

Behavior-Based Sales Team Training Produces a 56% Increase in Revenues

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All training managers experience this frustration at one time or another: Is the training being applied in the workplace and is it having an impact? Are sales and productivity going up? Does the training program produce an increase in revenues for the organization? If not, what then?

One of the sales teams at Stanford Group Co., a financial services company (Houston, Texas), faced this very issue. The company had the usual array of leadership development programs so the team was well versed in behavior-change-performance-improvement theory.

The problem, explained John Santi, managing director, was that these programs promoted behavior change to become a better person rather than behavior change to improve business results. "Something was missing. For lack of a better word, it was accountability."

The market impact. For both environmental – a three-year flat spot in the market – and behavioral reasons – a strong, independent, sometime-complacent team – the activity level of the team was not consistent with what the company wanted or was accustomed to.

A new model for behavior change. Santi began discussing the problem with Brad Federman, principal with Performance Connections, International (PCI; Mt. Kisco, NY; www.performanceconnections.com), laying the groundwork for a plan to improve sales and revenue from this team, at all times consistent with the highest integrity and client service.

The first step, Federman explained, was to understand the team's perspective and existing practices, so he began some field research, looking at past development tools, how the team tracked their business success, previous activity levels for business areas they were hoping to expand, the way people viewed the culture, and how the team worked together.

Two important areas of focus for the team emerged:

1. *Team versus individual.* The team needed a clear sense of individual accountability. Because it was a familial environment there was a group mentality in the way they handled things, Federman discovered. They needed to keep the teamwork but emphasize each individual's contribution.
2. *Clarity in roles*, including leadership and member accountability. In this team's operations no one team member "owns" a client, noted David Brooks, senior administrative associate.

Note: Prior to the field research, the team's feeling was that their challenges were related to the market and the company's product areas. "It was clear from research that while those were factors, each person had the ability to have an impact regardless of those issues," said Federman. "They all agreed with that. The question became, what *can* we change?"

The second step was work with the group itself to define what being an extraordinary financial advisor looks like.

A vital part of the launching pad for the program, said Brooks, is that he and Federman spent several weeks making sure the group aligned in core values and from a core moral perspective based on integrity, trust, and doing the right thing for the client.

In that context, the group decided on two goals to leverage sales growth:

- Create new revenue for the firm; and
- Grow relationships within its existing client base.

Using PCI's Behavior Converter Tool the team looked at what each step to achieve these goals would look like. They decided on three ways the team could increase business and revenues:

- Through referrals;
- Through personal relationships where no business presently exists; and
- Through expanding opportunities with existing accounts.

Keys to success. Most development programs stop with a list of development goals and some steps to achieve them. Unfortunately, trainees frequently do not know what they're undertaking or how to accomplish the goals.

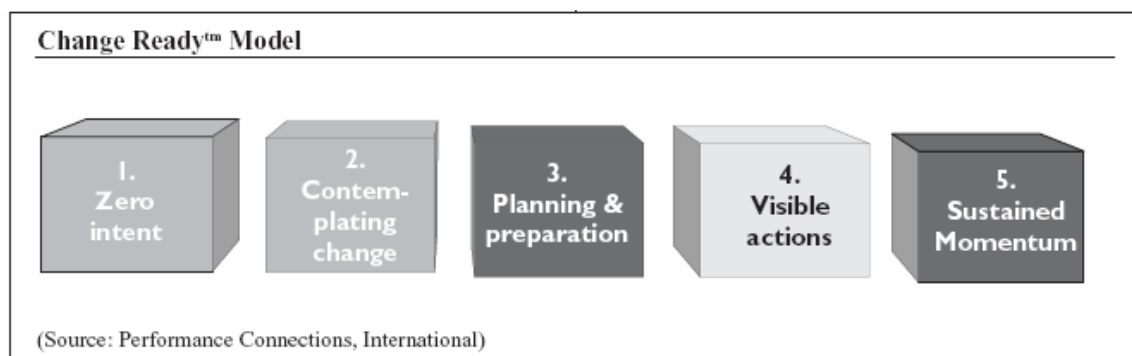
To move past that standard, the Stanford Group "behavioralized" goals such that the group knew who would do what, how they would do it, what they would say, how often it would happen, and the potential outcome of each team member's actions.

