

MAXIMIZING SALES PERFORMANCE

THE ROI OF COACHING

A whitepaper designed to demystify the value of sales coaching for businesses.



INTRODUCTION

Are you getting the most from your current sales team? That's an increasingly complicated question nowadays. When you have salespeople from a variety of backgrounds, with a variety of communication styles and work styles, it can be difficult to get everyone on the same page and marching in the same direction when it comes to optimal performance.

Different individuals have different strengths and weaknesses in the sales cycle as well – some individuals excel in building rapport, some are the masters of the presentation. Some thrive on cold calling while others tend to balk, and some are better closers than others.

Sales managers often try to standardize things by internal training and shadowing, but time for individual attention can be limited, especially if it comes from the sales manager, who may be overseeing a team of 8-10 or more. In addition, there are a lot of organizational skills and “soft skills” involved in sales beyond the art of simply being a sales ninja or closing machine. Most modern sales professionals generally have a lot of autonomy in how they spend their time making calls, booking appointments, doing paperwork, and otherwise scheduling their day.

PAIN POINTS

- Sales people with a variety of experience/backgrounds
- Sales team with variety of communication styles
- Gap between top producers and rest of sales team
- Too much pressure on “closers”
- Lack of time for continual training
- Inadequate forecasting, due to skill gaps



SALES COACHING vs. TRAINING

Most managers have a suspicion their internal training programs aren't going deep enough, but don't know what to do about it. If only it were possible to pair each individual with a 1:1 coach who could help them improve their close rates and smooth out the rough areas! To further complicate things, some of the trouble areas lie outside the traditional boundaries of sales in the areas of time management, discipline, motivation, and communication.

To this end, most organizations already have some sort of internal sales training regimen, so it becomes important to clarify – what is a sales manager, versus a sales trainer, versus a sales coach.

SALES MANAGER

A sales manager leads the team. Their primary objective is people management and achieving revenue numbers. They may be responsible for a marginal number of sales revenue themselves if the team is small, as well as being a pinch hitter to help with difficult deals or clients. If the team is larger, they become responsible for growing the team, onboarding, forecasting, and keeping revenue on track.

SALES TRAINER

A sales trainer, on the other hand, is an instructor who teaches basic sales skills. Some teams have an in-house trainer, where in other cases the sales manager or district manager doubles as the sales trainer.

SALES COACH

A sales coach is a trained professional who helps optimize the performance of each sales team member depending on their unique strengths and weaknesses. A sales coach meets each individual where they are and helps coach them on the strategies, tactics, and skillsets needed to drive revenue, increase their income, become more efficient, and improve interpersonal skills. Managing and coaching are two very different set of skills, which is why sales managers or top producers may not make the best or even moderately effective coaches.

Workshops and seminars do work for a while, but studies are finding that a 1:1 coach is the best way to provide personalized attention and accountability. A professional sales coach can help team members reach their sales and revenue goals, as well as overall goals such as organization, time management, healthy boundaries, and communication.

THE CASE FOR SALES COACHING

In a field where everything is viewed through the lens of return on investment (ROI), we argue that sales coaching should be as well. Frontline sales managers have already begun asking:

“What is professional sales coaching?”

“Can I afford it for my team?”

“Can I afford *not* to?”



As an industry, sales enablement is quickly growing to answer this last question.

In the 5th annual study from **CSO Insights**, a research division of Miller Heiman Group, found that from 2013 to 2019 the percentage of organizations with sales enablement grew from **19%** to just over **61%** in six short years.

