

Teaching Old Dogs New Tricks



OR...

Training for Skill



Brian Jeffrey

Training isn't just for new salespeople. It also pays to give your seasoned salespeople a tune-up from time to time. That way everyone is singing from the same song sheet.

Enjoy the read.

A handwritten signature in blue ink that reads "Brian J". The signature is fluid and cursive, with a large initial "B" and a stylized "J".

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by Brian Jeffrey



In Sweden, employees receive an average of 200 hours of training a year. In Japan, the average is 170 hours. In the U.S. and Canada, the average is a pathetic seven hours! The lack of training in this country is causing problems. Managers often sit back, scratch their heads, become more frustrated, and wonder why their employees aren't performing and why profits are down.



There are three reasons why people don't do that you want them to do:
1) They don't know *what* to do.
2) They don't know *how* to do it.
3) They don't *want* to do it!

Who's to blame? Are the employees at fault? Perhaps. Or could it be that *employers* are neglecting a crucial strategy that would help their salespeople and other employees *make a difference* – a difference to themselves, to their customers and to the company's bottom line? That crucial and critical strategy is training.

Too many companies seem to be suffering from management myopia. They fail to see the bigger picture. I've had managers say to me, "Why should I train my people and then have them leave to go to my competitor?" What they can't see is that trained employees are more productive employees. Productive employees are happy employees. And happy employees don't readily change employers.

Training can often improve morale by showing your staff you are prepared to invest in them and their future. If you're going to train, do it as professionally as possible.

WHY TRAIN?

Finding skilled salespeople isn't easy. If you've been looking, you'll know what I mean. There are a lot of people out there who've been laid off or downsized and need a job – any job – and sales can look pretty attractive from the outside.

Gone are the days when a sales manager could put a recruitment ad in the paper and be swamped with quality resumes. Oh, you may still get swamped but the quality isn't always there. It's been my experience that most of the really good salespeople are gainfully employed and somewhat unwilling to change companies, particularly if the economic climate is such that organizations, both big and small, are closing up shop every day. In tough economic times, people stay where they are.

What do you do when you can't find suitable candidates? You're left with three choices: (1) Hire whatever warm body walks through your door looking for a sales job, or (2) invest in your current people, or (3) both.

This is why it pays to take a close look at your existing sales staff. Are they operating as effectively as they ought to be? Are they making

the number of calls required to bring in the revenue? If they're making the calls and the revenue still isn't there, perhaps you have a skills gap. Maybe they're unable to capitalize on the opportunities they uncover. Don't be surprised if this is the case. Keep in mind that it's estimated over 80 percent of salespeople have never had any formal sales training. They are selling on instinct coupled with a heavy dose of good luck.

Increasing your salespeople's selling skills will lessen their reliance on luck and help them to go out and make things happen (like a sale) rather than waiting for something to happen.

That alone is reason enough to seriously consider training for your people.

CALCULATING A RETURN ON YOUR TRAINING INVESTMENT

As you know, providing proper orientation and training for the new salesperson can really have a substantial payback because the person will become productive more quickly.

But what about existing salespeople? Is it profitable to train them? Too many companies hesitate to train because of the perceived costs involved. In the end, it doesn't cost to train your existing people, it pays. Here's a fast way to calculate a return on investment for training:

$$\frac{\text{Training Investment}}{\text{Avg. \% Gross Margin}} = \text{Gross Sales to Recover Investment}$$

Let's assume you would like to provide sales training for your six existing salespeople and you're prepared to bring in a professional sales training organization to do the job. Your investment in the program is \$15,500 and you estimate an additional \$500 for other costs. We'll also assume you have an average gross margin of 20 percent on the sale of your product or service. Let's plug these numbers into the formula for a fast calculation:

$$\frac{\$15,500 + \$500}{20\%} = \frac{\$16,000}{0.2} = \$80,000 \text{ Gross Sales}$$

Let's assume you want to recover your investment in one year. Your sales team would have to sell $\$80,000 \div 12 = \$6,667$ per month more in gross sales than they are now. This means that each of your six salespeople would have to sell \$1,112 more per month. Now the decision to train or not to train becomes easier to make. If you don't think your salespeople can recover the investment in a reasonable time, don't do it.

An alternate way to evaluate this training is to ask yourself, "Could I *miss* or *lose* \$80,000 in potential business over the year if I *don't* train my salespeople?"

If you want to be more precise, use the same formula and add in other costs such as:

- Cost of training facilities.
- Travel and accommodation expenses.
- Cost of lost selling time.
- Planning costs.

