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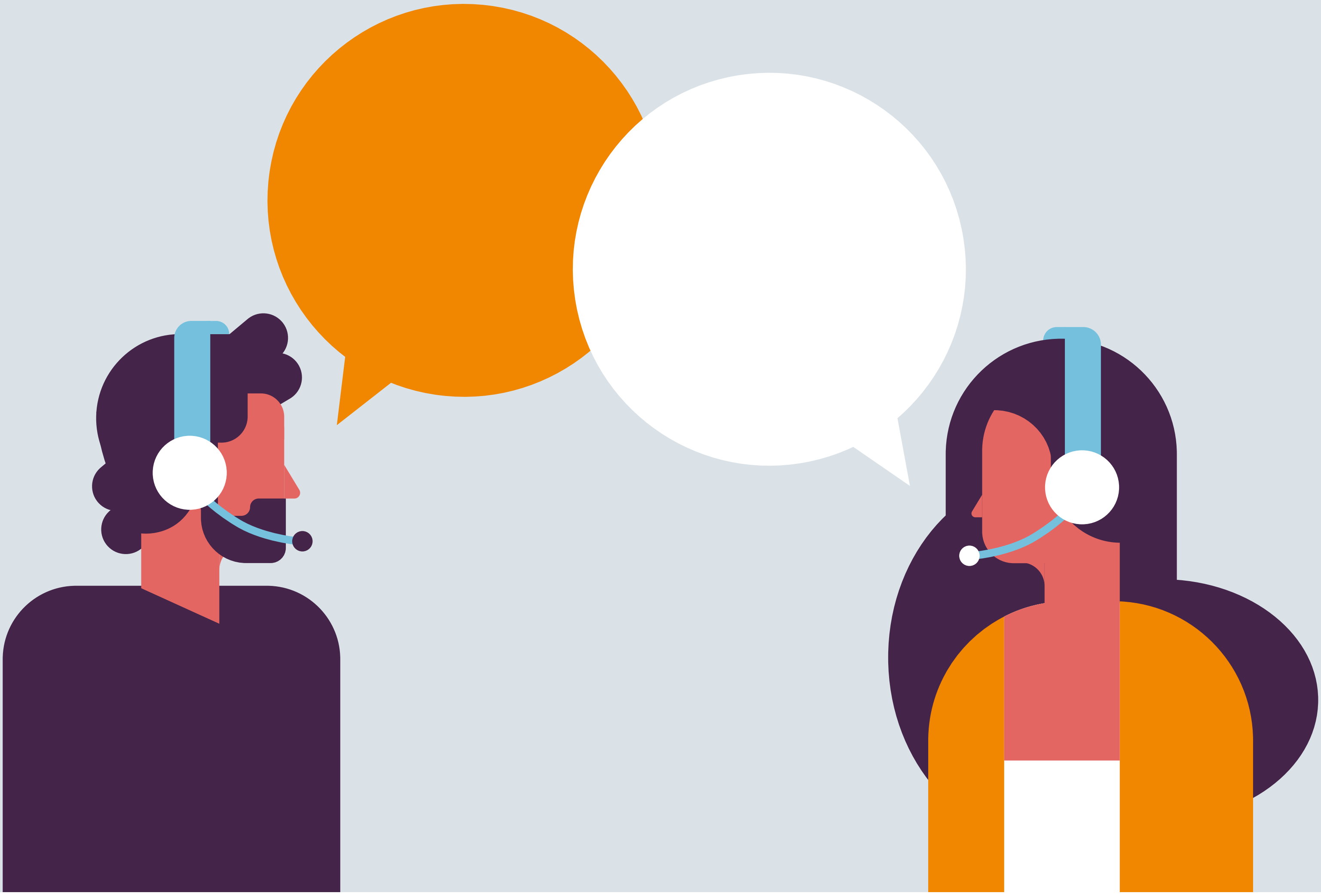
COACHING CULTURE

IS COACHING THE CRITICAL SALES MANAGEMENT SKILL? HOW TO CREATE AN EFFECTIVE COACHING CULTURE. TOTAL COACHING



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On the cover: Coaching culture

An effective coaching culture is what distinguishes many successful sales organisations from the also-rans. It is also the skill that differentiates effective sales managers from successful salespeople. In this edition, we provide an introduction to setting up a successful sales coaching culture based around three perspectives: 1) from respected consultant Bob Apollo; 2) from coaching expert and academic Claudia Filsinger; 3) from the practitioner – sales director at SKF, David Norris.

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Is coaching the critical sales management skill?

Bob Apollo

It's all about time, skills and mindset.

Successful sales managers must master a range of important skills. They need to make sure that they recruit the right people and help them to realise their potential, encourage their teams to follow and contribute to the organisation's learned best practices, ensure that opportunities are well-qualified, that pipelines are well managed and that forecasts are consistently accurate. I'm sure you can think of more.

But perhaps the overriding skill – if sales managers are to get the very best out of every member of their sales organisation – is their ability to coach, and their willingness to commit the amount of time required in the coaching process. I addressed some of these concepts in an earlier article "Establishing the Foundations of a Coaching Culture" in issue 7.3 of the Journal, and I now want to expand on some of the themes introduced there.

In particular, I want to focus on three areas:

- devoting the appropriate amount of time to coaching;
- acquiring the skills necessary to be an effective coach; and
- developing the mindset needed to be an effective coach.

What coaching is and isn't

Perhaps it's best if I start by defining what I mean by coaching. Coaching is not about telling salespeople what to do or (even worse, from a long-term performance perspective) taking over the salesperson's responsibilities: for example, stepping in and "closing" an opportunity instead of enabling the salesperson to win the opportunity for themselves.

These sort of interventions, whilst they might have a short-term positive impact on performance, do nothing to develop the long-term revenue-generating potential of the salesperson whose responsibilities have just been over-ridden. This is exactly the sort of distraction that prevents sales managers from investing the time they need to in high-quality coaching.

Coaching, from my perspective, is primarily about helping the salesperson to think clearly about the situations they are likely to encounter in their role, transferring practical experience to them, and equipping, enabling and encouraging them to take decisive and effective action. It's also about helping salespeople to learn from their own lived experiences and those of their colleagues.

It's my conclusion – and maybe yours as well – that the value of coaching is particularly high in complex B2B sales environments where the salesperson has to master a significant number of variables.

Coaching is not training. Effective sales training is an important and necessary investment for any ambitious sales organisation, but if the principles taught are not followed through in practice, the time and money spent will have been wasted. Managers have a critical role in enabling their salespeople to apply the principles they have been taught in practical, real-life situations on an ongoing basis.

Training without coaching is a wasted investment. But I'd also suggest that coaching in the absence of the reinforcing frameworks that well-designed sales training programmes offer is also likely to be ineffective.

Finding enough time to coach

Research by the Objective Management Group and others has demonstrated the clear positive correlation between the amount of time sales managers invest in coaching and the results they are able to achieve through and with their salespeople.

The most successful managers are, on average, investing between a quarter and a third of their time in coaching their salespeople. Unfortunately, the reported average time spent on coaching across the sales-management community as a whole is significantly less than this, and in too many situations falls down into single digits. Some never coach at all.

Sometimes managers need to coach on demand, often in response to a particular time-critical issue or opportunity. But the most effective managers also insist on regular cadences and set aside and schedule specific regular times for coaching.

You might think that allocating between a quarter and a third of your time to coaching is too much, given the conflicting demands on a sales manager's time. But if, as I believe, coaching represents your highest-impact opportunity to improve your team's performance, you may want to take a considered look at all those other demands on your time.

How much do those other activities contribute to achieving your revenue goals, and how many of those tasks and meetings could be simplified or eliminated in order to free up the necessary time? As a sales manager, you'll probably want your boss's support in eliminating value-sapping activities, in order to free you up to concentrate on what really matters.

> "
> *It's my conclusion – and maybe yours as well – that the value of coaching is particularly high in complex B2B sales environments where the salesperson has to master a significant number of variables.*

Acquiring coaching skills

Experience clearly helps. But far too many companies – including those that are actually investing wisely in a programme of training for their salespeople – fail to train and equip their managers in the key disciplines of effective sales management. This is a particular problem for newly appointed sales managers.

If you're a sales manager – particularly if you're a newly appointed manager or an experienced manager who recognises that they have room for improvement in this area – you should first explore whether your organisation currently runs courses that teach sales coaching skills.

If not, and if you cannot persuade your company to start running these courses internally, you should explore the growing number of "coaching for managers" courses being offered by enlightened sales training companies. If you can persuade your company to pay, all the better, but even if you can't, you should consider it one of most effective investments you could make in developing your skills as a sales manager.

Having the right mindset

I've explained that I believe sales coaching is primarily about helping each of your salespeople to think clearly about the situations they are likely to encounter in their role, transferring practical experience to them, and equipping, enabling and encouraging them to take decisive and effective action. This is as much about mindset as it is about skillset. As well as believing in the power of coaching, you also need to see it as an exercise in getting your salespeople to think more effectively, to identify and weigh up their available options, and to have the confidence to act upon their conclusions.

In return, this requires that you help them to evaluate situations with ruthless self-honesty, that they recognise and eliminate untested assumptions and that they take steps to fill in the inevitable gaps in their knowledge. It means allowing them to learn not from you but also from their peers and from their sometimes-hard-won experiences. Above all, in my view, it involves inculcating a respect for critical thinking and for dealing with situations as they really are rather than as they hope they should be.

Despite the temptation to step in and "save the day", you must avoid being prescriptive. If you want them to learn, you need to lead your salespeople towards the solution rather than giving them the solution as you see it. If they appear to be going astray, you need to nudge them back on to the right path rather than setting them on a rigid predetermined track.

Learning from them

My final observation is that coaching should not been seen as a one-way transfer of knowledge and experience. If you maintain an open mind, you are also likely to learn from the experience. You should encourage your salespeople to tap into the wisdom of their peers as well as seeking guidance from you.

And who knows? Your salespeople may well end up causing you to think differently. Everybody benefits from coaching, including the coach themselves.

About the author

Bob Apollo is the founder of UK-based Inflexion-Point Strategy Partners, the B2B sales effectiveness experts. Following a successful career spanning start-ups, scale-ups and corporates, Bob now spends his time as a coach and advisor to growth-phase technology-based businesses, equipping them to adopt the principles of Outcome-Centric Selling.

Creating an effective coaching culture

Claudia Filsinger

How embedded is coaching in your organisation?

> *A study found sales managers' motivation to coach was higher in organisations with long-term goals and behaviour-based performance measures.*

Introduction

In the past few decades, coaching has become an established professional learning method.

Some sales organisations have dedicated staff coaches, but leaders tend to underuse coaching to tap into the full potential and motivation of their teams. Frequently job ads for sales leaders include the requirement to coach; however, many feel underequipped, typically being offered only short coaching skills training but little continued coaching support. Many companies have the ambition to create a coaching culture, but underestimate the complexity and resources required to achieve it. This article explores best practices for creating an effective coaching culture and further gives recommendations on maintaining and evaluating it.

Let's explore the fundamental question first: does coaching work and is it worth investing in a coaching culture? The use of coaching has increased, complementing established learning interventions and the research evidence of its effectiveness is robust. A recent review of quantitative studies concluded that workplace coaching does show a good effect size and on a variety of job-related outcome variables, as well as on resilience, confidence and career satisfaction (De Haan, 2021).

These findings are mirrored by numerous qualitative studies. In the context of sales, leaders have observed increased win rates and revenue, improved forecast accuracy, and a talent-retention effect amongst salespeople being coached. Sales coaching studies have also reported positive coaching outcomes, such as increased productivity and growth (Chapman et al, 2020). Oliver Tate, VP for Revenue Enablement at THG Ingenuity confirms these research findings with his own observations: "Mooney and Brinkerhoff (2008) showed how ineffective 'sheep dip' training and development experiences are: we need effective support and reinforcement for any behavioural change to stick. The most effective development is coaching, though combined with a learning programme with agreed outcomes and a supportive manager we provide the best chance of success."

What is a coaching culture?

A coaching culture is defined as coaching being the predominant style of managing and working together, with the organisation's growth being embedded in growing people (Clutterbuck and Megginson, 2005). This understanding is aligned to contemporary leadership approaches such as servant and participative leadership.

Coaching assumes the coachee has the resources to find their own solution and the coach takes a facilitative approach. This is achieved through listening and questioning to raise self-awareness and critical thinking, tapping into best practices of how adults learn by using their motivation, playing to their strengths, and creating accountability.

Often leaders think they are coaching when they are in fact mentoring, meaning they pass on their own sales knowledge and experience. Both approaches are on a spectrum and sales coaching can contain an element of both, the skill here being the situational decision on what approach is most effective. The belief leaders hold about learning and their own potential to change influences their inclination to coach (Filsinger, 2016). Generally, the coaching potential in an organisation tends to be underused as it is a long-term investment in people development that has more potential to scale, yet takes more time in the short term.

Moving to a coaching culture is complex as it needs to be approached as an organisational change project aligned to organisational strategy, in order to increase the collective coaching capacity of the organisation (Lawrence 2015). Using a coaching culture model can help in identifying an organisation's current coaching maturity and identifying actions towards embedding coaching into the business. Clutterbuck and Megginson (2005) offer a four-stage model as a road map:

1. **Nascent:** coaching takes place but is often remedial in nature; not linked to business strategy; "nice-to-have"; mainly delivered by external coaches.
2. **Tactical:** 1:1 coaching used to contribute to performance; managers get coach training; coaching led by HR.
3. **Strategic:** managerial coaching is measured; coaching is main driver of performance; coaching widely used in teams and projects; peer coaching.
4. **Embedded:** Coaching used for organisation development; driven by senior leaders who seek feedback on their coaching; coaching is the way business is done.

The diagnostic of the current and desired coaching maturity stage of an organisation can be undertaken by inquiring into and setting actions for improvements based on whether:

- Coaching is linked to business drivers;
- Being a coachee is encouraged and supported;
- Coach training is provided;
- Coaching is rewarded and recognised;
- A systemic perspective of coaching is taken; and
- The move to coaching is managed.

(Adapted from Clutterbuck and Megginson, 2005.)

Coaching modalities

The most used coaching model is GROW (Goal, Reality, Options, Way forward) as it is easily learned by the coach, can be used for short coaching conversations or spread over a number of coaching meetings, and is solution-focused (Whitmore, 2017). For the delivery of the coaching, companies use one or a combination of the following modalities:

1. **Leaders-as-coaches** who use a coaching approach as part of their daily work, eg one to one or at team meetings.
2. **Internal coach pools** made up of volunteers who coach colleagues from other teams in addition to their day job.
3. **Full-time staff coaches** who are dedicated to coaching and are part of sales, eg in inside sales teams.
4. **External professional coaches** who are contracted for a fixed number of coaching hours to work on agreed coaching objectives with individuals or teams.

Which combination an organisation uses depends on organisational goals and business drivers the coaching culture is in service of, as well as available resources (see **Figure 1**).

Whatever the modality of coaching, it is critical to position coaching as a talent initiative to avoid it being seen as remedial. Further, offering training for internal coaches to develop essential coaching and reflective thinking skills is essential to equip them for building trusting coaching relationships and achieve successful coaching outcomes. Marie Louise van Deutekom, Head of HR for the Global Customer Organisation at SUSE suggests: "While the best results are obtained in teams where all leaders adopt a coaching style, results can be achieved whilst focusing on first-line managers first." The upfront investment required pays off, as the communication and thinking skills internal coaches develop are core leadership skills also benefiting customer interaction.

