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THE SCIENCE OF SALES EFFECTIVENESS

What the Data Shows Us
About Effective Salespeople

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What is it that salespeople are doing to close more business? What are they doing that prevents them from closing business? This White Paper will attempt to answer those two questions with science.

Why might an opportunity not close when it was forecast to?

Technically, there are seven possibilities:

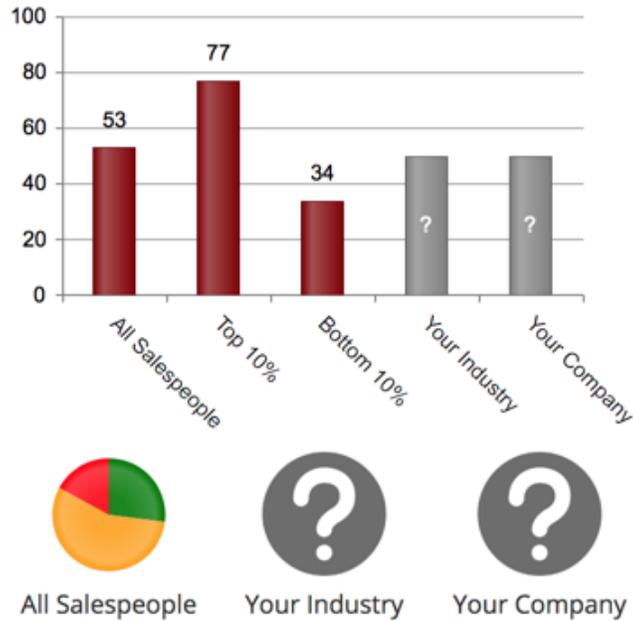
1. Closes as forecast and you win.
2. Closes when forecast and you lose.
3. A short delay that you will close
4. A short delay that someone else will close
5. A long delay that you will close
6. A long delay that someone else will close
7. A delay of any duration that results in no decision.

And why might those conditions apply?

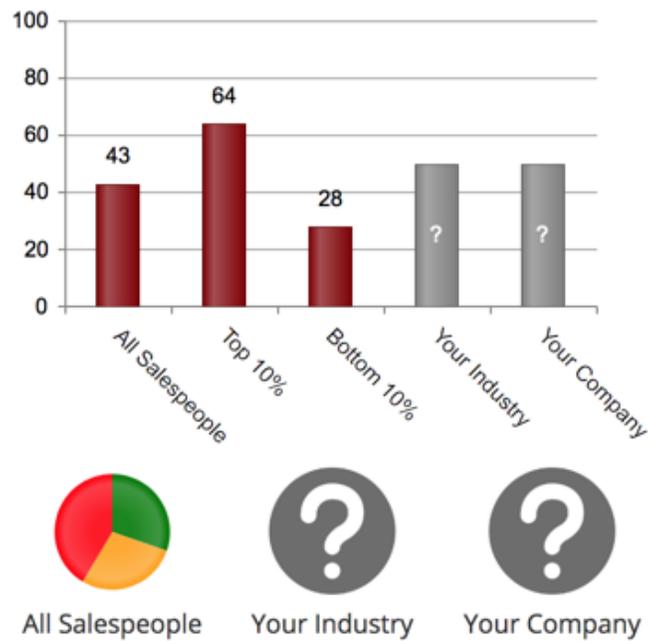
- The CRM application wasn't configured to properly calculate the projected close date
- The sales process/CRM application does not include a scorecard that scores and predicts a win
- The opportunity was not thoroughly qualified because the salesperson:
 - Didn't know how
 - Wasn't aware of the need
 - Fear or discomfort
 - Ignored what the prospect said
 - The salesperson had happy ears

This paper uses statistics on 1.7 million salespeople evaluated and assessed by Objective Management Group (OMG).

The graphic below shows us that only 27% of all salespeople have the Qualifier Competency as a strength. The top 10% of all salespeople only have an average of 77% of the attributes of a Qualifier and all salespeople average 53%.



