



# The Pressure Paradox

**How your sales organisation responds to the pressures of today's business environment will dictate your success or failure**

***Pres-sure (presh' er)*** n. the use of persuasion or intimidation to make someone do something; a feeling of stressful urgency. (Oxford English Dictionary)

***Par-a-dox (par'e-doks')*** n. a person or thing that combines contradictory features or qualities. (Oxford English Dictionary)

Authored by  
Forum's Sales  
Practice,  
with special  
acknowledgement to  
Ron Koprowski  
and Tom Atkinson

The pressure is building. You can feel it every day. A host of forces beyond your control are converging to squeeze your margins, ratchet up expectations, challenge your people, and create a potent mix of opportunity and risk. You feel it in a host of ways:

- Your CEO is increasingly counting on the sales organisation to drive growth organically.
- Your customers are more knowledgeable, demanding more concessions and more results.
- International competitors from emerging economies are undercutting your sales organisation best offers.
- Hordes of upstarts are presenting themselves as new rivals.
- New business models are changing the economics and introducing new channels.
- Your products-and those of your competitors-are becoming more sophisticated and are being developed more quickly, increasing the difficulty of the sale.
- Prices are falling.
- With an improved economy, your people are surveying their opportunities, trying to determine if greener pastures lie elsewhere.
- And as experienced performers leave, you must "skill up" the novices quickly, without losing ground.

But that's not all. Add one more pressure to the cooker: Studies have shown that senior executives are more inclined to attribute their sales organisations' difficulties not to the tough economic and competitive environment but to their salespeople's poor skills and their sales managers' lack of leadership.

Any one of these forces would challenge even the best of sales organisations in the best of times. Taken together, however, these mounting pressures make this one of the most trying periods for sales force effectiveness in recent memory.

If these pressures sound familiar, rest assured you are not alone. Sales executives participating in the latest research by The Forum Corporation, agree that their jobs are increasingly difficult, complex, and challenging.

Yet, paradoxically, the pressures under which sales organisations now operate hold within them the opportunity for both success and failure. Pressure, as we all know, can be debilitating. Lesser organisations crumble under its weight. Successful organisations flourish in its intensity. How your organisation responds to this Pressure Paradox dictates your destination.

The encouraging news is that even in these extreme conditions it is still possible to deliver impressive results. Forum's latest research on sales force effectiveness reveals the four Pressure Points that can make or break sales organisations. Their common denominator: an organisation's people and the way in which they are managed distinguish successful sales organisations in this increasingly challenging sales environment. Paying attention to these Pressure Points can create positive effects, relieving tension and unleashing potential that translates into more effective sales teams and managers, deeper customer relationships, and-most importantly-more sales.

## Salespeople's Skills

### Pressure Point 1

The strongest predictors of a sales organisation success are salespeople's skills in finding and winning customers, according to Forum research.

Both high- and low-performing sales organisations ranked themselves as strong at keeping customers; in fact, a company's ability to retain customers is simply assumed in today's competitive markets. However, the latest research demonstrates that, while high-performing organisations are generally stronger in all three areas, they are much stronger at identifying qualified prospects and landing them as clients.

As a result, organisations that regroup around the basics will improve their prospects for the challenges ahead.

But just how does a sales organisation find and win clients in this climate? Successful organisations:

- **Engage a prospect's entire organisation.**  
Develop leads in all elements of the value-creation chain, including service providers.
- **Are obviously different.**  
Establish a unique sales approach that is consistent with your value proposition and your prospect's preferences.
- **Add value or vanish.**  
Sharpen the value-creation skills of your sales force. In the face of significant price differentials, a sales organisation's competitive advantage is the value its salespeople can add. By understanding the customer's relationship and business value drivers, sales organisations can create value with every interaction.
- **Talk business strategy with customers.**  
Equip your salespeople with the ability to discuss-at a senior level-how your offering advances their strategy. Customers expect solutions that support and drive their central business strategies.
- **Talk results with customers.**  
Help your salespeople to learn to show customers how your offering can positively affect them by identifying appropriate metrics and creating a compelling case for your solution.
- **Are innovative.**  
Salespeople who bring innovative, highly differentiated solutions to the table that respond to the customer's unique business needs will gain credibility as trusted advisors. Customers value new ideas and insights that you have developed while dealing with issues similar to their own.