Maintaining a coaching culture

Leader-as-coaches are core to mature coaching cultures and sales professionals appear to like informal managerial coaching (Dixey, 2015). However, leaders of virtual teams generally have less opportunity for informal on-the-job coaching (Filsinger, 2016).

A study found sales managers' motivation to coach was higher in organisations with long-term goals and behaviour-based performance measures (Pousa and Mathieu, 2010). However, ongoing budgets for managing the coaching infrastructure, development and supervising of managerial coaches are often lacking – this is detrimental to maintaining a coaching culture.

Ethically, managerial coaching is the most challenging coaching context due to the requirement for managers to flip between a coaching and more directive performance management style. This can make maintaining confidentiality at an appropriate level challenging, but coaches can develop this skill with the help of an experienced coaching supervisor and through peer learning groups.

Evaluation

Organisations tend to do better with evaluating interventions they have funded with budgets, meaning external or staff coaches. Still, evaluating coaching delivered by leaders and internal volunteer coaches is equally important to get a full picture of the maturity of the coaching culture and to reveal potential issues: for example, research on mentoring has revealed the potential for learning relationships to go toxic.

Typically, the focus in measuring learning outcomes is on business results. However, these outcome-based, so called "lag measures" are often not controllable by the individual and would take complex research studies to isolate the effects of

	LEADER-AS-COACH	INTERNAL COACH POOL (VOLUNTEERS)	FULL-TIME STAFF COACHES	EXTERNAL COACHES
WHO?	Line manager	Colleagues from other business units/peers	Colleagues within sales	External coaching suppliers
TYPICAL COACHING CONTENT?	Sales skills, productivity	Any work-related topics, often developmental topics	Skills, productivity	Any work-related topics, often developmental topics
ONGOING ADMINISTRATION REQUIRED?	Evaluation	Matching coaching pair; tracking coaching; evaluation	Responsibility of staff coaches	Choosing & managing supplier; matching coaching pairs, agreeing coaching objectives with line manager; tracking coaching; evaluation
FORMALITY	Low-medium	Medium	Medium	High
POTENTIAL CONFIDENTIALITY ISSUES?	Medium	Medium	Medium	Low
COST	Time spent coaching, CPD and supervision	Time spent coaching, CPD and supervision	Coach salary, CPD and supervision	Contract fee
CONTRIBUTION TO CREATING COACHING CULTURE	High	Medium	Medium	Low

Figure 1: Characteristics of the four coaching modalities.

coaching. More viable measures are input activities, so called **"lead measures"** as KPIs. This goes for both the coaching input activities (such as number of coaching meetings, hours of coach training) as well as the quantitative job-related lead measures of the coachees (such as number of customer interactions and accuracy of related data).

Qualitative measures are also important as they influence the effectiveness of the interaction: for example, what is the quality of the coaching or customer interaction regarding communication, preparation, meeting management and post-meeting activities? With whom is time spent? Are coachees staying in their comfort zone or is the customer network expanding to important future stakeholders resulting in new pipeline?

The **topics discussed in coaching** are additional indicators of how the coaching culture is maturing. It is common practice for external coaches to share coaching themes with organisations whilst maintaining anonymity of the individual coachee. This is an impactful way to evaluate progress on organisational strategy and contributes to organisation development.

Kathrin O' Sullivan, a Silicon Valley–based executive coach with a sales background working primarily with senior leaders in the tech industry, recommends that "giving people permission to be vulnerable with managers can contribute to creating a coaching culture and growth mindset. A primary focus on sharing successes makes employees and leaders feel great on the surface, but it doesn't leave room for discussing what is hard or where people feel stuck. If people are encouraged to share their struggles with their managers they can get to the heart of their issue and co-create solutions that will allow reaping the benefits of a true coaching culture: more trust, better relationships that lead to increased employee engagement and retention, more substantial buy-in into the company's vision, mission and core values, and accelerated employee growth."

Therefore, to evaluate how the organisation is doing overall, coaching should be made part of **organisation development KPIs**. Marie Louise van Deutekom, Head of HR at the Global Customer Organisation at SUSE suggests: "Results in a sales organisation are of course reflected in the attainment of targets, but employee survey results from questions on manager support and effectiveness are a good additional source of evidence of success."

About the author

Claudia Filsinger is the Founder of Moving Maps Ltd, a business consultancy offering emerging experiential learning and coaching methods that change mental maps. As well as being a workshop facilitator and accredited executive coach herself, she also trains and supervises other coaches.

In addition, **self-reported qualitative measures** by the employees are important to consider, such as managing fear of failure, increasing confidence and self-awareness, as these are common factors impacting performance. Further, 360-feedback data from colleagues and customers on quality of communication, collaboration and behaviours in line with competency frameworks and organisational values are also useful qualitative KPI measures.

Conclusions

There is robust evidence for the effectiveness of coaching. Creating a coaching culture is a complex change process and should be approached as such. The coaching culture model is a useful tool to diagnose the coaching maturity of a company and to identify steps for increasing collective coaching capacity.

As coaching can raise ethical dilemmas, we saw that regardless of the coaching modalities an organisation works with, coaching infrastructure support is required. Ongoing coach development and support with individual and group-based reflective practice groups, as well as overall evaluation, maintain a coaching culture.

Offering a coaching development path for those especially passionate about coaching can be an employee motivator: for example, supporting internal coaches with accreditation by a professional coaching body.

Developing a coaching culture and the coaching capacity of employees are valuable for leaders and sales professionals working in the current context of high complexity and uncertainty, as it raises self-awareness, self-coaching and critical thinking capacity that benefits not just the organisation but also partners and customers.

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Learning through competition

Three perspectives on enhancing sales skills through sales competitions.

Introduction

The USA has led the way in developing and promoting sales competitions for university students. However, this dominance is quietly being challenged by the Europeans and universities across Southeast Asia. There are different factors at play around the world as well as alternative pedogeological approaches. This article discusses the challenges of organising a sales competition, recent research in the impact on students and observations about cultural differences.

Sales competitions are business-to-business role-play events, where an experienced industry buyer is matched up with a sales education student in a "live" interactive selling experience. Observing the interactions are judges from industry and academia. The "business case" may be imaginary or, more often, based on a real case developed from a sponsoring company. Students may be selling anything from software to recruitment services or even aeroplanes.

The success of the European Sales Competition (ESC) and South East Asian Sales competition (SEASAC) depends on cooperation between business and academia. This discussion is from just three seasoned stalwarts among the many hundreds involved in these events. They are: Dr Colin Mackenzie, previous head judge for the UK competition, a buyer and judge in the SEASAC and ESC; Johannes Reiterer, Competition Director for ESC 2020; and Dr Alexander Bauer, judge, buyer and co-researcher with Johannes Reiterer on the impact of sales competitions on sales students. All of these academic-practitioners have extensive sales backgrounds.

About the participants

Dr Colin Mackenzie, MSc, FHEA, is currently the press officer for the South East Asia Sales competition (SEASAC), an Erasmus + project, where he also has acted as buyer, trainer and judge. He has been a head judge in the UK Sales competition and has acted as a sales examiner. He has over 40 years' sales experience, is a director of several companies and a high-growth business consultant. He has written the online dissertation research and college articulation materials for Edinburgh Napier University and the sales training and coaching materials for the universities involved in the SEASAC project. He has been a regular invited guest on BBC radio on business and invited lecturer to a number of top universities. Dr Mackenzie holds a Doctoral degree in Business Administration, a Master of Science degree in Quality and Business Excellence and is a Fellow of the Higher Education Authority. C.Mackenzie@napier.ac.uk

Dr Alexander C. Bauer is a Senior Lecturer at the Wittenborg University of Applied Sciences (with locations in the Netherlands, Germany and Austria) and a board member of the European Sales Competition Association. He has more than a decade of international sales and management experience. Before he joined academia in 2014, he worked as an international sales manager, leading global sales teams and daily negotiations with customers and suppliers on a global level with business partners in North and South America, Europe and Asia. He studied Business Management with a major in Marketing and Sales in Germany and Estonia and holds a PhD. degree in International Business Management. Besides being a lecturer, he is also a Trainer for Presentation Skills, Rhetoric and Sales. His current research focuses on the utilisation of sales competitions in sales training and the personal development of sales managers. Alexander.Bauer@wittenborg.eu

Johannes Reiterer B.Ed. MA is the Head of the Master Programme Business Development & Sales Management at the University of Applied Sciences Wiener Neustadt. He teaches in the area of strategic marketing and sales management. He has experience in further developing study programmes with a focus on sales and marketing in the B2B area. Additionally, he is leading work packages of Erasmus+ projects and developed the first virtual ESC in 2020. Reiterer's professional background is in product management, market management and account management within the medical device industry. In research, he has a focus on sales digitalisation, sales psychology and value selling.

What are the challenges of being a sales competition director?

Johannes Reiterer: Directors of a sales competition are faced with various challenges. One of the biggest is to establish a realistic and challenging competition case study. The case requires development of a concrete and consistent storyline, generation of briefings for role-play participants, and the definition of clear rules for every competition round. Despite best intentions, and efforts, not everyone reads the rules!

However, an effective business case does have a huge impact on the students' learning experience. Buyers in the case scenario should be consistent; they should be thoroughly briefed about their situation and challenges in the buying organisation. This sounds simple but has evolved from previous competitions when buyers (some from a sponsoring business) have forgotten they are in a role play with beginners and can get carried away.

With hundreds of people involved, timing is also critical for efficient running. In sales you have to be punctual and efficient, which turns out to be a novel experience for some students.

What has your research on students discover so far?

Alexander Bauer: Before the pandemic, we conducted face-to-face interviews with sales competition participants to find insights around two main questions: 1) which sales competences can be trained via a sales competition, and 2) how can we best prepare students for a sales competition that gives them preparation for a career in sales?

After 217 minutes of interviews and 141 pages of transcript, we had some expected insights, but also some surprises. On one hand, training and participation in a sales competition helps students sharpen their strategic understanding of sales. By this, we mean the ability to understand the customer, the business situation, the customer background and customers' "pain". Furthermore, students claimed increased confidence in their communication skills. These included: listening skills, asking the right questions, improvisation, adaptation of different negotiation styles and more. Students acknowledged learning about different cultural approaches, the use of language and how to present. In our research, we expected that strategic understanding and communication skills would be one of the outcomes.

On the other hand, what surprised us was the mention of their personal attitude towards sales. Prior to the competition, students had a somewhat negative feeling towards sales; however, after the competition, they had a more positive attitude and interest towards sales. During their courses and participation in the competition, they realised that sales is a highly professional learnable skill (and the negative image they held came from non-professional salespeople). Furthermore, students identified with a positive attitude towards embarking on a sales career. Students also professed an increase in self-confidence. They realised that a job in sales is something they might enjoy.

Johannes Reiterer: Our research has also shown that, to reach this positive attitude, training, education and preparation of the students is a key component. It was no surprise to have research confirm that, the higher the quality of the training and sales education prior the competition, the more likely it would be for students to have a positive experience during the event. Many planned to enter more competitions in the future.

What about the cultural differences between students?

Colin Mackenzie: The emphasis in the European and South East Asian competitions is on the overall personal development of students, rather than pure competition. When we had students over from the USA, you could see they were here to win: very polished. However, they often came across by British standards as "pushy" and in a real-life scenario would certainly turn off a number of British buyers. When you watch students from different nationalities in these competitions, not only do you have individual differences, but cultural differences at play. It's fascinating, not only to see students perform, but to hear how the different judges from all over the world interpret these performances.

Alexander Bauer: As a buyer in sales competitions, you are challenged by different styles of negotiations. Students have different cultural backgrounds and different levels of support; this combines to present you with many different approaches. Some students manage their new skills effectively; others might use it in a more amateurish way. As a competition buyer, you must be adaptable.

Some students come straight to the point, especially German and Austrian students (sorry, my fellow citizens); they often see no reason for a "warm-up" with their client. On the other side, some students with an Italian or Spanish background (sorry, again!) have problems to move from their small talk to the business talk. I would not like to spark any prejudices we might have towards cultures; however, it is clear there are differences in communication styles and approaches.

The use of English as the language in international competitions offers ample opportunities for misunderstanding. When a Brit tells a German, "This is a very brave proposal" then many Germans might just understand, "good proposal, challenging but good". However, the British might be trying to tell the German, in a polite way, that the proposal is insane!

From the buyer, and, from the judge's perspective, a closer look into cultural differences and overcoming potential language misunderstanding in sales training and education would be beneficial.

How did the pandemic affect competitions?

Colin Mackenzie: During the pandemic the competitions moved online, and a number of interesting observations can be made which are relevant to B2B sales in general. What I had not fully realised is that across Southeast Asia there is are huge differences in internet quality. This has consequences for video meetings when you are trying to build rapport. One of the big software meeting formats was abandoned as "too unreliable", especially if it rained in some countries – and in certain Southeast Asian countries it can rain a lot!

Alexander Bauer: Moving sales competitions online was quite a challenge. On one side, sales competitions are not just the sales interactions, but a lot of meetings and socialising outside of the sales competition activity. In an online setting, this is more problematic. However, some students later connected with each other as well as with the buyers and judges via social media. On occasion students have also approached the judges and buyers for detailed feedback on their performance.

The online setting itself seemed to me, both from the perspectives of a judge and as a buyer, more distant. Students came to the point faster, which can be seen as positive and negative at the same time. The online setting showed us that an online sales talk is possible and certainly an important element for the future. However, from a personal perspective, we humans are "social animals" and therefore, we would like to socialise; a sales talk is much more than just a business talk.

Online sales talks are here to stay, but most likely as a blend between meetings in the real world (especially for new business development) and online settings (perhaps as follow-up meetings and discussion about existing business). I tend to consider an online setting as a substitute for the good old telephone sales call, but not as a substitute for the sales meeting itself.

What about the future?

Colin Mackenzie: The attributes of sales competitions are wide and varied. They offer academics, students and business participants opportunities to develop or even just mingle with like-minded people. Many businesses and not-for-profit organisations will admit to a dire need for professional business development people, and those that come through the university process will fit the need that some organisations have for a graduate sales force. Businesses looking to recruit potential sales student graduates should contact competitions directly and perhaps save some recruiting pain. Sales competitions are superb learning opportunities for everyone involved and great fun.