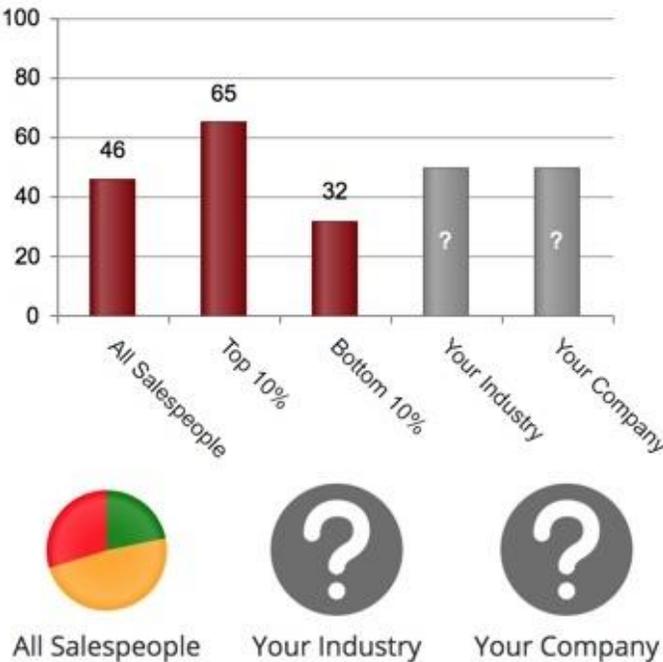
The next graphic shows that only 30% of all salespeople have the CRM Savvy as a strength. And the top 10% of all salespeople only have an average of 64% of the attributes of CRM Savvy and all salespeople average 43%.



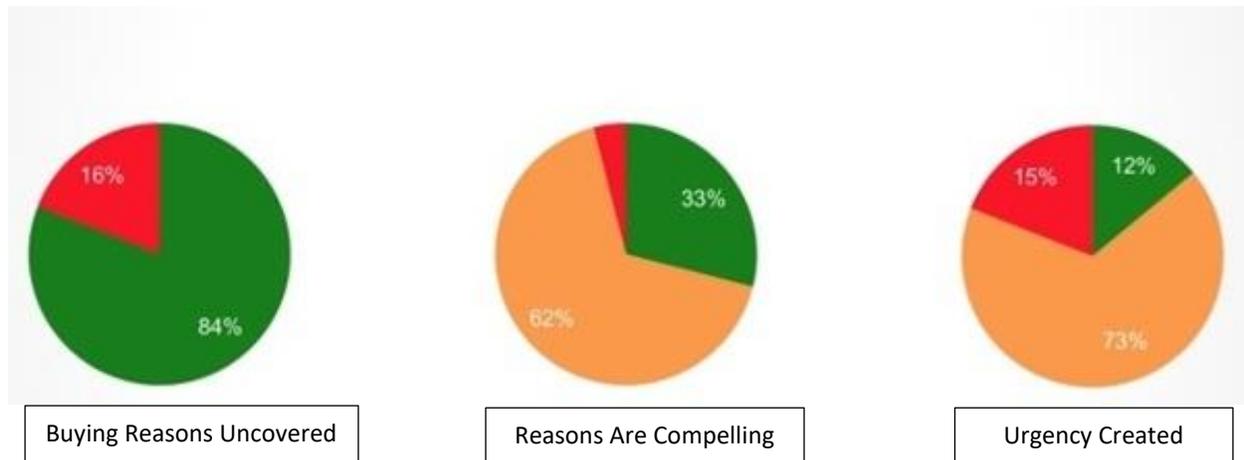
And 27% of all salespeople have the Milestone Centric Sales Process as a strength while the top 10% of all salespeople only have an average of 66% of the attributes of the Sales Process Competency and all salespeople average 49%.

Of the nearly 6,000 candidates that were assessed in the 4 weeks from April 15, 2018 to May 15, 2018 for sales positions, 38% of them "think it over" when making major purchases. That makes them vulnerable to prospects who wish to think it over at closing time, extending the sales cycle, and causing a delay because they "understand."

Consider the **Consultative Seller Competency**. As you can see in the image below, the average score for all salespeople is 44%, which means that the average salesperson possesses fewer than half of the necessary attributes of the Consultative Seller. As you can see from the green slice of the pie chart below, only 22% of all salespeople have this competency as a strength. Even the top 10% of all salespeople only score an average of 65%. This is the competency where most salespeople are the weakest.



Why are most salespeople so ineffective at this competency? If they aren't being professionally trained and coached, it would explain a lot of the bad scores because only around 7% of all sales managers are capable of providing the kind of coaching that would help their salespeople become effective consultative sellers. Even some of the outside trainers and coaches aren't effective enough to move the needle on this competency. But there is more to this than meets the eye. Compare what happens with salespeople that are effective, versus those that are ineffective at consultative selling in the next image.

