Identifying and Developing the Sales Manager Profile That Drives Performance

Gartner for Sales Leaders

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Understand the four most common approaches to employee coaching and learn how to promote the most effective one at your organization.



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Identifying and Developing the Manager Profile That Drives Performance

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Executive Summary

Today's dynamic work environment demands that managers play a much larger role in employee development. And while we found four distinct manager approaches, one profile — the Connector — triples the likelihood that direct reports are high performers. By providing targeted feedback to direct reports, connecting them to others for coaching and development, and trying to create a positive team development environment, Connector managers outperform their peer profiles.

The Changing Work Environment

To sell complex solutions, today's sellers must often work with and through an increasing number of people in different functions, business units and geographies. In doing so, they must also use a wide variety of skill sets: sellers are expected to shift seamlessly from project manager to business consultant to administrative expert, all over the course of a single deal.

This dynamic, complex work environment has profoundly affected how sellers learn and develop. Now, formal classroom training sessions are just one of many options for teaching sellers. In fact, 66% of sellers report they expect most learning and development to occur outside the classroom, while 58% of sellers report they develop new skills through their colleagues.

In addition, learning and development efforts must keep pace with the dynamic nature of the seller role, remaining flexible enough to support sellers as they shift between skill sets. Indeed, 60% of sellers expect to learn and develop "just in time," and 35% report the skills they use today were learned in the past year.



The Importance of Managers in Learning and Development

While managers have always played an important role in seller development, these dynamics mean manager coaching is increasingly critical to overall training and education efforts. In contrast to formal classroom training — which can feel too generic and requires a significant chunk of time in a seller's busy schedule — manager-led coaching and training efforts have several qualities that make them especially attractive in today's learning environment:

- 1. Managers are close enough to a seller's work to understand development areas and learning needs, and are thus theoretically able to tailor their coaching to the seller's unique situation.
- **2.** Manager-led efforts should, in theory, provide a greater level of flexibility with regard to timing than formal classroom training.

In short, managers seem well placed to deliver the tailored, just-in-time training required in today's work environment.

L&D leaders seem to agree. In fact, 72% of L&D leaders report expectations of manager involvement in employee development have increased in the past three years. Even while L&D budgets have shrunk by an average of 3% from 2016 to 2017, L&D leaders still expect to increase manager development spending by 11% on average.

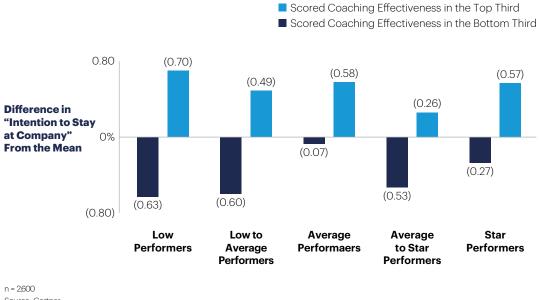
Sales and L&D leaders expect frontline sales managers to coach and develop their direct reports continuously in areas ranging from specific deals or tasks to longer-term skills. But managers are struggling with this burden. According to our research, the average frontline sales manager has seven direct reports but devotes just 9% of his or her time to actually developing them. More worrisome, 42% of managers simply lack the confidence to develop the skills that employees need today.

Sellers feel the shortcomings of managers as well. Just 38% of sellers report their manager helps them develop the skills they need for their role today, while only 34% report their manager helps them develop the skills they need for the future. Managers significantly influence sellers' intent to stay (Figure 1), so between the underperformance of direct reports and the cost of replacing sellers who leave, a single ineffective sales manager can cost a company up to several million dollars.



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Figure 1: Impact of Coaching on Sellers' Engagement



Source: Gartner

While it is clear that many managers are struggling to train and develop sellers in a dynamic, complex work environment, some managers are thriving. We wanted to find out why.



Four Types of Managers

To understand whether some manager approaches to employee development were more effective at facilitating high performance than others, we deployed a survey to nearly 7,000 employees and managers in a variety of functions across multiple industries. We asked employees to evaluate demonstrated manager behaviors and their effectiveness across 89 variables and then used factor analysis to identify manager approaches to employee development among their responses. From this analysis, we found four distinct manager approaches to employee development:

1. Teacher

This type of manager develops employees using his or her experience and expertise. Managers in this style typically drive employee coaching and development and provide advice-oriented feedback, often sourced from past experience. Teachers comprised 20% of sales managers in our sample.

