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IMPROVING SALES PERFORMANCE USING A CRM?

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One of the reasons I like sales is because it is all about performance - you either get results or not. There is nowhere to hide. Every day, week, month, and quarter salespeople report performance results - good or bad.

Is one of the keys to improved sales performance the use of a customer relationship management (CRM) system? There is considerable discussion about CRM's and how they improve overall sales performance. I use one every day, and I have been using various CRM systems since the mid-1990s, and at one point I was a power user/beta tester who provided feedback to the developer after reviewing the functionality of their system. It is true that it is essential to be organized during the sales cycle - starting with the introduction to a potential customer to finalizing the sale - gathering information about a client, as well as time management, scheduling appointments and follow-up on leads and proposals. Yes, "next actions" are vital in sales and a system to automate these processes is necessary.

Depending on the business you are in the CRM can have more considerable significance. It is all about the length of the sales cycle. For example, if you are selling a product where the number of pre-close meetings is minimal, perhaps only one or two, then the CRM is merely a tool for scheduling the initial meeting, recording significant facts about the prospect, possibly rating the quality of the prospect, and planning a next action such as a follow-up meeting, if needed. However, if you are selling a more complicated product or service with an extended sales cycle the importance of the CRM increases. For example, my nephew and his father own a business where they perform ultrasound scanning for aerospace companies for specific parts for commercial aircraft. In their industry, it requires multiple meetings with several deciders in addition to proposals and refined proposals. Therefore, the CRM is necessary for their sales organizational process. However, we need to stop confusing sales cycle organization with the process of selling prospects in live sales situations. Yes, they are somewhat related, but they are two separate issues. You can have a highly organized salesperson who under performs when it comes to making actual sales presentations and therefore finalizes very few transactions. So, does all that organization even matter?

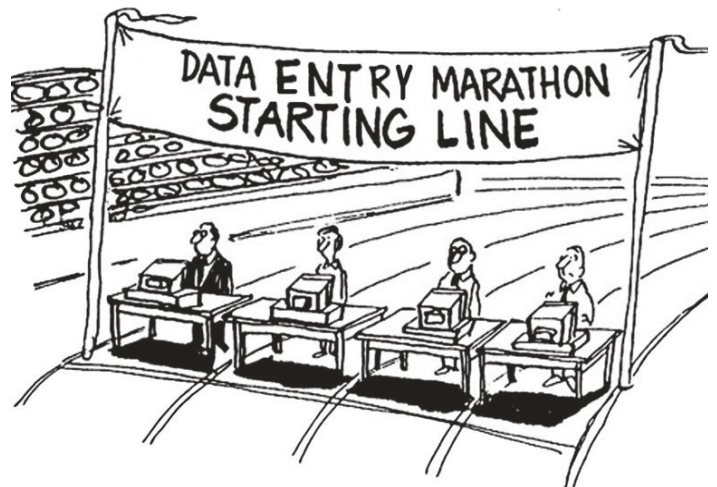
Sales performance happens at the point in time when the salesperson is toe-to-toe with a prospect - endeavoring to persuade the prospect to buy their product or service. So, let's focus on three of the most important steps to improved sales performance. First, is understanding the science of sales psychology. Second is implementing the various aspects of sales psychology into a well-designed sales presentation. Third, perfecting the delivery of the sales presentation in live situations. Easy enough, right? No, unfortunately like many other undertakings, these steps are not necessarily easy to accomplish. Yes, it takes time and

effort to achieve.

A salesperson needs to understand as much as possible about "sales psychology." How does someone go about acquiring this information? Well, one way it can be accomplished is by reading specific materials on the subject. Many individuals work in the field of human behavior as it relates to sales psychology, and I frequently recommend the book, *Influence: The Psychology of Persuasion* by Dr. Robert Cialdini. In his book, Cialdini explains the psychology of why people say "yes," in other words, what motivates an individual to buy a product or service.

Sales psychology may sound overly complicated, and some individuals might get off track on this path to improved sales performance since just understanding sales psychology is not the quintessential element. Why do I say that? Because the salesperson needs to know how to make application of the distinct attributes of human behavior that motivate someone to buy a product or service - and that is where all the hard work lies. Yes, the key is in the application of understanding. Let's illustrate this point. How many NCAA or NFL coaches understand the fundamentals of football? If someone is the head coach, you would probably say that all of them should have that knowledge; otherwise, they would not have the position. Of all 130 Division 1 coaches and 32 NFL head coaches, how many are as successful as let's say, Barry Switzer, Pete Carroll or Jimmy Johnson? These three coaches have the unique distinction of winning the national championship at the college level, as well as coaching in the NFL and winning the Super Bowl! Winning is all about execution of the strategies of the game; it is not just knowing - it is doing. Knowing something is of little value without implementation.

A couple of years ago I delivered a speech on sales readiness, and one of the attendees approached me afterward and said that he already knew everything I discussed. My immediate thought was "can you put into practice what I shared during my speech? Otherwise, just knowing is worthless." Yes, the next step to sale success is establishing sales processes that address aspects of human behavior as this conduct relates to the sales situation and putting these processes into practice. In this article, I am not going to put forth all-encompassing methods for implementing sales psychology into a sales presentation which would be particularly time-consuming. This article is intended to



be a brief introduction to the subject recognizing that developing the processes is the most challenging part of improving sales performance, but it should be the goal until the desired results are achieved.

Once the necessary processes are established and sales performance improves, then the next step to bettering performance comes into play. By this stage, the salesperson has a fundamental understanding of sales psychology, along with a well-crafted sales presentation and now work begins on the execution of the process. There is only one way to improve performance which you could compare to a rookie quarterback and what he must do to improve. A young quarterback cannot get better by routinely practicing with his teammates, no he must get in the game and play during live game conditions. Naturally, he will make mistakes. However, he can analyze those mistakes working alongside his coaches and continue to improve his methods and simultaneously see his game stats increase. This illustration is comparable to salespeople - they must perform live sales presentations, and when a sale is lost, they need to follow the process of post-presentation review and analyze their mistakes. If a sale is won, the salesperson should still take the time to review his sales presentation to discover what worked and remember to duplicate those portions of the sales presentation. This process of post-presentation review should be continually followed.

Without a doubt, improving sales performance is not necessarily an easy task. After reviewing these recommendations for improving sales performance, I think you can understand why merely using a CRM is not going to have an impact on sales performance at the point of sale. Yes, just like any other ability, being a top performer in sales is challenging and requires the application of knowledge to be successful.