

# Stop Wasting Money On Sales Training

The Secrets To Creating A  
High-Performance Sales Team

*Presenters:  
Mike Kunkle & Lisa Clark  
March 4, 2015*

# Today's Agenda

- Current State of Sales Training
- Why Most Sales Training Fails
- The Case for a Comprehensive Learning System
- Role of Managers in Motivating Long-term Change
- Metrics that Matter for Improving Sales Performance
- Real-world Success Stories
- Q&A

# Let's Share

## Twitter

- @Mike\_Kunkle
- @qstream
- @atd

## Hashtag

- #QstreamforSales

Sales training is  
not delivering results.

Sales training can

have a massive impact.

# Goal:

Prepare you to implement

# sales training

that measurably improves

sales results.

# Current State of Sales Training

[www.FunnySalesCartoons.com](http://www.FunnySalesCartoons.com)

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count5

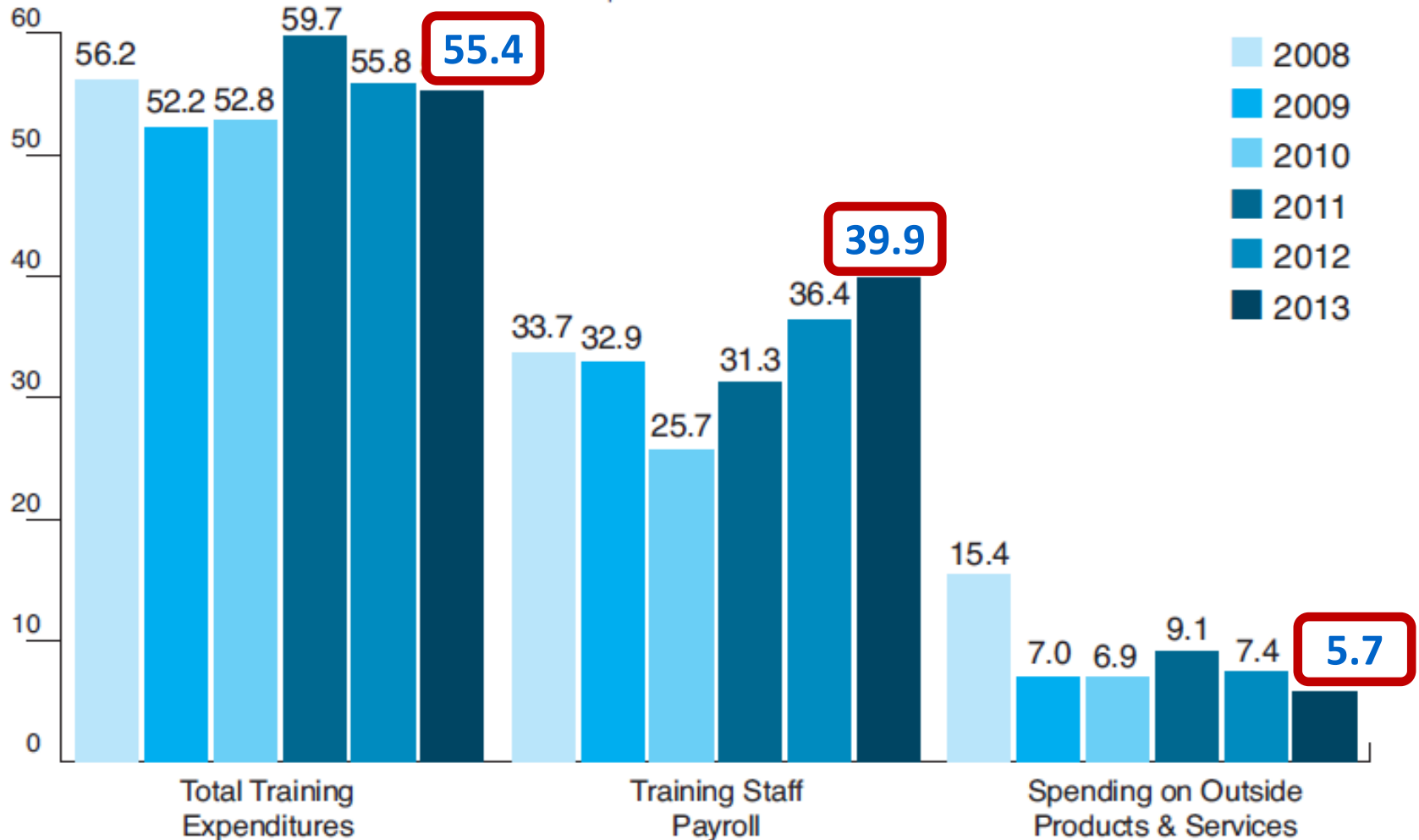
*You sure they're absorbing  
all of this?*



# Current State: Training Spend

## Training Expenditures 2008-2013

In \$ Billions



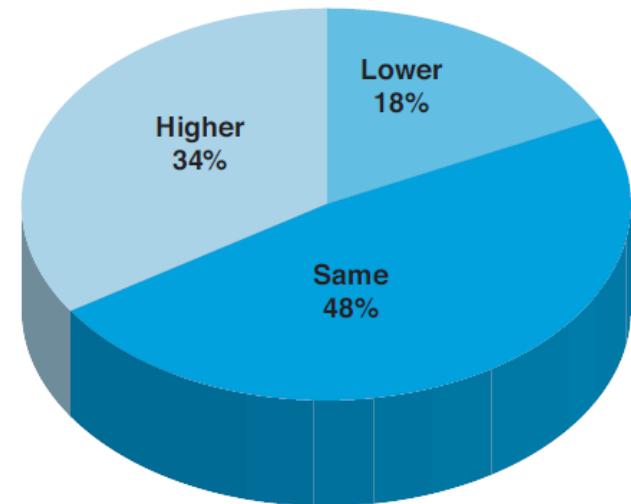


# Current State: Training Spend

## Average Training Budgets by company size:

- Large - \$17.6mm
- Midsize - \$1.2mm
- Small - \$301k

Is the Number of  
Training-Related Staff Higher  
or Lower Than Last Year?



# Current State: Results

## Training

- **ATD:** half the respondents felt that 50% or less was relevant to their job
- **McKinsey:** 75% of training programs fail to contribute to the success of the business
- **ES Research:** 80%+ of sales training produces no long-term impact
- **CEB:** 50% of frontline managers believe shutting down the training department would have no impact on employee performance

## Coaching

- **Nightingale-Conant:** 67% of managers aren't coaching & 52% are "too busy"
- **Objective Management Group:** only 15% of managers spend 25% of their time coaching
- **Sales Management Association:** frontline sales managers spend only 26% of their time managing performance (setting expectations, monitoring, coaching and development)

# Current State: Results

- From the Sales Management Association's B2B Sales Change Study:

In order for your sales organization to be highly successful in the next 18 months, how much *should* you change the following things?

