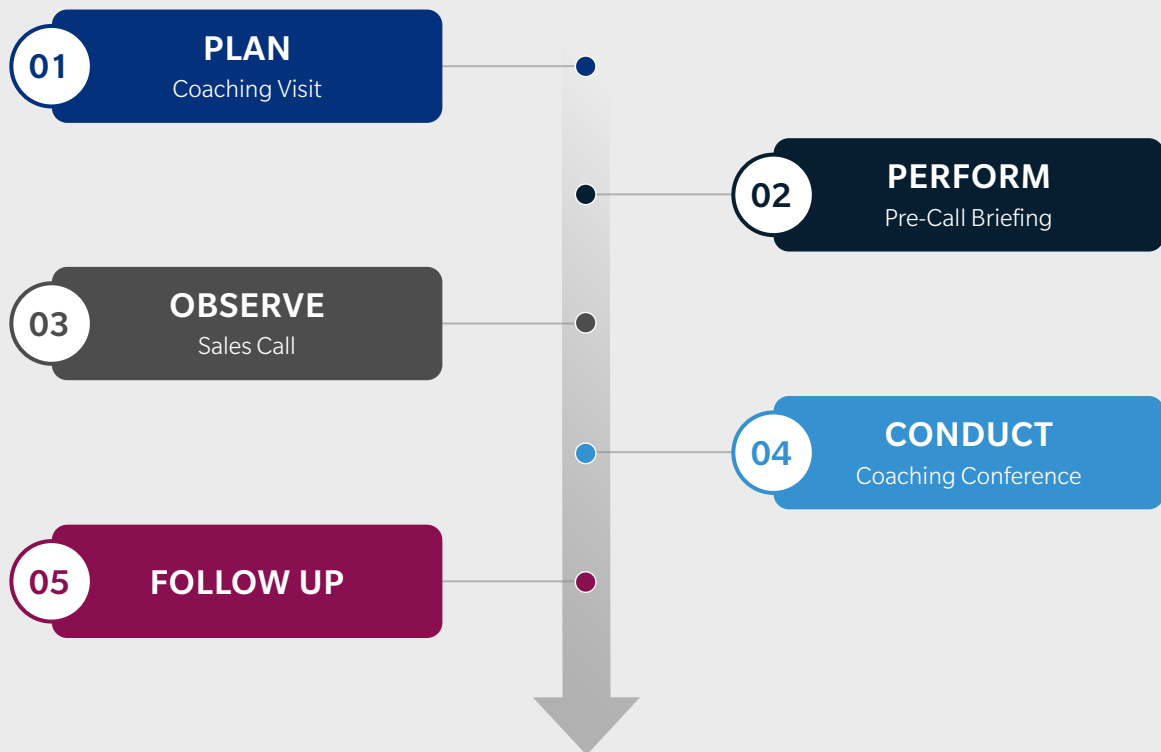
While coaching can’t address every development need, it is highly effective in improving “average” skills. For any sales manager interested in becoming a better sales coach, the Development Matrix is a powerful tool that will help you quickly determine the appropriate development action for improving the skills of your salespeople, including when to coach.

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5-Step Tactical Sales Coaching Model

A sales organization should focus on a sales coaching model that is simple for its sales managers to learn and use. Also, the sales organization should set clear expectations as to the amount of time it expects sales managers to spend coaching their sales professionals (25%-40% is typical for a high performing sales organization).

Sales Benchmark Index (SBI) recommends the following 5-Step Sales Coaching Model that is used by numerous sales organizations as the basis for successful sales coaching programs:



A detailed explanation of the 5-Step Sales Coaching Model and how to implement a sales coaching program is beyond the scope of this white paper. However, the summary below is an excellent starting point for sales organizations looking to improve their sales coaching efforts.



Step 1: Plan the Coaching Visit

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When planning a coaching visit with a sales professional, the manager should first establish clearly defined coaching objectives.

That means the manager should first conduct a candid assessment of the sales professional's knowledge and sales skills to identify strengths, as well as areas that need development. Then a limited number of specific coaching objectives should be set to focus on the most impactful development areas.