Snapshot

BRAND ETHICS

ETHICS IS AT THE TOP OF THE AGENDA ACCORDING TO A RECENT SURVEY OF 1,023 UK CONSUMERS*:

- **87%** OF RESPONDENTS BELIEVE **BRANDS SHOULD BE HELD ACCOUNTABLE FOR THEIR ACTIONS TO CONSUMERS,** WITH **OVER HALF FEELING STRONGLY** ABOUT THIS.
- **73%** OF THOSE SURVEYED SAID THEY OFTEN OR SOMETIMES **GO OUT OF THEIR WAY TO ENGAGE AND BUY FROM BRANDS THAT ARE CLOSELY ALIGNED TO THEIR PERSONAL VALUES,** SUCH AS BEING MORE **SOCIALLY AND ENVIRONMENTALLY RESPONSIBLE.**
- **40%** PERCENT HAVE ACTUALLY **STOPPED USING BRANDS** THAT **DON'T ALIGN WITH THEIR VALUES.**
- **52%** OF PEOPLE SAID THEY **THINK ABOUT WHETHER THE BRAND THEY'RE BUYING** PRODUCTS OR SERVICES FROM **SUPPORTS** THE **ETHICAL ISSUES** THEY FEEL STRONGLY ABOUT.
- **49%** OF RESPONDENTS WOULD **SWITCH TO BRANDS** THAT ARE **MORE ALIGNED TO THEIR ETHICAL VALUES.**
- **46%** SAID **BRANDS SHOULD BE DOING A LOT BETTER** WHEN IT COMES TO **BEING ENVIRONMENTALLY RESPONSIBLE.**
- **25%** SAID THAT **ENVIRONMENTAL ISSUES** WERE THEIR **NUMBER ONE REASON FOR CHOOSING A SERVICE OR PRODUCT** FROM A BRAND.

* Toluna's Global Consumer Barometer Study is a regular index that taps into a panel of 36 million plus members to provide accurate and timely information on the world's current perceptions.

Character to lead

Nick de Cent

We interviewed Kelly Garramone and Phil Styrlund to understand how character is a key driver of organisational success in sales. They explained how sales organisations can take part in some ground-breaking research that will drive performance.

> *"Character is an individual's unique combination of beliefs and habits that motivate and shape how they relate to others.*

What is character science?

Pioneered by Dr Fred Kiel (amongst others), character science is a new field of study that was born out of the question of whether there is a measurable, predictable relationship between the character of leadership and the results that they deliver to the organisation. That starts playing to all sorts of other questions like, what do we mean by character, and can you change character?

What is the definition of character?

The definition of character really comes down to the experiences and habits each of us have that influence and drive the way we interact with others. It doesn't just apply to work, but it could be in any part of your life.

"Character is an individual's unique combination of experiences and habits that motivate and shape **how they relate to others**."

What's important about that definition is that it tells you what it is and, at the same time, tells you what it isn't. It's most decidedly not your personality – which is good news. If it's not your personality (which is pretty unchangeable), this means that, if you end up learning that your character is not being very productive for you or your organisation, then you have a way of modifying it or growing it.

Why is character important?

Our research shows that character is the single most powerful predictor of an organisation's total performance. It determines the senior team's ability to execute on decision making, engage the organisation around their vision, realise their strategic focus, and instil a culture of accountability.

We say that it's the return that you get on your character, because we have the evidence to show that, when there is a high character leader at the beginning of the chain, all the rest of these skills are quite strong. And they result in almost a five times difference in profitability when you look at the strongest versus the weakest in our study, plus much stronger workforce engagement, and lowered corporate risk (**Figure 1**).

We saw that there were certain people who were getting much stronger results with these higher character scores. We have been figuring out what made the difference: we looked at leaders' character habits and the ways that they interacted with others. We tested more than 300 very specific behaviours and

> “If you’re going to spend one minute, one hour, one pound on your development, spend it on your character habits, because it’ll make your skills more accessible to others and lift your skill profile as well.

got it down to 27 on the character side that were most correlated with stronger business outcomes.

We found that people who had a high-character reputation were thought to be almost 20% more skilled than those who didn’t. They weren’t actually more skilled, but they were believed to be more skilled. So that tells us, if you’re going to spend one minute, one hour, one pound on your development, spend it on your character habits, because it’ll make your skills more accessible to others and lift your skill profile as well (**Figure 2**).

What are the key components of character?

There are four key components of character – integrity, responsibility, forgiveness and compassion – identified by early researchers such as Dr Kiel (**Figure 3**). People who have strong responsibility and create cultures that take responsibility end up having their employees and customers have a lot of confidence in them. We built off the idea of a “keystone habit” to ask, “Now that we know about all these relationships with these habits, how do we help you identify your ‘keystone for growth?’”

Surely, most leaders want to have a good character.

There’s a difference, more often than not, between your intent – who you know yourself to be--and your reputation. Now, when there’s a difference between the two, the question is, why don’t other people know your positive intent? Why aren’t other people experiencing that good positive intent? What’s getting in the way? What’s missing? What we found is that when we approach people that way, and ask that question, why don’t they know you well enough, then they’re like, yeah, why not? Then they’ve rushed toward wanting to solve it, rather than feeling shame, or procrastination, or anything else to avoid it. What we’re trying to do is help your good positive intent match your reputation – that’s when the value really takes off.

Initial character research has been focused on CEOs, the wider business organisation and corporate results, so what is its specific relevance to sales?

It’s very relevant both to selling and to sales management. We’re taking that same taxonomy that has been articulated around CEOs, and now bringing it into sales. We’ve taken those four keystone character habits and intersected them with the four key sales mindsets from Dr Phil Squire’s research: **authenticity, client centricity, proactive creativity,** and **tactful audacity**. What we’re doing is trying to distil what are the keystone sales behaviours that are most linked to customer engagement, customer and company commitment, and overall sales results.

Our latest research is going to provide a new lens for sales leaders around developing themselves as leaders and developing their people in the frontline. We aim to identify exactly what these specific sales character habits are so they can be coachable and scalable (**Figure 4**). This is bringing hard science to what has typically been a soft topic, so we can answer these three questions:

1. What are the unique character habits of virtuoso salespeople that accelerate performance?
2. How do you scale these behaviours across your organization?
3. How can sales use these insights to create a differentiated customer experience?

Figure 1: Return on character.

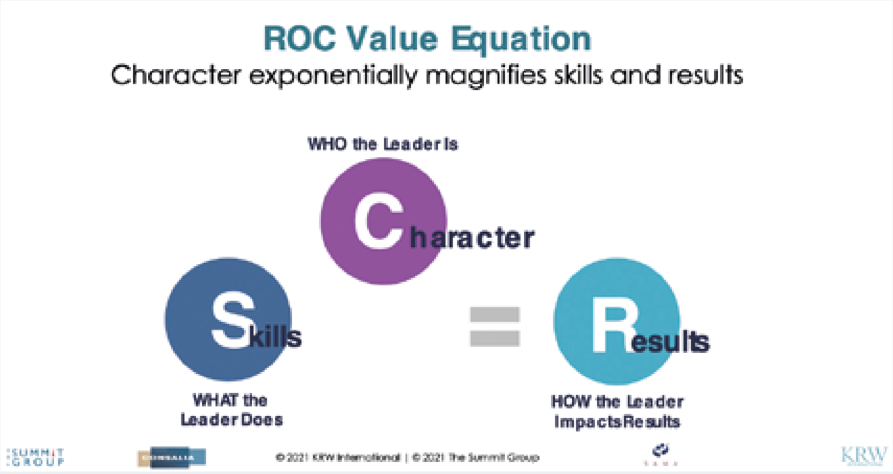


Figure 2: Character amplifies skills.

Figure 3: “Keystone” character habits.

Kelly Garramone

Phil Styrlund

Figure 4: Investigating keystone character habits for sales.

It's important because character brings some moral rigour to the globalisation of the sales profession. Moreover, character is the fuel of trust – and trust is the fuel of sales. It's very simple: top talent wants to work for high-character people. I always kiddingly say to sales leaders (it sounds simplistic), but would you want to work for you? That question matters a lot in today's labour market, shall we say.

How do you plan to take this forward? I understand that there's a new research project that sales leaders can take part in.

We're looking for individuals to take part, and also for organisations to bring us some cohorts of at least eight people.

Individuals: Each individual who participates will get two reports. They'll immediately get a report that is benchmarked against our current executive management data. Then we'll give them a second report when all the sales data are collected and re-benchmark it. This will provide fresh insights for them really targeted for sales. It also includes some of our predictive analytics to help them figure out which are the top two behaviours to focus on to achieve a keystone effect to enhance performance. So, for individuals, just in exchange for your time and effort we will give you these reports – it's free.

Organisations: If organisations would like to get some kind of aggregate view of what it looks like in their sales team, we need a minimum of eight participants so that we can offer anonymity and confidentiality for them. If they can involve as much as 10% of their workforce, then we can really be predictive about what we see in the culture of their workforce. The fee for that is extremely nominal: for eight to 25 individuals, it's $2,500.

How do you sign up for the research?

Visit **https://return-on-character-for-sales.teachable.com/** or scan the QR code below.

Once you've collected all the sales data, what next?

We're working with SAMA, the Strategic Account Management Association. We'll produce a "state of the nation" report for each company. On the developmental side, our goal will be to hopefully publish a book focusing on Return on Character for Sales.

Character case study – "Daniel", sales leader, financial services

Daniel was the CEO of a small financial services subsidiary. He had been the CEO for three years. Originally the business unit had grown substantially due mostly to Daniel's own sales performance. However, market conditions had changed, and growth was stalled.

Daniel's boss said: "Daniel needs to move up to the next level – from being the best sales guy to being the leader of the best sales guys."

On meeting Daniel, he was clearly not having fun. He was feeling the stress of the stalled growth of his unit. His answer was to work harder, to sell more if he could. This had been his "winning formula" for several years, but now he was finding that it wasn't working so well. He had hit a wall.

He had a mantra of "I can't ask anybody to do anything I'm not willing to do myself" and "I can't ask you to work harder than I'm willing to work." That worked fine to get the flywheel started but wasn't the way to keep it going.

We surveyed and interviewed his team plus several individuals lower in the company. The results of the survey and interviews were presented to Daniel in a lengthy insights session. The data were not pretty: his team were about to jump ship. They said that Daniel was never around, always on the road. He hadn't really provided any leadership to his team. The results of the survey showed that almost everyone in the company thought that Daniel didn't care about them: his only interest in them was to help him drive sales upward.

After a period of self-reflection, Daniel realized that he was not living in the way he thought of himself. He intended to treat people as people – not production units. We applied our predictive analytics tool to help him identify his "keystone focus" and from that to choose his "keystone habit". The tool predicted that, if he focused on developing new habits based on the keystone focus of caring about people and their personal goals, his whole organizational performance would change.

This led him to do a number of things. First, he went public. We facilitated a team meeting at which he came clean: he showed the team his survey ratings and spoke from the heart about how this was not how he wanted to be seen. "I really do care about each of you." Then he asked for their help. At that meeting, you could tell that his people were sceptical. The rest of the meeting focused on his vision for how the company would grow and asking for each of his team member's input and ideas. By the end of the meeting, they had the outline of a plan for growth.

This clearly meant that Daniel needed to travel less and instead spend time helping each of his team members with their goals – personal as well a professional. He began holding weekly one-on-one meetings with each of them to discuss their goals. He identified dozens of key relationships he had with the firm's customer base and began to hand these off to his individual team members.

His new habit of "focusing on each team member's individual goals and needs" really energized everyone. The team began on a monthly basis to assess their results against the goals they had established as part of the vision for the new company.

It worked (**Figures 5 and 6**).

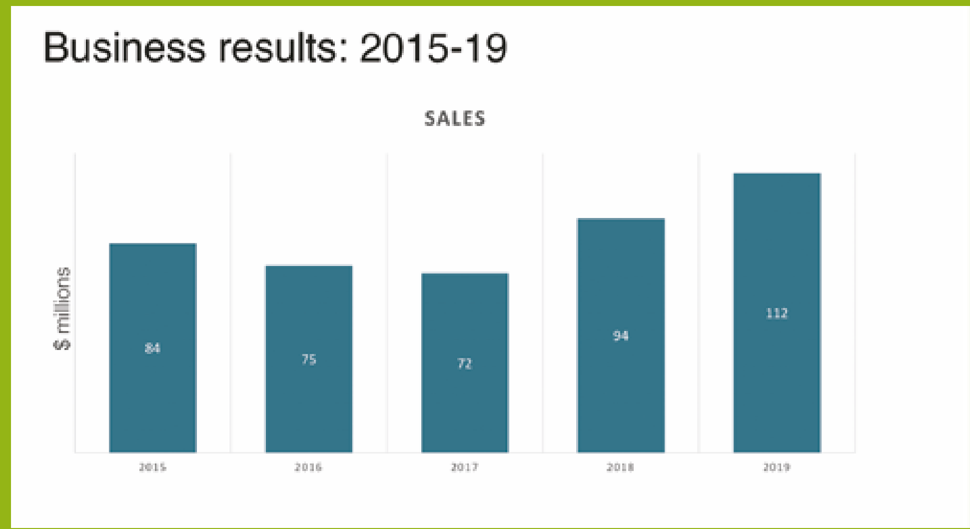


Figure 5: Sales were dipping but then climbed after the change in approach.

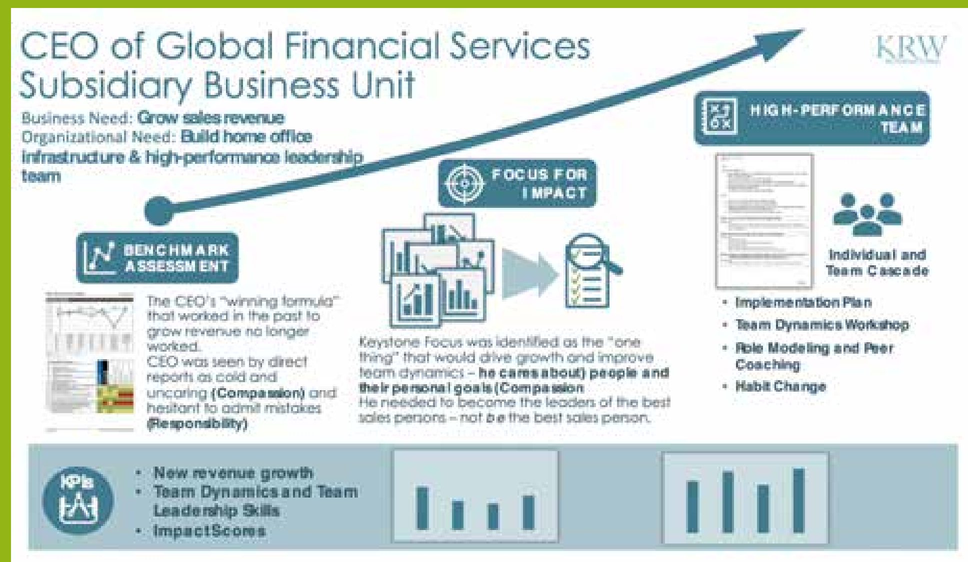


Figure 6: How character drove success.

TOTAL Coaching

David Norris

Developing and implementing a coaching culture within a sales environment to effect real transformation in coaching across your organisation.

Abstract

Within sales organisations the value and importance of coaching is acknowledged as a key element to the continuing success of the business, including the development and retention of employees in the organisation. In recent years, the importance of this aspect, along with the need for developing the focus on "manager as coach" has also significantly increased. This project is based on empirical research, with the objective of identifying key areas for sales organisations to build a more effective coaching culture. An additional element of this work is to provide increased clarity and understanding of the importance of coaching in a sales environment and to identify the key levers to influence a real transformation in developing a coaching culture within the sales arena. This research activity has been undertaken within my own organisation and wider sector, involving sales professionals external to my business and with input at all levels of the organisational structure to bring as wide a perspective as possible.