PROTECTING YOUR SALES TRAINING INVESTMENT

One of the major reasons companies give for not training their employees is that the employees often leave, taking their newly acquired skills with them and leaving the company with the cost of training. A point to keep in mind is that companies who train are fast becoming the employers of choice. It's likely that a better class of person will seek out your company when the word on the street is that you invest in your employees.

However, workforce mobility is a fact of life in this day and age. So how can a company protect its investment while still improving the skill levels of its employees? Here are some ideas:

Company Pays 100%

Where it is company policy to pay the full tuition, I strongly suggest that the company and employee have an agreement that should the employee leave prior to one year following the training, the employee will reimburse the company a pro-rata portion of the tuition cost. For example: If the employee leaves three months after the training, he or she will owe 75 percent of the tuition fee, at six months 50 percent, at nine months 25 percent, etc.

Company Pays 50%, Employee Pays 50%

Co-investment is an excellent idea. However, some employees may have difficulty coming up with their share of the tuition. The company can assist the employee by paying the full tuition and then recovering the employee's portion through payroll deductions. For example: Let's assume the cost of the training is \$1,800. The company would pay the full \$1,800 tuition and then recover \$75 a month for 12 months. The employee's investment is a mere \$75 a month or \$2.50 a day.

Employee Pays 100%

While this is cost-effective for the company, many employees simply don't have the excess money to invest in their training. As noted above, the company can assist the employee by paying the full tuition and then recovering the employee's portion through payroll deductions. As in the example above, the company would pay the full \$1,800 tuition and then recover \$150 a month for 12 months. The employee's investment becomes a more manageable \$150 a month.

Forgivable Loans

Some companies are prepared to convert the employee's portion (50% or 100%) into a loan that is forgiven under certain circumstances, such as reaching agreed upon sales targets or staying a certain length of time, etc.

There's hardly anyone in the world who wouldn't take a training course (or anything else for that matter) if it's free. Unfortunately, there's also a tendency to view things that are "free" as having a lower intrinsic value. By attaching a cost to sales training, you increase its perceived value in the eyes of your salespeople. When you ask them to "share" or co-invest in the training, interesting things can happen. Some won't want to take it! Now you have to ask yourself:

- How serious are they about their job or about professional sales?
- Are they planning on leaving soon and don't want to get stuck with the cost?
- How interested are they in a career with this company?
- Are they so good that training wouldn't be of value?
- If they won't invest in themselves, why should the company invest in them?
- How much of a team player are they?



Training is a process, not an event.

THE SALES TRAINING PROCESS

If companies do any sales training at all, they generally treat it as a one-shot event rather than an ongoing process. Sometimes you have no choice but to make it an event. If you have salespeople spread out all across the country, you can't fly them in for a series of weekly sales

training sessions. That's why many firms do sales training at their annual sales meeting. One-shot training is certainly better than none. However, if you want your efforts to have a meaningful impact, training should be planned, organized, executed, monitored, and reinforced over a period of time.



**Training without followup
is throwing money away.**

There are actually two separate training processes. The first—and the most neglected by employers and salespeople alike—is the long-term process that is as much a career development process as anything else. The second is the short-term, shot-in-the-arm training that is necessary to keep your people sharp and on top of the day-to-day sales activities. Both processes can play a part in your company strategy.

Long-Term Training

This is the process of developing an individual's job-related skills and talents. It encompasses all the training that employers hope a new employee brings to the job but rarely does due to an educational system that doesn't provide it and aspiring salespeople who don't bother to seek it out themselves.

Most progressive employers are prepared to invest in the first two or three areas listed below, and they strongly encourage their people to embark on a program of self-development for many of the others. In some cases, companies offer fee reimbursement for programs taken at recognized educational institutions.

To succeed in a sales career, sales professionals need to develop their knowledge and skill in several areas including:

- Basic selling
- Time and personal management
- Advanced selling

- Marketing
- General business
- Human relations
- Writing
- Presentation
- Technical



Seventy percent of all sales are made by accident! Most salespeople really don't know what they're doing.

Basic selling skills.

As a bare minimum, salespeople should receive some solid fundamental sales training. A course in “Sales 101” equips the salesperson with the tactics needed to start, develop, and close sales opportunities. Without adequate sales training, the best a salesperson can hope for is a stroke of good luck or a product that people will kill for — like selling \$10 bills for \$5!

I don't know why people think selling is natural, is easy, and anyone can do it. It's not natural. It's not easy. And it's definitely not for everyone. Selling is like any other trade or profession. To do the job well, a person needs to be trained.

