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What are the Best Practices to Conduct Sales Training?

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Abstract

[Excerpt] Annually, companies in the U.S. spend over $70 billion on training and an average of $1459 per salesperson. This is almost 20% more than what companies spend on workers in all other functions. However, the returns on investment from sales training tend to disappoint. Studies demonstrate that participants in traditional curriculum-based training forget more than 80% of the information taught within 90 days. Nonetheless, sales training can still have significant positive impact if appropriate training strategies are employed. Therefore, this report will detail some of the best practices for sales training in the each of the stages of training: pre-training, during training, and post training.

Keywords

human resources, HR, sales training, training, learning and development, 360 feedback, feedback, technological tools, virtual reality, transfer of competencies, company branding, collaborative learning

Comments

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RESEARCH QUESTION

What are the best practices to conduct sales training?

INTRODUCTION

Annually, companies in the U.S. spend over $70 billion on training and an average of $1459 per salesperson[1]. This is almost 20% more than what companies spend on workers in all other functions[1]. However, the returns on investment from sales training tend to disappoint. Studies demonstrate that participants in traditional curriculum-based training forget more than 80% of the information taught within 90 days[1]. Nonetheless, sales training can still have significant positive impact if appropriate training strategies are employed. Therefore, this report will detail some of the best practices for sales training in the each of the stages of training: pre-training, during training, and post training.

PRE-TRAINING BEST PRACTICES

Conduct needs analysis and establish goals to ensure alignment

Sales training is unlikely to produce lasting results if business leaders do not align learning or development needs with business and organizational objectives.[2] In fact, by aligning the objectives and strategies of each sales step, sales people are more consistent in providing their customer service.[3] As such, important questions such as what is the business outcome we believe we can achieve, what does the sales team need to do to achieve the outcome, what are the gaps, etc. need to be asked and answered.[2] One way to answer these questions is by analyzing training objectives through a 360-degree feedback from sales team (manager, customers, salespeople).[4] A Samsung Case Study: In the Chinese market, Samsung emphasized the importance of assessing the need or the opportunity through surveys, interviews, phone interviews, and new product knowledge tests with salespeople.[4] As such, Samsung conducted an analysis to identify the causes or factors that limit performance with the help of their marketing team.[4]

Select and develop trainees based on their attributes

In order to ensure sales training is effective on trainees, companies also need to customize the training program depending on trainee attributes. Sales professionals can be categorized into four types: performers, professionals, caretakers, and searchers (see Appendix A).[5] By identifying strengths and weaknesses of individuals and as well as their different needs for training and development, training will likely deliver higher ROI. In addition, trainee motivation can also be a significant influential factor. As such, organizations need to ensure that the selected trainees have more driver attributes than detractor attributes (see Appendix B for driver vs. detractor attributes of a sales person).[2]

Solicit Leadership Buy-in

Sales training, just as any training, is more likely to be effective if there is a positive learning climate supported by leadership buy-in. This allows more resources to be invested in the training process and thus deliver better ROI. For instance, when leaders are included in practice sessions, trainees tend to view their leaders as empowering their future selves. As such, including leaders in sales training helps sales team work more collaboratively and proactively.[3]

DURING-TRAINING BEST PRACTICES

Provide a Customized and Comprehensive Training Program

Effective sales training should be customized and comprehensive at the same time. Training should be customized according to each company's strategy and specific sales tasks and as such, training should not only focus on sales methodologies but the entire sales cycle and its relationships with other functions within the company.[1,3] In fact, many sales training programs focus heavily on training employees on making initial sales calls but allowing the trainees to also learn and practice the proceeding steps will make task completion faster and more successful with less effort.[3] As a result, training should also be an ongoing process, which can be achieved through a combination of on-site and on-demand videos that can be easily referenced.[1]

Leverage Technological Tools

AI and virtual reality can be used as supporting tools during training to allow a salesperson to practice sales strategies under a variety of different situations. This helps sales people to practice not only in a classroom setting, but also in a more realistic setting. Moreover, as workers become more globalized and are increasingly working remotely, certain sales training classes can be accessed through e-learning platforms that creates flexibility for employees and reduce training cost for employers.

POST TRAINING BEST PRACTICES

Facilitate Transfer of Competencies

The companies with the best training programs are nearly twice as likely to provide concept and expectation reinforcement to their teams after training.[2] However, many companies still only conduct two or three-day training events without reinforcing practices after the program.[2] As a result, the effects of the training events tend to fade (See Appendix C). Therefore, in order to facilitate sales competencies post training program, companies can employ strategies such as providing feedback on performance post training to allow trainees to practice the appropriate sales strategies and eliminate outdated habits and integrate classroom style learning with self-directed activities to ensure sales reps remain productive when other resources are unavailable.[1,6]

Evaluate Training Results

The development of the best training programs is a continuous improvement process. Effective evaluation can benefit organizations in two ways: results can be used to continuously improve the programs' effectiveness and enhance business impact as well as also demonstrate that sales training adds value to the business.[7] Many companies use Kirkpatrick's Four Level Training Evaluation Model as a cost-effective training evaluation tool (See Appendix D).[8]

