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# Sales Talent Management in the Modern Organization

BY DARREN TSE AND RON BURKE

Global mobility, nontraditional career paths, competition for critical skills, a new generation dominating the workforce, artificial intelligence driving an unprecedented change in jobs — there's no shortage of forces affecting talent supply and demand. In fact, these forces have turned talent management into one of the key business challenges of this century.

And, while talent management in general is challenging, the task of managing an organization's sales talent is a particularly complex endeavor, not to mention critically important. These are the employees who serve as the organization's face to the customer. They directly impact the company's top line unlike any other group, and they absolutely influence bottom-line results.



Traditionally, sales talent management has been treated simply. Organizational thinking has been that if sales compensation plans are established and managed properly, salespeople (who are primarily motivated by money) will thrive and stay with the organization. Low earners will either find a way to make more money or will leave. Because of this self-selection process, sales leaders just need to focus on top performers, manage our employees at the bottom and ignore everyone in between.

If your organization still subscribes to this antiquated approach, you are effectively — and detrimentally — ignoring modern-day drivers of engagement and performance. The reality of today's sales talent management situation is that, yes, compensation is an important part of the attract-retain-engage-motivate equation, but it is not a top driver of sustainable engagement. It's not even in the top five.

Willis Towers Watson’s “Global Workforce Survey” covering sales professionals has found that top drivers for highly engaged salespeople include:

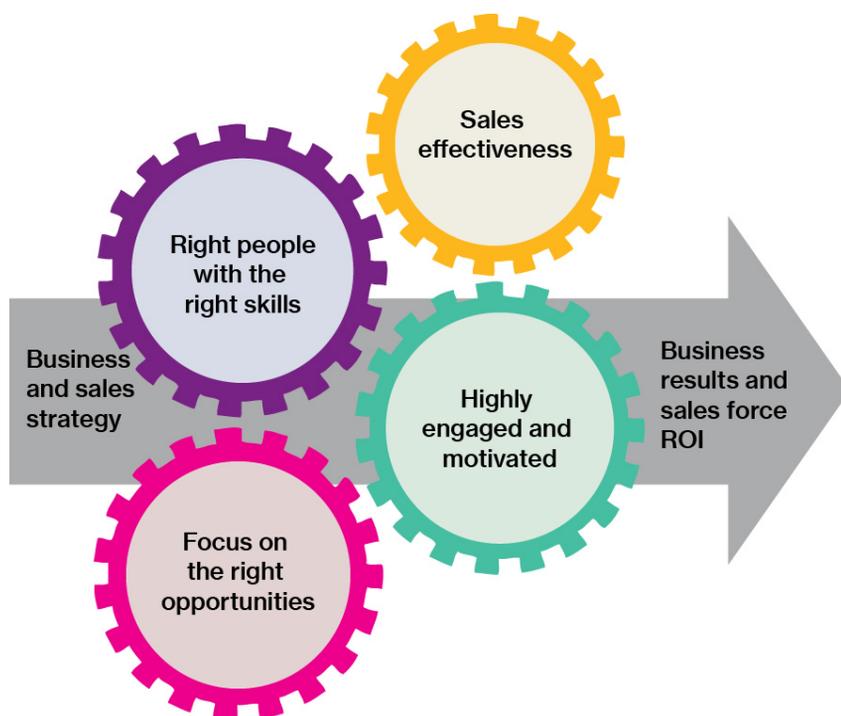
- Senior leadership;
- Clear goals and objectives;
- Supervision;
- Image and integrity; and
- Communication

While we agree that each of these drivers of sustainable engagement can help power sales compensation, they also point to a much broader set of needed-to-win factors. Clearly, it takes more than financial rewards to promote the sustained engagement that organizations need for strong performance. So, how can today’s total rewards professionals effectively support the engagement of these frontline employees? What does it take to manage sales talent in a way that drives sustainable engagement as well as strong financial performance?

Modern organizations are taking a broader, more holistic approach to addressing sales talent challenges. While this sounds straightforward, it can be difficult to determine where to start and how to prioritize your investment.

For total rewards professionals, there is a single mantra worth committing to memory: Sales talent management is a collection of processes that ensures the right people with the right skills are focused on the right opportunities, all while being highly engaged and motivated.

**Figure 1. Sales-effectiveness framework**



Sales effectiveness is optimized by investing smartly in these three gears. Taking stock of current capabilities in each gear paves the way for identifying and prioritizing potential areas of improvement.

### **Gear 1: The Right People with the Right Skills**

Consider this gear in the context of the typical employee life cycle, starting with recruiting and selecting the right talent. High-growth organizations are better at acquiring the best talent, and these organizations differentiate themselves by looking for a demonstration of key competencies during the recruitment and selection process. Then, once the right talent is in the door, these organizations prioritize ongoing talent assessment to develop both individual sellers and sales managers. Market leaders are now investing in understanding individual talent and motivation. Understanding what interests and motivates a seller enables development and performance management to be highly tailored.

Next, provide regular feedback and coaching consistent with our “always-on” culture — it pays off. Highly engaged salespeople are 6x more likely to believe their organization provides effective coaching, mentoring and feedback. Recognizing that development is not a one-time event, high-performing organizations create roadmaps for individual-seller and manager development.

### **Gear 2: Focused on the Right Opportunities**

Directed at how individuals are deployed, this gear involves a consideration of the overall organizational structure, coverage model, sales process, role design and decision support tools. To focus salespeople on the right opportunities, start by clarifying the sales task:

- Publish a clear sales process modeled after high performers and regularly schedule win/loss reviews to identify required process improvements.
- Assess whether there is enough sales role specialization so sales reps can focus on high-value, customer-facing activities while lower value-add sales activities are delegated to support staff.
- Ensure there is adequate pre- and post-sales support by leveraging decision support tools and reports throughout the sales cycle.
- Determine if customers are being driven to appropriate channels, then deploy sales resources based on opportunity.
- Match the right sellers to the right sales roles by understanding talent and motivation.

### **Gear 3: Highly Engaged and Motivated**

Organizations can pull several key levers to promote high salesforce engagement and motivation:

- Career development is consistently one of the top drivers of sales talent retention. Though less than half of salespeople typically want to be managers, they do want promotion opportunities, added responsibility and recognition — as well as the chance to earn more money. It's important for organizations to implement documented career paths that include both a manager and individual contributor path.
- Sales compensation may not be the silver bullet, but compensation that is market-driven and aligned with strategic priorities and roles helps attract desired talent, reinforces desired selling behaviors and drives productivity.
- Goals based on an explicit, auditable algorithm helps engage and motivate sales employees. Along with being transparent and easy to understand, all sales objectives and policies should be properly communicated and understood.

### **Plan for the Future**

Well-executed sales talent management allows modern organizations to optimize results through people. The most proactive companies articulate an employee value proposition that isn't just about compensation and benefits, but also about the programs that help employees meet their own needs.

These organizations go beyond simply highlighting extrinsic rewards elements like base pay and bonuses. They take a holistic view of the employment deal that focuses on how they meet employees' expectations. They deliberately invest in sales talent management processes and in return, they reap the behaviors they expect from employees to help them succeed.

### **About the Authors**

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