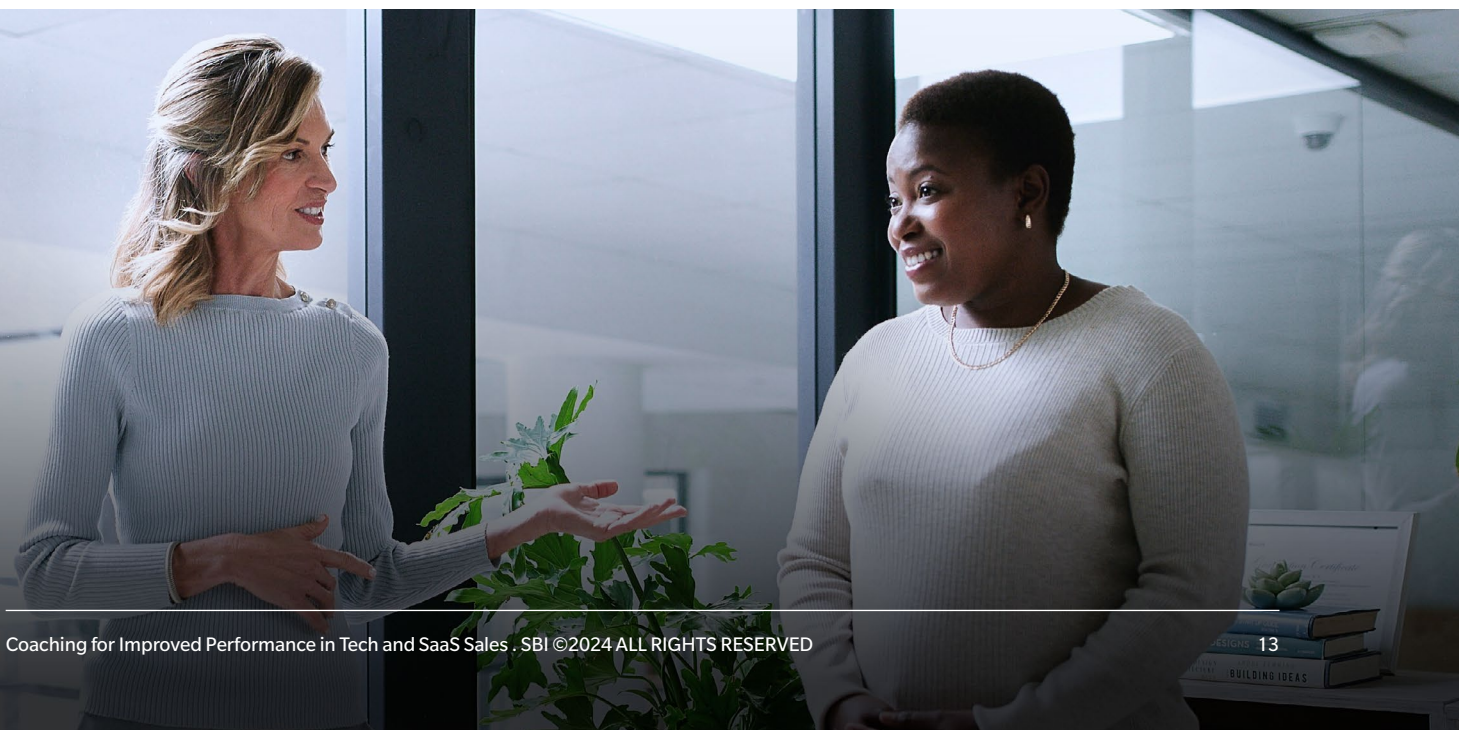
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Next, the manager should determine the types and number of calls to make.

Here, it is important that the sales manager stay focused on the coaching objective. For example, if a sales professional is having trouble identifying a customer's priorities, the sales manager should observe a sales call where the customer is still early in the buying process. On these types of calls, the sales professional should be asking the customer needs identification questions. Conversely, if the sales professional is having problems managing difficult objections, the sales manager may want to observe sales calls where the customer is further along in the buying process.

The sales manager should then review the sales coaching objectives with the sales professional and discuss his or her expectations of what specific behaviors he or she will be evaluating on the sales call.

An effective sales coaching program should also include sufficient tools to assist the sales manager in assessing his or her team and planning each coaching visit.





Step 2: Perform a Pre-Call Briefing

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A pre-call briefing takes place just before the actual sales call and sets the stage for effective coaching.

The pre-call briefing should begin with the sales professional describing the account history and status.

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Next, the manager should discuss the sales professional's Sales Call Objectives.

What does the salesperson want to accomplish on the sales call? The sales manager should then explain what the coaching focus will be and gain the sales person's commitment as to what specific behaviors he or she should be demonstrating during the sales call.