**Sales Training**

Sales headcount

Coverage model

Performance measures

Technology

Sales job design

Sales process

Why  
Sales training  
fails

# Why Sales Training Fails

- A sad, but true tale



“Karen, we need sales training!”

# Why Sales Training Fails

- A sad, but true tale



“Karen, we need sales training!”

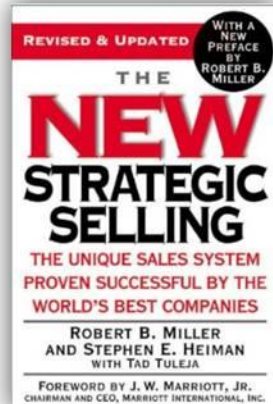
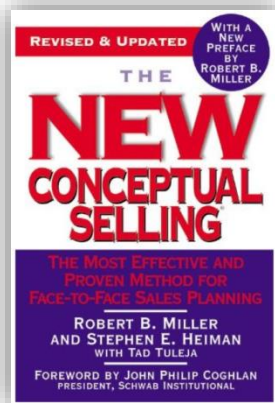
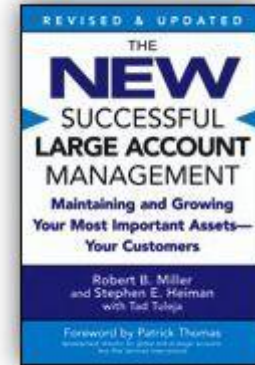
Karen reviews sales training.



# Why Sales Training Fails

- A sad, but true tale

Karen selects sales training.



*Note: Miller Heiman is a fine company. This is neither a condemnation nor an endorsement for them.*

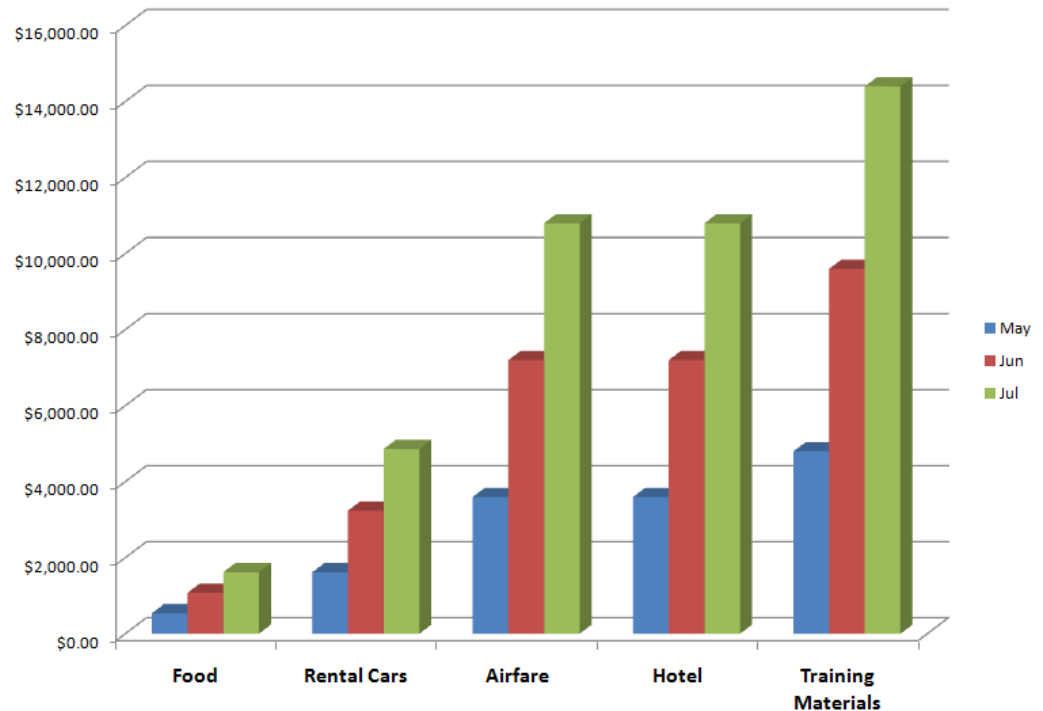
# Why Sales Training Fails

- A sad, but true tale

Karen delivers sales training.



Training Expenses





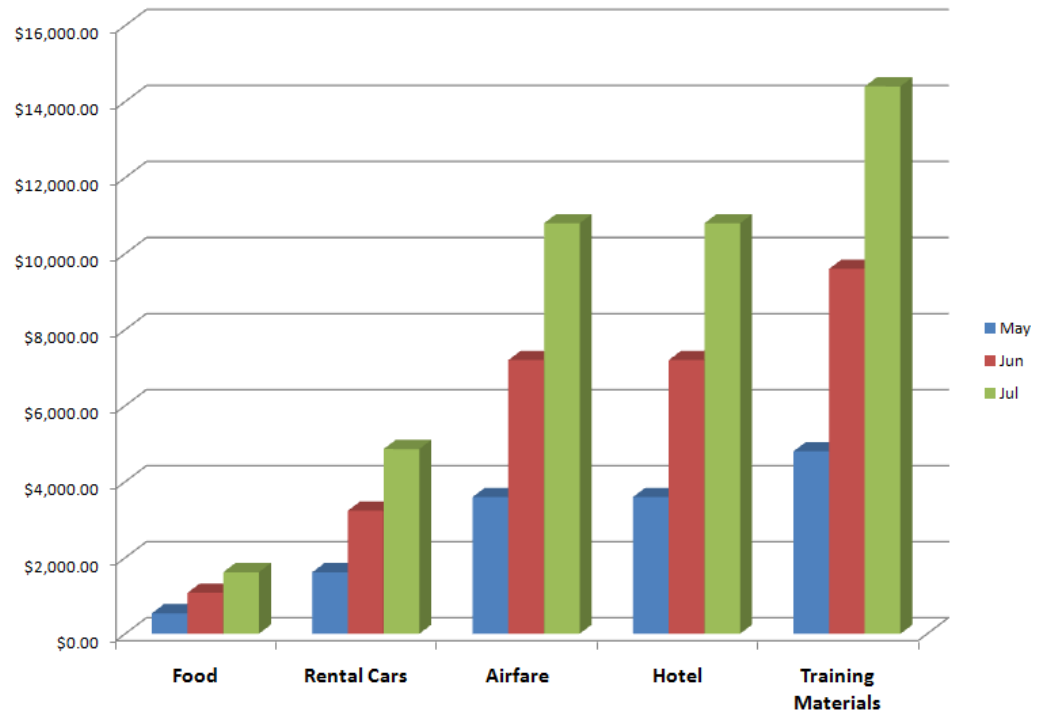
# Why Sales Training Fails

- A sad, but true tale

Karen delivers sales training.



