

Are You a Bad Manager?

What to do when the biggest problem you face is in the mirror

By Izabella Iizuka

November 27, 2007



Sales are down, turnover is up and your sales team just isn't cutting it. Face it: You're not getting that fat bonus this year. But who's really to blame, you or your team? Is it possible you need to improve as a manager?

When you try to figure out why things are not going according to your million-dollar plans, you'll find that the reasons for your team's low performance and high turnover could be many. Because numbers are what often makes salespeople tick, you might think that increasing wages, commissions or bonuses will snap your team out of their torpor. But as it turns out, compensation isn't always the number-one

cause of costly defection.

Research shows that turnover can cost 150% of an employee's yearly salary, and possibly even more for new employees and management. In addition to sub-par sales, this can do great damage to your bottom line. There also are less tangible and vastly more corrosive costs, including brand name dilution and lack of customer loyalty at the delta. After all, if your employees aren't happy, their customers won't be either.

According to Nancy J. Stephens, a vice president at PI Worldwide and author of *Streetwise Customer-Focused Selling*, "Salespeople are not only money-driven. They also look for personal satisfaction and rewards. A good personal relationship between a manager and a sales rep builds the foundation to create substantial and exciting numbers. In fact, good numbers are just a byproduct of everything else going right."

According to Jan Stringer, Ph.D., besides unfair pay, the main reasons people leave their jobs are lack of communication, lack of job security, underappreciation, favoritism, work overload, micromanagement, incompetent managers, lack of opportunity for advancement, and overbearing bosses. Obviously, quite a few of those are indicative of poor management, not poor workers.

The Yin, the Yang and the Young

Stephens says a very clear measure of whether someone is a bad manager is the balance between results and retention. If results aren't meeting expectations, your sales force may simply need training or coaching, which may or may not be the result of a management problem. But if you consistently achieve or exceed your sales goals, yet still aren't retaining your talent, you can be pretty sure the problem is management.

In analyzing a company whose sales performance is not satisfactory, Stephens says two kinds of sales managers will typically be found: "First, there's the manager who is completely focused on the numbers and doesn't understand how to manage or coach the people," she says. "They are out of balance, more about the task than the people."

Such old-school managers are usually highly directive, sometimes intimidating and use a lot of forceful tactics. Although the cost of turnover shouldn't be overlooked, these managers might get away with the situation for a while because they're bringing home the bacon.

"But today," Stephens adds, "star sales reps are experienced, sophisticated and will probably respond more favorably to the manager who leverages their talent more wisely. A supportive manager, rather than a controlling and demanding one, better suits the modern sales environment."

Another reason why sales managers might be completely focused on the numbers is that they might never have "promoted themselves" mentally. According to Kevin Davis, president of TopLine Leadership, Inc. and author of *Getting Into Your Customer's Head*, "The biggest mistake sales managers make is that they lack awareness of the complete change in mindset needed to transform themselves from the instinctive behavior of a 'doer' to the strategic mentality needed of management."

The second type of manager you will find is the "best friend," who can be equally (if not more) dangerous. While the relationship looks nice on the surface and everyone might be happy, this type of manager actually undermines his or her sales reps by lowering expectations. This style of management is often seen in very new managers who might not be comfortable with metrics or may be insecure in their new position.

Either end of the spectrum is a problem. According to Stephens, "Achieving that balance between results and retention requires the ability to drive performance in a way that leverages talent, promotes growth and respects what it takes for an adult to be satisfied in his or her role."



The Signs Will Tell the Tale

The sales environment is unique in that it's easily measurable. An unhappy sales rep can't just go to work and kill time for long before someone figures it out. Sales results don't lie and they affect everyone on a team, from the rep to the manager and beyond. It

might be easy to tell who's not meeting the quota, but how can you tell why a great performer is great, or a bad one is bad?

One of the challenges managers might face is the access to performance measurement tools. Sometimes, even if they do have the tools, they might not know what to do with the information. Stephen says that the data resulting from a selling skills assessment tool can tell you exactly what's going on. If your team can be placed on a typical bell curve, you have a couple top producers, a whole bunch in the middle who are adequate (but not reaching their potential) and a couple who are struggling.

A good assessment tool will look at their skills and produce a statistical analysis that indicates whether each person's talent is closing, presenting or building relationships. Many of these talents can be improved through targeted skills coaching. The challenge for the manager is to coach based on all of these personal characteristics.

Stephens says that if you "treat them all the same and do their professional development plans the same for the year, you'll be wrong two out of three times. With data that goes deeper than numbers, a skilled sales manager can assess each individual and coach them on their weaknesses."