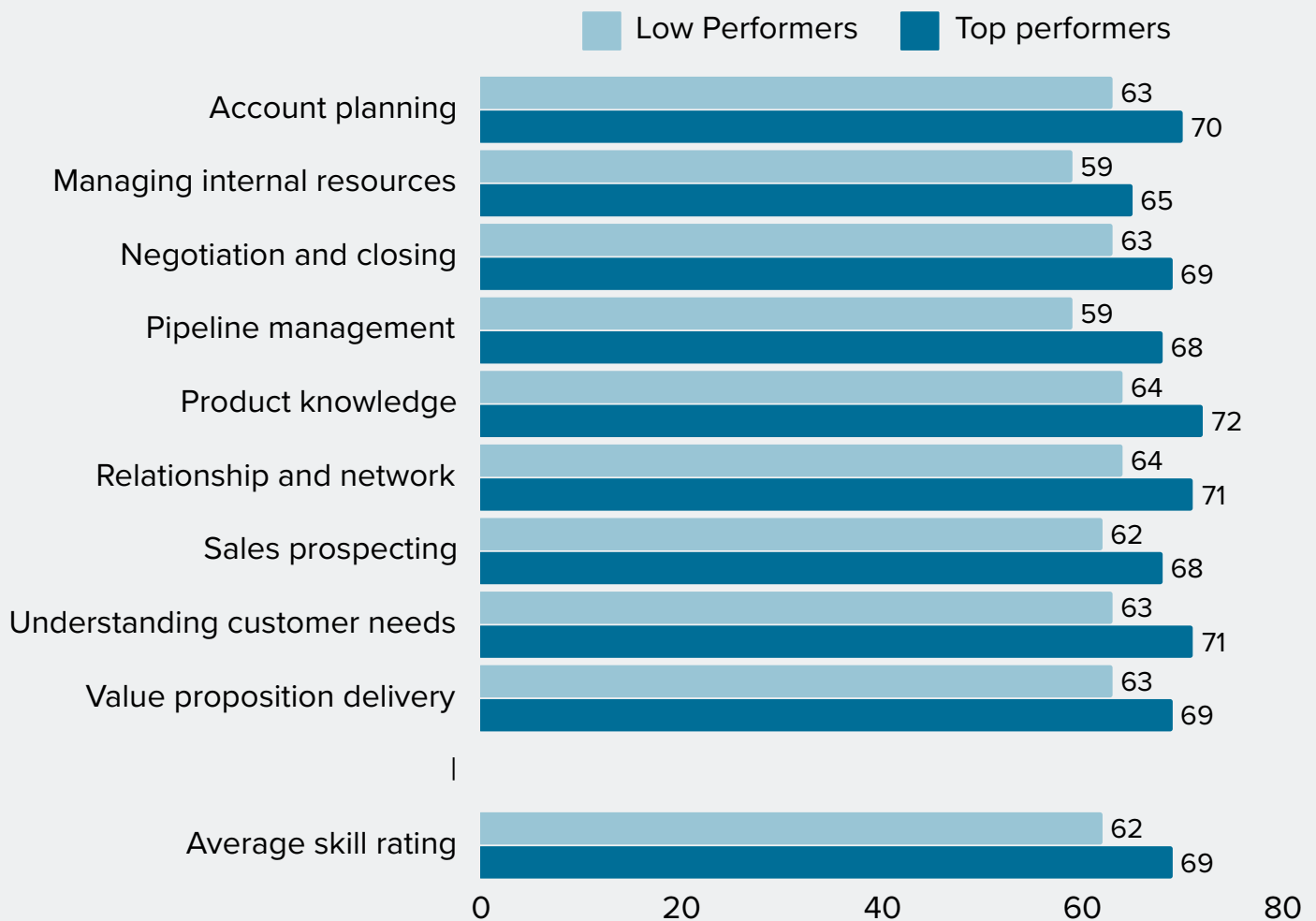
According to the same study, sales enablement rates also jumped according to sales force size, with nearly **40%** of businesses with a sales force of **0-25** offering sales enablement, versus nearly **65%** in companies with **26-50** salespeople or more.

WIN RATES BY INVESTMENT

<\$500 per person per year  **42.8% win rate**

>\$2,501 per person per year  **50.2% win rate**

It's a common dream – many sales managers find themselves simply wishing they could take their top 2-3 producers and clone them, improving productivity throughout the team. In one study, research giant **McKinsey** analyzed the gaps between high sales performers and low sales performers:



Average skill rating of low vs. high performing individual sales reps.

Skill rating out of 100, transactional sellers

Investments in salespeople does, in fact, matter, both studies found, with higher win rates the more a company invested in its individuals. Moreover, sales coaching was the linchpin that drove the highest rate increases and revenue.

“For the last five years, sales coaching has had the greatest impact on win rates and quota attainment.”

- CSO Insights, 2019

Similar to the CSO study, **Harvard Business Review** also found that sales coaching improved the performance of the middle 60% of a company’s sales team. High-quality coaching, they noted, drove improvement by 19%, while moderate coaching improved it by 6-8% across at least half of the sales organization.