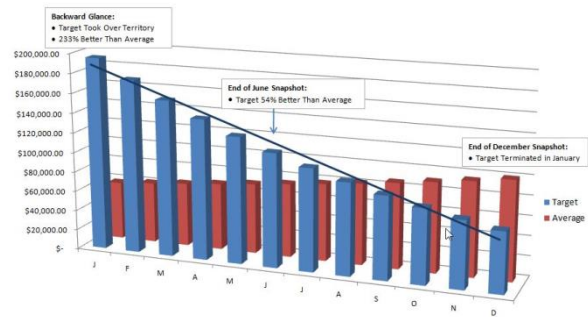
Training Expenses



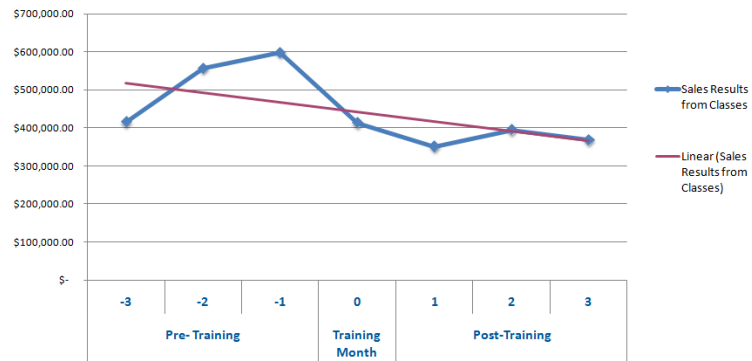
# Why Sales Training Fails

- A sad, but true tale

“Karen, what happened!?”



Training Evaluation - Level 4 Results



# Why Sales Training Fails

- A sad, but true tale

According to Sales Performance International, most sales professionals forget at least 50% of what they learned in training programs in less than five weeks. For over 44% of 6,000 sales professionals surveyed, they forget in less than one month. Further, salespeople only remember 16% of content from sales training workshops after only 90 days.

A Xerox study showed that 87% of the knowledge learned in sales training is lost within 12 weeks.

A study at Columbia University found that up to 95% of what is taught in training programs is wasted through a failure to transfer learning to the workplace.

Training Evaluation - Level 4 Results

\$700,000.00

# Why Sales Training Fails

- Not the right **solution**
- Right solution, wrong **content**
- Poor **learning** design
- No **sustainment**
- No **transfer**
- No **coaching** to mastery
- No **measurement**
- No **performance** management
- No aligned **change** plan