A methodology of Action Research and Critical Realism (Coghlan and Brannick, 2007) has been utilised. Research findings, using thematic analysis based on the Six Phase Approach (Braun and Clark, 2006) was the data analysis tool used to identify and establish the key themes. Identification of five specific themes of Trust, Organisation, Time, Accountability and Leadership, summarised with a defined acronym message of TOTAL *Coaching* are highlighted. The output of this work provides recommendations on areas of focus to begin to develop and improve the coaching culture within sales organisations.

Throughout my career in sales leadership with SKF, the Swedish-based world leader in supply of bearings, seals and rotating equipment solutions, I have considered the importance of continual improvement in individual and team performance to be a fundamental element towards success. Having held various senior sales management roles at local, international and global levels, this has given me the opportunity and the experience to observe differing ways of coaching across the business and my wider sales profession.

Why do we need to develop coaching?

The development of effective coaching activity within any organisation is a key and essential initiative that can have influence on many aspects of team and business performance. An acknowledgement of this comes from The Conference Board CEO Challenge (2016) Survey. This confirmed that attracting and retaining top talent along with developing the next generation of leaders are the major concerns of global CEOs. These are all areas that can be addressed by effective coaching.

The development of coaching activity and a coaching culture can be considered among the most influential factors in the continuing success and development of a business and its people. Research by the Korn Ferry Institute has confirmed that most businesspeople rate coaching and its development as among the top three most important needed leadership competencies Cashman (2017). In Manager as Coach, Filsinger (2016) it is emphasised that effective coaching contributes to increased performance, staff development, employee retention and enhanced achievement of organisational goals. Furthermore, within the business environment, Google has stated within the findings of Project Oxygen, that one of the most important competencies that separates highly effective managers from average ones is coaching (Tran, 2017).

Business leaders now have an increasing awareness of what professional athletes have always known, that having a coach produces better results as described in *The Power of Positive Coaching* (Colan, 2018).

> *All interviewees considered the importance of coaching to be extremely high.*

Considering the messages that are delivered on the importance and need for coaching, I wish to explore and understand what key areas need to be addressed within my organisation to fully develop and implement an improved coaching culture to effect real and meaningful transformation across our business in this area. Within this, I believe that it is essential also to establish why, when the need and importance of this area is so clearly articulated, do initiatives and programmes in this critical area invariably not deliver the expected improvements or the needed transformation.

It is now for my research to define the areas that can address this challenge and fully release the potential within organisations. It is also of importance for individuals to consider how they can be the best instrument for an organisation's coaching ambitions as proposed in the book *Coaching Skills: The Definitive Guide To Being a Coach*, Rogers (2016, p.286).

Aims and objectives

I defined the following aims for my research work:

1. Provide clarity of understanding for all on the importance of coaching within the organisation and respective leadership roles.
2. Create an effective definition of the organisation's ambitions in coaching that can outline the strategy clearly.

In addressing these aims, the outline objectives to be achieved are as follows:

1. Understand the current view across the organisation and use this to explore the indicators and conditions of a coaching culture within the organisational context.
2. To identify why the organisation has not yet fully developed in this key area, and more importantly, what needs to happen to address this.
3. Identify and establish the key levers to really effect a transformation in developing the coaching culture and mindset

Research questions

The aim of my research project is two-fold. First, to explore and understand the coaching activities that currently take place in my organisation and their significance. Second, to raise awareness of the importance and value of coaching and the benefits developing a coaching culture can leverage. In doing this I needed to understand more of what this means to the sales leaders and identify why this is such a key area for the business and colleagues.

To achieve this, I defined the following key questions:

1. *How important do you believe delivering effective methods and coaching principles are to our future success?*
2. *Based on your view in Question 1 can you define three factors why you believe important or three factors why you consider less important?*

These initial questions provided a base-line temperature check towards the importance of developing coaching, while also giving an initial view on identifying why this is seen as important.

3. *How effective do you feel we have been in developing coaching across our sales organisation?*
4. *Based on your view in Question 3, can you define three factors why you believe we have been effective or three factors why you feel we have been less effective?*

These questions were posed to begin to establish a current view on the effectiveness of coaching across my own and wider organisations.

5. *What areas of our way of working do you feel have limited your and/or our effectiveness to introduce coaching activity across our business?*

The ambition within this question was to identify possible roadblocks that have perhaps existed and limited the effectiveness in developing progress in coaching.

6. *How can the organisation enable you to more effectively coach your team?*

The purpose of this question was to highlight what needs to be done to support sales leaders in their coaching ambitions. This point is important as it can contribute to identifying possible common themes across our sales areas.

7. *What would you like to see done differently to further support our plans to develop a more effective coaching?*

This was a key question for my research. It is critical to define what we need to change and improve, to extensively develop our plans in this area. The feedback on this area can ultimately outline key areas of focus for future development.

8. *When was the last time you either had a coaching experience or event with a member of your team or line manager?*

Within this research question I have an interest to understand from interviewees when they themselves last experienced coaching activity to offer a guide to the level of engagement from those involved.

Literature review

A few authors (Whitmore, 2009 and Parsloe, 1999) emphasise coaching as a progressive and contemporary part of a manager's role and approach to leading a team. In the book titled *Leadership Challenge* by Kouzes and Posner (2017, p.242) it is highlighted *"you need a competent and confident team and that team needs a competent and confident coach."* This thinking and its importance are further emphasised in the book titled *Coaching Skills*, Rogers (2016, p.286) where it is stressed that as a leader in coaching, *"you have to learn the techniques in order to discover where they fit into real learning and change."* To add to this, Colan (2018) explains that the application of a consistent approach to coaching is fundamental to leadership excellence today.

Supporting the importance of these messages there is no shortage of available models, structures or programmes to develop coaching activity and competence in this area. This detail can range from my own organisation's focus provided by Focus Talk Discussions, to the principles of Grow and T-Grow (Whitmore, 2017), or wider to the U Process and structure as defined by Keller and Schaninger in Getting Personal About Change (Mckinsey, 2019).

What I consider is missing from the message in these models is that in developing your coaching skills it is not the case where one coaching method or structure fits all.

Grant (2017) suggests that coaching is a personalised rapport-based activity or conversation to focus on enhancing both the performance and well-being of an organisation and its members. More emphasis needs to be given on finding a way of developing individual competence for the coach and the coachee to use effectively in creating this personalised activity.

From this the focus of my literature review is not in itself to consider the various models and activities to use in developing coaching in an organisation. It is more to explore the proposal by Finkelstein, (2018) that exceptional leaders routinely spend more time with employees, passing on skills,

> *There is a need for strong and structured leadership that helps the individual be the best they can be.*

tactics, principles and, importantly, life lessons and in doing so they learn what to teach, when to teach and how to make this teaching stick.

Also, the need to understand what lies behind the values and beliefs of sales leaders in delivering coaching within organisations is a further element to be developed here. The suggestion that sales leaders may want to drive sales "*at the expense of the motivation and engagement of the individuals who go out to sell on a day-to-day basis*" as detailed by Coleman (2019) needs to be understood and more importantly addressed further.

Leadership/change management/mindset to effect transformation

Within my own organisation the need to show leadership in this area is clearly identified as being of high importance to our business. In considering the needed leadership and development to a coaching culture within an organisation perhaps the message that "*Mindset change is not about picking up a few pointers it's about seeing things in a new way*" (Dweck 2006, p.254) needs to have greater consideration to support the ambitions of many organisations in their plans going forward in this area.

In achieving this needed mindset, some specific key areas need to be addressed and challenges overcome to bring about a real journey of transformation. The importance of addressing this aspect is emphasised in the book titled *Sales Coaching: Making the Great Leap from Sales Manager to Sales Coach* (Richardson, 2009) where the level of sales coaching in an organisation is defined as a barometer of its sales culture.

In challenging this thinking do sales leaders really see this point as a measure of sales culture or is sales culture simply down to the delivery of a bottom-line sales result? Reflecting on the view proposed by Richardson (2009) perhaps we begin to identify why challenges exist in fully developing coaching transformation within a sales environment and sustaining them.

It's also clear that in delivering any change initiative there is a strong leadership need to address possible organisational silos and deep-rooted thinking that may exist across sales operations. The Collaboration Principle (Ricci and Weise, 2011) highlight these aspects and in addressing them a strong competitive advantage can be delivered to your organisation. Furthermore, it is also emphasised by Ricci and Wiese (2011) how you lead people through change has a direct impact on your plans. While this view can be considered highly simplistic, I consider this a key learning point for organisations on their journey to a more focused coaching culture given the personalised nature of coaching activity.

Within the scope of my literature review it is also important to consider the influence of change models and structures and how they can be used in developing collaborative change in coaching. Within my earlier research work, Lewin's Force Field Analysis (Lewin, 1951) and Kotter's Accelerators (Kotter, 2014) were primary change models used to address this area. These models proved to be highly effective in providing clarity and defining the key focus areas to drive needed change.

However, reflecting further on their use, Lewin's Force Field Analysis (Lewin, 1951) could be considered as perhaps too simplistic to support the needed change in this area. Conversely, and at the other end of the scale, a perceived complexity of the Kotter's (2014) model could limit effectiveness given the personal nature of coaching activities.

To this end, and in striving to develop a true coaching culture and mindset within sales, I am inspired to consider the value of the 5 Leadership Principles defined by Kouzes and Posner (2017, p.11-24) as follows:

- Model the Way
- Inspire a shared vision
- Challenge the process
- Enable others to act
- Encourage the heart

These elements are clearly important in developing the needed coaching culture and mindset within any organisation. The significance of enabling "*others to act*" and "*encouraging the heart*" are without doubt essential elements for success.

This in turn begins to identify the challenging aspect of unconscious mindsets as described by Keller and Schaninger (2019, p.2) and their influence in this area. The connection between unconscious mindsets and the Leadership Principles as previously detailed, is of major importance to progress in coaching. Reflecting further, this is perhaps the single most significant issue to be addressed and considered in any major transformational programme, particularly one that has such a strong need for personal interaction such as coaching.

Finally, while the message conveyed by the Leadership Principles supports the plans for any change initiative, the communication strategy to support this also needs to be considered. Within this, and again considering why sometimes change initiatives do not succeed, the need to "*give people information and do it again and again*" (Bridges, 2009, p.37) is strongly emphasised as a key area of focus. This point is fundamental to the implementation of all change initiatives. This importance is supported by Gino (2019) in *Cracking the Code of Sustained Collaboration*, where the need for a leader to cut through all confusion and define a clear path on any planned changed initiative is of critical importance.

Understanding values and beliefs

Rogers (2016, p.159) outlines that "*when clients come for coaching, they do it because they want to change.*" Considering this within an organisational context, Bridges (2009, p.27), states "*if things change within an organisation at least some of the managers and employees are going to have to let go of something.*" Greater understanding needs to be given to the influence of change on individuals and the effect of this on their values and beliefs.

Keller and Schaninger (2019) emphasise this indicating that in change initiatives employees struggle in their acceptance for more emotional than intellectual reasons. The use of change models such as the Shock, Anger, Realisation and Acceptance criteria of the SARA Model (Rogel, 2010) and the Positive Change Cycle (Connor, 2012) can be of value in addressing this point.

However, given the significant interpersonal dynamic that comes in coaching within sales leadership the concept of the Three Phases of Transition (Bridges, 2009) can go deeper in this area. The process of moving through each of the phases to the ultimate opportunity of a new beginning reflects positively the organisational and individual shift needed to effect real transformation in coaching.

As highlighted, the change dynamic and its effects need to be assessed towards the individual values and beliefs of sales leaders involved and responsible for the development of coaching programmes. Developing this further, have sales organisations in their desire to drive and implement coaching programmes and deliver sales really considered the influence of this point?

The increased understanding of values and beliefs that sales leaders could establish through a greater awareness of concepts such as the "*Onion Model*", as described in the book *Teaching and Learning From Within: A Core Reflection Approach to Quality and Inspiration in Education* (Korthagen et al, 2012), can be significant in addressing this area. This thinking and the consideration proposed by Poutiatine (2009, p.192-193), with the concept of Ascent to Change, that transformation of individuals and teams will not take place without all elements of individual values and beliefs systems being addressed is an important aspect to be considered in any change initiative.

In addition, it can also be considered that for sales leaders it is essential that they have an awareness and understanding of their own presence and how others perceive them. Within this, utilising The Johari Window Concept (Luft and Ingham, 1955) would support improved understanding in this area and provide an increased awareness of interpersonal aspects and how to use them in improving coaching skills across organisations.

Many sources of information are available on the principles of coaching and how to implement programmes. However, the message on why individuals and organisations should develop in this area is not extensively detailed. Taking this further I have consistently returned to the message conveyed in Working from the Inside Out (Sinek, 2019) as being key to this. The critical importance and need for this point to be addressed is, I believe, an essential element in promoting coaching activity which I have yet to see fully addressed.

Reflecting on this further, perhaps there is a reluctance to explore this due to the influence of the previously mentioned values and beliefs or even the fear of the change dynamic itself that has so far not been addressed. My thinking here is emphasised in the book titled *Coaching Skills: The Definitive Guide To Being a Coach*, Rogers (2016, p.288) where it is stressed that, in all coaching activity, your own personal concerns and anxieties need to be considered and addressed for you to be effective. More needs to be done in this area to support a true transformation in coaching across both my organisation and profession.

There is strong support towards the importance and need for developing a coaching culture within sales organisations. I have considered and identified three core elements that are essential in achieving this ambition:

1. Coaching activity and development
2. Sales leadership and coaching mindset
3. The understanding of individual values and beliefs and why consideration in this area towards coaching is of such importance

The message that, "*A coach has to be a champion, a challenger and a collaborator*" (Conner, 2019, p.48) is of even more significance to me having now concluded my literature review.

Methodology

I concluded that my research approach is most appropriately supported on a framework of Critical Realism and Action Research (Coghlan and Brannick, 2007). To support this, my research data collection has come from a mixed-method approach. This has taken the form of assessing specific questionnaire activity, semi-structured interviews and observation activities from my own personal journal.

Survey questionnaire activity covered the sales leadership group across our South West Europe Sales Region, which is a group of approximately 35 sales and business leaders. This group is the first line of our sales-management structure, and a key group to bring on any transformational journey in this area. Within my wider organisation I also engaged with SKF Group Management colleagues to establish input across all areas and management levels within our structure. I also held further semi-structured interview discussions with several external sources to facilitate an external input and perspective on the key aspects of coaching development and best practice in this area. Implementing the above provided data triangulation which, as an acknowledged method of increasing confidence levels of findings, can support a wider perspective towards the objective of my research work (Olsen, 2004).

Data collection

My semi-structured interview plans increased as I evolved through my interview activity and finally concluded with a total of 18 semi-structured interviews including the following participants:

- SKF executive business management – three interview discussions
- SKF senior human resources management – three interview discussions
- SKF sales and account management – three interview discussions
- External consultants (coaching specific) – five interview discussions
- Authors (coaching specific) – two interview discussions
- Former SKF executive management employees – one interview discussions

Data analysis

My decision was to utilise the six-phase approach (Braun and Clark, 2006) to be applied to analyse the data (**Figure 1**).

The use of the six-phase approach (Braun and Clark, 2006) and the structure of my research questions gave consistency

Figure 1: Six-phase approach

and clarity to the understanding of my data. This is an important point as the magnitude, depth and complexity of the qualitative data produced was to a level which was, in some ways, almost overwhelming.

