



## **Integrating Sales Coaching into Sales Managing**

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**12-10**

### **Introduction**

The research stands as indisputable. Great coaching exists as the cornerstone of creating a master-class sales representative. People like Robert DeNiro, Roger Federer, Tiger Woods and Bill Gates — they are all superstars in their respective fields, and they all have professional coaches. Irrespective if the person is a performer, athlete, executive — whatever profession — top people in any industry are continuously trying to improve their skills. In addition, leading companies are always looking for ways to enrich their employees' expertise and proficiencies. In the area of sales, it distills down to great coaching.

We all need coaches because we simply cannot see our own swing — it is human nature not to self-analyze. We need another person with a critical eye to see our strengths and help us build on them, as well as recognize our weaknesses so we can help control or compensate for them.

Why, however, do sales people frequently get the short end of the stick when it comes to coaching? There are some sales organizations that have terrific managers who provide honest feedback; many, however, have less attentive or inexperienced managers. There are several reasons for the paucity of good coaching — some more obvious than others.

First, coaching can be difficult, especially when you might be dealing with a successful sales rep who feels his way equals the right way. The *law of first knowledge* plays a major role in most everyone's development. People are "hard-wired" to believe whatever they learned first, regardless of later evidence against it. It takes a lot of substantiation and verification to change someone's mind, so the coach frequently has an uphill battle from the get-go. On the other hand, if the sales person starts out in the field of sales, having an experienced coach will do wonders for the rep's development and career.

Secondly, developing into a good coach takes time and effort. Most sales managers come from the field ranks, and, unless they, themselves, had a good mentor, they might not always get training on the essential skills of becoming a good coach.

The third reason resides in the fact some organizations do not support a coaching culture. In the case of a typical hospital outreach program, for example, the hospital may assign a marketing person to sell their lab's services. He or she frequently reports to the lab director or some other internal staff member who has no sales management experience. For those independent labs and hospital outreach programs with a sales manager, the revenue, client growth and retention tend to be stronger due to the planning, oversight and mentoring the experienced supervisor brings to the equation.

Before going any further, it needs underscoring that sales training remains critical to the development of a successful program. Irrespective if the marketing person has had previous sales experience — even selling lab services — there should be an on-going training schedule. It could take the form of various topics: new test introduction, new transport device, revised methodology, IT connectivity, compliance, etc. Consistent review of sales techniques (handling objections, closing, probing, etc) helps to imbed fundamental sales principles even if it consists of a quick 30-minute review. However good the classroom (and role-playing) activity, most of its effectiveness will be lost *unless follow-up coaching in the field occurs*. Coaching stands as the only way to keep a new skill reinforced and encouraged during the learning stage. Eliminate coaching and very few sales people will maintain a newly taught skill.

Many managers feel poor performers are the ones to whom they should give the most attention. However, it has been shown the greatest return on investment equates to coaching those who have the *potential* to be superstars (i.e., self-motivated), as well as those who are *star* performers. For those sales reps who have under-performing territories, who find the job hard to do and have a difficult time digesting the lab lingo and clinical aspects, it may simply be the wrong job for them. Spending time with these individuals persists as a time-waster. The insightful coach will want to 1) spend their time with those who are self-motivated and desire to learn the business and 2) direct their attention where they have the most potential to impact the bottom line.

### **Five Characteristics of a World Class Lab Sales Manager**

The best organizations have managers that do five fundamental things to make their sales people the best they can be. They are:

1. Review the distinction between strategy and tactics — and teach the intricacies of each.

2. Explain the difference between transactional and consultative business
3. Focus on the early stages of the sales pipeline
4. Build a coaching culture
5. Reward high performers

## 1. Understand the difference between strategy and tactics

Separating strategy and tactics in a sales job remains essential, but asking sales reps to define these two concepts becomes an interesting exercise. Many do not know the disparity because their manager has not explained it. The world-class sales organizations teach the difference and consistently hone their representative's skills in each area.

Strategy pertains to the long-term position the rep wants to achieve. One could label it as the pre-planning that occurs prior to making a presentation. Unfortunately, this acts as the most neglected element in selling. Depending on the number of people involved within a prospect and the amount of information collected from each call, a representative should be able to formulate a good strategy after a couple of quality visits.

Tactics, on the other hand, refer to methods used in a face-to-face engagement. It deals with the preliminaries that occur before the serious selling begins, the investigating stage, the presentation stage and, finally, obtaining commitment. Of course, there exist significant sub-plots to these over-arching categories — all of which requiring a great deal of review and practice.

## 2. Separating Transactional Business from Consultative Business

Transactional business exists as a simple, small dollar value sale that requires one interaction. If you can get a decision immediately, then it is important to use the temporary effect of a product pitch to increase customer enthusiasm and make the sale. The opposite, of course, relates to the multi-call sale. Many important internal discussions may occur when the seller is *absent*. This translates into a complex sale due to the number of people that provide input before making a decision.

Selling lab services corresponds to a complex sale because of this very reason. The sales rep must make numerous visits to different people in order to build credibility and value. In fact, the **creation of perceived value** sits as *the* single most important selling skill in larger sales. Consequently, large, complex sales require *consultative* selling in which the sales rep asks many questions to a variety of people. Large sales — such as choosing a lab service — involve bigger decisions from the customer, and this changes the psychology of the sale altogether from the transactional interaction previously discussed. The prospective client rarely switches

immediately to another lab unless there are egregious service issues that galvanize the client to make an abrupt decision. In other scenarios, high performing reps lead the customer down the path through adroit questioning to realize there *are* enough meaningful differences between the incumbent and the proposing lab, creating a willingness to switch (or, at least do a trial).

