

Motivation breeds success

Research has shown time and again that highly motivated sales teams outperform those with poor motivation or low morale. However, many business leaders are surprised at the effort that seems to be needed to constantly keep salespeople motivated. There are clear reasons for this.

By its nature sales is often a high-pressure environment filled with “mood swings”, acceptance and (lots of) rejection, wins and losses, highs and lows. Combine that with the loneliness of the individual salesperson’s typical working environment and the suspicion or hostility that some sales forces encounter from customers or even other parts of their company and it is no wonder that motivation can be so elusive.

The goal is a sales team that maintains enthusiasm and drive even when times are tough, that represents the company positively in front of customers and that constantly pushes to achieve company goals. If this sounds like dreamland, then it shouldn’t. Motivation is not rocket science, but it does need a package of measures to achieve.

What goes wrong

Most firms appreciate that keeping sales teams motivated is important, but employ only partially effective methods. In many organisations, motivation consists of:

- the carrot – typically commissions and bonuses that will appeal to some people some of the time, but are only part of the motivation picture
- the stick – “firm” motivation that can easily become threats, bullying or “shouting at the plants until they grow”
- missionary zeal – the odd “whoop and holler” session, sometimes with a sales “guru”, that leaves the team on a temporary high but does not last, and can be easily dismissed as flim-flam

All of these can form effective parts of a motivation regime if properly used. But like all tools they are only effective when used in the right way, and no single tool is appropriate for every situation.

Another important consideration is that poor competency is often confused for poor motivation. That is, “can’t do” is often confused for “won’t do”. This could be a training or coaching issue, or it might be that an individual just is not cut out to be a salesperson. Not all performance issues result from a lack of motivation.

Many kinds of motivation

Many companies assume that salespeople are only motivated by money, or that “people should just do their job”, or maybe that we all get up in the morning for the love of it. There are elements of truth to all these, but in reality, people are motivated by many different factors. There are many theories for what motivates people, but in essence they boil down to the following:

- achieving success – feeling successful and being recognised for it is a key part of what makes us all tick
- feeling in control – salespeople need to feel competent, confident and empowered to do their job properly, which means they need the right knowledge, tools and support
- recognition – we like to be recognised as successful, knowledgeable and good at our jobs, which is indicated by social status, wealth, respect and so on
- interacting with others – productive contact with others tends to be especially important for naturally outgoing, gregarious salespeople
- money – we need at least enough to survive, and we all have some expectation of how much we want to earn

A motivation regime needs to cater to each of the above areas. This cannot be achieved through rhetoric or one-off events, which will give a temporary lift at best. Instead, a series of practical measures need to be implemented to provide an environment that supports salespeople whilst driving them to perform.

Implementing motivation measures

Salespeople, like others, are motivated by the core factors described above. True, many salespeople are more independent, emotionally robust, financially driven and self-motivated than most people, but a balanced motivation regime that addresses all the core needs is still most effective.

In the real world, a balanced motivation regime contains measures such as:

- ensuring that salespeople see good promotion prospects
- providing regular training that contributes towards achieving success and feeling in control
- using compensation and reward schemes, including non-financial recognition schemes (such as President's Club, Top Performer Award)
- providing a good level of management support, including communication and coaching
- having a positive, high-achieving culture within the sales department
- ensuring that salespeople are recognised as adding value within the company, individually and as a department – this requires good performance measures that are appropriate to the market, sales cycle and so on
- providing good sales support, which contributes to the salesperson's feeling of value (they do a tough job and deserve to be recognised for that) and their ability to perform
- having a fair organisation structure in which everyone has the same chance to achieve

Of course, not everything can be (or should be) implemented at once. Communication, planning and pacing are important in any change implementation. And not all measures will be appropriate for a sales team. Typically, we would prioritise the development of motivational areas based on the personality make-up of the sales force and the managers.

For example, if the majority of the salespeople are young, financially motivated males, then a motivation package could consist of financial incentives coupled with status awards, special bonuses and management coaching to smooth the rough edges. Conversely, a sales team of older working parents might be better incentivised with offers of part-time working, additional holiday, communication about company future and good promotion prospects.

Maintaining motivation

It is management's job to keep the sales department motivated. As noted above, this does not mean the whooping and hollering that many self-styled sales gurus believe is the panacea. Nor does it mean the overly aggressive management style adopted by many. A better way is to use a mix of motivation measures to meet the varying values and needs of the sales force, recognising that not everyone will value the same things.

This is where the management skill comes in. Managers should know their team and make sure the motivation regime fits. Managers should ensure salespeople have the right support and career progression, and business leaders should empower managers to constantly evaluate and improve the motivation measures so they fit the needs of their teams.

It is also important to ensure that motivation regimes do not repeatedly favour the same people. Issues such as "Dave always gets to drive the Ferrari because he has the best territory" help no one. So incentives, bonuses and contests need to be structured to give all salespeople a fair chance.

Finally, one of the easiest ways to maintain motivation is to start with the right raw materials. Good salespeople are in general highly self-driven. Looking for people with this personality type in the recruitment process, then providing good compensation and management support will make maintaining motivation much simpler and easier.

- how the company's products and services deliver value to each customer segment – e.g. does the company ship raw material products to the customer or does the company identify and deliver wide-ranging solutions (there might be a mixture of course)
- how this generates revenue for the company – e.g. high-margin consulting fees that warrant major account management, or low-margin product sales that justifies only a light-touch sales channel
- the knowledge and specialism needed to sell effectively - e.g. industry or market knowledge, deep knowledge of a customer account, solution development skills, or just generalist selling skills
- the level of activity needed to sell into each customer – e.g. is there a solid 18-months of account management effort needed, or 10 minutes responding to a quotation request
- the strategic value of each segment, or even of specific customers

These factors show the types of skills and selling styles needed across each customer segment. They also give a measure of "sales intensity", or the level of sales resource/effort needed to deliver a given revenue/margin. The sales force can then be sized by examining:

- specific objectives within each market
- the sales targets for each customer segment
- the level of competitive activity in each market
- how the customers are concentrated geographically by strategic importance and revenue target/potential

With the above information, a sales force design can be produced that best supports the business strategy and delivers the targets most efficiently. A deployment or transition plan can then be developed to move from the current sales force structure to the new structure.

About LoganLea

LoganLea specialises in defining and implementing effective change within sales operations. Supporting business and sales leaders to manage, support and lead high performance sales teams and individuals. Our resource base consists of FTSE100 Sales Directors, sales change specialists and functional experts. Call us to discuss how we can help .