Having gone through the process of data familiarisation, coding, searching and the reviewing of potential themes, I concluded that my analysis still lacked clarity to transition towards a range of defined themes. This is where the guidance given on Defining and Naming of Themes, within Step 5, was significant and that "*Each theme also needs to be developed not only in its own right but in relation to your research question and in relation to other themes*" (Braun and Clark, 2012, p.67). This guidance within the overall process supported my activities to conclude on five specific themes.

Within my research interviews quantitative detail was established around questions 1, 3 and 8. The purpose of these questions was to establish an individual and quantifiable perspective on the importance and effectiveness of coaching within sales organisations. The findings from these questions were significant in assisting the value and quality of my analysis. Interestingly, grouping these questions so that an immediate follow-up question asking the interviewee to explain why they had assessed to the levels defined proved to be a valuable step to "*explore nuances in what is shared and to understand the issues from the perspective of the interviewee*" (Hennick et al., 2020, p.120).

Themes

Braun & Clark (2012) emphasise the importance that key themes need to be developed with the awareness of your research questions and also to capture the perspectives of participants. Considering this point an initial emerging sub-theme comes from the feedback of the qualitative questions 1 and 3 from interview meetings taken. A summary of this respective feedback is represented in **Figure 2** and **Figure 3**.

From the above analysis, an identified sub-theme from my research is that all interviewees considered in Question 1 the importance of coaching to be extremely high, with scores consistently at a 4 or to the maximum 5 level. However, from further assessment on how effective organisations are in developing coaching activity, as defined in Question 3, scores were consistently at the lower 2 or 3 levels across all participants.

Finally, in response to Question 8, all participants confirmed that they had either delivered or received a form

> "*In the perfect world you have trust between the manager and employee*"

of coaching ranging from the last days, some even within last hours, to at most the last few weeks. This identifies that while all participants believe coaching to be an extremely important activity to be addressed, this survey indicates that the effectiveness of delivering is clearly at a low level.

Trust

Identification of Trust as a key theme is perhaps not surprising as feedback from my data analysis work. What is more significant is the level of trust that has been identified as being needed in this area. Chapman and Pickford (2020, p.47) support this perspective advising that coaching activity "*reflects the philosophical perspective on trust.*" Many statements were made during my research interviews making this an area of increasing significance some of which I summarise as follows:

- P101 outlined that "*in the perfect world you have trust between the manager and employee*".
- P102 emphasised powerfully "*we should not be shy to admit there are things we don't understand*".
- P108 stated simply that "*I think trust is huge*".

As identified from the above and supported by the wider feedback in this area, there is a recognised link between trust, vulnerabilities and fears. From a coaching and cultural perspective, the need to have awareness of this aspect is conveyed in the SCARF Model (Rock, 2009). The importance for a leader to have an awareness of individuals' core concerns and the influence of physiological and neurological reactions to social behaviours is emphasised and needs to be considered.

Organisation

It is important to acknowledge that this theme is not specifically highlighting organisational structures; this area has a wider scope. Emerging from this input is the importance of the process of coaching from using defined models, to support activity, to how we measure and the need to have a working structure to support coaching activities. This point acknowledges that in coaching as with all activity, "*All work is a process and all processes can be measured*" (Colan, 2018, p.130).

These aspects are highlighted within the following statements from interview sessions:

- P109 highlighted "*there's the actual doing bit and the metrics*" and to *ensure follow-up with the need* "*to do it in a structured way*".
- P116 proposed that the "*correct process of procedures, encapsulating what the company is trying to do*" and the need to "*create a coaching team leader who is not in function*".

The key point here is to ensure that the process and structure to develop our plans on coaching are clear, understood and visible to all of those involved.

Time

Richardson (2009, p.90) outlines "*sales coaching requires a significant re-allocation of your time and a shifting of your priorities.*" Exploring this further the feedback from the SWE Sales Manager Group questionnaire survey emphasises the critical importance for not only time but patience in developing coaching activities throughout an organisation. Some examples of this can be taken from the following:

- P103 indicated "*We don't have enough time, but I don't think it's time I think its focus.*"
- P110 emphasised "*I think that's what missing is patience.*"

Colan (2018, p.37) explains that in coaching "*you must connect with your team, and if you want to connect, you must invest the time.*" It is clear if we do not provide the needed time, focus and patience we will not develop plans to improve our coaching culture.

Accountability

Whitmore (2017, p.134) highlights the importance of accountability "*because it has the power to translate a coaching conversation into action.*" From the data analysis within my research this theme and message was widely identified. Significant and strong messages were delivered which are as highlighted below:

- P115 advised that "*Marginal gain may not be life changing but it's important as the improvements you make are across a number of areas*".
- P117 emphasised "*I think coaching is, first it's an organisational commitment, then the individual*".

The need to establish an increased sense of accountability led me to consider further how to achieve this ambition. Rogers (2016, p.202) defines the need "*to hold clients to account for what they have said they wish to do to make changes.*" Taking this further a possible development to address this could be the creation of a coaching contract (**Figure 4**).

This initiative would support a more formal and visual commitment between individuals, management and organisations to move towards an improved coaching experience for all parties. Additionally, this framework could be linked to individual performance goals and objectives typically set on an annual basis.

Leadership

The most significant theme from my research analysis identified leadership as the most influential factor in defining the potential to develop a truly effective coaching culture throughout organisations. The importance of this point was overwhelmingly emphasised by all participants. Again, while this message is perhaps not surprising, what is significant is the depth and influence identified from this theme.

Whitmore (2017, p.50) states "A *leader's task is simple: to get the job done and to develop employees*". Powerful statements supporting this perspective were made throughout all interview meetings emphasising this point as follows:

- P108 defined that "*the leader sets the tone*".
- P110 stressed "*Leadership buy-in, not just buy-in on an agreement, they work hard to show they do this*".
- P116 emphasised the need for "*strong and structured leadership that helps the individual be the best they can be*".

A key factor in defining leadership is the underlying influence of this in relation to all the themes identified. The significance of the statement from Participant 108 that "*The leader sets the tone*" is as effective as it is powerful on this point. This and the volume of wider statements makes it extremely clear that progress in the area of coaching must be fully supported by the leadership of an organisation for real transformation to occur.

I have identified a key message from the five identified themes defined by the acronym **TOTAL: *Trust, Organisation, Time, Accountability and Leadership* (Figure 5)**.

Follow-up activities have taken the form of arranging

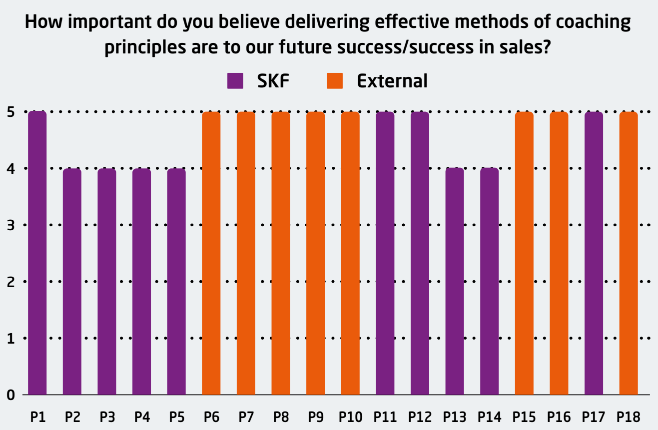


Figure 2: Relationship between coaching principles and future success.

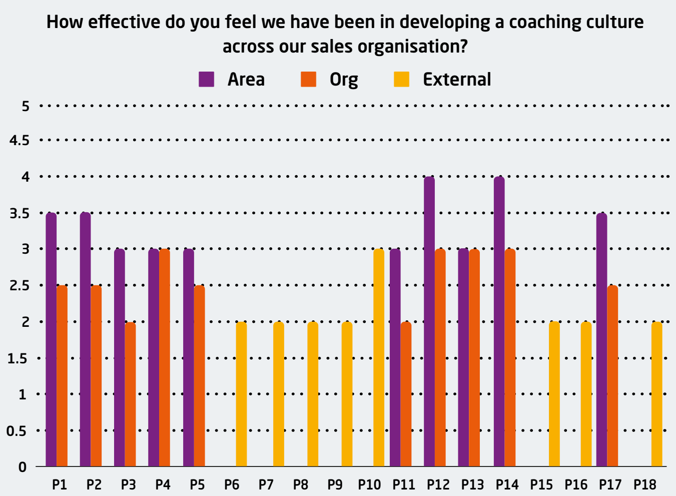


Figure 3: Effectiveness in developing a coaching culture.

Note: Area relates to area of responsibility. Org relates to wider organisation.

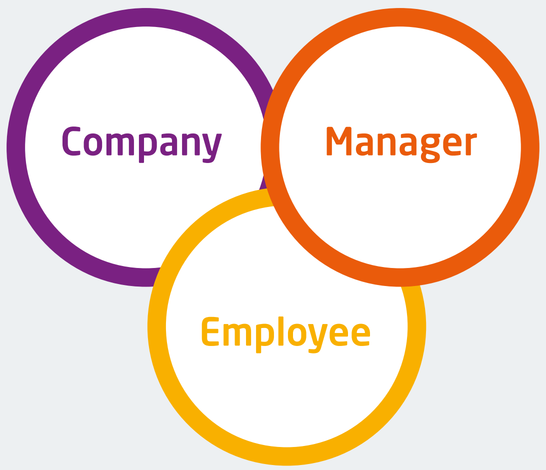


Figure 4: Coaching contract.

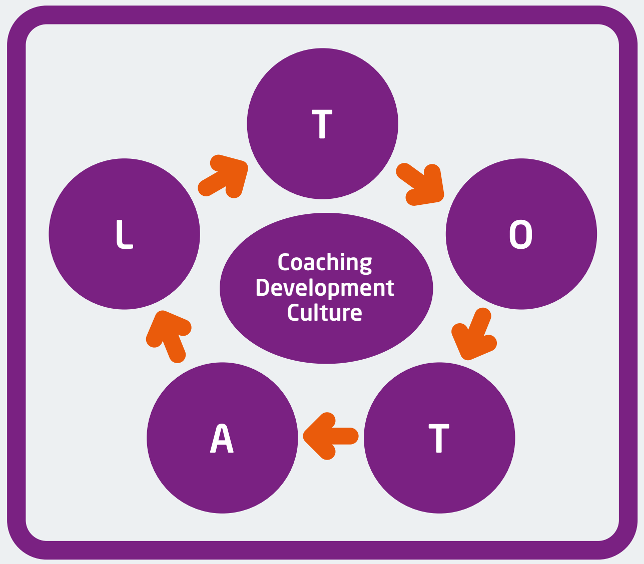


Figure 5: Thematic analysis coaching message.

> *My research analysis identified leadership as the most influential factor in defining the potential to develop a truly effective coaching culture throughout organisations.*

six short interview meetings (five within my organisation and one external) to establish an initial view on the viability and credibility of my TOTAL concept. The reaction to date from all involved has been extremely encouraging and particularly from members of our sales organisation who believe they now have an outline of an effective model to help our focus in this area going forward.

Conclusions

The overall aim of my work has been to provide clarity and understanding on the importance of coaching in a sales environment, thus creating an effective definition that can contribute to the development of a strategy in this area. These considerations were fundamentally part of a wider ambition to understand more about individual views towards coaching and what key areas sales organisations really need to address to improve their effectiveness in developing a coaching culture. Reflecting on these ambitions, my research and practice contribution is the identification and development of five key themes: Trust, Organisation, Time, Accountability and Leadership. These themes when linked to the consolidated message of TOTAL *Coaching* provide an outline definition of the key elements needed in developing a coaching culture (**Figures 6 and 7**). Acknowledging this message is at the initial stages of its development it is positive that from further discussions undertaken with colleagues and peers, both internal and external to my organisation, the response has been enthusiastic on its possible application going forward.

An area of my work that perhaps did not develop as I had anticipated was in developing a greater understanding of the value and beliefs in my organisation towards coaching. It is perhaps an area requiring more time and understanding to really consider its influence. However, what I do consider as a step forward is the strong identification of Trust as a foundation to support effective coaching. Whitmore (2017, p.46) states "*the relationship between coach and coachee needs to be one of partnership in the endeavour, of trust, of safety and of minimal pressure.*" This will be key to developing further the next steps from my research.

Recommendations

Initial activities are already planned to share and develop my findings across our organisation and professional community. Addressing this will potentially encourage coaching activity to become significantly more visible in our way of working. Subsequently, I would propose that coaching activity is defined

Coaching in Sales Organisations

TRUST
- Individual/management/addresses fears/vulnerability/credible respect/integrity/has to be made personal
- Trust is at the base of everything/performance vs trust

ORGANISATION
- The organisation needs buy in/process needed/structure to support/teams

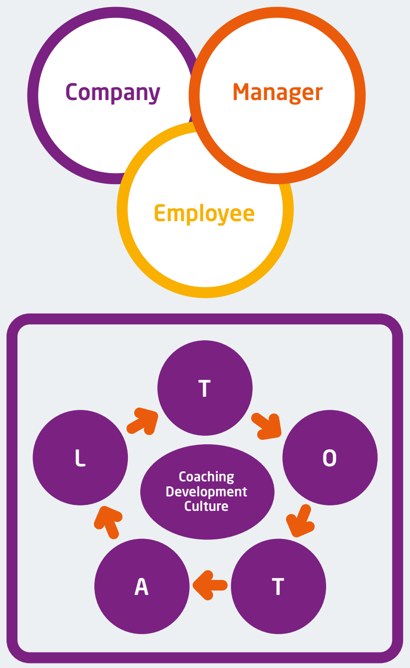
TIME
- To let it succeed/to allow transformation/to make it stick/embedded/patience
- "It needs to be baked in"/engrained

ACCOUNTABLE
- Individual/management/measure effectiveness
- Who asks me if I do this or not?

LEADERSHIP
- At all levels/management need to visibly support & show importance or it will fail/leadership sets the tone/tell, tell & tell
- **COMMITMENT TO COACHING NEEDS TO BE TOTAL**

Figure 6: TOTAL Coaching.

Coaching in Sales Organisations



Create a Coaching experience/Environment

- COMPANY ACCOUNTABILITY
- MANAGER ACCOUNTABILITY
- EMPLOYEE/INDIVIDUAL ACCOUNTABILITY

- Development of Coaching Contracts to support the above
- **SKF Commitment to Coaching needs to be TOTAL**
- **TRUST**
- **ORGANISATION**
- **TIME**
- **ACCOUNTABLE**
- **LEADERSHIP**

Figure 7: Coaching in sales organisations.

as a measured performance goal for all employees in 2021. The important aspect here is that the agreed coaching activity supporting this goal is visible, documented and measured between coach and coachee.

From this, I believe we should now consider a target to hold these discussions on at least a bi-monthly basis and activity should be supported by ALL employees. Further support of this proposal can also come with the coaching contract principle being defined within individual performance goals. This "agreement" could then act as the signed commitment towards coaching between all parties to engage individuals, management and the organisation.

We need to make coaching and its importance more visible as a key initiative. A positive contribution to this would be emphasising coaching development as a defined activity within our Strategic Business Plans and to ensure its inclusion as an agenda item for discussion at ALL management and team meetings.