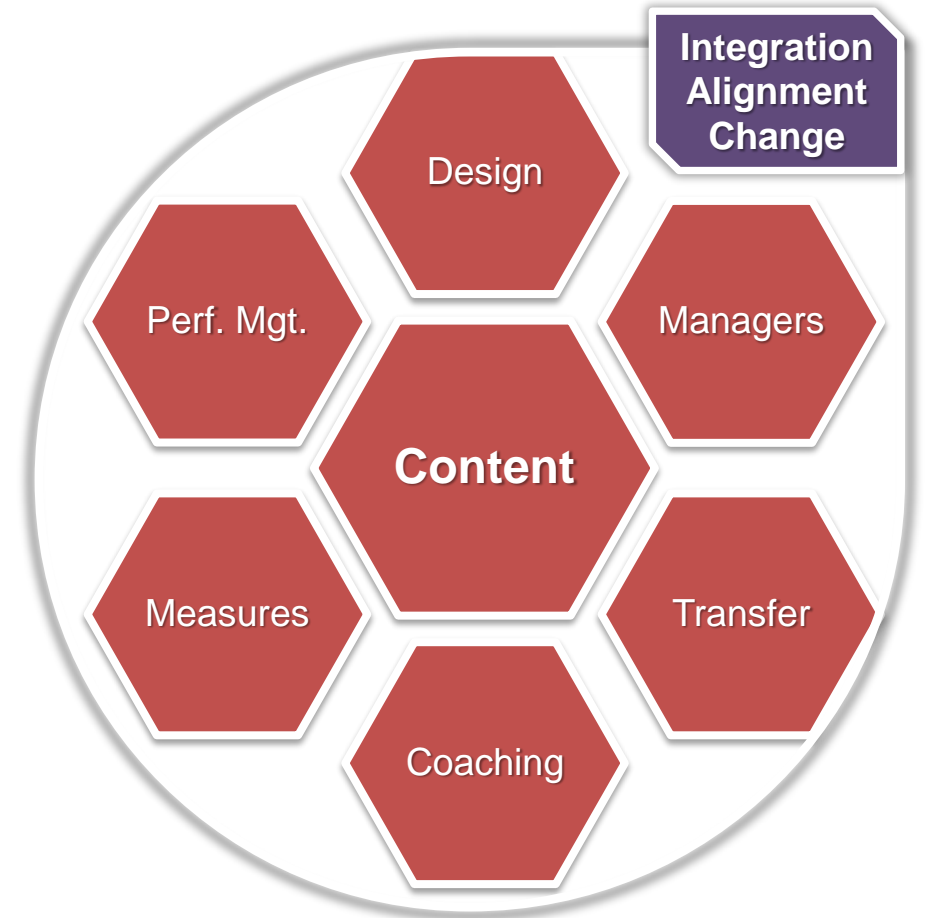


# **Solution Overview**

# Solution: Effective Learning System

## The Framework

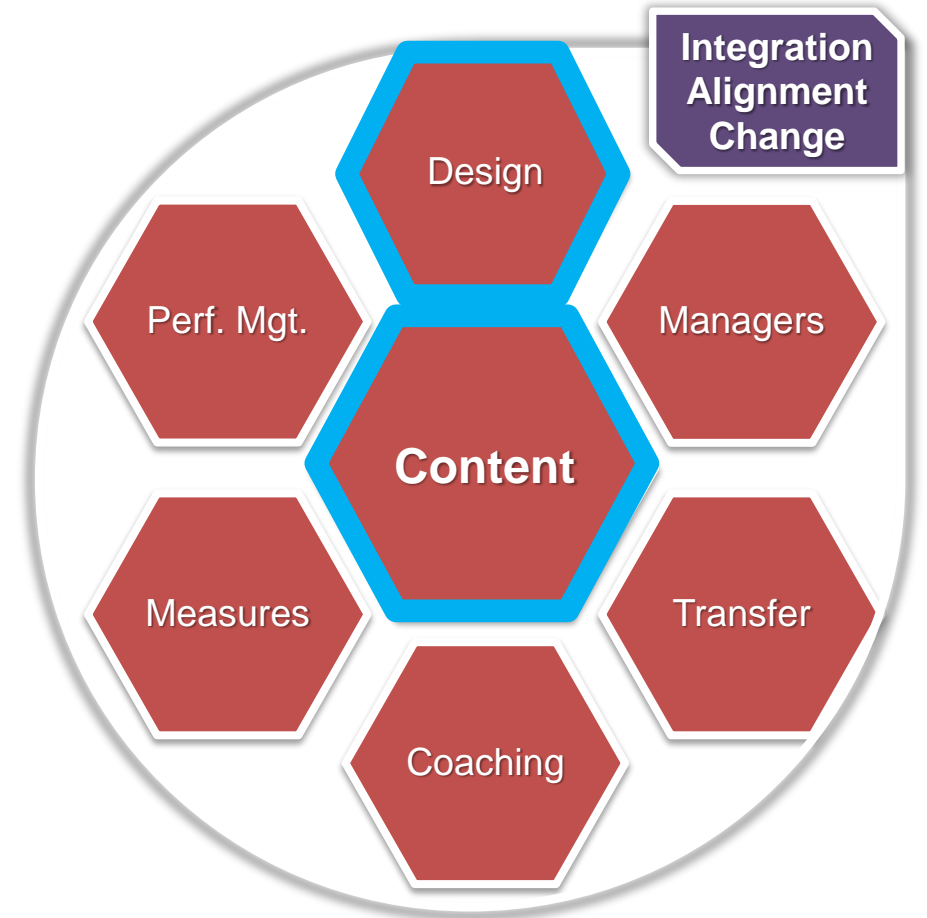
- Effective learning system
- Integration, alignment, change