2. Always On

This type of manager provides continuous coaching and feedback across a breadth of skills. This style is characterized by frequent feedback and a broad focus as well as a directive approach to employee coaching and development. Always On managers comprised 23% of sales managers in our sample.

3. Connector

This type of manager introduces employees to the right people for their development needs. While managers in this style provide targeted feedback, they often connect employees to others for coaching and development and try to create a positive team development environment. Connectors comprised 26% of sales managers in our sample.

4. Cheerleader

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This type of manager enables employees to take their development into their own hands. Managers in this style pursue a hands-off approach to development. While they provide positive, empowering feedback to employees, they expect their direct reports to take responsibility for their own development. Cheerleaders comprised 31% of managers in our sample.

Based on the descriptions alone, it may seem Always On managers would be most likely to drive high performance¹ among their teams, but this is not the case. In fact, Connector managers triple the likelihood that their direct reports are high performers, far outperforming the other profiles (Figure 2)².

We ran multiple linear regressions of these manager approaches on employee performance.
We ran multiple linear regressions of these manager approaches on employee performance.



¹ We used a comprehensive measure of employee performance that accounts for individual task performance (i.e., the outcomes an employee achieves through his or her individual tasks and assignments) as well as network performance (i.e., the outcomes an employee achieves by using the contributions of others and by contributing to others' performance).

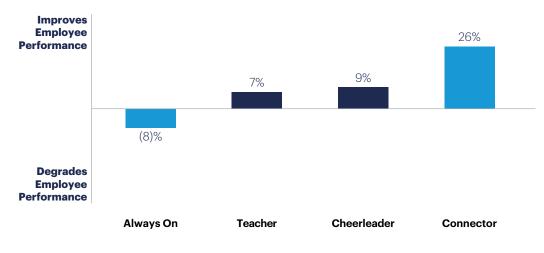


Figure 2: Maximum Impact on Employee Performance by Manager Type



While the conclusions in Figure 2 show the impact scores for the full sample of employees across multiple functions and industries, our analysis of a sales-only employee sample reveals Connector managers have an even greater impact within the sales function. While Connector managers in our whole sample — which includes employees in multiple functions — have up to a 26% impact on performance, Connector managers in sales have up to a 47% impact on employee performance.

So, how do Connector Managers drive high performance among their direct reports?



The Connector Manager

Connector managers make connections at the employee, team and organization levels to drive employee performance using the following principles:

1. Personalize for Employee Resonance

Connector managers take the time to understand their employees and focus on quality, targeted development rather than quantity. The result is that Connector managers are able to tailor development efforts to employee needs and interests, improving employee engagement.

2. Power the Team for Peer Development

Connector managers build transparency around individual and team development goals and encourage and recognize peer development. This transparency produces a reciprocal and real-time development dynamic within the team, with team members actively supporting the development of their peers. Such support ensures that development efforts align to changes in the team's work.

3. Partner for Best-Fit Connections

Connector managers help employees expand their networks and take on different experiences as well as teach employees how to learn from new connections. This effort ensures employees have a wide variety of development opportunities across a range of skills, boosting preparedness for future career positions.

Personalize for Employee Resonance

Connector managers rely on a deep understanding of their employees to deliver tailored coaching.

Sales managers have an overwhelming number of responsibilities, so it is perhaps unsurprising that employee development often takes a back seat to other responsibilities. In fact, sales managers spend just 9% of their time actually developing their direct reports. When confronted with competing priorities, managers often default to employee development activities that are convenient and generic rather than tailoring them to employees' actual development needs.

To promote tailored coaching interactions, sales organizations must first ensure managers understand the importance of individualized coaching and then help them prepare for coaching interactions.



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Awareness-Building Manager Questions

10 Questions to Build Manager Awareness

- 1. What could our employees say about us?
- 2. What is our employees' experience?
- 3. What do our employees think of us as managers?
- 4. How well do we know our employees?
- 5. How well do we work with our interfaces?
- 6. How well do we know our company?
- 7. What are the outcomes of our decisions?
- 8. As a manager, I feel...
- 9. What are our day-to-day tasks?
- **10.** What is my personal footprint?

