

LMII Journal



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The Need for People Who Perform Selecting and Keeping Top Commission Salespeople

By Mike Weaver

In our 37 years in the human resource field, the most frequent plea we hear from business, industry, and government leaders is, “How do we select and keep top people, people who really perform?” The question occurs most in reference to two critical human resource areas: the need for strong managers and leaders and the demand for commission salespeople who can get results.

In many organizations, those in positions of management and leadership and those on the firing line of commission selling probably have the greatest impact on the overall success or failure of the organization. Strong managers are difficult enough to come by and those with real leadership ability are an even rarer find. This quality of leadership has, of course, a direct bearing in selecting and developing that other critical asset – the top commission salesperson.

The Commission Salesperson

By a “top commission salesperson” I do not mean someone who only services existing accounts, or accepts walk-in orders for a product/service that tends to sell itself through unusually high demand or through marketing methods that build overwhelming marketplace awareness. I do mean someone who can go out into a highly competitive and often difficult world and get new business as well as make a major contribution to keeping existing business. I mean someone whose compensation is strongly based on their performance. Someone who puts their performance on the line.

Since salespeople who perform well and are fairly rewarded tend to stay with the organization, let’s reduce this exploration to two questions: 1) “How do we select someone with strong potential to succeed

in commission selling?” 2) “How do we provide management and leadership to help them succeed?”

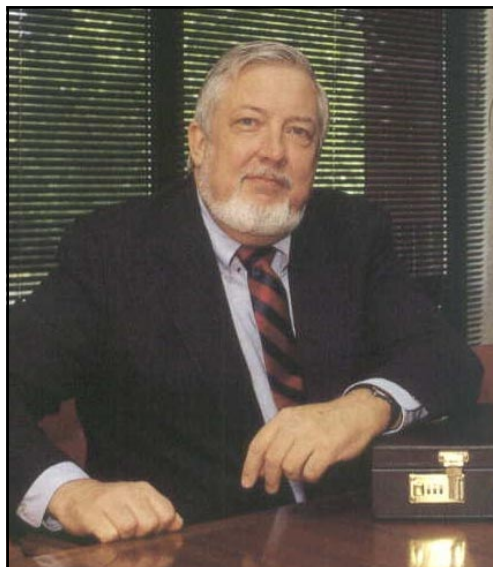
A Model for Sales Success

As a basis for considering these questions, let’s look at a model for sales success. Three ingredients are required to succeed in commission selling: A strong Identity, Selling Skills, and Product Knowledge.

The **Identity** is complex. It includes personality characteristics, self-image and self-esteem, motivational factors, personal goals issues, energy level, and a host of other interrelated factors. It is, in essence, who the salesperson is. Three sources contribute to the identity. These include hereditary influences (which none of us could select in advance), the biochemistry of the individual (affected by nutrition and physical fitness), and conditioned or “learned” behavior (what we have been taught and what we have experienced). All of these factors are historical in nature. In a very real sense, “Who we are is where we have been.”

Selling Skills refers to generic skills in selling. Skills that, with minor adaptation can be applied to almost any product/service. These skills include prospecting, acquiring appointments, initiating the selling process, fact finding and qualifying, presenting the product/service, closing, converting resistance, and follow-up service. Fundamental to this range of skills is the ability to communicate and relate well to a wide variety of other human beings. Skill in asking questions and in listening is paramount. Selling is not telling, it is asking and listening.

Product Knowledge includes not only knowledge of the salesperson’s own product/service but also familiarity with competing



William C. (Mike) Weaver

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and substitute products/services.

Throughout business and industry there is a strong tendency to base our selection practices, our training and development programs and our management and leadership of salespeople on the assumption that Product Knowledge is the most important of the three factors described, that Selling Skills is second in importance, and that the Identity is the least critical of the three ingredients for success.

Nothing could be further from reality. Experience and research repeatedly tell us that it is the Identity that is the most critical element in sales success. With a strong Identity, Selling Skills and Product Knowledge will be learned by the salesperson with or without the help of the organization. The organization's best efforts to help will be wasted on the salesperson whose Identity is that of a person who does not "have their stuff together."