# Solution: Effective Learning System

## The Framework

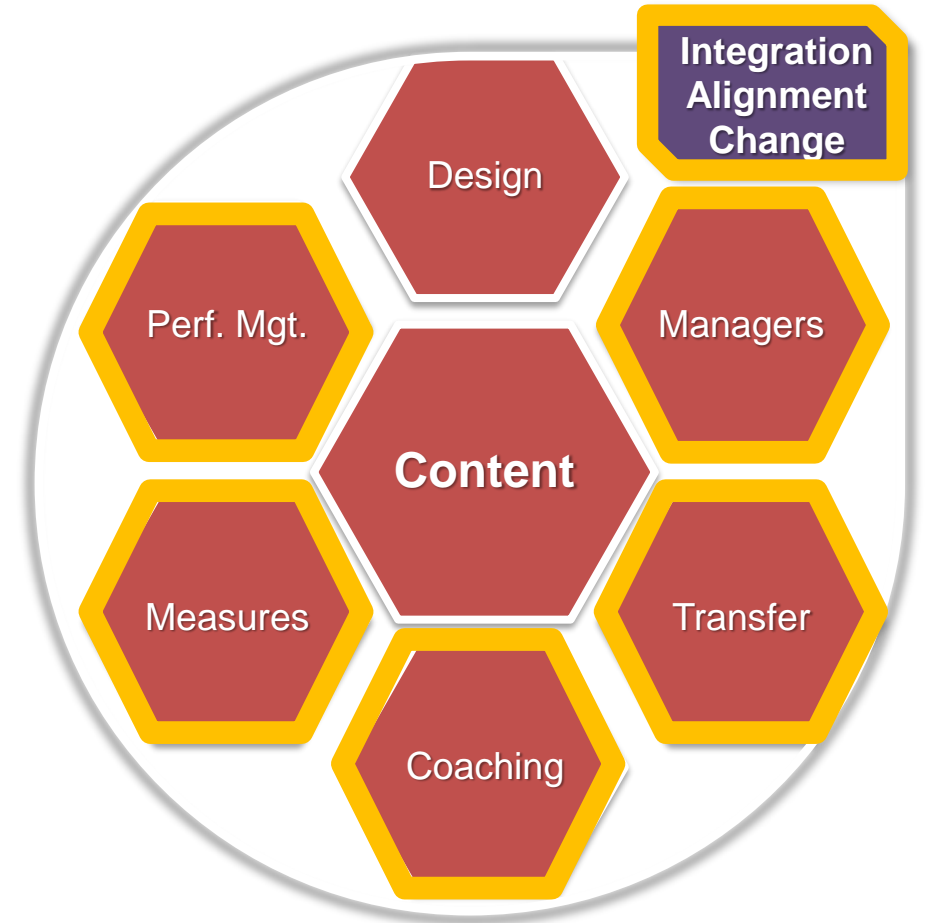
- Most common training focus



# Solution: Effective Learning System

## The Framework

- The difference



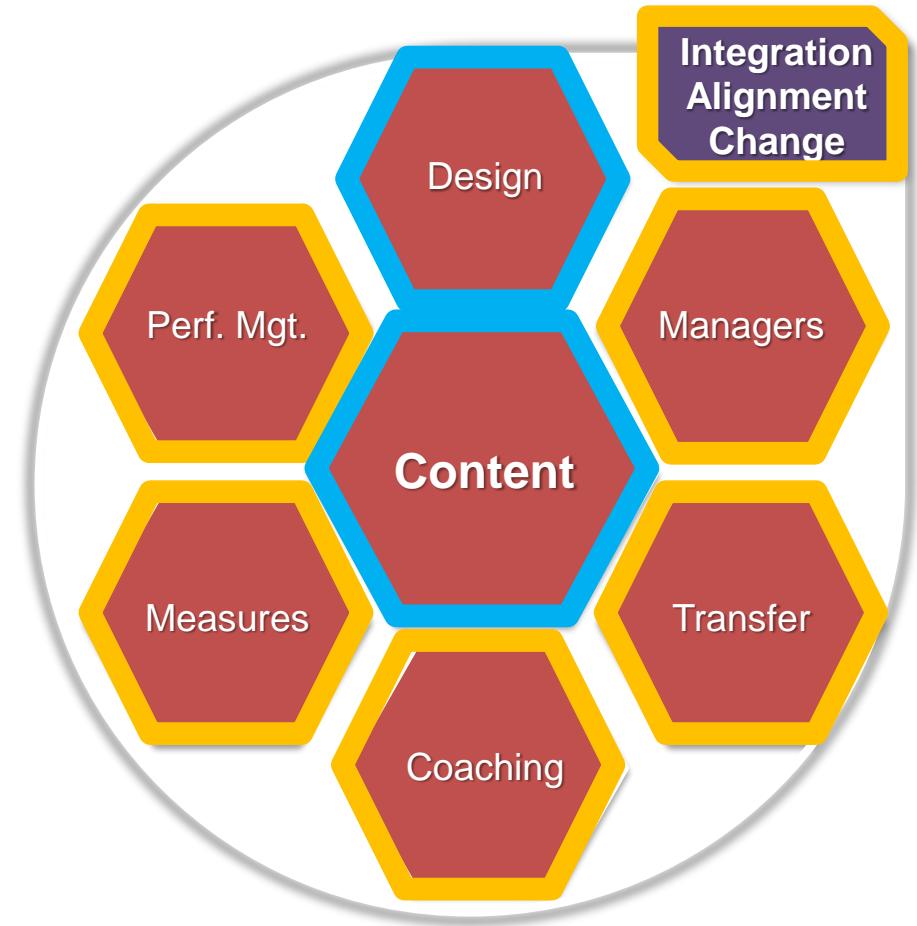


# Solution: Effective Learning System

## The Framework

- Combined – powerful
- It's rare
- Competitive differentiation

***“Our people are our greatest asset!”***



# This looks hard – Why bother?



# This looks hard – Why bother?

## Remember the current state?

The ugly facts...



### Current State: Results

#### Training

- **ATD (formerly ASTD):** half the respondents felt that 50% or less was relevant to their job
- **McKinsey:** 75% of training programs fail to contribute to the success of the business
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#### Coaching

- **Nightingale-Conant:** 67% of managers aren't coaching & 52% are "too busy"
- **Objective Management Group:** only 15% of managers spend 25% of their time coaching
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# This looks hard – Why bother?

***This works better!***

## Some real results...

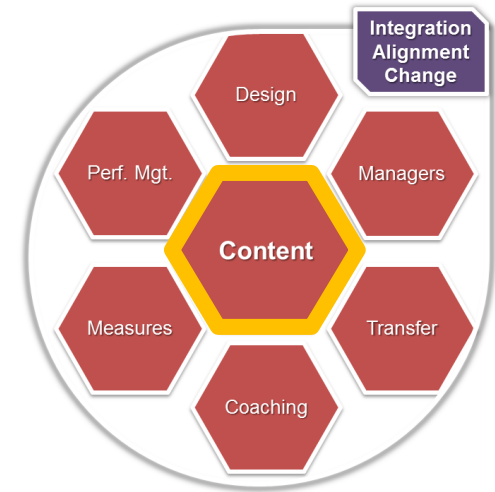
- \$398M YOY; \$9.96M Profit increase; 400% ROI
  - Increased sales results 600% over previous year while decreasing net operating expenses by 21%
- Increased sales per rep by 47% in 9 months
  - Improved average profitability per rep by 11% in 4 months
- New hire 4-month reps outperform 5-year employees
  - Increased sales per rep in the 90-day period post-training by 2.3 per month (revenue increase of \$36.6mm in 12 months).

# **Solution:** **Effective Learning System**

# Solution: The Right Content

## Content: Top Producer Practices

- Task analysis
  - what, why, how, when, where
  - difficulty, importance, frequency
- Sales process
- Sales methodology
- Performance levers (80/20)
  - Compare top & middle – differentiators
  - Continue | start | stop list
  - Build content around replicable skills.

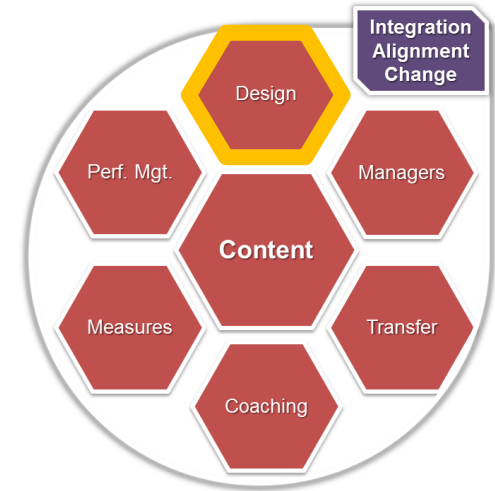


Priority Focus

# Solution: Learning Design

## Sound Instructional Design

- Process, not events
- Chunk, sequence, layer
- Separate knowledge and skill
- eLearning, virtual, classroom blends
- Flipped classroom
- Focus on honing skills
- Provide performance support
- Build in feedback and accountability



# Solution: Manager Engagement

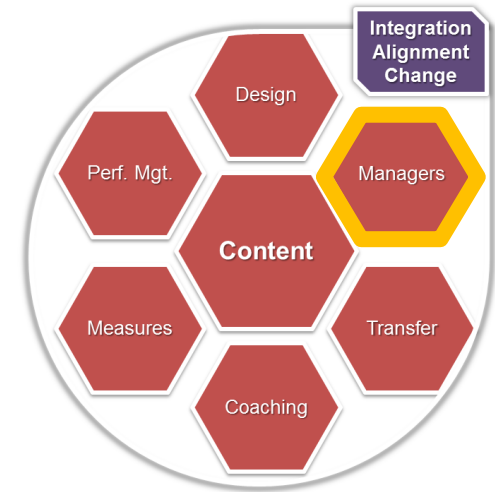
## Involve Managers; Improve Skills

- Get buy-in for sales rep training
- Include in top-producer analysis
- Do a top-performer analysis for managers

## Prepare managers to:

- Know content
- Sustain knowledge
- Transfer skills
- Analyze gaps
- Coach to mastery
- Manage rep performance