Dealing with highly complex human behavior is no easy task, but if the manager takes the time and care to use an appropriate assessment tool (even for new hires), valuable time can be saved when trying to figure out someone's strengths, weaknesses, skills, drive and motivation.

According to Stephens, a good sales manager will be a proactive self-starter with a high sense of urgency who is driven by results. These are clear, innate indicators of drive on which managers are measured themselves, so they should feel comfortable measuring their team on the same criteria.

A good manager also will be able to tell if a certain team member can be coached back to good performance or if sales is just not a good fit. "Sales is a combination of art and science," Stephens says. "You can measure things like sales skills, which can be taught to some degree because it's learned behavior. The difference is how much joy the salespeople will get when executing the

behavior if they are not hardwired that way." Ideally, a good sales rep will display both the hardwired talent and the learned behavior.

Of all these factors, the different types of talent might be the most important to consider. The question to ask is not whether someone is a good salesperson, but rather, what kind of sales this person is good at.

"I talked to a guy yesterday who was just not what you'd expect a salesperson to be," Stephens recalls. "He was quite reserved ... very measured in his speaking." Although he was clearly very intelligent, she thought he wouldn't be good at selling vacuum cleaners door-to-door. But if he were to sell a highly sophisticated product or service—a scenario in which the rep has to be an expert—he would excel. "It turns out he was the top producer for an investment firm in Boston," Stephens says. "If you met him, you'd never have guessed he was in sales."

Selling differs depending on the environment. Some areas require personality, others skill, and still others knowledge. But without drive, success will elude you. "If their sales are low, teach them," Stephens says. "If their motivation is off, determine if that can be turned around. If they have no drive or desire to be in this business, that's when you can't fix it."

As a manager, your role is to teach your salespeople everything they need to excel in the position, coach them to succeed and work on helping them execute knowledge. If with all that, they still can't perform, then you're off the hook. "If at the end of the day, you look in the mirror and know you've done everything you could to help this person succeed, it's time to let him go," Stephens says.

Kevin Davis says another mentality that sales managers must change involves the instinct to avoid confrontation. "That is the exact opposite of what it takes to be a successful sales manager," he says. "Positive confrontation from a sales manager speeds up the success or failure of individual salespeople. When you see a behavior from a sales rep that is unsuccessful, you must address it."



People Join Companies But Leave Bosses

If you suspect poor performance and the revolving door is not the result of bad salespeople, but rather, of inappropriate coaching and bad people management, a simple evaluation of the managers in question will clearly indicate that. Since direct employees are the most affected by management, they are the best source of information for identifying and remedying bad practices.

According to Stringer, "Through the use of employee surveys, senior management can diagnose the problem, identify the poor supervisors and make sure profits and productivity stay on course."

Bosses aren't often evaluated by employees, except during consulting events such as those provided by Stephens's company. When employees do get to evaluate their bosses, two results are typical. The first is, "I love my manager." The question is, why? If sales results are not satisfactory, loving your manager is meaningless. "What you want to hear is, 'I love my manager because he challenges me. He pushes me to be better,'" Stephens says.

On the other end of the spectrum are those who hate their managers. These employees usually cite the classic reasons: They don't listen to me, I only hear about what I do wrong, I never get any positive feedback, they don't respect me, they don't treat me well, etc. From her experience, Stephens says, "You usually hear about not listening and lack of positive feedback before you hear about compensation. Issues people have with bosses are always interpersonal."

Results of employee satisfaction surveys conducted by the Texas-based National Business Research Institute indicate that employees want a boss who builds their self-esteem and treats them fairly. An absent boss who fails to provide command and control at the job only leaves employees feeling stranded and unproductive, and lack of feedback make workers feel underappreciated.

Workers remain engaged in their company's success if the employer provides strong leadership and a sense of control over their work environment, as well as advancement and development opportunities. And finally, when employees can see they have an impact on things like customer satisfaction, quality, sales or profit, they feel valued and motivated.

If you've checked all the items on the list and realize you're pretty much perfect, you could try non-monetary rewards that provide simple pleasures and other work-life perks that don't cost the employer much. Flex time, telecommuting, on-site fitness classes or just letting the team knock off early on the occasional Friday afternoon can have a great impact on motivation.

From the reasons people hate their bosses and leave their jobs, it's obvious that the delicate line that can't be crossed is respect. Challenge is not a bad thing, as long as your team can still stand tall and be proud of their work.

"If you only show interest in results, you'll probably get the results," Stephens says. "But it will backfire, because retention will suffer. People will burn out or simply make different lifestyle choices." As the yin needs some yang and the yang needs some yin to create harmony, great relationships and a stable sales team will lead you to your coveted big numbers. A balancing act is all it takes!