Why Commission Salespeople Fail

A lot of experience and a variety of different research projects indicate the following three major reasons for the failure of commission salespeople:

- ◆ A lack of clear personal goals – Not having a specific purpose in life nor specific reasons to succeed in commission selling.
- ◆ Negative attitudes – Nonconstructive attitudes about self, the selling profession, the organization represented, products/services, and possibly, about life in general.
- ◆ Poor work habits – Poor work habits, particularly as related to consistent and persistent prospecting activity.

It is obvious that all three of these failure factors reside primarily within the Identity. The Model for Sales Success and evidence regarding the failure of commission salespeople to perform leads to the following suggestions, first in selecting salespeople and then in managing and providing leadership for those you select.

Selecting Commission Salespeople

- 1) From recruited candidates, use three major elements in the selection process: a) the in-depth interview b) reference checking, and c) personality profiling. Together these elements form a powerful selection process.
- 2) The in-depth interview is most useful in evaluating the Identity, but Selling Skills and Product Knowledge can also be assessed. Discuss recent history to assess relevant experience. Go further back to assess the person ("who we are is where we have been"). Ask questions and listen.
- 3) Work hard at reference checking. Because this is becoming more difficult, seek out less conventional sources of information. In selection, it is best to assume that "people seldom turn over new leaves." All three elements of the Sales Success Model can be explored during reference checking.
- 4) Use a validated and well regarded Achiever personality assessment as a critical aspect of Identity assessment.
- 5) In Identity evaluation, look for the following major strengths: a) Strength of character and personal integrity, b) A balance between structure in work habits and the ability to improvise when required, c) Emotional maturity, d) A people orientation, e) Goal direction and competitive drive, f) A balance between psychologi-

A Model for Sales Success

$$\begin{array}{c}
 \text{IDENTITY} \\
 + \\
 \text{SELLING SKILLS} \\
 + \\
 \text{PRODUCT KNOWLEDGE} \\
 = \\
 \text{SALES SUCCESS}
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cal resiliency on one hand and sensitivity and empathy on the other, and g) High achievement drive and energy level. Most top salespeople possess most of them.

- 6) Remember that the selection process is much more a case of probabilities than certainties. You can, however, make your process thorough enough to significantly increase your probabilities of success.

Management and Leadership

- 1) Establish a clear, up-front "contract" with each salesperson you manage. This outlines what you expect of them and what support they can expect from you in return.
- 2) Work with each salesperson to establish specific performance goals. In many ways, goals are easier to manage than people.
- 3) Be sure the goals include not only sales goals but also goals for both the quantity and quality of sales activity. Sales can be influenced but are not controllable. Only sales activity is controllable.
- 4) Reinforce positive behavior, not just with tangible rewards, but with sincere and specific praise. Respond to negatives with coaching, counseling, and correction. Focus on goals and the behaviors required for success.
- 5) Top salespeople have a strong need for independence but they also recognize that the price for this is strong self management and self discipline. Assume they have this self discipline until proven otherwise, then move to help them progressively develop the self-reliance they need to succeed.
- 6) Provide "training" (skills-related) but also provide for "development" (identity-related).
- 7) Manage salespeople "one-at-a-time". Treat them as individuals and different because they are.

An Investment in Success

For many organizations, the commission salesperson is the key to success and in a highly competitive economy can even be the criteria for survival.

Time, effort and dollars invested in the selection process payoff. So does inspired, yet well-planned leadership of the sales effort. In both the selection and leadership of commission salespeople, patience is a virtue and often a necessity.

Is it worth the investment and the patience? Remember, for most organizations and probably for yours, it is not just a cliché that, "Nothing happens until somebody sells something!"

Article originally printed in St. Louis Commerce Magazine.

It's the Law of Physics

A law of physics states that a body at rest tends to stay at rest. More energy and more power are required to start a car or a plane than to keep it going. More force and power are required to change directions than to keep moving in a straight line. Courage is the fuel that supplies the extra surge of energy needed to initiate change. It takes courage to change—to change your attitudes, to change the way you organize your time, to change relationships, to change who and what you are.

Once you begin, momentum keeps you moving. That is the other side of that law of physics: A body in motion tends to stay in motion. Once started, you enjoy even greater self-confidence and courage, for nothing breeds success like success. You find that when you claim for yourself the self-confidence and courage you were intended to have, these attitudes compound just as interest on a savings account.

