

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

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

Table 8-1

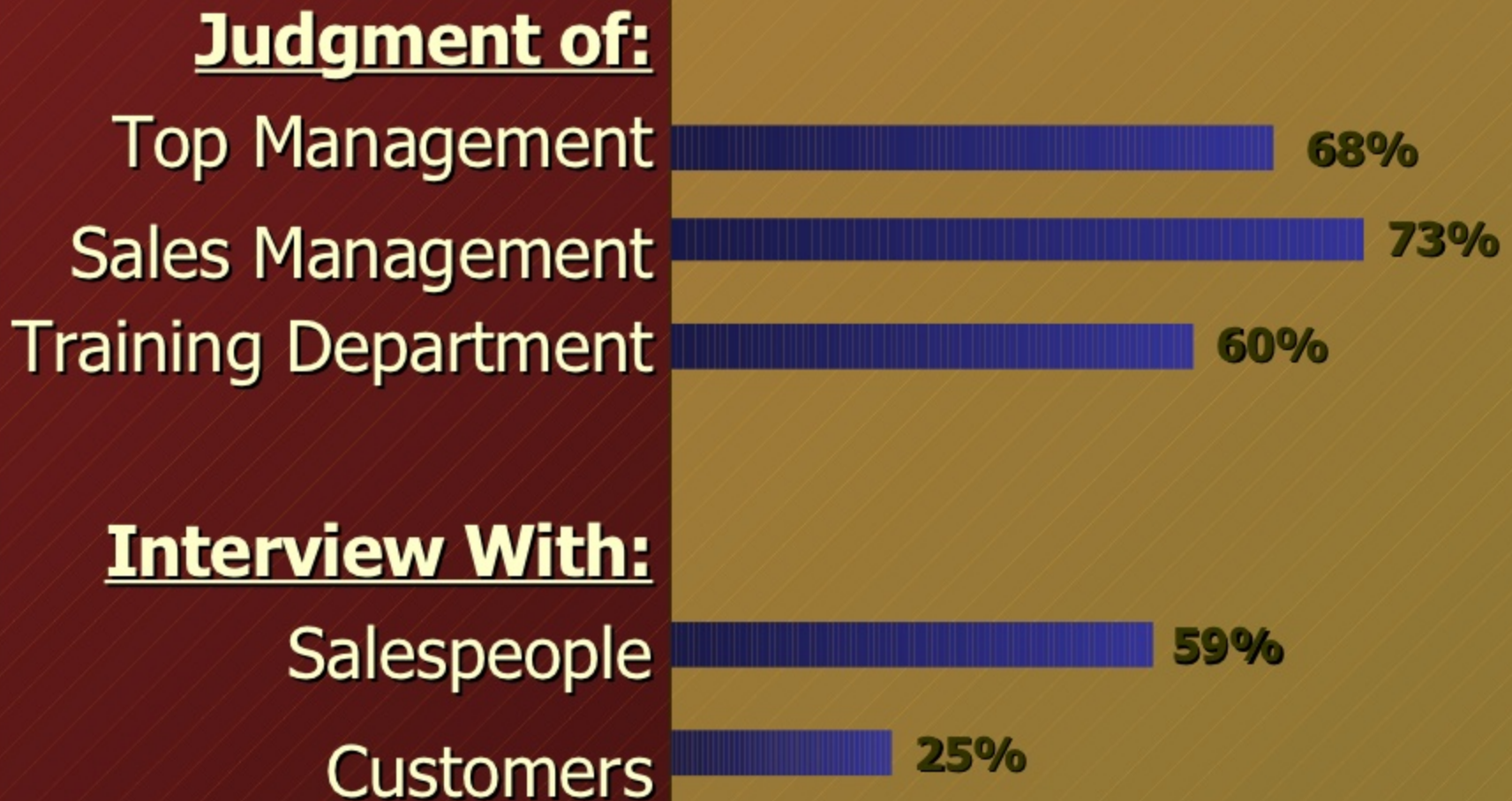
Cross-Tabulations from Company Records

	Average Order Size per Salesperson	New Customers Per Salesperson	Total Customers Per Salesperson
Experience			
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
Regions			
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



