

# Part IV

# SALES FORCE COMPETENCIES

## Chapter 8:

## Sales Training

*Teachers open  
the door.*



*You enter  
by yourself.*

*Chinese Proverb*



# SHOULD IT BE CALLED TRAINING OR EDUCATION?

- **Learning is a relatively permanent change in behavior occurring as a result of experience.**
- **Training is included in one's experiences. Thus, training is part of an individual's total learning experience.**

# **What goes on in Sales Training?**



# SALES TRAINING PROCESS

Planning for  
Sales Training

Assess  
Training  
Needs

Setting  
Objectives

Setting  
Budget

Developing the  
Training Program

What  
Topics?

Where  
to Train?

Training  
Methods?

Trainers?

Evaluating Training

Follow-Up Training





# **SALES TRAINING OBJECTIVES**

## **Why Train Salespeople?**

- **Increase productivity**
- **Create positive attitudes/improve morale**
- **Improved customer relations**
- **Reduce role conflict and ambiguity (turnover)**
- **Improve efficiencies (time and territory)**
- **Introduce new products, markets, or programs**



# CONVERSATIONS

<b>Sales Manager Says:</b>	<b>Salesperson Says:</b>	<b>Sales Manager Thinks:</b>
<b>"Do you think the customer will buy from us? What are the next steps?"</b>	<b>"I don't know."</b>	<b>"Why did you leave without at least scheduling a follow-up call?"</b>
<b>"You pushed the buyer pretty hard."</b>	<b>"I closed the deal, didn't I?"</b>	<b>"It may be the last sale you get with this customer. What happened to building relationships?"</b>
<b>"I noticed that 20% of your calls were on C accounts."</b>	<b>"I was in the area and they like to see me, so I call on them."</b>	<b>"The profits from these accounts don't even pay for the calls. You need to target better."</b>



Table 8-1

# Cross-Tabulations from Company Records

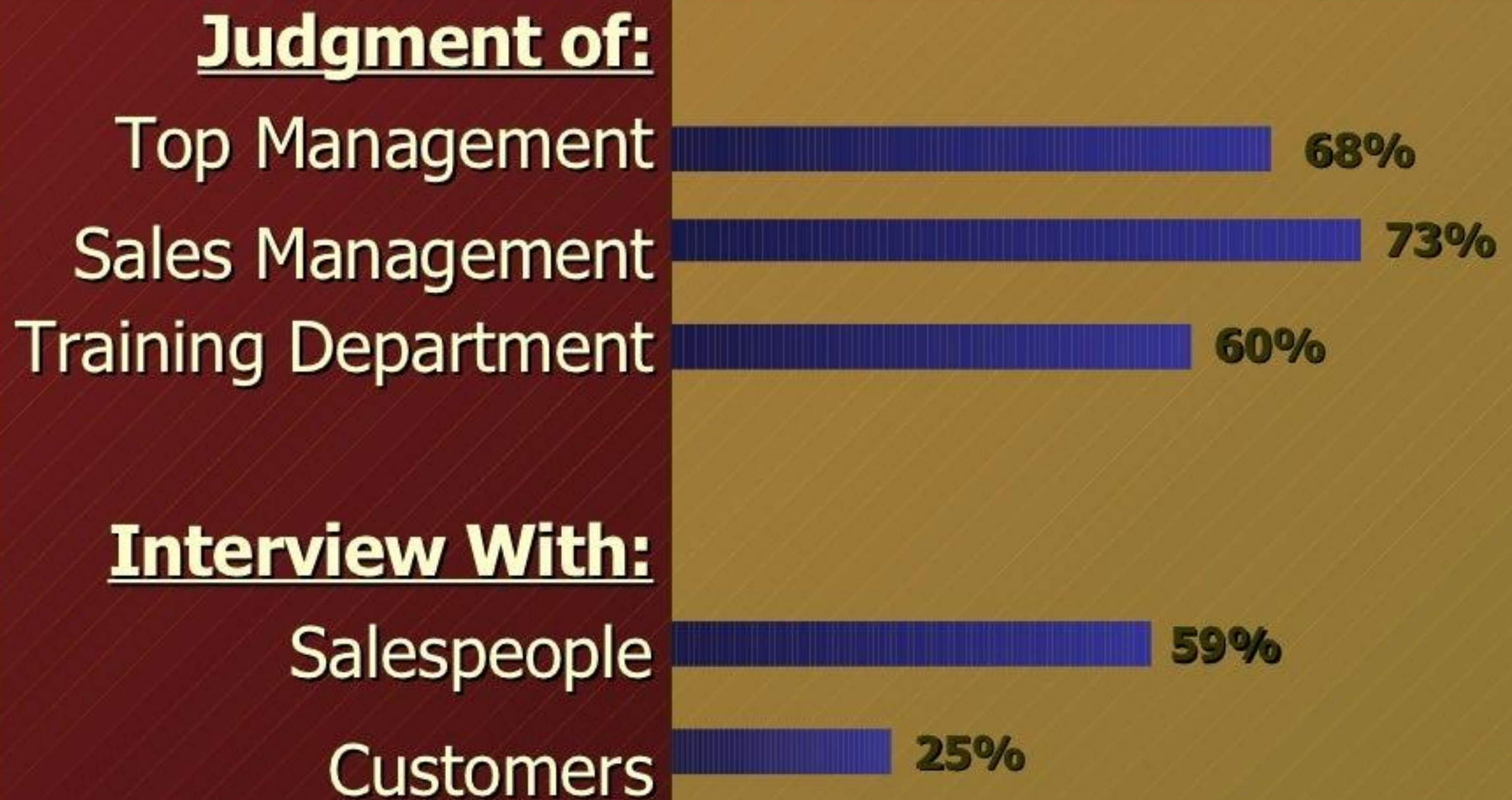
	Average Order Size per Salesperson	New Customers Per Salesperson	Total Customers Per Salesperson
<b>Experience</b>			
Less than 2 year	392	21	86
2-5 years	593	29	145
5-10 years	565	5	152
Over 10 years	470	8	139
<b>Regions</b>			
Northeast	528	6	140
Southeast	520	8	161
Midwest	512	18	107
Southwest	421	26	111
West	544	21	131