“I was Breakout Player of the Year thanks to coaching, with an 81% year-over-year increase in 2021”

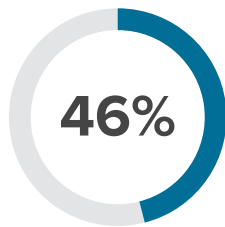
- Tracy N. | Insurance Agency Director

QUANTIFYING THE ROI

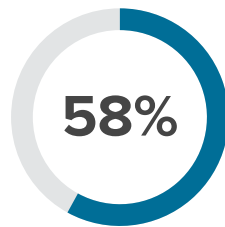
Coaching in the sales industry goes beyond traditional mentorship or training programs. It involves a personalized, one-on-one approach aimed at unlocking the full potential of individuals within an organization. The truth is, sales professionals who engage in coaching experience a significant increase in their sales volume and revenue generation capabilities.

So what are the types of results you can typically expect?

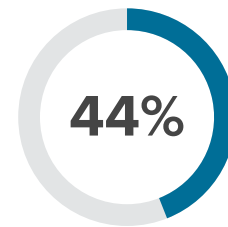
In a November 2021 survey by **Southwestern Consulting**, sales and leadership clients who completed 12 months or more of coaching reported the following improvement before and after coaching:



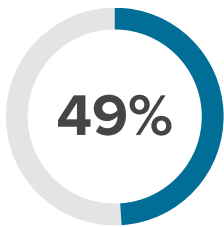
**Increase
in Income**



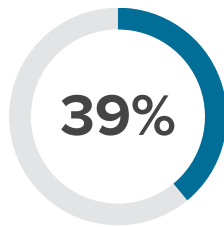
**Improvement in
Time Management**



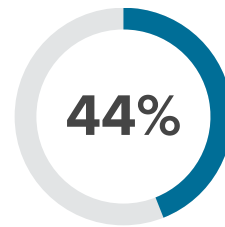
**Increase
in Productivity**



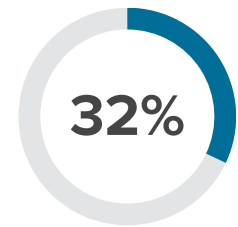
**Improvement in
Vision & Goal Setting**



**Improvement in
Stress / Anxiety**



**Improvement in
Achieving Goals**




**Increase
in Confidence**

In addition, respondents reported the following direct improvement in sales skills:

Sales Prospecting Confidence: **35%** 

Sales Presentation Skills: **25%** 


Answering Objections: **28%** 

Sales Closing: **27%** 

“My coach helped me not only professionally, but just as much personally. We actually had our BEST sales month to date our first month [in coaching], breaking multiple records! I tell everyone who will listen about the benefits of coaching and what Southwestern Consulting has done and is doing for my work production and life balance overall.”

- **Chris C. | Automotive Sales Manager**

As important as coaching proves to be, many organizations (**63%**) profess to following a haphazard coaching strategy where coaching is left up to the manager, or a random approach in which there is no formal implementation. According to **CSO Insights**, only **1/3** of organizations followed a more structured sales coaching method with professional coaches.



“Working with my coach has catapulted my business far faster than I ever thought would happen... I bought into the tools and processes we worked on and it has made a tremendous difference in my practice. My production has increased an average of 50% every six months. This is the type of help I wanted and needed.”

- **David M. | Financial Advisor**

In a **recent e-book, Value Selling** found that 60% of high-growth companies use coaching as an integrated part of a sales training program. More specifically, they found that 34% of high-growth companies use outsourced sales coaches “to a large or very large extent,” and 43% of companies with effective coaching programs relied on outsourced sales coaches.

“70% of the skills gained during sales training will be lost within three months without reinforcement.”

- **Value Selling**

COACHING BENEFITS

- ✓ Increased Revenue
- ✓ Engagement & Retention
- ✓ Improved Performance & Productivity

CONCLUSION

In short, the value of coaching as a catalyst for personal and professional growth cannot be overstated. As organizations continue to navigate the complexities of modern sales, coaching remains an indispensable tool for driving innovation, enhancing performance, and cultivating a culture of excellence. By investing in coaching initiatives that deliver measurable results, organizations can not only survive but thrive in an increasingly competitive marketplace.

“No matter one’s production, everyone could use coaching. This is akin to the top golfers in the world... they ALL have coaches. These coaches help their players uncover problem areas and provide the specific tools to fix those issues... I would recommend coaching to anyone who wants to see their potential grow!

Kevin B. | Insurance Advisor

UNLOCK THE ROI OF COACHING TODAY

Start driving measurable results with coaching.

southwesterncoaching.com