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Personal Leadership



David Byrd
President, LMI

Browse through any bookstore today and you will find an array of selections devoted to leadership. It seems that every noted speaker is focused on leadership as their major topic. Ask any organizational leader what is the most crucial factor in their organizations future growth and nine out of ten will say leadership. With all this attention focused on leadership, one would assume that the issue of leadership has been well addressed.

Through all the focused attention today on leadership, I still see a significant gap. There is almost no credence given to the significant issue of personal leadership as a foundation to formal leadership. For over forty years LMI has stressed that effective, formal leadership cannot exist in the absence of a solid foundation of personal leadership. One must be able to lead and manage one's self before he or she can be expected to lead and manage others.

A good example of this is being demonstrated by the current downsizing of corporate America, especially in the financial services segment. We are seeing thousands of people being laid-off as their employers struggle to maintain profitability from declining revenues and increasing liabilities. As you look closer at this example you will find that the majority of the layoffs involve middle management... why? There is a simple answer to that question; organizations can no longer afford to pay anyone to watch someone else work!

It is more important than ever before for organizational leaders to focus on personal leadership development at every level of their organizations. If there is no one to watch over the work of employees, it makes good sense to make sure that each employee has the tools and capacities to lead and manage themselves. LMI has over forty years of experience in personal leadership development. Give us a call if you would like to find out more about this crucial issue of developing leaders at every level of your organization.

“One must be able to lead and manage one's self before he or she can be expected to lead and manage others.”

With Positive Expectancy,

David Byrd
President, Leadership Management Institute™

Foundations for Successful Communication

Skillful communication serves the purpose of effective, motivational leadership – to achieve results through the activities of people. The members of your team share with you a unique relationship based on a set of common goals for the organization. Effective communication binds all the members of this complex relationship together and enables you both as individuals and as a team to achieve organizational goals. As a leader, you enjoy the keen satisfaction of knowing you help others to achieve their goals while you reach your own goals.

Several constructive attitudes form the foundation for successful communication:

▲ Good human relationships

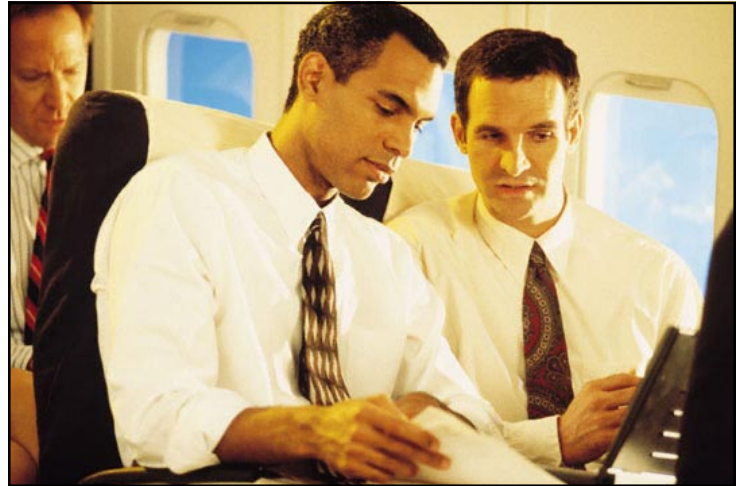
Getting along well with people is essential to effective leadership. Constructive communication – written or verbal – takes into account the principles of good human relationships. Respect and consideration for others, for example, are paramount to good human relationships. “Treat others as you would have them treat you” is a reliable guideline at all levels of human interaction. If you want others to listen to you, for example, you must listen to them. If you want to be treated courteously, you must exhibit courtesy.

▲ Mutual understanding

Achieving results through communication and persuasion requires mutual understanding. Understanding, in turn, requires a genuine effort to see things from the point of view of others. This empathetic effort earns the confidence of other people, paves the way for acceptance of your message, and increases the likelihood of a positive response.

▲ Impressing versus expressing

Seeking to express your ideas or thoughts accurately rather than to impress others is a key attitude to more effective communication and persuasion. Regardless of the size of your audience, you can expect better results if you concentrate primarily on your message – the facts, ideas, or proposals you are trying to deliver – and on meeting the needs of your listeners instead of thinking about yourself and the impression you are making. Too much concern about the impression you are making destroys



the message itself and marks you as insincere. Sincerity carries a tremendous impact; when you are genuine, your message comes across loud and clear.

