



Why Sales Coaching Is So Crucial and How to Get It Right

So, let's start by defining what sales coaching means:

Sales coaching is a leadership skill that develops each salesperson's full potential. Sales managers use their domain expertise, along with social, communication, and questioning skills to facilitate conversations with their team members that allow them to discover areas for improvement and possibilities to break through to new levels of success.

As importantly, sales coaching is not asking things like, "What's your forecast this month?" or telling a salesperson, "You need to build more pipeline." Instead, effective sales coaches consider the salesperson's personal goals, their individual style, and their current strengths and weaknesses before engaging in a dialogue. Then, the focus of such a structured conversation is to discover areas for improvement regarding behaviors and activities that should lead to the desired results.

Coaching areas have to be defined. If coaching is reduced to opportunity coaching only, the organization misses out on much of the performance benefits of coaching. At SPI, we separate coaching into five different areas that can be implemented step by step, according to your context:

Lead and opportunity coaching: The purpose in this coaching area is to discover where customers are in their journey and what it means for the sales process and the ways the salesperson might be able to help them move forward. In addition, sales managers should look for overall areas for opportunity management improvement. Unfortunately, many sales managers leave this sort of coaching until the opportunity is either stuck or when they think it is in the final stages of the journey and want to know why it hasn't closed. However, lead and opportunity coaching that takes place earlier along the customer's journey can be more impactful on overall results. Note that even though this is where most sales managers spend



most of their time coaching, the majority of sales managers in a 2022 study said they spent less than an hour a week coaching in this area.

Pipeline or funnel coaching: This coaching area looks at the number of leads or opportunities in the sales team’s funnel or the salesperson’s funnel, identifying the most valuable deals that can be won, helping to manage risks, and allocating resources accordingly. During funnel coaching, sales managers should assess the types of deals in the funnel, e.g., many small opportunities or fewer large volume deals, as well as the assumed closing dates, stages, and risks of each opportunity. Most importantly, the sales managers must weigh the value of the opportunities against their probability of being won.

Coaching skills and behaviors: This is the most important coaching area in times of sales transformation, such as when moving from a product selling approach to value-based selling. Behavior and skill coaching is essential to drive adoption and reinforcement of sales enablement efforts in these times of great change, as well for more day-to-day sales enablement efforts. Coaching skills and behaviors overlap with other coaching areas, e.g., lead and opportunity coaching, but we recommend thinking about it as a distinct area to ensure it receives the proper emphasis.

Account coaching: Account coaching is vital for organizations that manage key or strategic account programs. This type of coaching is focused on relationship management and development as well as lead identification. Relationship management coaching seeks to help the salesperson develop the relationships within their accounts. Lead identification coaching focuses on two phases of the customer’s journey: identifying the business challenges in the early phase and looking for additional ideas to create additional business during the implementation and adoption phase.

Territory coaching: Territory coaching is necessary in organizations where salespeople manage a specific territory regardless of whether they are in the field or part of an inside sales team. Territory coaching takes a focused,



higher-level approach built on market and territory analyses as well as territory definitions. The purpose of territory coaching is to increase sales performance by keeping salespeople focused on the right industries, right organizations, and the most relevant buyer roles in each territory. Territory coaching, like account coaching, also includes lead identification coaching.

Coaching needs to be formal to be effective. As you review the coaching area definition, you might notice how closely aligned it is to the customer's journey. In world-class sales organizations, sales processes, funnel management, and account and/or territory management are also aligned to the customer's journey. Consequently, an organization's coaching approach has to fit into their sales system.

There are four levels of sales coaching maturity:

- **Random:** There is no coaching process defined. Coaching is left up to each manager.
- **Informal:** Coaching guidelines are available, but there is no formal coaching process. Managers are told that they should coach, but there is no monitoring or measurement.
- **Formal:** Coaching areas and the coaching process are defined and implemented. Sales managers are expected to coach accordingly, and there is a formal effort to develop their skills. Periodic reviews help optimize processes and guidelines.
- **Dynamic:** The coaching process is connected to the sales force enablement framework to ensure reinforcement of sales enablement efforts. Sales managers are required to coach, and they are measured and compensated accordingly. Ongoing reviews are even more formal and help to not only optimize the process but also to adapt it to market dynamics and the changing selling environment.

The reasons for sales coaching are multi-faceted! The reasons not to coach are nonexistent!