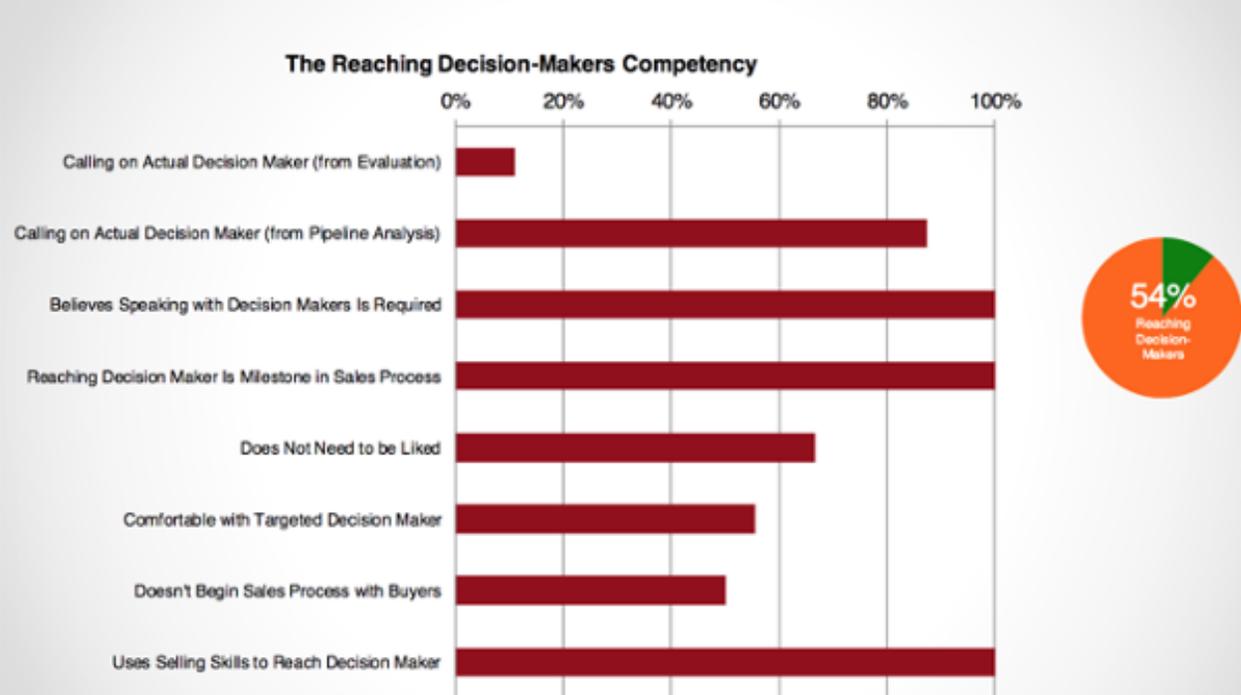


The 3 pie charts above show how effective salespeople are at uncovering issues by looking at 3 specific sales process milestones:

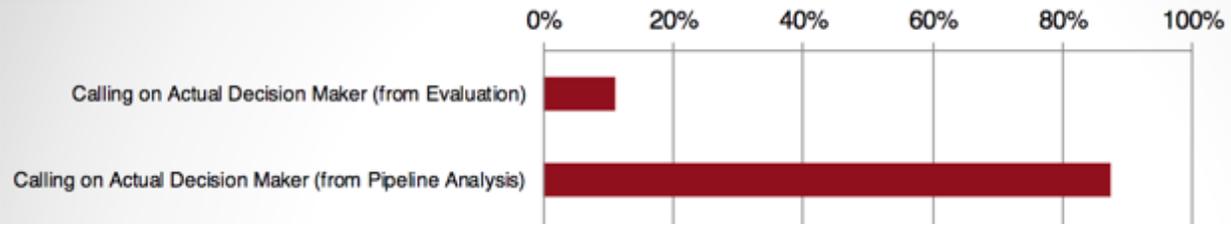
1. Whether reasons to buy are uncovered or not
2. Whether those reasons are actually compelling enough to buy or they only created interest
3. Whether the salesperson created enough urgency so that the prospect must buy or it was simply nice to have.