▲ The right timing

For the most positive results, choose the right timing for communicating each bit of information. Take into account the emotional climate, what else is happening, and the facial expressions of your listeners to help determine the right time for an exchange of information. A familiar Scripture emphasizes the importance of timing: “To everything there is a season and a time to every purpose under heaven ... a time for silence and a time for speech.”

▲ Communication as a process

Whether written or verbal, communication is a process involving three essential components: a sender, a receiver, and a message. Effective communication brings about a mutual understanding between sender and receiver and results in some action or change in attitude or behavior, or both. Good communicators understand the important role of each step in the communication process.

▲ The constancy of communication

Communication involves more than spoken or written words. As a leader, you are constantly communicating; even doing nothing tends to convey a powerful message. Effective leaders are always sensitive to nonverbal cues – to emotions, movements, facial expressions, personality, and other factors making up the total message.

“Effective communication binds all the members of this complex relationship together and enables you both as individuals and as a team to achieve organizational goals.”

Separating Organizational and Personal Issues

Approaching this part of your job with the willingness to listen, understand, and offer assistance yields more positive results than demonstrating a primary intention to punish and enforce rules. Although team members are frequently vocal in requests for organizational attention to their needs, you must maintain a rational point of view. Developing the potential of team members and increasing productivity is more important than winning a verbal battle and proving the strength of your own authority.

The first step in dealing with a complaint is to discover whether you are dealing with a personal issue that is actually the team member's responsibility or with a situation more appropriate for management to address. Although they may be unpleasant to face, openly and directly expressed complaints are the easiest of all to handle. All too often, complaints are hidden from view and are expressed as symptoms that must be analyzed and interpreted.

Unexpressed complaints can produce several symptoms. Sometimes an increase in absenteeism, tardiness, or job turnover indicates dissatisfaction of some type. Irritability, gossip, grumbling, and arguing also arise from unexpressed complaints. Decreased productivity may also be a symptom caused by unexpressed dissatisfaction. More specifically, decreased quality of customer service, increased errors and waste, and slower response to organizational needs may all be symptoms caused by unexpressed dissatisfaction.

Often an expressed complaint is not the true source of difficulty, so you must always treat causes rather than symptoms or risk the problem flaring up again later. Just as asking questions can help you apply common sense to decision making, asking questions is vital in the midst of problems involving people. Ask carefully phrased questions to make sure you learn the real problem – not just a

symptom. Ask questions like these:

- ▲ When did this problem begin?
- ▲ Who else is affected?
- ▲ What do you think is the cause?
- ▲ How would you like to solve the problem?
- ▲ What resources are available?

“Developing the potential of team members and increasing productivity is more important than winning a verbal battle and proving the strength of your own authority.”



While a team member describes a problem, your appropriate role is listening; later you may offer concrete assistance, seek the cooperation of higher management, or – if the issue is really a personal one – refer the employee to a qualified agency or person for help or counseling.

If you determine that you are dealing with a minor issue that affects only one person, all that may be needed is one or two sessions in which you listen and help the person develop a solution.

During these sessions, listen to what the team member has to say without offering judgments, solutions, or opinions. Enable the person to work out a solution

in a supportive atmosphere.

When serious personal issues such as physical illness, suspected or known alcoholism, or strongly neurotic behavior affect a team member, you may make a referral to a support organization. If your organization maintains some type of employee assistance program, encourage the person to consider finding out what resources the program offers. Your concern and interest assure the team member and acknowledge the organization's need of that person's skill and knowledge. In such a climate, employees willingly use their potential for productivity.

If you determine that the complaint presented is not rooted in a personal problem of the team member, you know that you are possibly dealing with an organizational concern.

The Motivation of Target Dates

Once you have listed the obstacles to achievement of your goals and have planned solutions for overcoming them, you reach another point where the goal-setting process sometimes breaks down. It is not enough to plan strategies for overcoming obstacles. You must also plan specific actions to take at designated times. The general strategies you list must be translated into daily activities – actions you can take now and can follow with additional actions tomorrow.

When you list action steps to be taken and a deadline or a target date for each one, you are making a commitment to yourself – a commitment to success.

