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Sales Managers Make a Difference

Front-line managers hold the key to your sales force's success. Are you paying enough attention to them?

by Benson Smith

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Managers make a difference. At least they're supposed to. Yet even though senior executives seem to agree with this premise, they don't act as if it were true.

In fact, companies are often their own worst enemies when it comes to improving the quality of their sales organizations. According to Gallup Organization research, businesses frequently and significantly undervalue or misunderstand the key role that front-line managers play in driving productivity and in building a sustainable business model. It's no wonder that for the sales forces we've studied, average engagement levels hover at around 37%.

Too many sales organizations are operating well below their potential. If they paid greater attention to their front-line managers, their performance would improve substantially and rapidly.

Deeds don't match words

Almost every company we have evaluated ostensibly believes that the quality of its managers directly affects its financial results. Still, it's often hard to match a company's words with its actions.

For example, in many organizations, training for front-line sales managers is woefully inadequate. Over the past three years, nearly 1,000 senior executives have attended Gallup seminars on building a world-class sales organization. When we ask about the initial training their company provides to new sales reps, we usually get impressive responses about the extensive preparation they receive. Yet when we ask the same executives about the training they provide to newly promoted managers, the answer is usually *zip*. Rookie managers are expected to transform themselves from sales rep to supervisor overnight. The little training that is offered usually revolves around learning the policies, procedures, and paperwork that the job demands.

What's more, while every executive at our seminars nods in agreement when we state that "a great salesperson doesn't necessarily make a good manager," the practice of promoting the wrong people into front-line manager roles is widespread. When companies promise that the way to climb the corporate ladder is to sell more than anyone else -- in other words, when they confuse a talent for sales with a talent for managing people -- they encourage the promotion of the wrong people. The best managerial candidates are *not* always the people who attain the highest sales.

But sometimes, companies are so afraid of losing a great salesperson that they promote that person despite real concerns about how well he or she will perform as a manager. The consequences are usually disastrous. Not only do they end up losing a good salesperson, they often wind up with disengaged employees or an outright exodus of reps who must report to a less-than-ideal boss.

Yet another problem is that businesses -- in the interest of "flattening" their organizations -- have decimated the numbers of front-line sales managers, often without any real understanding of how this will affect employee engagement and productivity. We have seen "span of control" ratios climb from 7-8 representatives per sales manager to 15-20 reps per manager.

Suppose a company has 220 positions for its field sales force. Is it better off with 20 managers and 200 sales reps or with 10 managers and 210 sales reps? Most companies instinctively choose the latter, without doing much quantitative analysis. They really don't believe that the extra 10 managers will help drive productivity and profitability. Their attitude is, "Sales managers are a necessary evil, so let's have as few as possible."

In past years, we did see sales organizations with too many managers. Now we're more likely to find businesses with too few.

Some suggestions

Fortunately, these problems are fixable, and the solutions can provide a rapid improvement in organizational effectiveness. Here are some suggestions we've gleaned from Gallup's work with myriad sales forces.

First, let's reaffirm the basic notion that managers indeed make a difference -- because they do. The quality of a sales organization is directly linked to the quality of its front-line managers. Those managers greatly influence turnover, productivity, and profitability, and they help build a base of engaged customers. In many companies, they are crucial to achieving key corporate strategies and programs. Unless your company is continuously improving the quality of its front-line managers, it's unlikely that you're improving the quality of your sales organization.

Consequently, companies must pay special attention to the people they promote into those roles. Your sales team needs both great coaches (front-line managers) and great players. Some of the people you hire must have the potential to become great coaches. But besides their innate managerial talents, you also want your front-line managers to gain some practical experience selling your product line. This firsthand experience provides the best managers with an invaluable frame of reference that enables them to provide real help to their sales teams.

What this means in practical terms is that when recruiting entry-level talent, companies must always seek both great salespeople *and* great managers. But most businesses either look for one or the other; as a result, they end up with an unbalanced ratio. Either they hire too many people, promising ultimate (and often rapid) promotions into management ranks -- or they hire too few. In the first instance, the company is left with dissatisfied reps who feel they're not getting promoted quickly enough; often, they'll leave the company out of sheer frustration. In the second case, the business has far too few qualified candidates to meet the needs of its succession plan; they lack bench strength.

Furthermore, in hiring potential managerial candidates, it's important to look beyond their narrow qualifications for the position. When the time comes, will they really accept a managerial position? Are they willing to relocate? Are they willing to travel extensively, if

that's what the job requires? Pools of potential managers have a way of evaporating just when you need them. Senior executives must make sure those pools remain full.

Next, be sure that new managers receive the appropriate help in developing a management style that is most suited to their own talents and strengths. In general, companies don't invest enough resources in training and developing front-line managers. However scarce or abundant your own company's training resources are, you should be mindful of this fact: Your best return on the dollars you have available to spend will come from efforts directed toward those managers.

We have seen rapid improvement in the effectiveness of sales organizations in which managers are trained to do a better job at setting expectations, allocating resources, creating productive relationships with their salespeople, offering praise, and listening to opinions. Too many managers are unaware of how attention to these issues actually drives results.

Additionally, don't stop training and developing your long-term front-line managers. Sometimes these people get forgotten and overlooked simply because they aren't candidates for more senior positions. However, if you allow them to become disengaged in their jobs, it's unlikely that you'll find engaged sales reps working for them.

Finally, remember that good managers are just that -- good managers. They're not magicians, nor are they miracle workers. When companies overload good managers with too many direct reports -- when they stretch the span of control -- those managers are no longer able to invest time and attention on their best salespeople. When the crucial bond between top reps and their managers suffers, those stars' engagement levels and productivity are likely to decline. Indeed, while cutting the ratio of managers-to-sales reps always looks good on paper, it seldom works out to be as financially beneficial as it seems.

Gallup's very first studies of sales forces more than four decades ago yielded some conclusions that are as valid now as they were then. One of those conclusions is that *managers make a difference*. If you want to improve the quality of your sales organization, start by improving the quality of your front-line sales managers.

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