Unless you are a large company with your own training department, basic sales training is generally best done by an outside sales training organization. The good ones understand sales and selling and they understand training. They know how to make an impact on participants and can help them develop new skill sets. And because they come from outside your domain, they often bring new, refreshing sales ideas and techniques to help your people stand out from the pack.

Time and personal management.

If there's one thing that salespeople are not, it's well organized. Most salespeople, even the good ones, are usually an organizational disaster.

For the most part, salespeople don't arrive on their employer's doorstep organized. So, as a minimum, if they aren't already using some kind of daily planner, consider investing in a system for your salespeople and insist that they use it. These days, the more progressive salespeople are using electronic digital devices or computers to stay organized.



**The leader sets the example.
If the leader isn't organized,
the followers won't be either.**

Next to Sales 101, a good time, territory and account management course can have the greatest impact on your salespeople's efficiency. A well-organized salesperson spends less time looking for things and more time selling. Once salespeople are aware of the time wasters that eat into their day, they develop the ability to set priorities and operate more effectively.

Advanced selling skills.

If your salespeople handle large-dollar or complex sales where the sales process involves several buying influences and takes forever to close, you should consider some form of selling skills training beyond the basics. Programs that fall into this area usually cover the *strategies* involved in the sale rather than the tactics used during the selling process.

Another area of advanced sales training to consider is a program dealing with personality types and behaviour styles. Rather than having a one-sales-style-fits-all approach to selling, this kind of training helps the salesperson sell to various prospects the way each prospect wants to be sold to. In sales, the proper selling behaviour can spell the difference between success and failure with an account. Salespeople who are able to adapt their selling style to match the customer's buying style will build better rapport with their customers.

NOTE: Companies owe it to themselves to provide or support the above three areas of training, if only as a survival strategy in today's competitive marketplace. And smart companies will encourage their staff to seriously consider the other areas. If a company is to grow and thrive, the employees must do likewise.

Marketing.

With some marketing training under their belts, salespeople are better able to support the company's overall approach to the marketplace. An understanding of the six "Ps" of marketing—Product, Price, Promotion, Place, People and Profitability—gives them a better appreciation of where the sales role fits into the overall picture.

While salespeople needn't become marketing experts, they can benefit in the long term by taking a couple of good community-college-level marketing courses.

General business.

Whereas marketing training increases the salesperson's intrinsic value to the employer, general business training increases the salesperson's value to his or her customer. By having a knowledge of business in general, a salesperson can better understand the customer's business and offer more meaningful solutions that more closely match the customer's needs. This type of training also helps the salesperson build stronger relations with customers.

Community colleges and universities offer numerous evening courses that can benefit the professional salesperson who wants to develop his or her career. I'm not suggesting that salespeople should embark on an MBA degree. But basic courses in finance, supervisory skills, communications, purchasing, etc, would certainly be of value.

Human relations skills.

A person's long-term success in sales is tied to his or her ability to get along with peers, employer, customers and prospects. We call this human relations skills.

While there are a number of courses available on the subject, the granddaddy of them all is the *Dale Carnegie Human Relations Course*. Although this program is often considered a public speaking course, it is much more. In the 10 years I was an instructor for this organization, I watched hundreds of people improve their ability to get along better with others, increase their communication skills, develop more self-confidence, learn to control worry and stress, and walk away from the training better equipped to deal with people in general.

An investment in this type of training is one of the best things a person could do for himself.

Writing skills.

If your salespeople are responsible for writing all or portions of their sales proposals or sales letters, and are having problems doing so, a one-day writing course will work wonders.

I know, I know — they should have learned how to write in school. Yes, they should have learned a lot of things there, but, unfortunately, too many graduates are coming up short in the “3Rs” department. They can’t write well, their reading abilities often leave something to be desired, and they’re no hell at arithmetic either!

Over the years I’ve come across salespeople who couldn’t string two written words together in the proper order. They could speak reasonably well but when it came to putting pen to paper (or fingers to keyboard), something went awry. If they could just learn to write like they speak, they’d have a fighting chance... if it weren’t for the spelling.

You may want to consider engaging a freelance community college instructor to provide your staff with some writing skills training in a series of evening sessions.

Presentation skills.

If your salespeople are expected to make formal presentations to purchasing committees or other groups, the ability to shine at the front of the room can be a big asset. While polished presentation skills won’t sell a bad product or proposal, poor presentation skills can kill the sale of an otherwise excellent product.

