



The Ultimate Sales Coaching Guide

The Data Behind Sales Managers of Elite Teams

Introduction

Sales teams are the backbone of a company. That's why growing companies invest so much to develop elite salespeople. For over 30 years, Objective Management Group (OMG) has analyzed the performance of salespeople and their managers. We've analyzed more than two million sales professionals. Our analyses give sales leaders and CEOs the diagnostic tools to pinpoint areas for improvement.

Coachable sales teams are winning sales teams. Drawing from extensive research and industry expertise from <u>OMG Partners</u>, this guide reveals what the sales managers of elite sales teams do differently to consistently get strong performance from their salespeople.

Whether you are a sales consultant looking to establish a coaching culture for your client or a CEO seeking a repeatable formula for peak performance, this guide provides the knowledge and tools to drive meaningful change and achieve outstanding sales results.

There are countless sources of thought leadership for developing high-performing sales teams. However, no other guide is built on a foundation of data with deep analysis from more than two million sales professionals. First, a brief primer on OMG's terminology:

OMG's assessments measure 21 Core Sales Competencies. OMG's Core Competencies are divided into three Competency Groups:

Will to Sell measures an individual's salesspecific drive to succeed.

Sales DNA measures the core underlying beliefs and actions that either support or limit sales success.

Tactical Competencies measure the skills and abilities necessary throughout the sales lifecycle.

An individual's Sales Percentile is an aggregate score of OMG's Core Competencies, that compares them to all other salespeople in OMG's database.

Let's dive in.





Want To Make Your Salespeople More Coachable? First Gain Their Trust

The first chapter of this guide emphasizes the critical role of trust between a manager and their sales team to ensure coachability. We reveal data that demonstrates how salespeople who trust and have a strong relationship with their managers exhibit higher coachability and overall performance.

Coaching is necessary, but alone it's not enough. Sales Managers need to make sure their teams are receptive to the coaching that they receive. How can managers do that?

To answer this, we analyzed OMG Sales Evaluations of over 11,000 salespeople and their managers. The data clearly shows that how salespeople view the quality of their relationship with their manager has a profound effect on their performance.

The heart of the impact, unsurprisingly, lies in how open they are to the coaching efforts of their manager.

What does it mean to be Coachable? And why does it matter?

OMG's Coachable finding explains to what degree a sales leader should be able to coach a frontline salesperson. Salespeople who score low on Coachability are less likely to make the changes necessary to improve their performance.

And being coachable does lead to better performance – our data shows that the most coachable salespeople have +13% higher OMG Sales Percentile than the least coachable salespeople.

In other words, all else equal, just by being coachable a salesperson will **outperform 13% of their peers**.

So, how can managers make sure their sales people are coachable?



Salespeople are significantly more Coachable when they trust, respect, and have a relationship with their manager.

Each component of trust, respect, and relationship-building matters. Salespeople who **trust** their sales manager's intentions score +26% higher on Coachability compared to salespeople who do not trust their managers.

Similarly, salespeople who **respect** their manager are +20% more Coachable.

Salespeople who have a **relationship** that is strong enough to withstand constructive criticism are also +20% more Coachable.

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"Mutual respect, active listening, and understanding between sales managers and their team members are crucial. Likewise, the sales team should also respect, listen to, and understand their manager. This foundation of respect enables constructive criticism, feedback, and coaching, which can have remarkable effects, such as advancing stagnant deals."

Lori Richardson, OMG Partner

These qualities all build on each other. When trust, respect, and a strong relationship are all present, salespeople are **33% more Coachable** than when none of these qualities exist.



Trust, respect, and a strong relationship between a salesperson and their manager also improves the salesperson's Outlook and Responsibility

Trust, respect, and relationship-building don't just make a salesperson more Coachable.



Salespeople who have a relationship with their manager score +19% better on Responsibility than salespeople who do not have a relationship with their manager.



Similarly, salespeople who respect their managers score +13% better on Outlook than salespeople who do not respect their managers. Salespeople who score well on Outlook believe that they can be successful in sales. Combined, the two create a virtuous cycle for performance improvement - the salesperson acknowledges that their own shortcomings are impacting their results and believes that they can perform better. This opens the door for a trusted manager to begin a targeted, frequent training plan.