When developing this ideal we need to consider how we enhance the competence of our organisation's coaching skills at all levels. Fundamentally, we have an infrastructure in place to support this which we now need to utilise and engage to greater effect. Ultimately with focus, planning and by working more closely with our Human Resource community, a planned programme of Coach the Coach sessions can be defined to take us forward on this point.

Within my research there was some suggestion that an investment in a dedicated coaching leader with a small, focused team to connect with Human Resources and the external community would enhance and help drive coaching activity within our sales operations. This proposal can be considered further; however, the important point here is that a better way is now defined to promote the message on the importance of coaching across our organisation to ultimately provide an increase in momentum towards real transformation in this area.

Perhaps though the single most significant element in developing an improved coaching culture comes from showing the required leadership. It is however important to highlight that this is not just management leadership but also individual leadership from all our teams and colleagues that will prove to be the essential element here. Arnander (2013, p.25) emphasises that "*success will ultimately depend on people.*" Without doubt, the significance of the engagement of our management and our people towards coaching activity and our ambitions here needs to be the key consideration on our plans going forward.

About the author

David Norris is Sales Director, Industrial Market for SKF UK & Ireland.

The power of relationships and purpose

Nick de Cent

Digital is enhancing the way we manage business and sales organisations, but analytics are underpinned by relationships and human behaviours.

The value tied up in customer relationships is vast but hard to measure; purpose is now a profit centre and predictable human behaviours can help us to forecast sales more accurately. These were just three of the key takeaways from Consalia's highly respected annual forum for innovation, the Global Sales Transformation conference.

Delegates were able to meet in person at the London Stock Exchange for the GST XVI conference on 7 October 2021 after the event took a year out in 2020 due to the pandemic. Focusing on the theme of "relationship capitalisation", this year's event offered sales leaders various perspectives on how business relationships can be valued, as well as insights into other key topics such as purpose-driven partnerships and the application of predictive analytics in sales forecasting.

Opening the conference Consalia CEO Dr Phil Squire and Ryan O'Sullivan, Industry Head, Professional Services, Introhive discussed **"Key accounts: where value and values intersect"**.

"We want to explore some quite innovative thinking about the way we place value on our key accounts as a predictor of future performance," Dr Squire told delegates.

"Relationship Capitalisation is the process to capitalise the value of client contracts and the network of people and organisations that represent employees, clients, partners and suppliers. It is explained as the value created and maintained by nurturing and managing good relationships. It is therefore a predictor

Phil Squire: Relationship Capital.

of current and future value of (key) accounts and as such can be measured."

He discussed why the topic is important:

- There is mis-applied science in how relationships are measured.
- There are instances of deliberate intent to mislead regarding the value of customer relationships.
- The pandemic has introduced the phenomenon of relational constraint, with a potentially reduced relationship quality via virtual interactions versus face-to-face.

O'Sullivan, who was previously at Infosys, presented a Barclays case study illustrating how key accounts can be lost without warning if relationships are not well managed or maintained at the appropriate level. Dr Squire added a second case study that further underlined the importance of relationships, illustrating that even when the right processes are in place and a supplier is adding significant value for its customer, this can be derailed when key individual relationships break down.

Ryan O'Sullivan: Barclays case study.

Dr Squire proposed two metrics for valuing key accounts: 1) structure, and 2) a metric which explores feelings and values. In the context of relational constraint, he noted the current concept of "The Big Resignation" post-pandemic, asking "Are customers feeling the same right now? Are we losing that emotional attachment with our customers?" He noted the work of Professor Julian Birkinshaw (London Business School) which suggests there are two factors that give companies competitive advantage: 1) adhocracy (agility), and 2) emocracy (emotional attachment to the brand).

Dr Squire set out three components of value: 1) a finance element (current and future), 2) a contract component (current and future), and 3) the relationship capital factor (structure and values)

He noted that sales lags finance and marketing from a systems perspective. However, a methodology is now available to obtain and analyse the data needed to value relationships, via a combination of survey and customer-interaction data and AI-powered analytics. This can sit on top of a CRM system such as Salesforce to power a dashboard indicating the future predictability of your key accounts.

"This is trying to put more science into the way we are looking at relational value," Dr Squire concluded.

How the finance world values customer relationships

Intangible assets – including the value of customer relationships – are estimated to be worth $75 trillion today, and the vast majority of these go unrecognised on the balance sheet due to current accounting rules, according to Richard Haigh of Brand Finance, who discussed the **"Science of Valuing Intangible Assets"**.

Prefacing his presentation with a quick tour of the world's most valuable brands (Apple's trademark being worth some $260 billion alone), Haigh differentiated between tangible assets (plant, property, cash at bank) and intangibles such as contracts, artistic property, marketing, IT, and customer relationships with a balancing figure called goodwill. Currently, an estimated $13.9 trillion of marketing intangible value remains unaccounted for among quoted companies.

He described Microsoft as the most "intangible" company in the world, with 93% of its assets being intangible, and 91% being so-called "homegrown" intangibles (brands, technology, customer relationships) not on the balance sheet.

Turning to the specifics of valuing customer relationships, Haigh identified three specific areas: customer lists, order or production backlog, and customer contracts and relationships. However, he cautioned against simply adopting a top-line approach to valuing customer relationships noting that you have to adopt a more holistic approach to the process that takes into account associated costs. His favoured approach is the snappily named "multi-period excess earnings method" (MPEEM), which looks at the profit you obtain from a relationship. This includes revenue estimation and expected earnings along with associated contributory asset charges and discount rates.

> *This is trying to put more science into the way we are looking at relational value.*

In conclusion, he showcased a snapshot-in-time valuation of professional services giant Accenture, noting that intangibles made up some 86% of the firm's $180 billion value, with 43% of the value tied up in customer and contractual relationships – with 38% accounted for by customer relationships.

Purpose as a profit centre

Alf Janssen, Sales Director Strategic Accounts, SAP discussed **"Purpose-driven partnerships"**. His team focuses on purpose-led engagements with the tech giant's strategic accounts (the top 4% of all customers), where they seek to find commonalities between the purpose of the client company and then to connect

Richard Haigh: $13.9 trillion of marketing intangible value remains unaccounted for.

that with SAP's own purpose, which is "to make the world run better and improve people's lives". Based on that, the team develops new relationships and connections, fostering C-level relationships to build strategic partnerships, as they aim to

> *Purpose is now the new normal.*

create purpose-driven partnerships and "try to win the hearts of our customers".

He stresses that purpose is on every CEO's agenda and at the top of the agenda for SAP customers in the Netherlands such as Unilever, Heineken, Shell and Philips.

He explained how his research into the value of SAP's purpose statement concluded that "purpose is now the new normal". Millennials and GenZ require us to lead with purpose. Ethical and sustainability issues cannot be solved by governments and non-profits alone; companies like SAP need to chip in and contribute to solving societal problems.

Janssen quoted British historian Niall Ferguson, who said: "We no longer live in a democracy. We live in an emocracy where emotions rather than majorities rule and feelings matter more than reason." He added: "That example inspired me to challenge myself."

He proposed that the future of doing good business belongs to the "conscious capitalist organisation". Customers, consumers and employees require companies to:

- Operate with a purpose other than profit maximization as their reason for being.
- Seek to create value for all their stakeholders, not just shareholders.

Meanwhile, the role of management is also changing:

- Leaders are motivated by service to the company's purpose and its people, not by power or personal enrichment.
- Strive to build cultures with trust, openness and caring, instead of fear and stress.

He emphasised that sales leaders need to ensure they are motivated by the higher purpose of the company.

Giving an example of the SAP approach, he described how one consumer packaged goods (CPG) customer was procuring raw materials from certain countries where there is potentially child labour. "As a big CPG company, you don't want to be associated with those kinds of supplier, but how do you know which supplier is clean and which ones are not?" SAP developed a blockchain-based solution to track which suppliers are accused of child labour so they could be excluded from the procurement process. The CPG company was then able to use this stance towards suppliers in its own marketing and sales materials.

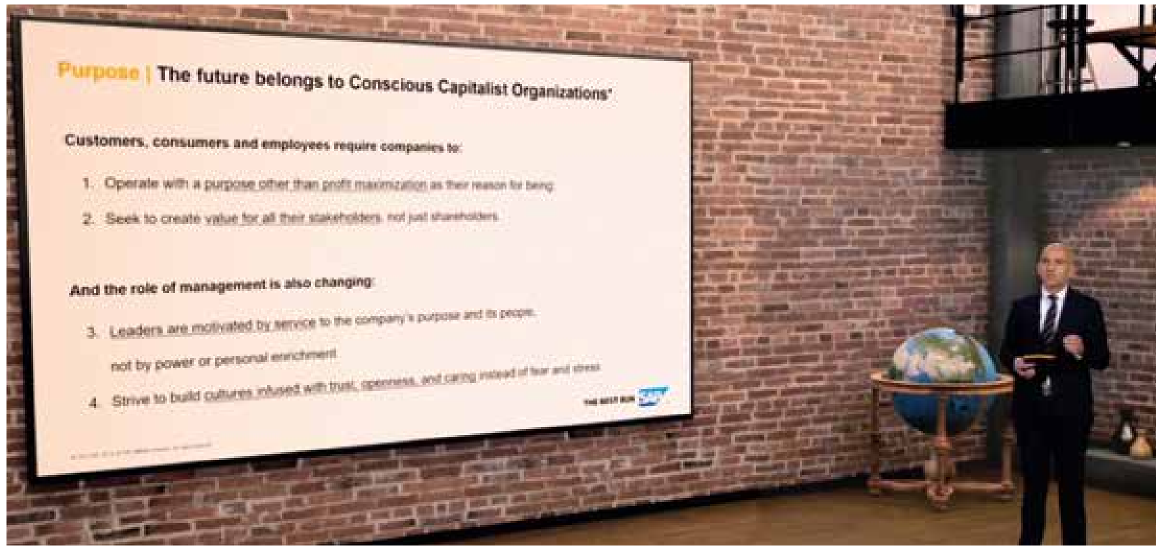
Turning to the concept of purpose as a profit centre, Janssen explained how it builds reputation, drives innovation and engages employees, consumers and customers, which manifests itself by driving top-line growth, brand loyalty; simultaneously talent retention and attraction go up.

Alf Janssen: Purpose as a profit centre.

How predictable human behaviour facilitates sales projections

Knowing whether your organization will achieve quota and what remedial action to take if not is the "Holy Grail" of sales forecasting. Data science specialist Ofer Zilberman, Senior Director for Business Insights and Productivity, ServiceNow, explored **"Predictive analytics in sales forecasting"**.

Introducing the concept of "coverage" in the context of quota (basically pipeline divided by quota) and further refining this as "weighted coverage", he plotted the position of individual salespeople in a company across two dimensions: the x axis showed pipeline over the longer term (four quarters), while the y axis indicated the mature pipeline across the mid-term of two quarters.



Alf Janssen: Future belongs to conscious capitalist organisations.

Turning this into a typical quadrant box made it easy to see that ideally you would want your reps to be positioned in the top right of this quadrant. If positioned in the top right, the sales leader's action should be to validate that rep's position; if positioned bottom right, then the action should be to get reps to mature what they've got; those reps positioned top left are good for the first half but not the rest of the year; however, bottom left is often where the majority of reps are and where you also see the biggest attrition rate.

Because the majority of reps are typically positioned in the bottom left, Zilberman additionally highlighted part of this quadrant as a "red zone". The reps in the red zone achieved 80% of quota versus 188% of quota for those in the top-right quadrant.

Exploring three-year performance of ramped reps linked to coverage, he found that there is a 40% plus difference in performance (average attainment) between those to the left and right of the two times coverage line (at the beginning of the year). However, he noted that this is not just about data; it's based on salespeople's behaviour.

He emphasised that being in the red zone is not necessarily bad because there are lots of resources to help; however, remaining in the red is bad. So it is important that reps don't just stick some more opportunities into the pipeline to compensate for their position because then those extra resources will be focused on those perceived as needing more help.

Zilberman flagged up some important takeaways:

- For demand generation, pipeline is a lagging, not a leading, indicator.
- Have a demand-generation plan for each rep.
- Work towards a mindset of accountability and transparency.
- Have a clear definition of what is pipeline (not the first meeting) and what are sales stages.
- Carve equitable territories aligned to the sales rep's DNA (eg, hunter versus farmer).

He recommended a pipeline conversation once a month between rep and manager, ignoring forecast and quota but focusing on the longer term. This starts to generate activity, accountability and transparency for the organisation and your sales reps.

Moving to how analytics can be predictive, Zilberman noted that the peak point for quota predictions was always five months prior to quarter close. Why? Because reps were told to clean their pipeline for the previous quarter and simply kicked those opportunities down the road into the next. He then correlated the five-month peak point to the health of the pipeline to create a projection mechanism. This has enabled him to predict quota attainment with a notably high degree of accuracy over an extended period.

As further takeaways, he emphasised that:

- Projection must have current context. "You have to keep looking for evidence; just having that projection doesn't mean you're going to hit the numbers."
- Think pipeline health, not just coverage.

Ofer Zilberman: 40% plus difference in performance (average attainment) between those to the left and right of the two-times coverage line.

Cranfield KAM Forum online

Richard Vincent

Reports from the Q2 and Q3 sessions

While things are slowly returning to normal, the Cranfield KAM Forum seminars are continuing to complement the regular face-to face meetings that will resume when it is safe to do so.

The webinars continue to address both strategic and operational themes and personal development topics of interest for key account managers. In this series, there were six subjects of great interest to anyone already involved with or in the process of introducing, Key Account Management.

- **Getting inside the head of a buyer** – John Viner-Smith, Visiting Fellow Cranfield University and founding partner of Amplius Partners.
- **KAM strategy masterclass: What techniques can be used to capture customer insights?** – Mark Davies, Visiting Fellow of Cranfield University and Managing Director of Segment Pulse Limited
- **One Golden Nugget** – Steven Foster founder of One Golden Nugget, on a journey to raise the consciousness of humanity by sharing wisdom, truth, vulnerability positivity and kindness.
- **What makes someone truly influential?** – Gordon Glenister marketing expert and consultant with a specialism in influence and building value-added trust; Author of the 2021 book *Influencer Marketing Strategy*
- **Who are the Institute of Sales Professionals?** – Andy Hough CEO of the ISP and Visiting Fellow Cranfield University.
- **How can strategic suppliers and strategic procurement collaborate more effectively?** – Dr Jurgen Scherer, Former GVP Sales/KAM Cognis (now BASF).

Getting inside the head of a buyer (or what techniques and tips can you adopt to improve your commercial strategic negotiations?)

John Viner-Smith has a Master's in International Purchasing, and has been a senior category manager at JP Morgan, Dixons Stores Group and BP. He is a Founding Partner at Amplius Partners and a Visiting Fellow at Cranfield University.

Key account managers and others involved in sales often feel that all of the power lies with the buyers and the purchasing professionals, but in practice ten times more money is spent on training salespeople than on training purchasing people – and very often, the buyers have significant concerns too. Understanding that can be a great help in planning your negotiations.

There are at least four different types of buyer all of which have different priorities (**Figure 1**).

Figure 1: Types of buyer: Understanding what type of buyer you are working with will give you a much better understanding of their priorities.