A deadline or target date is an essential activating mechanism in the goal-setting process. You act on the deadline and the deadline acts on you to enhance your chances of reaching your goal. It works like this:

- First: A deadline alerts your body chemistry to react to the time limit you have set. You think, act and react with urgency. You adjust to the requirements of the task at hand. It is similar to the way your muscles adjust for different activities. The preparation your body makes when you lean over to pick up the morning paper is different from the preparation it makes when you lift a 100-pound barbell. Your mind “prepares” your muscles for what is required. So it is when you work toward a goal. If you have set a deadline, your body responds to the urgency and automatically puts forth greater effort.
- Second: A deadline serves as a challenge to which you respond mentally. In competitive sports that involve a

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time limit, tension mounts as the last minutes or seconds tick by on the clock. Fans expect to see the most exciting plays just before the closing whistle. So it is in your quest for goals achievement. As the target date approaches, your excitement mounts and you call forth all of your reserve energy and resourcefulness to chalk up the victory.



- Third: Deadlines help you maintain a positive mental attitude. They focus your attention and concentration on the goal. As a result, distractions are eliminated and you think more clearly and creatively. Because you are busy, you have no time for fear and worry. Your mental and physical well-being are stimulated by the creative activity expended to meet your deadlines.

Deadlines must be handled with mature understanding. A deadline is a servant, not a master. Sometimes you will not reach your goal within the deadline you have set. This is especially true when your goal leads you into challenging new fields where you have little experience. It is not always possible to know how long it will take to complete the work. Sometimes outside circumstances unrelated to the goal may affect the time and energy you expected to devote to it. The mark of the self-motivated person is the ability to distinguish a setback from a defeat. Because you establish your own deadlines, you are privileged to change them. Adjust, reset your sights in view of altered circumstances, and change the deadline without abandoning the goal. Occasionally, you will reach a goal ahead of your deadline. Rejoice in your fast progress and use the extra time available for concentrating on a new goal.

Arranging Your Work Area for Efficiency

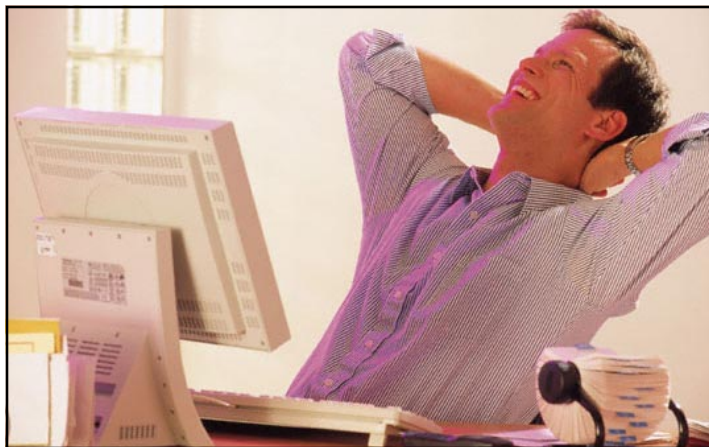
The arrangement of the work area – particularly of your desk or work station – should be governed by two considerations:

- Easy access to necessary work materials
- Elimination of distraction

Ordinarily, an uncluttered desk is most conducive to efficient work and greater productivity. Your telephone and dictating machine, if you are right handed, should probably be on the left side of the desk leaving your right hand free for note taking. Other equipment you use, such as a computer or a fax machine, should be placed where you can use it efficiently. One corner of your desk or your credenza near your telephone is an ideal spot for your calendar and “Do List” for convenient reference and to help you stay focused on your top priorities. Covering your calendar prevents the nagging annoyance or feeling of hurry that sometimes comes from seeing a long list of items. An assistant or other departmental coordinator may also have a copy of your appointments or meeting times and will remind you of these commitments as the time approaches. Then you are free to concentrate on whatever is before you at the moment.

You also need an “out” basket to deposit items as you complete work on them for the assistant or mail clerk to handle as appropriate. You receive a psychological boost when you see the completed items stack up. The “in” basket, when placed somewhere other than your desk, eliminates the distraction of seeing incoming mail until you are ready to give it your attention at the scheduled time.

Desk drawers should hold any files you need frequently, such as “See Me” or “Talk To” files for key people. A folder labeled “Pending” holds any item of work that should be done within the next few days, but must wait for a report or information you have requested from someone else. This file should contain only those items that you know will receive your attention in less than a week. All other pending items should be placed in a tickler or a follow-up file. The tickler file contains 31 daily folders and 12 monthly folders. Items for the current month are in the numbered folders that you check daily or that your assistant gives to you daily. Be sure that your “Do List” provides for these items. Anything scheduled for attention later than the current month can be placed in the monthly folder and transferred to the daily file when the new month begins.