CONCLUSION

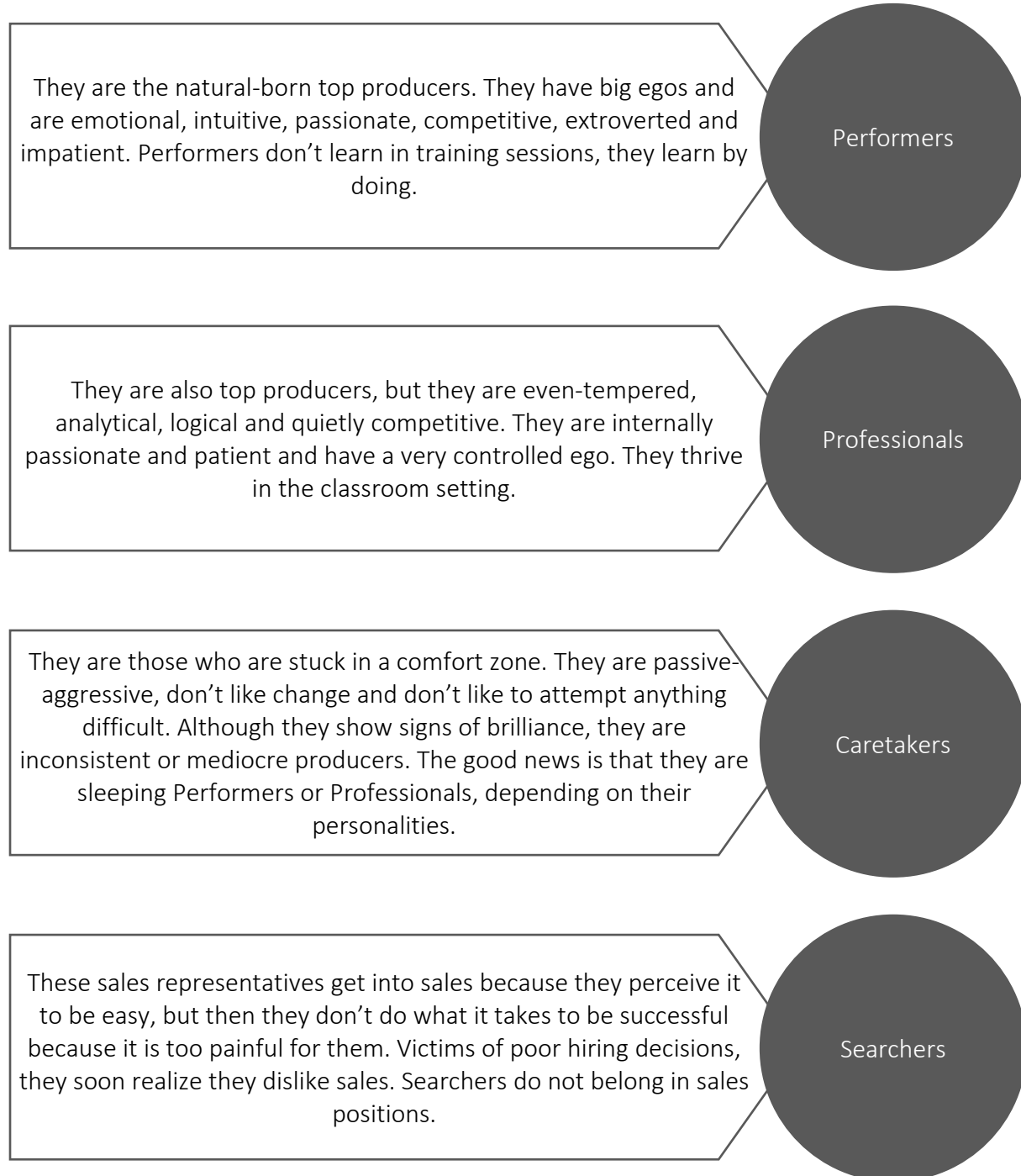Effective sales training program can accelerate company's growth and enhance branding. Before the training program, the company should set clear and reasonable training objectives, then provide a customized and collaborative learning environment during training. Company should support and facilitate practicing new skills post training program and also evaluate training result for continuous improvements.

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APPENDIX A – FOUR TYPES OF SALES PROFESSIONALS[5]

They are the natural-born top producers. They have big egos and are emotional, intuitive, passionate, competitive, extroverted and impatient. Performers don't learn in training sessions, they learn by doing.

Performers

They are also top producers, but they are even-tempered, analytical, logical and quietly competitive. They are internally passionate and patient and have a very controlled ego. They thrive in the classroom setting.

Professionals

They are those who are stuck in a comfort zone. They are passive-aggressive, don't like change and don't like to attempt anything difficult. Although they show signs of brilliance, they are inconsistent or mediocre producers. The good news is that they are sleeping Performers or Professionals, depending on their personalities.

Caretakers

These sales representatives get into sales because they perceive it to be easy, but then they don't do what it takes to be successful because it is too painful for them. Victims of poor hiring decisions, they soon realize they dislike sales. Searchers do not belong in sales positions.