Once managers establish a strong relationship, then they have permission to begin the hard, tactical work of coaching. First, how much time should a manager spend coaching?

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"To diagnose underperforming salespeople, we leverage OMG to analyze whether the issue stems from motivation (will to sell), belief factors (DNA), or skill deficiencies. We utilize OMG to uncover the root cause and identify the obstacles hindering their progress."

Paul O'Donohue, OMG Partner

What does this mean in practice? Salespeople who score well on Responsibility are more likely to hold themselves accountable for their results, rather than blame external factors like competition or the economy.



How often do sales managers need to coach their teams?

In this chapter we'll address a fundamental question: how often should sales managers coach their teams? Through a deep analysis of sales evaluations and coaching frequencies, we uncover the impact of consistent coaching on various aspects of sales performance.

OMG clients often ask "I know coaching matters, but how often do I need to coach? And is there such a thing as too much coaching?" From our 30 years of sales evaluations, we know that some managers are extremely consistent coaches. Others tend to be more adhoc, letting their salespeople either come to them or addressing issues as they arise. Which style leads to better results?

To answer this, we've examined the OMG Sales Evaluations of over 11,000 salespeople and their managers with a specific focus on coaching frequency and how that relates to sales performance.

How much coaching is ideal?

Our data clearly show that any coaching is better than no coaching for salesperson development, and that high-frequency coaching has the biggest impact.

Less frequent coaching – quarterly, monthly, or bi-weekly – all tend to yield similar gains over no coaching at all, often falling around a +2-5% improvement in Sales Percentile.



"Coaching should be small in dosage, but in high frequency. Ideally it's daily coaching. If you coach twice a month your sales team will come out with 25 action items that they won't be able to implement and you won't be able to hold them accountable."

Frédéric Lucas, OMG Partner

However, the real impact kicks in when coaching occurs weekly or several times per week, perhaps even daily.



Salespeople who are coached weekly have **+9% higher** Sales Percentile than salespeople who are never coached. Sales Percentile **increases +17%** when the salesperson is coached several times per week. Just where these gains are most notable will be discussed below.

Improvement in Sales Percentile vs No Coaching



What sales competencies does consistent coaching improve?

Salespeople who are coached several times per week or daily show a **+34% gain in Responsibility** versus those who do not receive coaching at all, and a **+19% gain in Motivation**. Notable gains are also seen over those who experience ondemand coaching, **+22% and +10% for Responsibility and Motivation**, respectively.

What's happening here? Managers who regularly coach their salespeople are modeling a clear sense of responsibility and commitment for their team.

That approach sets expectations and creates a similar attitude for salespeople in their approach to their position.

What else does frequent coaching impact?

Beyond improvements in the salesperson's attitude, frequent coaching also creates tangible gains in the salesperson's Tactical skills. Most notably, salespeople who receive consistent, frequent coaching show +50% greater proficiency in using Sales Technology than those who do not receive any coaching, and +16% greater proficiency compared to those who receive on-demand coaching.



"OMG can help identify conceptual barriers hindering sales reps from selling effectively, impacting their performance. The root cause is often the disconnect between training and real-world situations when managers aren't present alongside the salesperson."

Frédéric Lucas, OMG Partner

Additionally, Sales Process improves +28% (over no coaching) and +11% (over ondemand). These salespeople are better at time management, achieving consistent results, following key sales steps, setting milestones, and tracking results using a scorecard.



How often are sales managers coaching today?

While the ideal is an active managersalesperson coaching dynamic, this rarely occurs. Only 10% of salespeople report being coached multiple times per week or more. In fact, a complete lack of coaching is reported almost as often (8% of the time)! Even weekly coaching only occurs 20% of the time. Most managers coach on-demand.



How Often Are Managers Coaching?



What Manager Qualities Matter Most for Building Elite Sales Teams?

Earlier we discussed how to lay the foundation for a coachable sales team, and how frequently managers should provide coaching. In this chapter we'll explore what managers of top performing teams do differently and which manager qualities matter the most for building highly effective sales teams.

