



Sales “Culture Killers”

Is Your Culture Dead or Alive?

By Sam R. Johnson

If you’re considering a recapitalization, M&A transaction, or just need a performance tune-up, you might begin by taking a good look at the top of your P&L – your *revenue stream*. After all, sound financial performance starts there. Unfortunately, there are many bad things that prey on this area. We call these sales “*culture killers*.” Your company’s health starts with your ability to search for, find, and eliminate the *culture killers* that are negatively impacting your sales team’s ability to find, secure and manage customer relationships. If it sounds difficult, it can be if you don’t know where these killers are or how to fix them.



Corporate leaders have learned the hard way that effective marketing can attract prospects to their offering. But if the sales team can’t identify and convert those opportunities into happy customers, the company’s performance will suffer. To rectify the situation, let’s examine what a sick culture looks like, and identify those *culture killers* that impact performance.

Classic Symptoms of a Sick Sales Culture

The items below are the most common reasons for poor sales performance. How many of these sound familiar?

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| <input type="checkbox"/> Under-performing revenues | <input type="checkbox"/> High customer churn-rates |
| <input type="checkbox"/> Poor gross profitability | <input type="checkbox"/> Lack of new customers |
| <input type="checkbox"/> Lack of market share | <input type="checkbox"/> Excessive customer complaints |
| <input type="checkbox"/> High sales / service team turnover | <input type="checkbox"/> Ineffective marketing efforts |

If any of these look familiar, *read on!* One or more of the following culture killers are probably the problem.

The Eight Killers of a Sales Culture

After a “*confession*” session with management about what they are concerned with, we go to work isolating the *culture killers*-that impact their business development function. There is usually more than one killer in the organization. Many can be addressed internally. But others can’t even be identified, much less resolved without expert help that can examine your organization from an objective external viewpoint. Ignoring any of them can ultimately lead to dire consequences.

Through years of experience with hundreds of Fortune and mid-market companies, we’ve refined the following list of eight (8) *culture killers*. Regardless of the industry, the core components never change. Scan this list while considering your situation. Then, check all those that apply, or that you’re unsure of.

- Senior management not supportive and/or committed to the sales function.** Culture is driven from the top – *never the bottom*. It requires an obvious “*passion*” of management for insisting on an enterprise-wide mindset of “*total customer focus*” and sales performance accountability. Executive management must be willing to “*walk the walk*” by investing in the culture, having credible goals, strategies and processes, sufficient sales and marketing resources – and be willing to reward performers accordingly. Companies lacking this management focus and passion will always suffer from a weak sales culture.
- Sales processes not defined.** The positions responsible for selling must be clearly identified, as well as how the results will be measured. The sales process (*funnel, pipeline, etc.*) designed to identify and convert opportunities in the company’s industry, as well as the knowledge, skills, attitudes, and behavior sets needed for success, must be



clearly defined and measured. Without a clear process to monitor the progress of converting opportunities into sales, you'll never know what is really happening in the field until the end of the measurement period (*month, quarter or year*). By then it's too late. You must be able to identify issues throughout the sales cycle and fix them if you're going to affect the outcome in a positive way.

- ❑ **Poor sales talent.** All too often salespeople are in their current positions because of tenure or convenience. The logic behind those reason(s) is totally flawed. And many of these people are poorly trained and lack motivation. If they're in sales positions, they must be sales animals! If not, the entire sales and marketing strategy unravels. The best salespeople have a natural tendency / personality to sell – and high aspirations about what they want to earn. When recruiting salespeople, remember that the best ones are never without a job – they're always in demand. Develop a scheme for how you can hire top performers away from a competitor. A less attractive option is to hire neophytes and develop them over time. That can be expensive and doesn't necessarily guarantee success.
- ❑ **Non-supportive sales infrastructure.** The company's structure and resources should facilitate and speed up sales / service processes. Sales teams need the right mix of communication, products / services, access to data, sales tools, collateral materials, training and an environment that offers efficiency and functionality for them and their customers. Without the right support, sales teams will become frustrated, and results will be less than you desire.
- ❑ **Lack of sales management.** Managing the sales function is a perpetual effort - daily, weekly, monthly, annually. Sales management must plan, organize, develop, supervise and hold sales teams accountable for performance. This requires the right tools, processes, skills, and the support and expectations of upper management. Without close supervision and support from sales management, sales teams will go feral and underperform every time.
- ❑ **Lack of sales training.** Just because someone is exposed to training doesn't mean they can do what's expected of them. As a rule: *you can train knowledge topics using distance learning techniques. But developing sales skills requires live, in-person, practice-based, instructor-led sessions.* Just as you can't learn to play tennis or golf by watching a video, sales skills cannot be developed from a computer or a phone call. Skill training is not easy and there are no short cuts. And without proper sales knowledge and skill training, there's no consistency for how the market is approached, what your messaging is, and for the revenue and profit results you expect.
- ❑ **Insufficient measurement of results.** You can't expect what you don't inspect, measure and reward. Sales teams must know how they are measured, where they stand, and how they perform - *results vs. standards*. Before, during and at the end of each measurement period (*monthly, quarterly, yearly*), the performance loop should be closed with results feedback – *good or bad*. These measurements should be related to the sales *activity* required by the sales process you implement that builds the sale and provides the outcomes you expect.
- ❑ **Unattractive reward structure.** When employees are expected to contribute to the success of the enterprise, their positive effort must be rewarded. This is best done with a combination of monetary, recognition and upward mobility incentives based on reaching established sales related metrics (*quotas, \$, #s, %, etc.*) The right mix of “carrots” must be offered. The sales team's behavior will be directed to those actions and results that provide the rewards they desire.

The bottom line: Today's sales teams must be able to identify opportunities with existing and prospective customers. To do this effectively, they need a process, as well as a unique set of knowledge and skills that can help them target, approach, assess needs, and present an appropriate financial solution. And they must also be competent at helping the prospect move forward with a decision. All of this involves processes and skills that are in short supply at many companies. Don't let your company be one of them! Have a formal business development strategy plus a management team with the knowledge, skills, tools and initiative to implement it perfectly. If you checked any of the above boxes, reach out and let's chat.

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