While 84% of these B2B salespeople are able to uncover business issues or reasons, only 33% are able to continue asking questions long enough to uncover compelling reasons to buy as shown in the second pie chart. There is an enormous difference between a business issue and a compelling reason to buy something to solve it. As you can see from the third pie chart, uncovering business issues leads to a condition where 73% of prospects find the offering is simply nice to have, while 12% of these salespeople leverage those compelling reasons to a condition where prospects must have the solution. There is a huge difference between nice to have and must have.

Review the bar graph shown below:



This is representative of most sales force evaluations I have reviewed for this white paper. This sales force averages 54% of the attributes for reaching decision makers but only 13% (green slice of the pie) are strong at this competency. The overwhelming majority of the salespeople believe in the importance of reaching decision makers and use their skills to attempt that. The first two attributes both show Calling on Actual Decision Makers but show contradicting data.



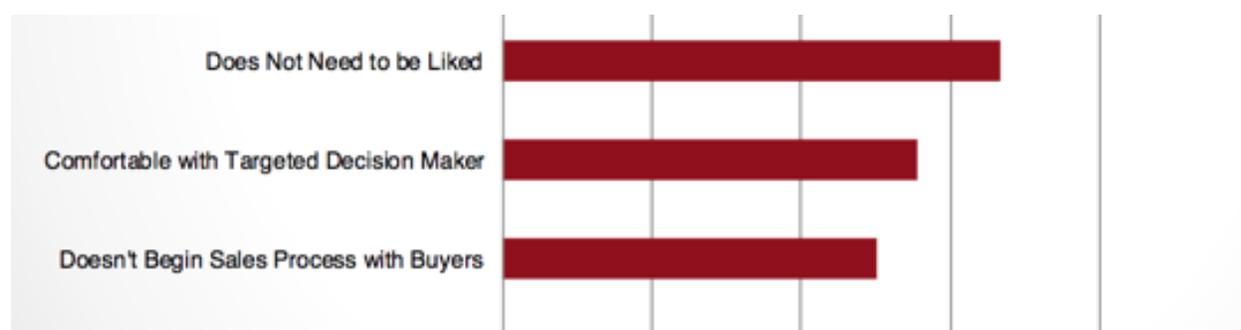
Salespeople identified 4 late-stage, proposal-ready or closable opportunities and were asked 19 questions about each of those opportunities. The second attribute shows that nearly 90% of the salespeople met with the actual decision makers on these late-stage opportunities.

The first attribute, from each salesperson's personal evaluation, shows that only 10% of them are reaching actual decision makers overall.

With two opposing data points, it is clear that when salespeople successfully reach the actual decision makers, opportunities move through the pipeline and reach the closable stage, often resulting in a win. However, **most** salespeople fail to reach actual decision makers and those are the opportunities that lose traction and/or result in a loss.

These salespeople believe that it's important to reach the decision maker, have that as a milestone in their sales process, have the sales skills to reach decision makers, but still fail to reach the decision makers.

In the graph below we can review three of the other attributes.



Half of the salespeople are calling on buyers at the start of the sales process. Why are they doing that? Nearly half aren't comfortable meeting and talking with the target decision makers, and a third need to be liked and can't push back on buyers who won't introduce them to or allow them to meet with decision makers.

Clearly, this is not the only problem that sales organizations are facing by a long shot. However, this data shows that if they could fix just one thing today, the consistent ability to reach decision makers would make a huge difference.

Fixing these problems is not simple. Reaching decision makers is made possible by having advanced listening and questioning skills in an effective consultative selling process, an ability to differentiate, and being perceived as a trusted advisor. Reaching decision makers is time sensitive in that the timing must be perfect to consistently succeed at getting the decision makers to engage.

Uncovering compelling reasons to cause prospects to believe they must have your solution requires advanced active listening and questioning skills, as well as Sales DNA to support its use. The best trainers, coaches and consultants who offer their expertise in this area agree that it will usually take 8-12 months for a sales team to make the transition from where they are today to the kind of selling I described earlier in this report. However, the return on that investment of time and money is amazing! When salespeople are finally able to sell in this manner, sales always sky rocket! Finally preventing delays can't always be avoided but more thorough qualifying makes a huge difference. The key is asking more questions. When you think you have asked enough, there are always a few more you can ask.

You can see what the data shows for all of OMG's 21 Sales Core Competencies by visiting <http://stats.objectivemanagement.com/>