Other Measures:

Observation of Salespeople
Attitude Surveys



* 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

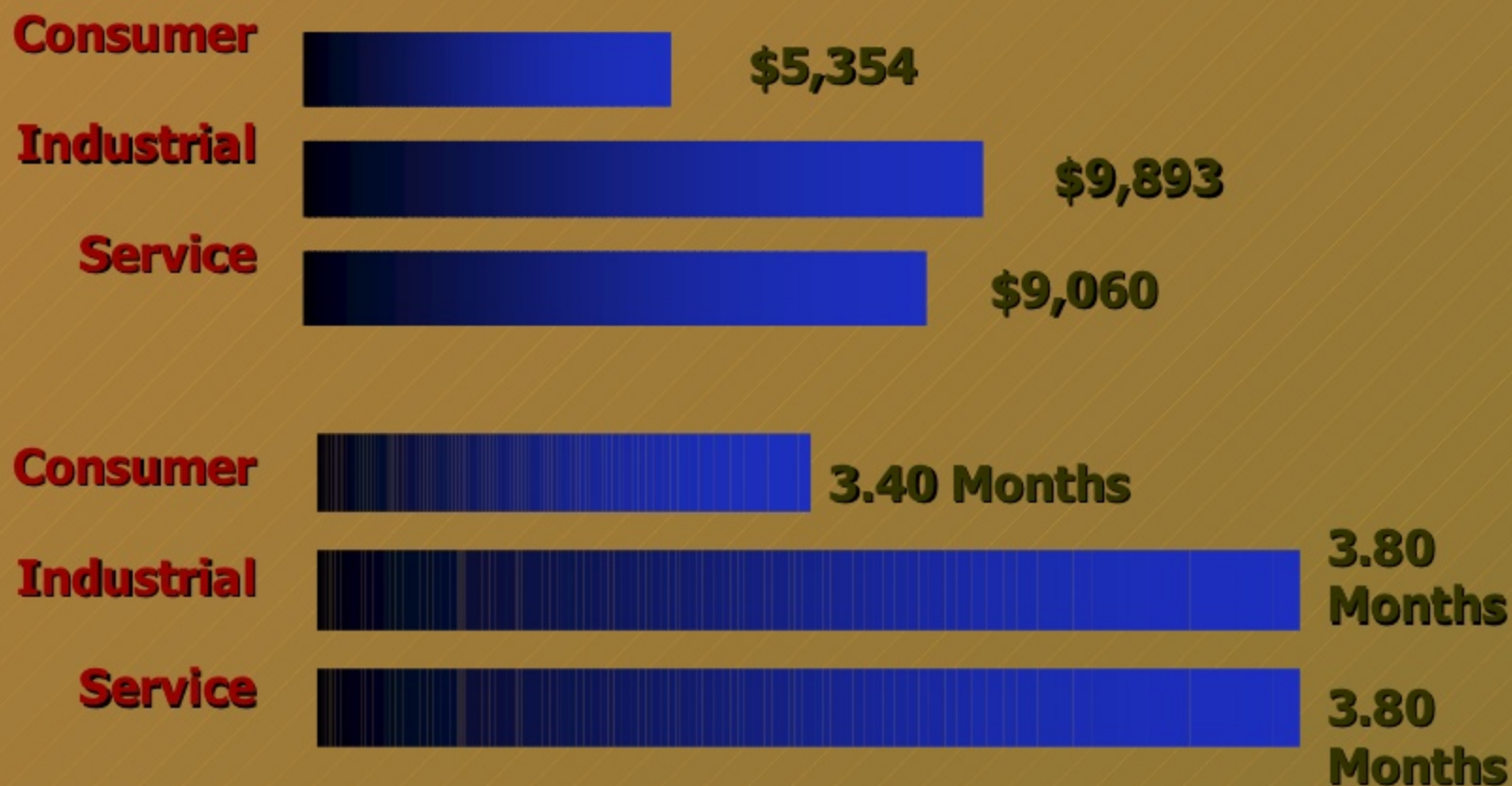
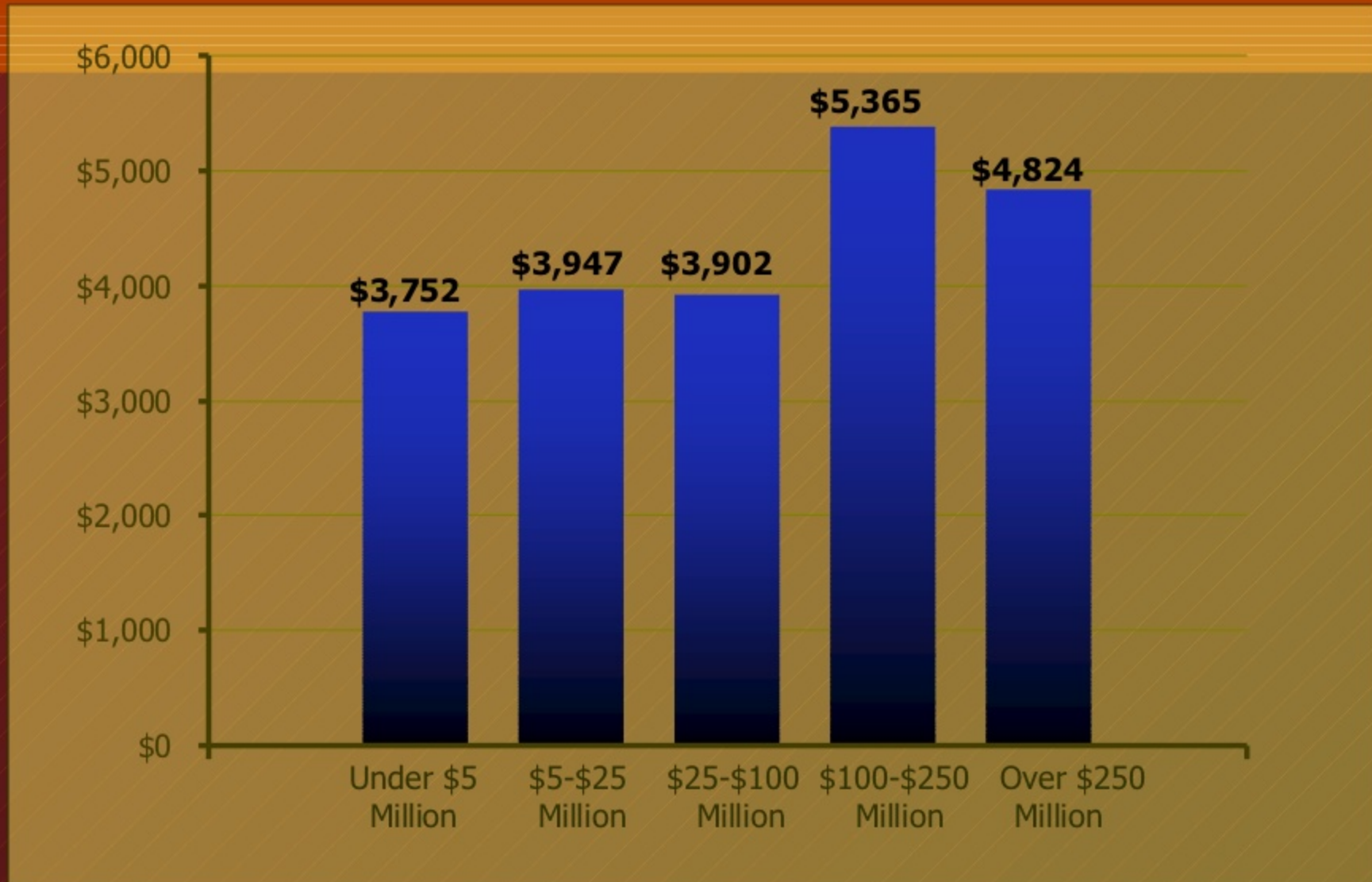


Table 8-3

Average Cost of Training for Veteran Salespeople

Median Spending



Company Size

What do you train on?

ALLOCATING TRAINING TIME

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

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.