As important as skilled salespeople are, they do not operate in a vacuum. Highly effective sales organisations support their front line with superior sales leadership, a climate that fosters high achievers, and useful processes-characteristics that correspond to the remaining Pressure Points highlighted by Forum's research.

## Sales Manager's Skills

### Pressure Point 2

Sales executives view sales management as a major point of leverage for their organisations and view management

development as a critical need, according to the research findings. In particular, sales managers must balance three major roles effectively in order for them and their organisations to be successful: strategist, motivator, and coach. Although both high-performing and low-performing sales organisations rated themselves relatively low on all three skills, the higher-performing group rated their managers as significantly stronger in each area than did the lower-performing group.

As a result, high-performing organisations will continue to stress the importance of equipping sales managers with the skills needed to become the versatile leaders they must be. Due to the position's difficulty, it is necessary for companies to help sales managers master their three interrelated but distinct roles. Encouragingly, it is possible for the sales manager to do so by learning to:

- **Lead a sales force strategically.**  
The sales manager must be capable of deploying a strategy that meets the internal needs of the sales organisation and company while also responding to the challenges of the customer. To do so, the manager must demonstrate strategic thinking that puts the organisation in a position to succeed, clarify how the sales organisation will achieve its goals, and identify the tactics that salespeople will use to hit their numbers.
- **Create clarity and focus for the sales force.**  
The sales manager must motivate and mobilise his or her salespeople to execute the organisation sales strategy. The most successful managers create laser-beam focus and clarity for their salespeople, in part by securing "buy-in" and support for ideas early on. Sharing responsibility for how work will be done and acknowledging people's contributions enable salespeople to feel and act like leaders.
- **Coach salespeople in the skills needed to find and win new customers.**  
By reinforcing skills that will contribute directly to the execution of a sales strategy, sales managers can help their salespeople be more effective in hitting their

individual numbers and the organisation's goals. The best sales managers introduce common and consistent methods of working with customers and create a climate for continuous learning and improvement. One of the best and most effective ways to accomplish skill improvement is to encourage and enable salespeople to act as each other's coaches-teaching each other, discussing learnings, and practicing new techniques.

- **Work with others within the company to ensure sales success.**  
Cross-functional collaboration is more essential than ever today, because many different departments and teams are involved in meeting a customer's needs. Because the sales organisation functions as customer-relationship specialists, the sales manager has a special interest in promoting internal collaboration. By working proactively to smooth over processes and relationships with other functions within the company, the most successful managers help their sales organisations meet customer needs as seamlessly as possible.
- **Foster motivation throughout the selling organisation.**  
Managers foster commitment and motivation by recognising and empowering their sales force. Giving salespeople responsibility and holding them accountable for results are useful catalysts in addressing their motivational needs.

## The Internal Sales Climate

### Pressure Point 3

Sales executives consider the internal sales climate as another major indicator of success, according to Forum's research.

Six specific dimensions of climate deserve special attention, the research reveals: clarity, commitment, standards, responsibility, recognition, and teamwork.

Both high- and low-performing sales organisations believe their salespeople know what is expected of them and are dedicated to achieving results without outside help; their ratings on standards and teamwork were similar. However, the executives of the higher-performing organisations rated their organisations significantly higher on the four remaining climate areas: clarity, commitment, responsibility, and recognition.

Here again, sales managers play a critical role by acting as a model of expected behaviours, establishing a tone of cooperation, teamwork, and excellence, and providing a level of support that enables salespeople to accomplish their goals while stretching their abilities. There are many ways in which the sales manager can address the components of climate.