These were then included in an "execution blueprint," a roadmap to the future of sorts, delivered to each member. This gave them a behavioral strategy that they could see, touch, and feel commitment to.

The third step involved PCI's ChangeReady™ model (see figure) for behavior change. There are specific strategies people can use to change their behavior, Federman explained. The problem is that they don't always work because people who are successful use each of those strategies at a particular time.

Example: if a person is at the first stage of change, which is no intent, there are one or two strategies that work at that stage.

Brooks then worked with each team member to determine where they were in relationship to each one of these five steps. "We told the team that we were going to meet each of them where they were-whether it's at "zero intent" or "planning and preparation."



The team was not expected to follow a linear process. "It's why everyone goes to the gym in January and by February they're not going any more," said Federman. "They're using the wrong approach."

It's also why you see a big spike of success after delivering training and then a drop off: Less than 20% of trainees are really ready to make behavior change, leaving 80% either resistant or merely compliant.

“By placing people at one of the five stages, we cover 100% of the team and increase engagement up to about 85%,” said Federman. This also takes the pressure off the performer and it gives the coach the ability to work with each person individually based on where they fall on the change spectrum.

The fourth step. The team’s meeting structure was changed so that at the beginning of the week, it was a jump-start meeting with a clear announcement of intent for the week.

Each team member would report in a formatted way how they were going to use these new activities and behaviors and incorporate them into the core work they were already doing, clearly announcing up front what they intended to accomplish.

At week’s end, each member made a clear reporting of results, so there was a sense of accountability. People began to hold themselves responsible and the team leader (Brooks) assumed the role of coach.

What about varying degrees of success? One individual in the group was an early adapter. He became the trendsetter. People got motivated because they did not want to be left behind and because they felt inspired.

Encouraging stragglers. One of the strategies Brooks and Federman used with those that were not so far along in the process was to ask how they viewed themselves, how they thought the team viewed them, and how they wanted the team to view them. Then they discussed how the new behaviors would relate to that.

After reflection, even the most reluctant team member stepped up. “If I don’t do this,” he told Federman, “I will move from being a good financial advisor to not being one, and my team is going to view me that way. That’s the exact opposite of what I want to happen.”

Attitudes and beliefs. Another important piece of the process addresses beliefs and attitudes and why they may help or hinder the behavior change process.

This is more than focusing on a skill set-driven process. “If you try to build the skill set without dealing with those other things, it typically fails,” Federman believes.

Incentives and rewards. The group was motivated by the fact that after a few weeks, they started to see results.

The company also layered in a \$1,000 clothing allowance for specific levels of achievement, another carrot for those who were slow to motivate and change. When they hit production numbers, there were bigger rewards.

“We knew the team was very effective at what they did,” said Brooks. “We just had to increase the activity.”

Results. After about 45 days of detailed tracking of activity – how many calls, who answered, how many people they talked to, how many meetings were set up – the team had empirical data that said they needed to call 150 people a week to generate three new clients.

Within six months, the team realized these business-impact results:

- 350% increase in calls to initiate new sales cycles.
- 130% increase in referrals.
- 150% increase in contacts with new prospects.
- 112% increase in number of initial prospect meetings.
- 56% increase in revenue from new accounts.

Overcoming barriers. Like all teams, this one has its own personality traits. No one liked to be micro managed and there were some complacency due to the fact that the team's book of managed business produced relatively large checks for team members four times a year. "Their lives had become very comfortable just from these fee months," said Brooks. "It wasn't necessarily simple to overcome this."

That said, about a year before the team started working with PCI, it realized it needed a strategy to change its position in the market. It changed its fiscal year and its business plan and began some intentional marketing maneuvers.

Still self-critical and eager to change, the team began to consider a behavior change process. At the time, the team worked for another investment firm, one that would not approve the budget for a behavior change program. Nevertheless, so committed was the team and so convinced the behavior program would work, they footed the bill for it themselves.