***Best Practices!***

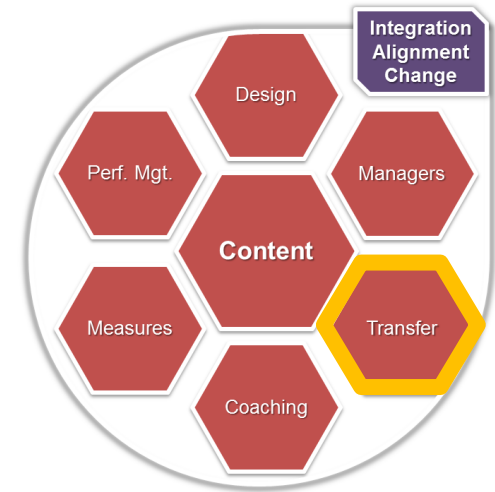




# Solution: Planned Transfer

## Get the Training Used on the Job

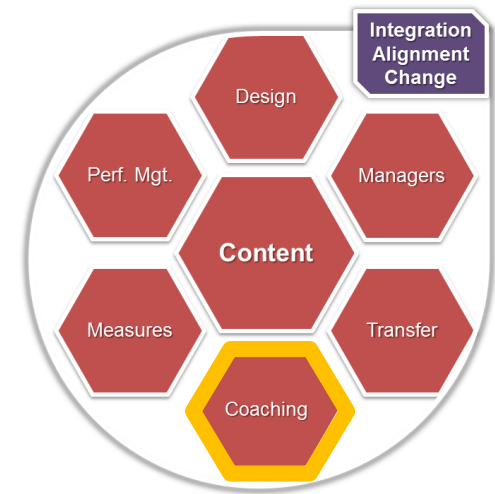
- Design sustainment and transfer plans into learning process
- Assess at various stages
- Provide performance support
- Build social and community reinforcement
- Consider mobile & gamification
- Provide manager tool-kits
- Connect reps & managers before, during and after training



# Solution: Coaching Excellence

## Get Managers Coaching

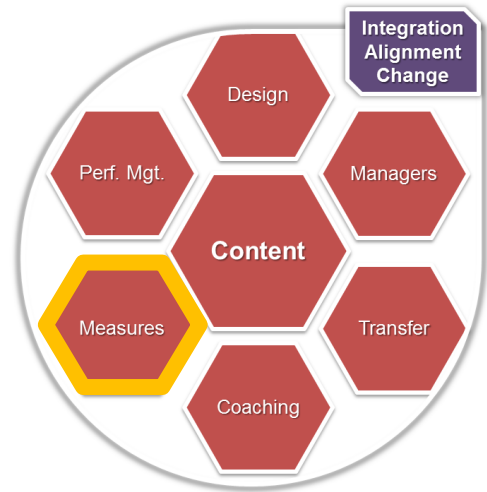
- Train Managers first
- Managers monitor progress through learning
- Managers attend class w/ rep as in-class coach
- Managers train, sustain, transfer and coach
- Develop very-specific sales coaching programs
  - Diagnose: form hypothesis
  - Dialogue + observe: confirm performance gaps
  - Develop: solutions based on gap type
  - Do: implement solutions to improve performance



# Solution: Metrics & Measures

## What Gets Measured Gets Done

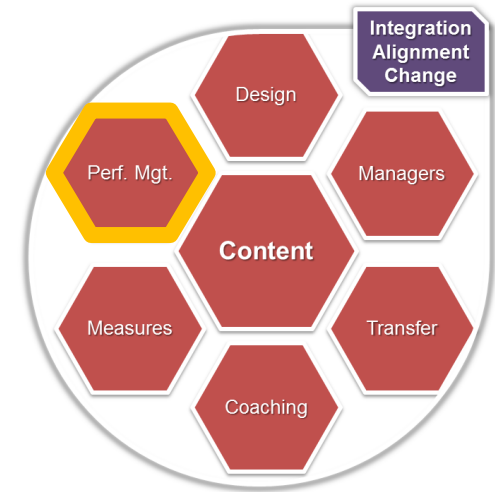
- Agree on lead and lag indicators and verifiable outcomes for both learning & performance
- Report progress throughout training
- Develop post-learning reporting
- Establish regular cadence with manager/coaches
- Do testing over time (retention checks) and skill usage surveys
- Make changes quickly and communicate success stories.



# Solution: Performance Management

## Manage Performance

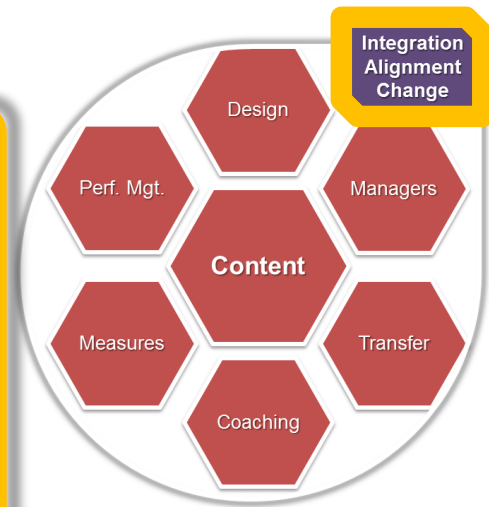
- Beyond manager support for training & coaching
- Establish a cadence of check-ins
  - review of results, activities, methods
  - dialogue / observation / coaching
- Managers counsel and manage performance as needed, holding employees accountable
- Senior leaders hold managers accountable



# Solution: Integration/Alignment/Change

## This is All Change Management

- Link training to business strategy
- Ask for top-down support
- Establish clear roles & responsibilities
- Communicate [change plans](#), rationales, goals, risks, metrics, and impact
- Establish regular and open communication with leadership teams – share success stories
- Find and address issues quickly



# **Secrets to Creating High-Performance Sales Teams**

# A True Story...

- Fast-growth company in Sunnyvale, CA
- Leading robotic surgical system
- \$2.2 billion in revenues
- 2,400 employees
- 700 sales reps



# New Product Training

**Sales Training**

**Product Delivery**

**Vergessenskurve nach EBBINGHAUS 1885**

Y-axis: % Ersparnis an Lernzeit  
X-axis: Zeit

Zeit (Relative)	% Ersparnis an Lernzeit
0	100
1	75
2	55
3	45
4	38
5	35
6	33
7	32
8	31
9	30
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# The Test