#### Clarity:

- **Strive for precision in formal and informal communications.** Being crystal clear in issuing directives and setting expectations leaves no doubt among salespeople as to their roles and objectives.
- **Provide as much or as little detail as necessary.** Sales managers must realise that some individuals may only need to hear expected results, while some may need more coaching on how to achieve them.
- **Spend time in one-on-one conversations.** Simply talking with salespeople every day enables a sales manager to acquire a high level of knowledge of people's needs and concerns.

#### Commitment:

- **Welcome new ideas.** Working with people to make their ideas practical and acceptable, even when they are initially flawed, helps build commitment and contribute to an atmosphere of teamwork.
- **Become familiar with salespeople's environments.** Knowing a salesperson's workload, customers, and schedules helps a manager understand the constraints that can affect that salesperson's performance.
- **Serve as a role model.** Sales managers should exhibit the professionalism and consistency they expect of their teams by being courteous, respectful, and patient in their interactions with salespeople.
- **Be willing to provide resources and technical support.** Providing what the salespeople need to succeed—sometimes even in the face of organisational obstacles—will assure them that they are supported and heard.

#### Recognition:

- **Use informal acknowledgments of good work.** For the salesperson, being acknowledged is seldom about money or rewards. Salespeople respond well to managers who use informal recognition. The simple thank you or the pat on the back in front of colleagues for a job well-done goes a long way towards helping salespeople feel valued.

#### Responsibility:

- **Foster accountability to contribute to sales productivity.** Selling is inherently an entrepreneurial activity. Managers need to empower salespeople to act on their own by encouraging them to stretch their abilities. Providing them with the support and reassurance they need to succeed while doing so will generate confidence and a sense of responsibility.

## The Sales Organisation's Processes

### Pressure Point 4

The final Pressure Point is the sales organisation's processes or systems, which executives in Forum's research rated as an important element of organisational success. In particular, respondents identified seven processes that support sales performance: recruiting and hiring, performance management, opportunity management, strategic account management, reward and recognition systems, information systems, and training and development.

While higher- and lower-performing groups showed a similar pattern of ratings, executives of higher-performing organisations rated their sales forces significantly higher on four processes in particular: opportunity management, performance management, strategic account management, and reward and recognition systems.

The findings have important implications for sales organisations' ability to find, win, and retain customers in today's aggressively competitive climate and suggest that organisations must carefully consider their priorities. While sales support systems are important, processes that enable salespeople to find and win new customers are critical.

Sales organisations must adopt systems for managing both the opportunities in their pipelines and the performance of their people to ensure those opportunities are qualified and closed. Organisations can do so by:

- **Demonstrating discipline in managing the opportunity pipeline.** Managers who interact with salespeople about pipeline situations regularly can create a sense of urgency and offer coaching that helps close opportunities.
- **Shifting from strategic selling to strategic account management.** Doing so ensures your strategic account managers don't only chase deals but also create a joint enterprise from which deals emerge.
- **Managing performance to help salespeople grow and learn.** It's about more than the annual review. Coaching and creating on-the-job learning situations are an important day-to-day aspect of performance management in high-performing sales organisations.

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For more information on Sales Force Effectiveness, contact us:

Forum Europe	+44 (0) 20.7850.7500
Forum North America	800.FORUM.11
Forum Asia Ltd	852.2810.7071
www.forum.com	forum@forum.com

## Conclusion

Despite our turbulent times and a competitive global economy, sales organisations can survive and thrive inside the Pressure Paradox-but only if they pay attention to their Pressure Points. Sales forces can become more effective by improving the way in which people are managed, by placing them in an environment that encourages their performance, and by ensuring that the sales support processes maximise opportunity and customer satisfaction. Management, climate and processes will lead to more success in finding, winning, and keeping valuable customers.

The pressures continue to mount, and weaker organisations will crack under the strain, but organisations that see the opportunity amidst the difficulty will distinguish themselves in meeting the challenges that lie ahead.