Case in Point

Building Manager Awareness

To learn more about how one software company helped managers self-discover the importance of personalized coaching, Gartner for Sales Leaders clients can read our case study on **manager self-discovery analysis**.

Still, even a strong manager commitment to tailored coaching will be insufficient if managers don't understand the needs of their sellers. To this end, many sales organizations provide managers with monthly sales reports that not only enable managers to decide where to focus their coaching efforts, but also help them understand which coaching interventions were most effective. This data is crucial in helping managers prepare for coaching interactions with their sellers.

Finally, sales managers should use the **PAUSE coaching framework** to help prepare them for and conduct tailored coaching interactions. It guides managers through the preparation, execution and follow-up of a coaching session, ensuring consistency and quality.



Power the Team for Peer Development

Connector managers build awareness of skills across the team and facilitate skillsharing sessions.

While individual development is crucial, many managers restrict employee development conversations to one-on-one meetings and miss opportunities to use their teams to develop one another. However, a team approach to development ensures managers don't waste time developing multiple employees in common skills and gives team members access to a broader range of skills than an individual manager can provide.

To facilitate a team development approach, managers must ensure that team members understand the mix of skills across the team and then create opportunities for knowledge sharing and development.

Case in Point

Each One, Teach One

A government organization provides an example of how managers can implement peer development through an exercise called "Each One, Teach One." In this exercise, team members publicly list the skills they feel comfortable teaching and other team members can sign up for the skills offered. Outside of these formal teaching sessions, the exercise can help to create a team culture that emphasizes coaching and skill sharing.

Managers can actualize the principles involved in the "Each One, Teach One" exercise in other ways. Some managers might solicit skill self-assessments from their direct reports and use them to pair employees with complementary skill sets on new projects. Other organizations might encourage employees to share their skills publicly. For example, one healthcare company encourages its employees to fill out skill profiles that are shared on an internal site so people can identify potential development or peer learning partners.



Partner for Best-Fit Connections

Connector managers connect their employees to people and resources across the organization that can help them develop new skills.

With the wide range of internal communication tools available in today's workplace, it may seem that employees would have no difficulty in making valuable development connections, but this isn't the case. Many employees do not proactively reach outside of their immediate networks for development, and in the instances in which they do, they might still struggle to get value from the connections they make.

At a minimum, managers must encourage their teams to seek development connections across the organization. Beyond that, many Connector managers actively use their own networks to help their direct reports cultivate organizationwide development connections. However, the most successful organizations set up formal coaching marketplaces that allow employees to seek out other individuals with the skills they need to learn. These marketplaces do not depend on the manager's own network, and they provide a much broader range of potential connections for manager and employee alike.

While building networks is key to developing new skills, simply making connections is not enough on its own; managers must prepare their direct reports for development interactions to ensure they get full value. Prior to coaching interactions with network connections, managers should help their employees think through what the coaching session should accomplish, what questions to ask, and how to follow up. For example, a financial services organization equips managers with Learning Event Interview Preparation Guides that enable them to convey the importance of the network connection, help the employee think about what they should learn during the experience, and set a clear timeline for applying the skills learned.

To learn more about how to equip managers to prepare their direct reports for coaching interactions, Gartner for Sales Leaders clients can consult our case study on **event-based network learning**.





Given the changes in today's work environment, it is clear that managers are crucial to seller development and overall commercial performance. Sales organizations should endeavor to hire and develop managers in the Connector style and support them with the tools, training and resources necessary to help them leverage the power of the whole organization in developing their direct reports.

Related Resources

Additional Resources for Gartner for Sales Leaders Clients

- **Focus Coaching on High-Impact Behaviors**: Consult this white paper for help in creating a comprehensive coaching strategy that ensures long-term development.
- Ignition Guide to Creating a Sales Coaching Program: Use this guide to diagnose gaps in your current coaching program as well as create and communicate a new coaching framework to the sales force.
- Building a Team Climate That Drives Commercial Performance: Use this white paper to understand the key components of team climate.
- PAUSE Coaching Framework: Use this framework to help managers prepare for and execute tailored coaching interactions.



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