Because procurement will usually have to be involved in order to get contracts and POs issued, you should assume that they will take part even if they are not involved in the early negotiations. Once they are involved, they will be incentivised on savings or cost avoidance so you should expect them to ask for a saving or "a nibble" from your price so build this into your plans. Alternatively, you need to be able to articulate clearly to them how your products or services are allowing them to avoid otherwise inevitable costs. Procurement's involvement in the process may come at the very last moment before award, so if it has not been visible earlier, expect a "Columbo moment" before the deal is made!

As deals become more complex and/or dependent, the potential for creating value in negotiation increases (**Figure 2**). This increases the return on the "Three Cs""

- Curiosity
- Creativity
- Collaboration

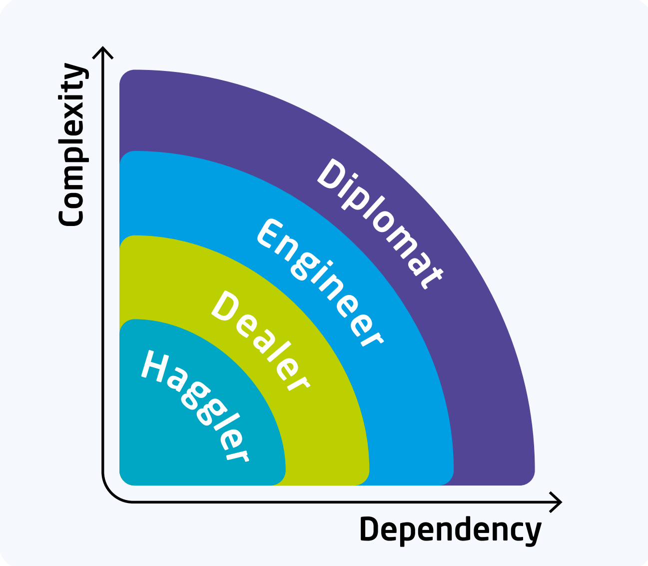


Figure 2: Types of negotiator: Four negotiation styles and strategies identified by Amplius as determined by the complexity and dependency of the deal.

- Negotiation methods that focus on a single variable (usually price) belong in the "Haggler" section of this model.
- In a complex sale, you may find the various buying influencers in the same deal negotiate differently, at different stages of the process.
- Understanding these differences and when they apply allows you to respond accordingly.

Many procurement people lack the discretion, the tools, the empowerment, and the incentive to negotiate creatively.

It is also worth being aware that, as the number of bidders is reduced, the buyer's options also reduce and the actual needs increase, so commitment bias begins to influence the balance of power (**Figure 3**).

Take this into account when deciding at what point you focus on particular variables.

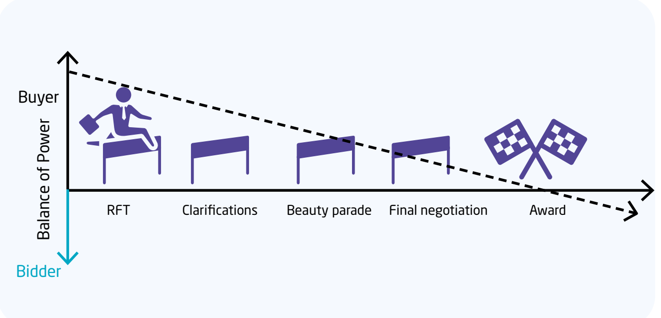


Figure 3: Balance of negotiation power.

KAM Strategy Masterclass: What techniques can be used to capture customer insights?

Mark Davies is the Managing Director of Segment Pulse Limited and a Cranfield University Visiting Fellow, where he has co-directed the KAM Best Practice Club for ten years and was a member for several years prior to that.

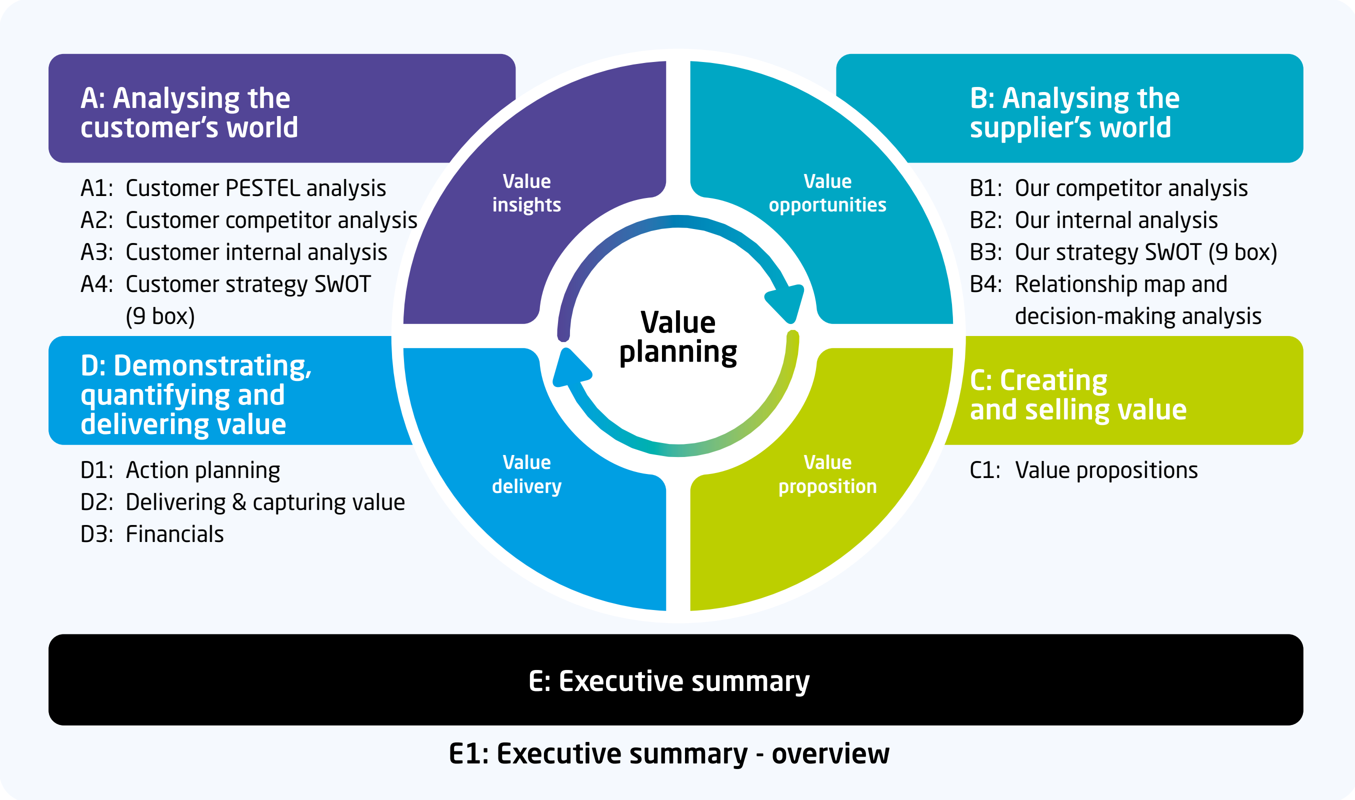


Figure 4: KAM Value Planning Framework.

The Value Planning Framework as developed by Dr Sue Holt and Mark Davies provides a guide to each of the stages of value planning with a key customer (**Figure 4**).

Analysing the customer's world can be achieved using a suite of tools such as PESTEL, competitor analysis and customer internal analysis, guided by the Cranfield "Wheel of customer understanding" developed by Dr Sue Holt. Additionally, here are ten tips that KAMs should be check that they have covered when leading a team to develop strong customer insights.

1. Big picture	&	2. Small picture
3. Do your research	&	4. Ask the customer
5. Make assumptions	&	6. Be factual
7. Update and stay current	&	8. Align your strength
9. Meet the customer wants, needs, values	&	10. Change everything

1. **Big Picture.** Use the macroeconomic techniques that we suggest:
   - STEEP, 5 Forces, VCA.
   - Get your chin off the table!
   - Think about the bigger picture.
2. **Small picture.** Don't forget the small details, Getting the basics and details right will go a long way to helping you build trust and establish a better relationship.
3. **Do your research.** Ensure that you are doing an appropriate level of research for the complexity and importance of the customer concerned.
4. **Ask the customer.** Bear in mind Mark Twain's observation: "It ain't what you don't know that gets you into trouble. It's what you know for sure that just ain't so!"
5. **Make assumptions**. If you do not have a strong relationship with the customer, make some assumptions about their business and do some scenario/hypothesis planning. But do make sure to make it clear in your plan that these are assumptions!
6. **Be factual.** If you have too many assumptions, your plan will have a weak foundation; it will be like a house of cards, so make a few assumptions (and validate with the customer). Repeat and build. The entire Cranfield KAM planning cycle is developed to work this way.
7. **Update and stay current.** Things change rapidly on a macroeconomic scale! For example:
   - Brexit
   - China/US trade tensions
   - Technology
   - Covid-19

   Your KAM plan should be updated regularly and frequently. Ensure your KAM plan is a dynamic document not a dusty old file on a shelf.
8. **Align your strength.** Be pragmatic 1: get your KAM team together and develop new insights. Be quick: Zoom! Be pragmatic 2: Talk across your business with all the other KAM teams. Can you share research/insights/thinking/industry knowledge?
9. **Meet customer wants, needs and values.** Don't do a "Laura Ashley" and assume that your customers wants, needs and values are immutable. Understand them and meet them.
10. **Change everything.**
    "*If I had asked people what they wanted, they would have said faster horses.*" – Henry Ford
    "*Get closer than ever to your customers. So close that you tell them what they need well before they realize it themselves.*" – Steve Jobs

And a final bonus tip: Nobody said that key account management was easy. The hard work starts with customer insights!

One Golden Nugget

Steven Foster is founder and CEO of One Golden Nugget. He is on a journey to raise the consciousness of humanity by sharing wisdom, truth, vulnerability positivity and kindness by asking people, "What is your 'One Golden Nugget'?" – that one piece of wisdom you would like the world to know.

Foster's career has included a vast array of achievements and events including running very successful record labels and dance-event companies but has also been punctuated on three different occasions by "hitting rock bottom". He owned Dreamscape the very successful dance-events company but after the company failed he ended up working as a cleaner in a factory. He worked his way back up as successful song writer and manager for musicians including acts on X-factor and set up a digital agency with Duncan Bannatyne but that also failed.

The idea of "One Golden Nugget" initially was a way of making sure that he had good advice to stop him repeating the cycle and it has just grown from there.

His own Golden Nugget is the importance of gratitude. The pandemic has emphasised how important some of the small things we take for granted actually are, and he has (re) realised how important it is to practice gratitude on a daily basis because of the benefits it brings to you.

Two other outstandingly good nuggets come from Warwick Davis, of Star Wars fame and Nick Ogden of WorldPay:

- **Warwick Davis** – Expect nothing, love what you do and live in the moment.
- **Nick Ogden** – If you don't ask the answer will always be no.

Both of these are born out by Steven's own experience: do ask nicely and without laying expectations on people and the results will normally be great.

What makes someone truly influential?

Gordon Glenister is a marketing expert with a particular focus on influence and building value-adding trust, through relationships. He is also the founder of Influence, the global podcast on influencer marketing and recently published eponymously titled book *Influencer Marketing Strategy*.

Glenister split his talk into four sections:

1. What makes someone influential?
2. Different types of influencers
3. The connector framework
4. What you can do right now

What makes someone influential?

Key elements shared by many truly influential people include: being focused on a particular subject or niche; being consistent, authentic and engaging. They also have a really clear purpose and know exactly where they are going. Another very important attribute is listening closely to your audience and adjusting or tailoring your output to maximise the impact.

Different types of influencers

The different types of influencers are conveniently summarized in **Figure 5**.

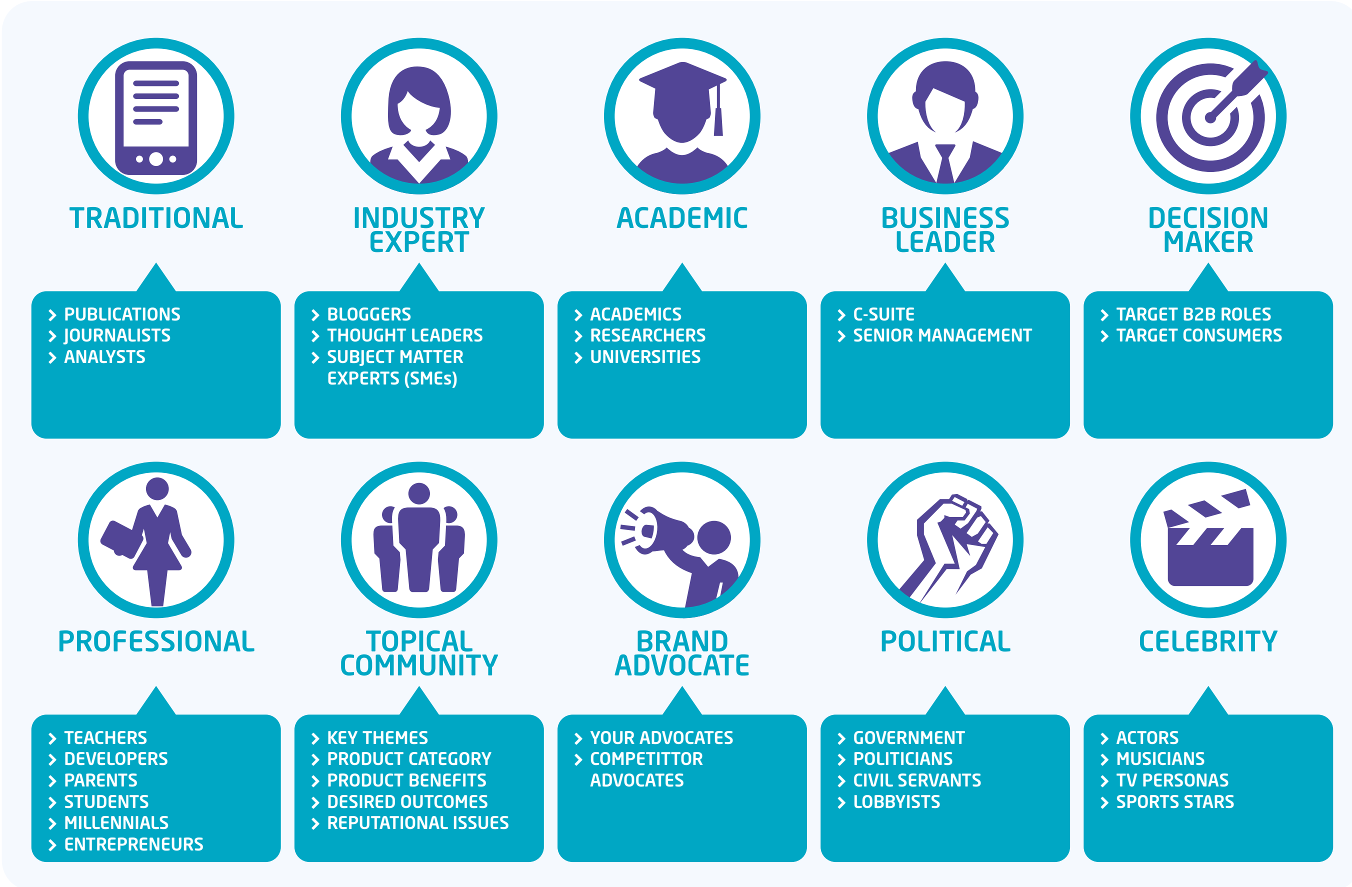


Figure 5: Different types of influencers.

