

What drives sales force effectiveness

World over, companies spend humungous amounts of money on their sales force. Do those spends make their sales force effective? A **Kellogg's Insight** article titled **Sales Force Effectiveness** based on the research of Andris A. Zoltners, Prabhakant Sinha and Sally E. Lorimer tries to answer this conundrum.

Zoltners and his team surveyed sales professionals on what makes a sales force effective. They pored over published articles on sales force issues. Then they synthesized the insights picked up from the surveys and published content. What emerged was a **Sales Force Effectiveness Framework (SFEF)**

The framework recognizes that a company typically responds to pressures from multiple sources such as Customers, competition and external macroeconomic factors. These responses translate into a sales and marketing strategy, which eventually influences the entire life cycle of sales. Accordingly, the SFEF reveals:

- 5 categories of 'drivers' that determine sales force effectiveness.
- Under each category, lists the sales management decision clusters or drivers, as shown below
- o Specifies Salespersons' needs met by these clusters

1. Definers

Sales force design | Structure and roles | Sales force size Territory alignment

Needs met: Clarity of roles and territories. Fuzziness and ambiguity in 'definers' underlies poor performance.

2. Shapers

Hiring | Training | Coaching | Culture elements | Leadership | Sales leadership | Compensation and incentives

<u>Needs met:</u> Create the skills, capabilities and values necessary for success.

THE MERCURI VIEW

Mercuri International's Sales Excellence Survey 2017 covering 20 countries and over 900 respondents also found that top performers excelled across a range of parameters covering Sales strategy, sales support, sales processes, sales team behaviour, sales rep competence and sales culture.

The <u>survey</u> discovered for instance, what salespeople in top performing organisations get that their bottom peers don't:

- 69% more sales training
- 72% more coaching on the job by their managers
- 41% more review time with their managers

Several drivers of Sales Excellence uncovered by the the Sales Excellence Survey 2017, are also found in the Kellogg's Sales Force Effectiveness Framework published 8 years ago.

Clearly, while the world of sales is changing, the drivers of sales effectiveness largely remain the same.

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3. Enlighteners

Customer research | Data and tools | Customer relationship management

Needs met: Equip the sales force with knowledge and insights into Customer behavior.

4. Exciters

Culture | Leadership | Incentives | Motivation programs | Meaningful work

<u>Needs met:</u> Going beyond hygiene needs, inspiring the sales force to excel

5. Controllers

Culture | Sales leadership | Compensation and incentives | Performance measurement and management | Goal setting and forecasting | Coordination and communication

Needs met: Steering sales performance towards specific goals

Interestingly, some drivers find a place in more than one cluster. 'Compensation and incentives', for example, figure under both 'Shapers' and 'Controllers'. This could be because these drivers meet multiple needs of salespersons. They are required together with hiring, training, coaching etc. not only to attract sales people, but also to steer their behavior towards preset goals.

Applying SFEF to real life sales

The article mentions success stories in applying the SFEF across organizations. Key takeaways:

- Assess the effectiveness-quotient of every driver
- Identify opportunities for high impact improvements
- Implement an improvement plan and monitor progress

The results of these exercises were so encouraging, says the article that SFEF based assessments and improvement plans became a regular feature in those companies.

The article as published in the Kellogg's Insights page is here.

Key Words

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