Of the top 10 fears of mankind, getting up in front of an audience is number one. Way down the list at number six is the fear of dying. That means a lot of people would sooner die than get up in front of a group!

The least expensive way to develop public speaking and presentation skills is through Toastmasters. This organization has helped thousands of people develop their public speaking skills. There is hardly a city or town in North America that doesn't have a chapter. Look in the white pages of your phone book for the chapter nearest you.

While the *Dale Carnegie Human Relations Course* mentioned earlier doesn't specifically focus on presentation skills, a by-product of the program is improved public speaking skills.

Technical.

If your salespeople are selling computers, they should know something about computers. If they're selling electronic instrumentation, they should know something about instrumentation. If they're selling printing, they should know something about printing. If they're selling... well, you get the idea. Your salespeople need technical training.

When I say technical training, I don't mean product knowledge. I'm referring to the background information they need to make heads or tails out of the product information.

By learning about the "information behind the information," as it were, your salespeople gain an enhanced knowledge and understanding of the product benefits. As a result, they often know more than the prospect does (or competing salespeople) and they become somewhat of an "expert" on the product.



Definition of an expert:
"X" — the unknown, and
"spurt" — a drip under pressure!

Sales professionals know that, if they are to use value-added sales techniques, they must know more than just what's on the spec sheet or marketing brochure. They know they have to develop their fundamental knowledge of the field they have chosen to specialize in and work hard at becoming experts.

You can help your salespeople by pointing them in the right direction. Provide them with information on courses to attend, books to read, and trade journals to subscribe to. Pointing is all you'll have to do with your top people. They'll take it from there. Your average salespeople, however, will have to be lead to the trough and the rest of the crew will have to be pushed if you want to get them to move.

Short-term Training

Short-term training has the same purpose as long-term training — to develop your people's job-related skills — but the difference is the training is in short bursts rather than spread over an extended period of time. Also, short-term training usually addresses the more immediate, day-to-day skill needs rather than long-term career development. Short-term training is the shot-in-the-arm training that helps keep your people sharp.

One way of accomplishing this is to add a training component to your weekly or monthly sales meetings. Nothing elaborate, just a 15- to 45-minute session on topics of value to your salespeople. It's a great way to end your sales meeting. To help you get started, here are 26 topics that could be covered:

- Dealing with the price objection
- Selling value over price
- Uncovering new business
- Getting repeat business
- How to get referrals
- Handling our five most common objections
- Outmanoeuvring the competition
- How to ask for the business

- Uncovering the prospect's real needs
- How to quick-qualify a prospect
- Tackling time wasters
- Developing a 20-second and two-minute sales presentation
- How to network effectively
- Feature/benefit exercise on specific products or services
- Dealing with client complaints
- Time utilization exercises
- Rejuvenating dormant accounts
- Getting past the gatekeeper
- Warming up cold calls
- Selling against the competition
- Better use of the telephone as a sales tool
- Setting sales call objectives
- Developing a unique selling proposition
- Getting appointments by telephone
- Getting to the decision-maker
- Effective client follow-up techniques

Don't feel you have to develop and deliver all the topics yourself. Assign them to your salespeople. Let them become "experts" in the topic and teach the others. This approach promotes increased participation and can improve your salespeople's presentation skills.

Distribute the list of topics and ask each salesperson to pick three that he or she would be prepared to present to the group. I suggest three because some may choose the same topic and you will have to decide who gets to do what.

Assign presentation dates at least two to three weeks in advance so they have time to prepare. Then watch the fun. There will be hesitation and resistance to the idea because no one likes to make presentations, particularly to his or her peers. Expect some people to fall strangely ill on the day of their presentation.

NOTE: Make sure you have a standby training session ready to go. I call these “back-pocket workshops” because you can whip them out of your back pocket at a moment’s notice to dazzle the troops.

FINAL THOUGHT

Training can be a manager’s best tool. Good managers build good people and strong companies. Successful salespeople keep the companies that way.

Good luck!



ABOUT THE AUTHOR

Brian Jeffrey is a sales management consultant and former sales trainer with over 40 year's experience. He's the author of *The Sales Wizard's Secrets of Sales Management*, *The 5-Minute Sales trainer*, 18 ebooks, and over 100 articles on selling and sales management.

Brian provides sales management consulting, coaching, and mentoring to business owners and sales managers. He has had many sales successes (as well as a few spectacular failures) and has learned what works, what doesn't, and why — information he readily shares with others.

Find out how Brian helps companies maximize their sales at **www.Quintarra.com**.