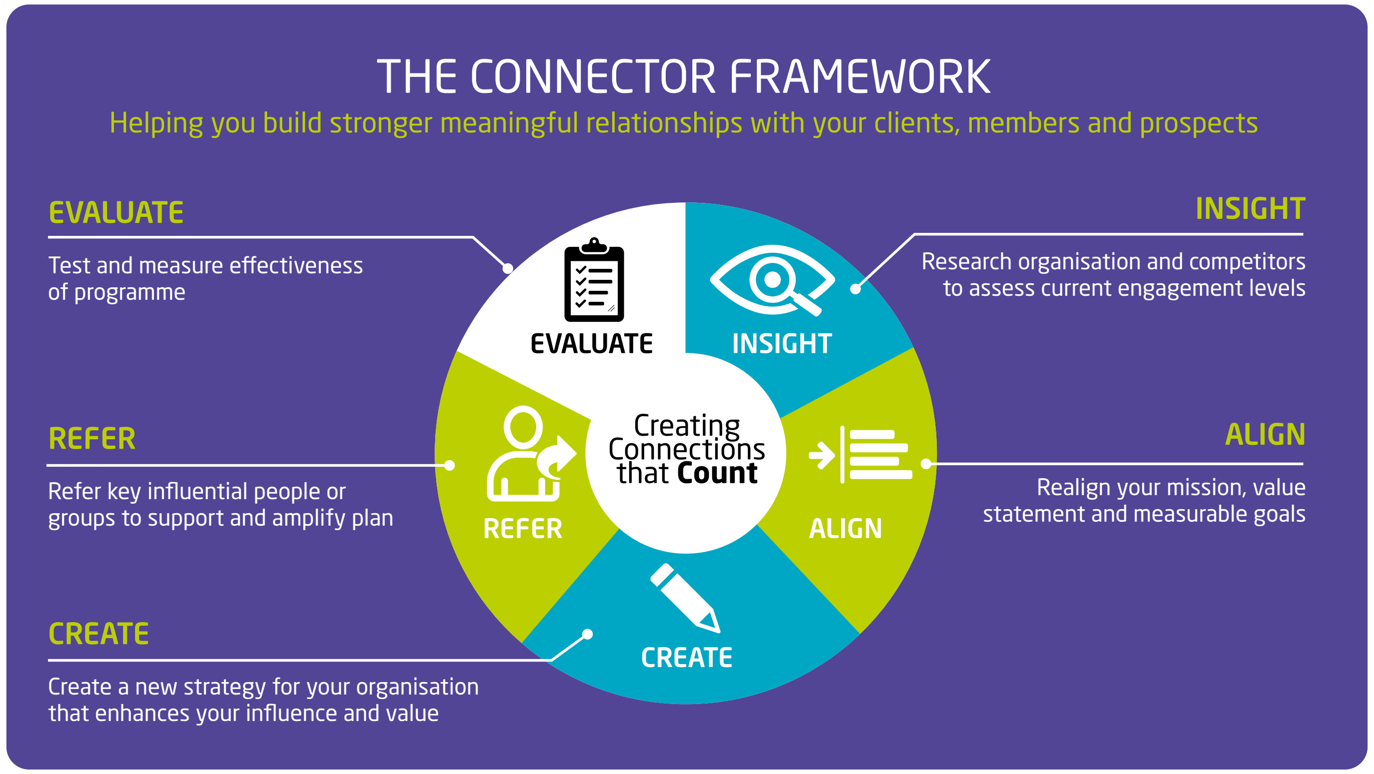


Figure 6: The Connector Framework.

The Connector Framework

The Connector Framework was created a few years ago to help organisations or individuals understand where their digital footprint currently is and what they need to do to realign their values with those of their target audience and then to go on to create and develop strategy that enhances influence and value (**Figure 6**).

What you can do right now

- Follow all of your customers and main prospects on social media.
- Start liking and commenting on their posts before reaching out to prospects.
- Share company report but with your perspective on post (add value).
- Review ten of your competitors posts; look at the engagement and you will start to build up a picture of what works.
- Post at least three times a week and comment on others. Don't sell, add value.
- Create the same profile on all of your social headlines and be clear on your purpose: What is your "why"?
- Facts tell, stories sell – cliché but nevertheless still true. Personal stories resonate. Photos and videos provoke emotional response.
- Ask to write columns in customer blogs or industry magazines.
- Create a drop-in clinic online for your clients.
- Build personal connections at all levels.
- Be an active listener and exude helpfulness.
- Body language and tone are everything – get them right.
- Develop a speciality or expertise – be the person that does.
- Create a Power Map to understand the circle of influence of your targets.

Who are the Institute of Sales Professionals?

Andy Hough was the CEO and founder of the Association of Professional Sales and has now managed the merger of the APS with the Institute of Sales Management to create the ISP.

The ISP is the government-backed professional body representing those in sales in the UK and around the world. It is on route to chartered status with the application process in progress.

How can strategic suppliers and strategic procurement collaborate more effectively?

Dr Jurgen Scherer, former GVP Sales/KAM Cognis (now BASF) has been in the unusual position of having both senior roles in major sales organisations and senior roles in major purchasing organisations, sometimes simultaneously. This has given him an excellent perspective on how strategic collaboration can be made more effective.

Underlying all areas of business, it is important that even when dealing B2B you are thinking of the final customer. **Figure 7** shows the approach that was taken at Cognis to ensure that it used customer insights to determine its market orientation.

Along with this approach, 12 golden rules were developed for B2B relationship management.

1. **Choose your partners and align** – Chose your partners and makes sure you are aligned on objectives, goals, strategy, actions, and measures.
2. **Improve the value-cost ratio** – Look at all possible ways to increase the value of what you provide. Prioritize value creation, not cost reduction.
3. **Win/win = unlearning zero sum** – Not every gain by one partner has to achieved at the expense of the other partners. Look for ways to make the pie bigger, rather than fighting over the existing portions.
4. **Trust is good, yet metrics are still needed** – Measuring the right things approximately is much more important than measuring the wrong things precisely. Keep measures simple. Do not be afraid of subjective measures. Include as wide a range of measures as possible: eg, measures from R&D, production and logistics.
5. **Make me confident, make me smart** – Psychological and emotional elements should not be forgotten. What you achieve is just as much dependent on how you sell or buy as it is on what you sell or buy. Purchasing people often have more fear and uncertainty than recognised by sellers.
6. **Keep me challenged, but not pressured** – Motivation is best achieved by a degree of challenge but not too much. Performance is generated by a steady relationship "flow". Avoid both complacency and excessive pressure. Challenge but within moderation.
7. **Winning minds and hearts** – Don't push the hard performance side in isolation, consider the emotional elements too.
8. **Recognize the ongoing customer activity cycle** – Never forget the ongoing customer activity cycle. Act appropriately and understand the customer's requirements at every stage of the cycle. Aim for "lock-on" rather than "lock-in", ie customers opt to be with you.
9. **Back to roots, stimulus contribution theory** – Partners work together because they see benefits from doing so; this is stimulus contribution theory. Consider the emotional dimension too.
10. **The new purchasing, support your suppliers** – The best organisations are moving away from beating up their suppliers to promoting and supporting them. To get best value from your suppliers you need to cooperate with them. Become the most attractive customer to your suppliers!
11. **The new sales, challenge your customers** – Challenge but within limits and retaining good feeling.
12. **Food for thought, success factors in B2B** – Don't let "digital transformation" make you less human. Set clear expectations. Healthy relationships support both mental and physical health.

Final thoughts for dealing with common issues:

- Coping with relentless buyer pressure – Expect it! Realize that a transactional offering may be the table stakes. Redirect conversations to unmet needs and pain points and use hypothesis-based selling: "If we were to provide …"
- Innovating and differentiating – Never stop looking for opportunities; keep digging within customer organisations until you find areas where business can be developed. When you do find opportunities, define them, set clear expectations, and include the price tag.
- Bringing your own organisation along – Involve them. Get them to participate directly with customers. Expect to have to spend more time selling internally, than externally. Finally, limit what you expect of your own organisation and be prepared to delist inappropriate customers if you cannot serve them.

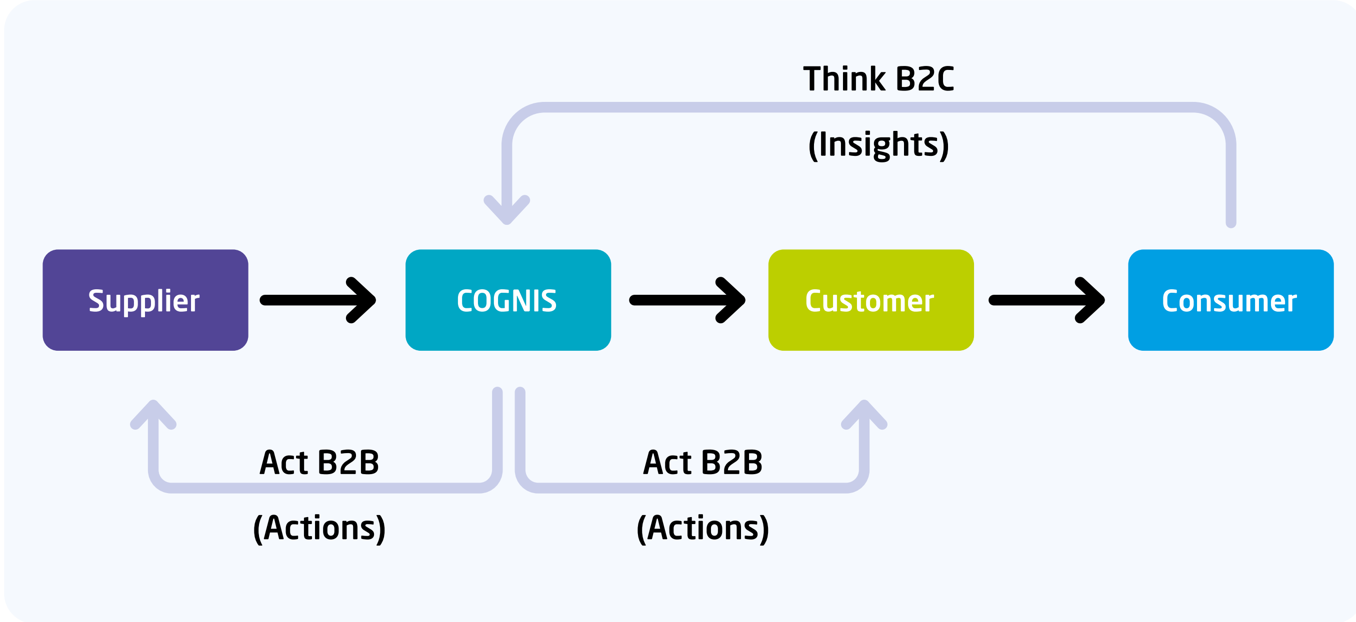


Figure 7: Thinking B2C.

Conferences and exhibitions

AMA Winter Academic Conference (in-person) – Las Vegas
18-20 *February* 2022
Virtual option 9-11 February 2022
https://www.ama.org/events/general/2022-ama-winter-academic-conference/

NSCM – National Conference in Sales Management – Minneapolis, MN, USA
23-25 *March* 2022
https://pse.org/ncsm/

Cranfield KAM Forum

Details of webinars are available from: Hayley Brown, KAM Forum Administrator, Centre for Strategic Marketing & Sales, Cranfield School of Management.
h.brown@cranfield.ac.uk,
www.cranfield.ac.uk/som/kambpforum

ISP events

Details of upcoming can be found at the Institute of Sales Professionals website.
https://www.the-isp.org/events

Sales competitions

NCSSC – National Collegiate Sports Sales Championship – State Farm Arena, Atlanta, GA, USA
7-8 *February* 2022
https://www.eventbrite.com/e/2021-22-national-collegiate-sports-sales-championship-conference-tickets-140884741053

Virtual Redbird National Sales Competition – Hosted by Illinois State University, Normal, IL, USA
9-11 *February* 2022
https://business.illinoisstate.edu/psi/rnsc/

South-East Asia Sales Competition – SEASAC 2022, Bina Nusantara University, Indonesia
Qualifying rounds 15-17 *February* 2022; *semi-finals and finals* 23-24 *March* 2022
Qualifying rounds will be conducted online and finals online or on site, depending on the Covid-19 pandemic. Decision on the format of semi-finals and finals will be made in January 2022. Please note, this is an international competition and the competition language, for both participants and judges will be English.

The competition is targeted to students in South-East Asian universities with no limitations regarding major subject or study level (Bachelor/Master/Doctoral). University students from outside of the region will be by invitation.
Contact seasacproject@gmail.com for entry information.

Selling with the Bulls – Hosted by University of South Florida-Tampa, USA
17-18 *February* 2022
https://www.usf.edu/business/centers/marketing-sales-innovation/competition.aspx

UTISC: University of Toledo Invitational Sales Competition (on campus and online) –University of Toledo, Toledo, OH, USA
24-26 *February* 2022
https://www.utoledo.edu/business/essps/utisc/

NCSC: National Collegiate Sales Competition – Hosted by Kennesaw State University, Kennesaw, GA, USA
4-7 *March* 2022
https://www.ncsc-ksu.org

GBSC 2022 virtual qualifying: Global Bilingual Sales Competition
17-18 *March* 2022
https://www.fiu-gbsc.com

Pensacola Pitch Collegiate Sales Competition – Hosted by University of West Florida, Pensacola, FL, USA
17-19 *March* 2022

ACSC: Arizona Collegiate Sales Competition – Rotating Arizona University Campuses
18-19 *March* 2022
https://wpcarey.asu.edu/marketing-degrees/arizona-collegiate-sales-competition

TCCSTC: Twin Cities Collegiate Sales Team Competition – Hosted by University of Minnesota Twin Cities Campus, Minneapolis, MN, USA
23-25 *March* 2022
http://csle.umn.edu/competition/page/

PSE National Convention & Pro-Am Sell-A-Thon – Hyatt Regency Minneapolis, MN, USA
23-26 *March* 2022
https://pse.org/our-services/pro-am-sell-a-thon/

Robert Morris University Third Annual Sales Challenge Sponsored by Net Health – Pittsburgh, PA, USA
26 *March* 2022
Contact Dr Jill Kurp, kurp@rmu.edu for more information

NSSC 2022: National Shore Sales Competition – Hosted by Salisbury University, Salisbury, MD, USA
31 *March* – 2 *April* 2022
https://www.salisbury.edu/academic-offices/business/masmi/nssc/

KSC: Keystone Sales Challenge – Hosted by Bloomsburg University, Bloomsburg, PA, USA
5-9 *April* 2022
Contact: mfavia@bloomu.edu; https://www.bloomu.edu/professional-sales-center

GBSC 2022 in-person finals: Global Bilingual Sales Competition – Florida International University, Miami, FL, USA
7-8 *April* 2022
https://www.fiu-gbsc.com

KU/King's Hawaiian Sales Competition – University of Kansas, Lawrence, KS, USA
8-9 *April* 2022
https://business.ku.edu/undergraduate-programs/degree-programs/certificate-professional-selling/kings-hawaiian-sales-competition

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