Searchers

Appendix B – Driver vs. Detractor Attributes of a Sales Person[2]

Driver attributes

Desire

Commitment

Positive attitude

Ability to overcome setbacks

Intrinsic motivation (e.g., achievement, recognition)

Extrinsic motivation (e.g., money)

Need for approval

Difficulty talking about money

Tendency to react emotionally

Tendency to encourage negative buyer behaviors

Detractor attributes
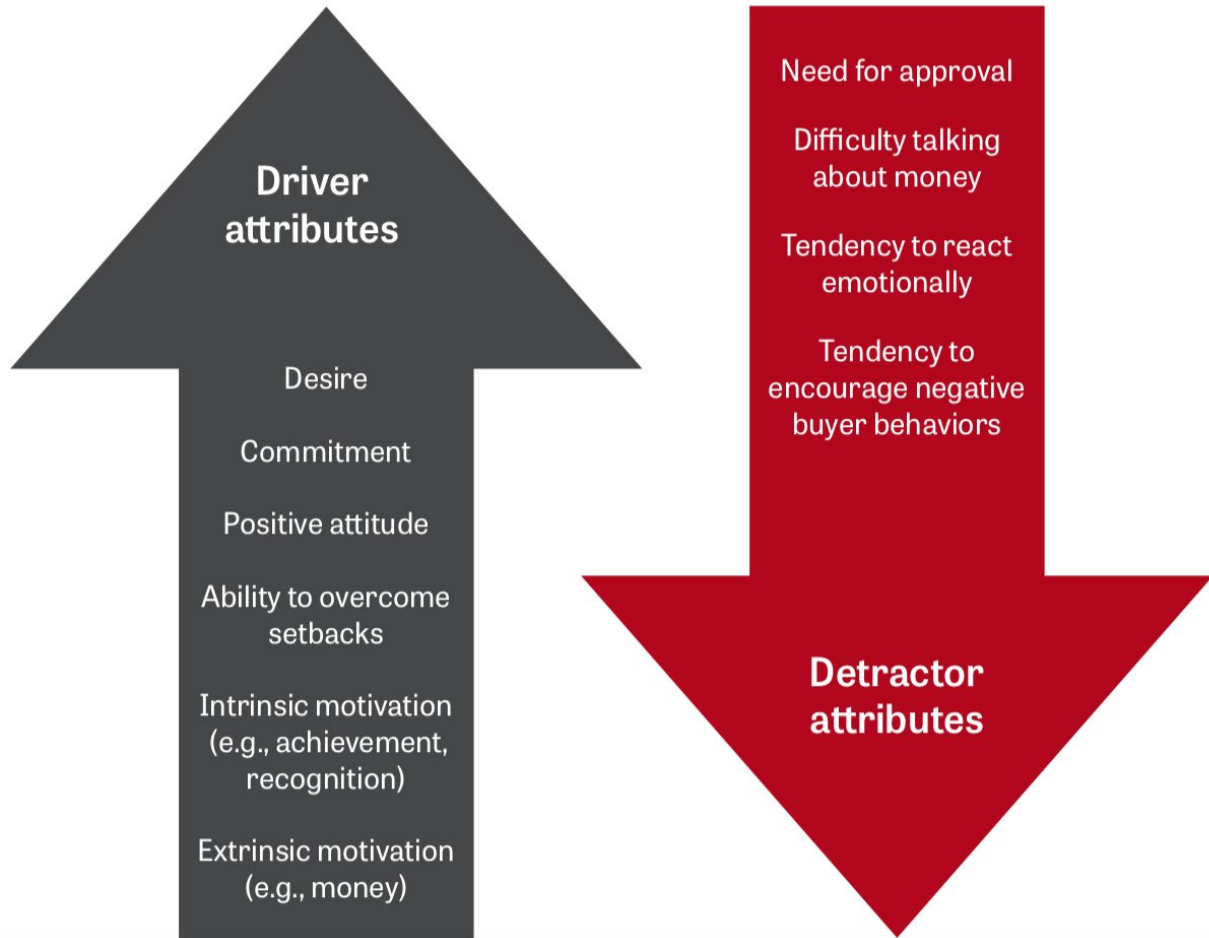
Appendix C – Appendix of Reinforcement After Training Events[2]

During Training Event

After Training Event

LEARNING EFFECTIVENESS

100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%

Program:
· Engaging
· On target
· Well delivered

· Motivation enhancement
· Concept reinforcement
· Complementary learning
· Action reminders
· Practice
· Feedback
· Expectation reinforcement/
  informal accountability

2   4   6   8   10   12   14

MONTHS

Appendix D – Kirkpatrick's Four Level Training Evaluation Model[8]

Measures how sales force has reacted to training, instructor, course, and learning environment.

Level One: Reactions

Measures what sales force have learned from the training and it evaluates the extent sales trainees have advanced in knowledge, skills, and/or attitudes.

Level Two: Learning

Measures whether what was learned is being applied or transferred on the job

Level Three: Behavior

Measures weather the application of training is achieving quantifiable financial results

Level Four: Results