## Group 1

Light  
Touch

Reps completed ILT  
and traditional  
follow-on support

## Group 2

Mobile Sales  
Reinforcement

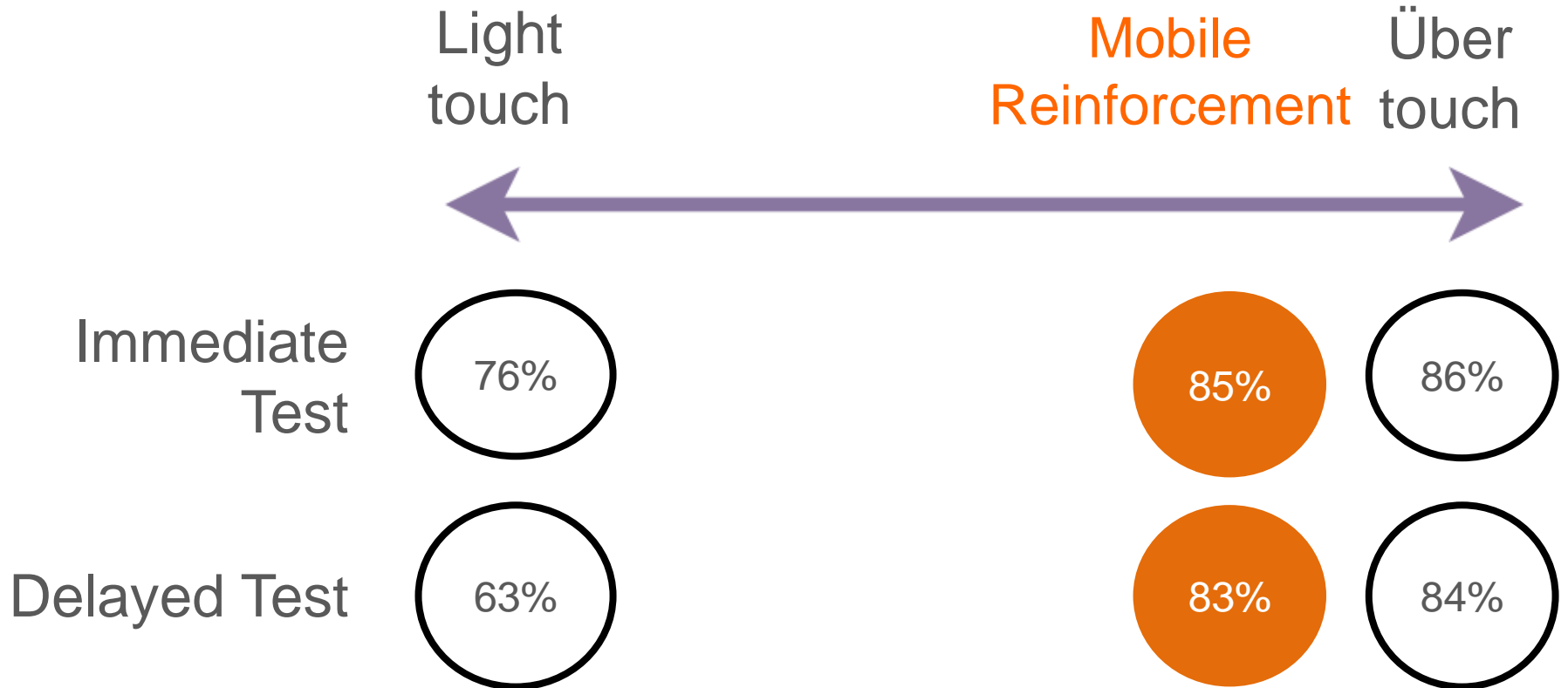
Reps completed ILT  
and participated in a  
**reinforcement  
program**

## Group 3

Uber Touch  
Mentoring

Reps completed ILT  
and met regularly with  
SMEs to review  
content

# The Results



Cohen d effect size: Qstream improved knowledge by a very large (0.90) effect size over control for T1 and a moderate-large effect size (0.62) for T2.