Based on extensive evaluations and predictive analysis, we identify three key attributes of an elite sales team manager:

- Coaching their teams to get a prospect's commitment to make a decision
- 2 Supportive coaching beliefs
- **3** Having a passion for coaching

We'll delve into each attribute, explaining how they significantly contribute to the development of high-performing sales teams and why they are crucial for sales managers to cultivate.

How we uncovered these findings

We have examined the OMG Sales Evaluations of over 44,000 salespeople and their managers with a specific focus on which management coaching elements are associated with elite sales teams.

First, we identified the top 10% of salespeople, ranked by OMG's Sales Percentile. Then we ran their managers' evaluations through a predictive decision tree analysis to see which management competencies lead to the greatest increase in high performing salespeople on a team. This is what we learned.

High performing teams have sales managers who are strong coaches on getting a prospect's commitment to make a decision.

Managers who are effective at helping their salespeople get prospects to commit to a decision have **+40% more top performers than managers who are ineffective at coaching on decision making**. Why is this so predictive of success?



If your managers are helping their team to regularly get commitment, then they're probably coaching on several supporting skills also. Getting a prospect to agree to a decision means the salesperson has uncovered a compelling reason to buy, thoroughly qualified the opportunity, and presented a need and cost appropriate solution at the right time. This takes active listening, many insightful and challenging questions, and the ability to pushback appropriately on potential stall tactics.

These skills aren't intuitive. They need to be drilled through repeat practice with a manager the salesperson trusts.

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"Your sales team can learn not just from coaching itself, but also from observing how coaching conversations occur, enabling them to apply those insights to their interactions with prospects."

Frédéric Lucas, OMG Partner

Strong managers believe that coaching is important. They might believe that they're responsible for their team's daily activities. They understand the different motivational styles on their team and flex appropriately. They believe it's important to debrief sales calls and help the salesperson understand what went well or poorly.

A manager's belief system is so important that sales teams with managers who coach on prospect commitment and have supportive coaching beliefs have **+70% more top performing salespeople** than managers who don't have supportive coaching beliefs.

Finally, high performing sales teams have managers who have a passion for coaching.

High performing teams also have managers with strong supportive beliefs relating to coaching.

What are supportive beliefs? They are the assertions that sales managers consciously or unconsciously bring to their work.

Sales teams with managers who help their teams get commitment and believe coaching is important and have a passion for coaching have **+80% more top salespeople** than managers who don't have a passion for coaching.



A manager can coach for the right skills (prospect commitment) and believe that coaching matters, but still not love coaching. What does passion for coaching look like?

Simply put, it's where the manager wants to spend their discretionary time. Think about a team where the manager is responsible for several salespeople and their own quota. When they have 15 free minutes do they use it to develop their own clients or to help their team practice their skills? Both are good options – but electing to spend extra time coaching shows a passion that can help the entire team reach their full potential.

Sales managers who do all three are a diamond in the rough.

As important as these manager competencies are, they're still too rare.

Only 9% of sales managers in OMG's database of millions of salespeople are strong at getting commitments, improving beliefs, and coaching with passion. **A manager who is strong in all three is a diamond in the rough**. How do you know if your organization has that diamond?

Conclusion

The secret to enhancing sales performance and surpassing sales goals lies in fostering a coaching culture that starts with the right insights. It's not just about using the right coaching techniques and striking the perfect frequency; the foundation of an effective coaching culture is built on trust, offering frequent support, and taking a genuine appreciation in the needs of your team.

By optimizing your approach to coaching, sales managers can make a real difference in their team's performance and establish a coaching culture that fuels continuous growth and success.

Armed with OMG's diagnostic tools, sales leaders and managers can measure these qualities and create a transformative environment that unlocks the true potential of their sales teams.

<u>Ask an OMG Partner</u> for a sales manager evaluation or sales manager candidate assessment to find out if anyone on your team has these skills or the potential to develop them.

This white paper is based on a three-part blog series on Coaching found on OMG's <u>Research Blog</u>. For more content like this, please subscribe to the Research Blog <u>here</u>.