# Planning For Sales Training

1. Assessing sales training needs
2. Establishing specific objectives for the training program
3. Setting a budget for the program



# DETERMINING TRAINING NEEDS\*



\* Percent of firms indicating they often use these assessments to determine training needs.



# DETERMINING TRAINING NEEDS\*

## Performance Measures:

Sales Volume  
Customer Service

56%

51%

## Other Measures:

Observation of Salespeople  
Attitude Surveys

38%

28%

\* Percent of firms indicating they often use these assessments to determine training needs.



# **STEPS IN PERFORMING A TRAINING ANALYSIS**

**1. Interviewed key members or management to find out what changes are needed in performance of the sales force.**

**2. Sent an anonymous questionnaire to customers and prospects asking:**

- What do you expect of a salesperson in this industry?
- How do salespeople disappoint you?
- Which company in this industry does the best selling job?
- In what ways are its salespersons better?

**3. Sent a confidential questionnaire to each salesperson asking:**

- What information do most of our salespersons need?
- What information do you want to learn better?
- What skills do most of our salespersons need to improve?



# **STEPS IN PERFORMING A TRAINING ANALYSIS**

- 1. Did field audits (making sales calls) with 20% of the sales force?**
- 2. Interviewed sales supervisors.**
- 3. Discussed and agreed on training priorities with management.**
- 4. Determined trainable topics from information gathered in Steps 1-5.**



**How much should it cost?**



**Table 8-2**

# **Average Cost and Training Period for Sales Trainees**





**Table 8-3**

## **Average Cost of Training for Veteran Salespeople**

**Median Spending**



**Company Size**



**What do you train on?**



# ALLOCATING TRAINING TIME

	<u>Average</u>
<b>Product knowledge</b>	<b>35%</b>
<b>Market/Industry Information</b>	<b>15</b>
<b>Company Orientation</b>	<b>10</b>
<b>Selling Techniques</b>	<b>30</b>
<b>Other topics</b>	<b><u>10</u></b>
<b>Total</b>	<b>100%</b>



# INDUSTRY JARGON

- **"What does HCFA say?"**
- **"DRG's are killing us."**
- **"Is this level II in the POL regs?"**
- **"The LTC market's future looks good."**
- **"The HME industry is changing rapidly."**
- **How about:** Reflotrons  
Spirometry  
Holters  
Oxygen Concentrators  
Thoracic Catheter



# **Where do you train?**

1. Centralized versus Decentralized
2. Field Training



# ON-THE-JOB SALES TRAINING

- **80%** of a new field salesperson's training should be focused on developing customer **profiles**, digging out account **survey** data, and building working **relationships** in the field.
- **15%** of time can then be invested in **learning** about how your product or service is used by existing customers. The field is the place to gain **product knowledge**, not from an engineer or home office instructor.