

Meet ROI Goals With Training

An investment doesn't always add up when training some professionals

STORY BY DAN STALP | PHOTO BY KENNY JOHNSON



Q: *When there is a limited budget for sales development training, how do I get started?*

—Mark Radetic, managing director, Marks Nelson Vohland Campbell Radetic

A: Rarely do companies have a huge budget set aside for personal development training. When it comes to sales training, the question becomes, “If I were to spend \$1 on sales training, what kind of return on investment (ROI) do I desire over a certain period of time to make this worthwhile to my organization?”

Most companies I work with expect a minimum of 300 percent or three times the dollars spent over the course of the first year. To some of you, this seems high. But consider the soft dollar cost of time spent training (in or out of your office), plus drive time.

Additionally, your people being trained are going to be asked to get out of their comfort zone. They will begin thinking and doing things differently. This takes time, and most people get a little worse before they get better as they begin to master what they are *learning* versus what they have been *doing*.

Once you have the budget, the ROI and the specific period of time, the question becomes: Who on our business development team is equipped to get us there?

One way is to have a third-party, objective sales evaluation specifically for your type of sales, not general sales. Additionally, the business development professionals best to consider already are successful, working on

larger deals, and have a “gap” in their personal business development production. By gap, I mean, if they make the same amount next year as they do this year, they would be personally disappointed.

If the profit on the gap for the professionals you are investing in does not meet the ROI, then it might not make sense to invest in sales training for your people.

Of course that leads to an even bigger question: Do you have the right people to get you where you want to go with your business?

Q: *How can I effectively manage salespeople (quality) as opposed to just spending time with them (quantity)?*

—Dawn Upah, agency development manager, Colonial Life

A: Many a sales manager has lamented over how to balance leading their salespeople versus managing them. When the results are there, it's an easy job. When the results are not there, it can feel like misery for all parties.

There is an 80/20 rule in traditional sales. Twenty percent of your salespeople typically bring in 80 percent of the business.

Another 80/20 rule you might not know as well is: You also might be spending 80 percent of your time on the folks only producing 20 percent of the business.

One Sandler Rule: Manage behaviors, not sales results. This is counterintuitive to many. It's not because they are bad

Have a question for Dan?

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managers; they don't know any better. It's a blind spot of sorts.

Managing behavior means I am holding my salespeople accountable. Some of you are saying to yourself that you already do that. But I am not exclusively talking about results. I'm talking more about the behaviors that lead to those results.

Those behaviors can be attempts to reach a new prospect, conversations with a decision maker, number of first and/or subsequent appointments, number of proposals, average sales and number of sales.

When you know all these conversions, then when the “check-engine light” comes on (not enough sales) you can specifically coach the salesperson on what part of their behavior is off. Plus, conversations with your salespeople will be more high-level and strategic than petty and discouraging.

If you don't know how to do this, you will attract the wrong salespeople. You do the math—lackluster sales numbers at best. **KCB**



VIDEO

Dan Stalp is the president of Sandler Training, a sales training and professional development firm located in Overland Park. He is a sought-after keynote speaker who co-authored the book “The Reunion.”