Another consideration in arranging the work area efficiently is the need for removing distractions. Knickknacks on the desk provide sources of subconscious distraction. Unfinished work also exerts a tremendous negative emotional effect and a feeling of urgency that destroys concentration. Remove these items from the desk to some unobtrusive location in your work area.

An efficient work area is comfortable as well as convenient. Light and temperature control are of prime importance. The furniture, including the desk and chairs, must be comfortable for you. Office decor, including color, decorations, and furniture style should be pleasing to you but not distracting. It is not really important that others approve your office decor if it is in basic good taste and is conducive to your productivity.

Plan placement of office furniture to eliminate distractions. If your desk faces a busy hallway, everyone who passes looks in and at least nods a greeting. This destroys your concentration. If no other arrangement is possible, a

closed door prevents such interruptions. If your desk faces away from the door, you do not see people passing and they are not as likely to stop for a chat.

Also consider that the location of your work area may be contributing to the number

of drop-in visitors who interrupt your work. If your office or work area is near an important entrance or traffic area in your building, take steps to change the location of your office or install a door or partition to shield you from drop-in visitors. If changing your location or installing partitions is not an option, careful arrangement of your furniture can assist you in discouraging nonproductive interruptions.

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Bridging the Gap Between Potential and Performance

Since 1966, Leadership Management Institute™ has been bridging the gap between potential and performance by helping organizations and individuals evaluate their strengths and opportunities through implementation of the unique and proven LMI Process™.

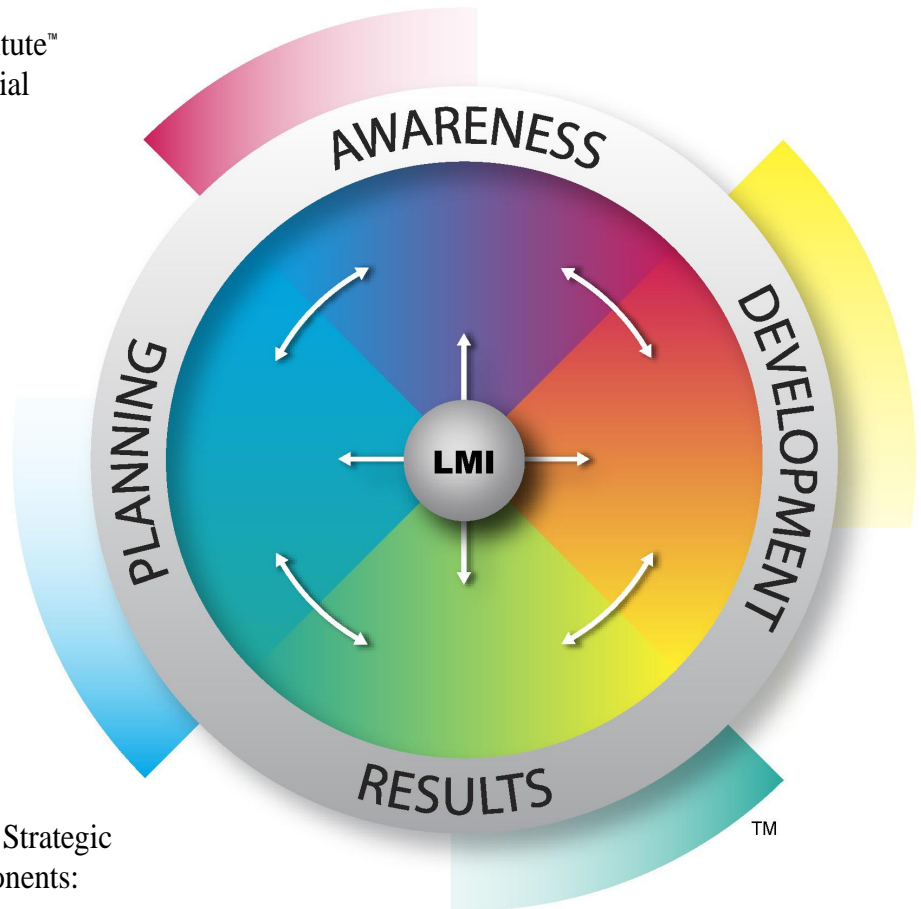
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