There should also be a discussion about the roles the manager and sales professional will play during the sales call. This is critical to avoid a situation where the sales manager takes over the call. The preferable roles are the manager as observer and sales professional as seller. It is important to remember that people observe best when they are not involved; therefore, managers should try to take a back seat during calls.





Step 3: Observe the Sales Call

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The key to successfully observing a sales call is to know what to look for.

Managers should focus their attention on the limited number of objectives discussed in Step 1. The trick is to perform a delicate balance between observing and knowing when to step in if needed.

Managers should also make mental notes regarding specific behaviors the sales professional is doing well or poorly so they can be covered in the coaching process.

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It is also important for the sales manager to maintain his/her role as an observer throughout the call.

Tips that can help managers maintain an observer role include having the sales professional make introductions, physically positioning themselves so that the primary interaction is between the customer and the sales professional and re-directing questions to the sales professional.



How does a manager decide when to step in and perform a “rescue?”

There are a few key factors to consider. If the sales professional provides inaccurate information, it's time to step in. That's also the case if managers feel the progression of events on the call might jeopardize a major sale or strategically important account relationship.

However, it's important not to jeopardize the sales professional's credibility, so managers should not intervene if this might be the case.

Remember: The objective is to build a better sales team, not demonstrate personal expertise. Managers should also consider the way a rescue might affect the sales professional's confidence and attitude. Managers need to make judgment calls based on balancing the sales professional's development and the best interests of the company.



Step 4: Conduct the Coaching Conference

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Coaching conferences should not follow the same format each time.

Otherwise, the coaching becomes too mechanical and predictable. It is important for managers to vary their approach and the elements they include in each session.

One of the critical elements in the coaching conference is to use positive reinforcement to strengthen a skill that the sales professionals did well. Many managers make the mistake of only focusing on poorly performed skills.

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Next, the sales manager should have the sales professional analyze the call.

In many cases, the sales professionals will be far more critical of his/her own performance than the sales manager. Also, a sales professional is likely to act to solve a problem that he/she uncovered on his/her own. Leading questions can also help sales professionals “discover” their strengths and weaknesses. For example, a manager could ask, “How do you think you could improve on future sales calls?”

After the analysis, managers should make suggestions to the sales professionals about how they can improve. Then they should ask for feedback to make sure the sales professionals understand the suggestions and provide an immediate opportunity for practice including conducting role plays and/or mock sales calls. And finally, managers need to obtain the sales professional’s commitment to using the new methods.



Step 5: Following Up

Once the sales manager obtains the sales professional's commitment to change, he/she needs to establish a follow-up mechanism to ensure that the sales professional is successfully adopting the coaching suggestions.

To encourage follow-up from both sides, managers and sale professionals should work together to create a Personal Development Plan (PDP). The PDP should be developed soon after the coaching session and should summarize strengths and reinforce positive behaviors, highlight 1-2 areas that need development and include an action plan with clear dates.





Developing Great Sales Managers

While sales coaching is an extremely valuable skill for a sales manager to master, **it is just one component of a comprehensive sales management development program.**

To successfully lead productive sales teams, sales managers must possess the requisite sales management skills.

In addition to sales coaching, other critical sales management skills include building a sales team, managing sales performance, and leading and motivating a sales team.

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Norman Behar is a proven sales leader with over 25 years of CEO and senior sales management experience.

He is recognized as a thought leader in the sales training industry and has worked with clients in a wide range of industries including financial services, healthcare, technology, manufacturing, and distribution. Norman's whitepapers and blog posts are frequently featured in leading sales enablement publications.

Previously, Norman served as President and CEO of Catapult, Inc., a leading provider of personal computer training services, where he oversaw the Company's operations and managed its growth and expansion into more than 20 major markets across the United States. Under Norman's leadership, revenues increased significantly, and the company was sold to IBM. Norman received his B.A. from the University of Washington, where he graduated Summa Cum Laude. and take share. Leave the market laggards to continue to just stare.



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David Jacoby has extensive experience developing and implementing innovative sales training and sales leadership development solutions for clients.

Previously, David was a Principal at Linear Partners, a sales consulting firm focused on providing sales effectiveness and development solutions to emerging growth companies. In the past, David has served as Vice President of Business Affairs of Xylo, Inc., where he was responsible for the Company's business development, sales operations, legal affairs, and financing activities.

David received his J.D. from the Columbia University School of Law, where he was a Harlan Fiske Stone Scholar, and received his B.A. from the University of Washington, where he graduated Summa Cum Laude.



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