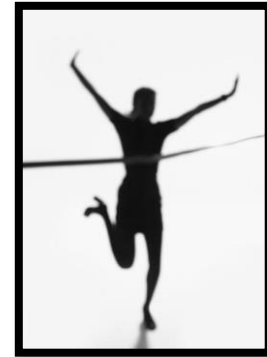
# Important Considerations



**Time**



**Convenience**

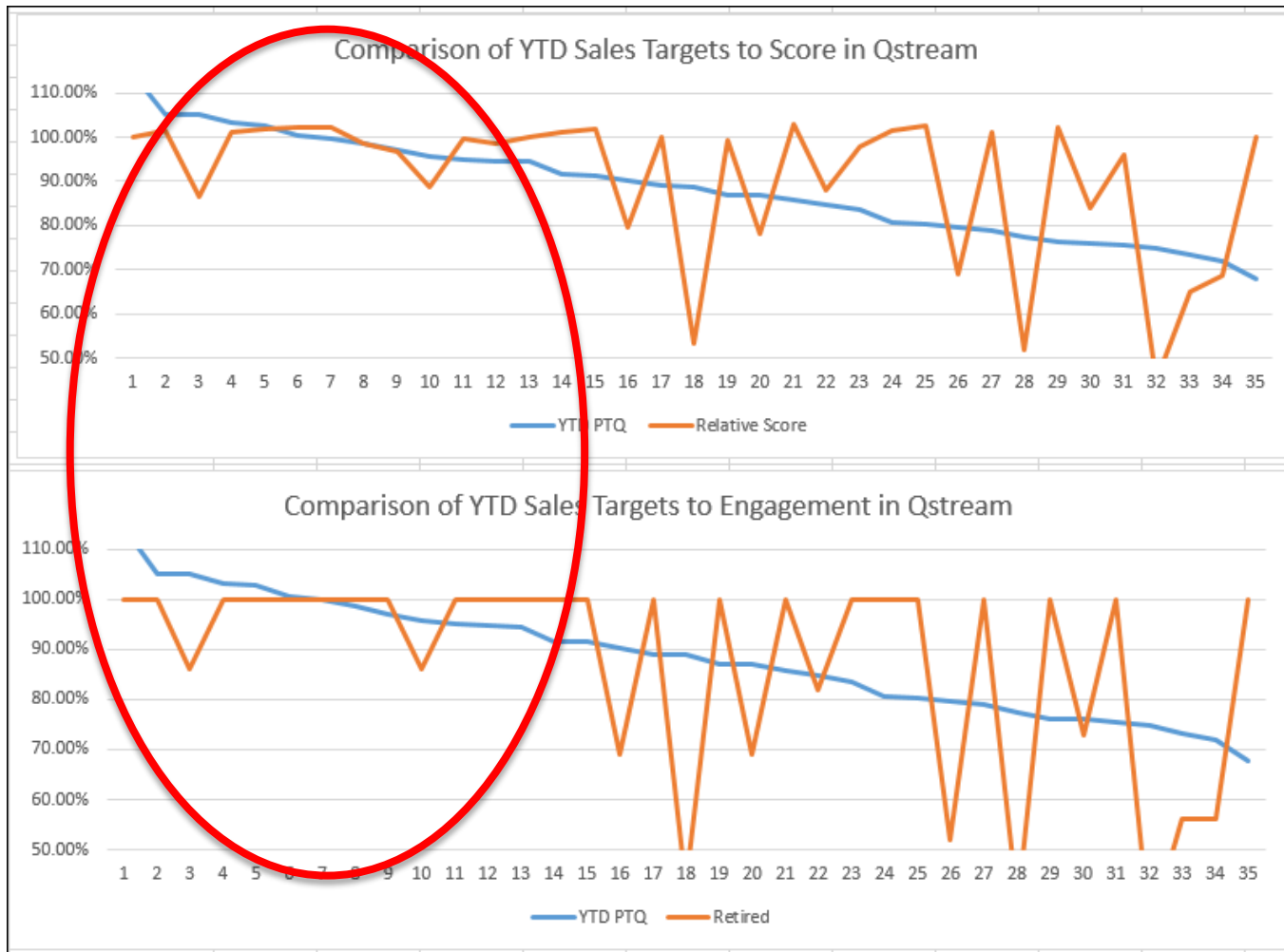


**Motivation**



**Management Insight**

# Importance of Engagement



# Data-Driven Manager Dashboards

## Team Insights

Send feedback on new design Help

Team: Central region (20 members) Qstream: Consultative Selling 60% complete (average)

**PERFORMANCE**

Moderate

1320 (Low) | 397 (Your team) | 420 (Average) | 480 (High)

Fire-up your team

Congratulate your team

**ENGAGEMENT**

Strong

1 (Not started) | 2 (Inactive) | 17 (Engaged)

Congratulate 17 engaged members

Check-in with 1 member who has not started

Re-engage 2 inactive members

**PROFICIENCY**

Weak

9 (Excelling) | 11 (Need help)

Help Maddie Greene with New Pricing

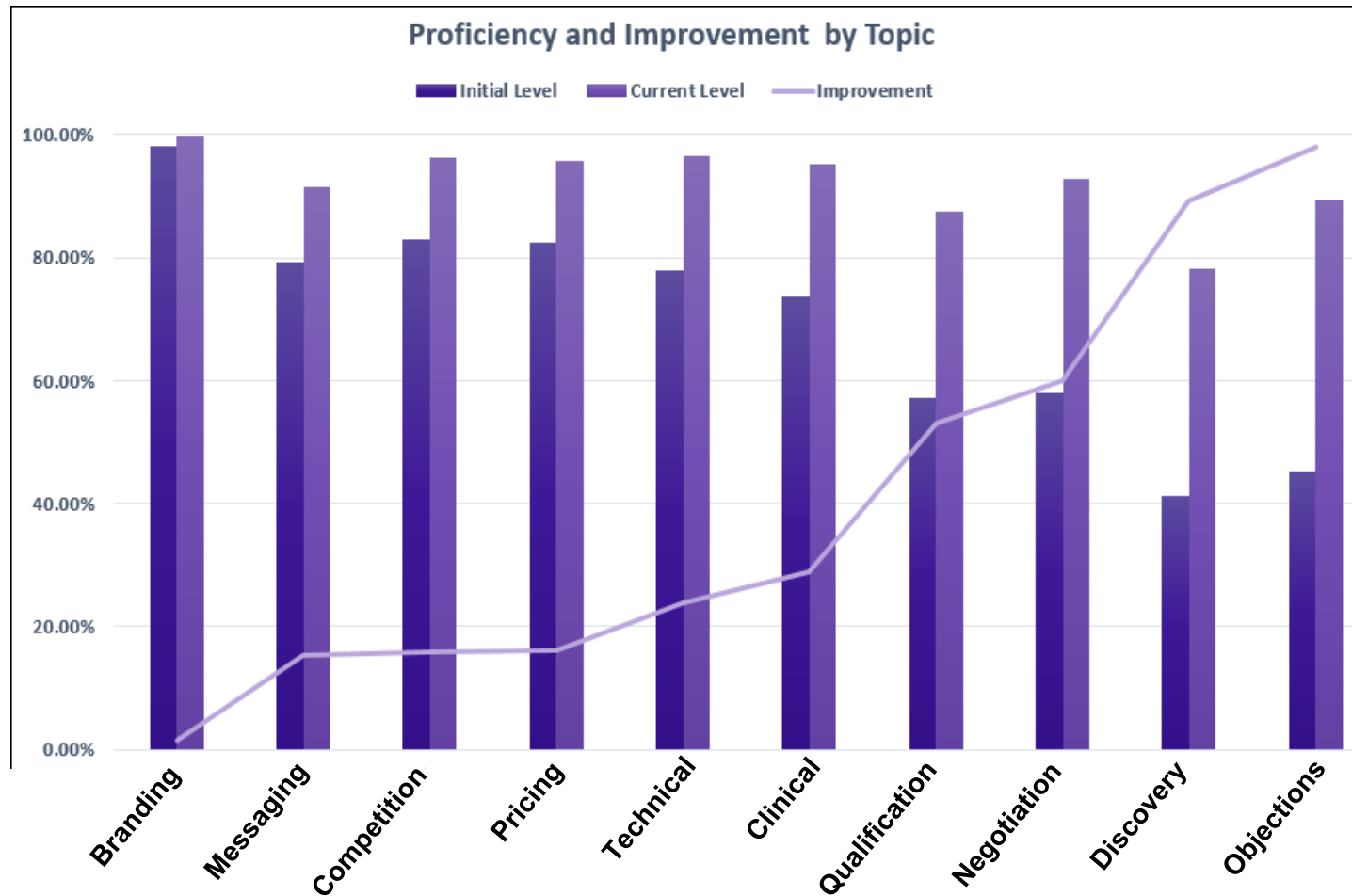
Send Eric Allum tips on Competitive Intelligence

Congratulate Caitlin Lennox on excelling in performance

Show more coaching actions

	Central	Northeast	South Central	Southeast	West Coast	
	70	60	90	50	95	
	80	50	95	50	80	
	70	95	80	85	75	
	70	80	95	50	75	
	70	70	65	60	30	
Opp. Qualification	85	70	80	85	50	75
Objection Handling	90	80	50	90	60	90
Compliance Updates	65	90	100	92	72	88

# Track Improvement Over Time



# Where to Start

- Launching a new product
- Change in your pricing structure
- Opening a new sales channel
- Reengineering your selling territories
- Moving into a new market segment
- Adopting a new sales methodology or process
- Shifting your marketing approach
- Introducing a new tool (such as CRM)
- Onboarding new reps

**...or when your competitor does any of the above.**

# Four Secrets to Success

1. Respect that sales people are only human (they forget)
2. Monitor what reps really know, deeply
3. Personalize coaching to build rep confidence and proficiency
4. Proactively correlate training insights to sales performance



# Questions?



# Thank You!



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Sales Transformation Expert

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