Given this background between transactional (simple) and consultative sales (complex), it remains imperative for the manager/coach to teach his/her reps how to build *value*. In order to create value, a representative must learn if the prospect wants to *buy* value. Some customers select a lab vendor based on political or emotional reasons, and ignore any logical rationale. In those cases, the prospect may *not* want to “buy value” — or they may not be *allowed* to consider value over politics. Someone (or an institution) directs them— or there exists a feeling of responsibility and duty to utilize a certain lab.

A salesperson builds value through proper consultative sales methods (beyond the scope of this article). It also boils down to understanding the lab’s internal testing capabilities and methodologies, its basic differences against the competition, its connectivity options and so forth. The top managers ask this question of their sales people: “*What are you doing in sales calls and in your sales strategy that makes our lab difficult to substitute or makes us strategically important?*” These top-notch coaches understand where their lab creates value through basic differences, and they concentrate there.

### **3. Focus on the Early Stages of the Sales Pipeline**

Sales reps have to understand the different phases a prospect goes through in making a decision. They are: 1) recognition of needs, 2) evaluation of options, 3) convergent (selection) stage and 4) implementation. The seller should recognize where he/she enters into the cycle. Ideally, the marketing person sits at the forefront of the recognition of needs stage where he/she *creates* specific requirements the client feels are important but cannot get (or not as well) through their current lab vendor.

The adroit sales person can begin to create value early on, thus explaining why it stands as so important to get in on the incipient stages of a decision-making process. It remains much more difficult to become the winner — if not impossible — if a sales rep finds himself in a position where he uncovers the client’s readiness to make a final decision about switching lab vendors. He places himself in a direction of selling a me-too lab service instead of being a consultative seller throughout the decision-making process. It frequently turns into a *reactive* sales strategy: “*Yes, we can do that, and yes, we can do that, too.*” The reasons for this difficult situation can be one (or more) of three things: 1) the rep has not been in contact with the right people on a regular basis, 2) the rep has previously failed to build enough value to even be considered and

3) there has been a replacement in representatives, allowing the new rep to suddenly walk in on the circumstance.

Indeed, the excellent manager stresses the importance of creating value for the client at the beginning of the rep/client alliance, eventually leading to the recognition of needs stage.

#### **4. Building a Coaching Culture**

Ask a sales manager, *“What would your sales team’s performance graph look like?”* Most would retort with, *“It looks like a bell-shaped curve, because I’ve got a couple of very good ones, a bunch of average ones and then some who are under-performers.”* The next question becomes, *“What’s your sales manager’s job description?”* Frequently, the answer comes back, *“To ensure my reps maintain our business and increase the sales numbers.”* The next question is, *“What job description does the sales person have?”* Again, the response is, *“To maintain the business and increase the sales numbers.”* Huh? Very interesting! In essence, it sounds like the manager has the same job as the sales person!

In a highly effective sales organization, the manager’s job equates to coaching and helping to improve the performance of the people who work for him or her. After all, it is common knowledge the most important asset of a company equates to the *right* employees in the *right* position. It makes sense that developing employees is a *capital investment*. Successful companies recognize this simple fact and devote their time and resources in cultivating traditions that promote training and coaching.

Creating a coaching culture means allocating time and attention. It means thinking through three questions: 1) whom do we coach, 2) when do we coach, and 3) what do we coach. The bottom line rests in the fact the manager’s job exists as the one to coach people on a consistent basis to achieve the numbers. If the manager remains incapable of providing honest and objective feedback, the organization will remain average (at best).

#### **5. Reward High Performers**

An interesting inquiry for sales people becomes, *“What holds you back from gaining more business and being at the top of the sales leader board?”* Some field people — in fact, many average sales people — will say the competition has more to offer because of this, that or the other thing. They blame the competitor’s strengths for their failure. In the world of competitive laboratories within a no-draw environment, a lab must operate adequate and convenient patient access points. If a lab has minimal (or no) drawing facilities compared to the competition, there may be just cause for a lack of business growth. Having said that, healthcare providers collect specimens in-house that could be potential new business (e.g., Paps, cultures, urines, biopsies, etc). Insurance contracts also play a role in decision-making of a primary lab

service. There are many doctors' practices across the country, however, that prefer the services of a lab that may not have large insurance contracts. The high performing representatives consistently sell value and aim to mitigate the objection of insurance contracts.

Contrary to the average sales milieu, highly successfully representatives will typically state they want more freedom to do their job — possibly complaining it is more difficult to do business *inside* the company than on the *outside*. It comes down to allowing them to say, *"I'm the sales leader, so give me additional learning opportunities, and educate the internal staff about the market conditions and what I'm trying to accomplish."*

Top performers want to be known as such. It remains vital to celebrate this fact on a regular basis and in front of their peers. Companies can do a number of things to reward: money, name on a plaque, dinner in a fine restaurant, immediate written feedback, etc. Great coaches give rewards and feedback early and often.

## **Conclusion**

Top-grade coaches know how to coach, what to coach, when to coach and whom to coach. They teach their reps the fundamentals about strategy and tactics. They know how to create value by training the consultative selling process. They know the importance of having their marketing people focus on the early stages of decision-making. They consistently work towards building a coaching culture, and they ruthlessly reward top performers. For those labs that do not have coaching expertise on-site, having an industry-experienced individual for *ad hoc* visits and field days can be a worthwhile investment.

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