

Sales forces are missing some key points

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A recent survey shows that nearly a third of companies did not hit their targets. How might they better manage their existing capabilities?

IESE, in collaboration with Barna Consulting, has conducted the [first survey of sales networks in Spain](#), consulting managing directors, commercial directors and sales directors of large as well as small- and medium-sized companies across a wide variety of sectors. The findings point to the need for greater professionalization of sales forces, with the aim of raising productivity for Spanish businesses in the midst of the current recession.

The number of sales people a company has varies greatly, depending on the size of the business. Some companies employ 10 sales people and retain 7 others externally, while others have 592 on staff and 36 externals.

Men continue to dominate the profession, with women representing a quarter of the total. Although 37 percent of companies indicate they are planning to hire more sales women, the majority are not even considering it.

According to the companies surveyed, the most relevant features for sales teams are customer orientation, perseverance, responsibility and proactivity. Qualities such as self-awareness, extroversion or emotional intelligence are given lesser importance.

From a technical standpoint, knowledge of the company, the product, the clients and the competition are the most important areas for sales people. Communications techniques or computer skills are not considered as vital.

Client satisfaction and loyalty need attention

Companies place top priority on landing new clients and expanding the customer base. Much less attention is paid to lost clients. Indeed, 61 percent are not even concerned about creating a standard procedure for winning back lost clients. Only half carry out periodic polls to determine if their customers are satisfied.

Programs to reward loyal customers are present in only 36 percent of sales networks, although 14 percent are thinking about introducing them. A third of those surveyed view these programs as a waste of resources; only 15 percent are satisfied with them.

Only 13 percent of sales networks have a human resources specialist for the sales area. Most sales networks choose their sales people directly, although 1 in 4 uses a headhunter. Attitudes, sales experience and knowledge of the sector are the most sought-after characteristics in new sales agents, while gender or years of experience in the sector do not seem important.

When it comes to selecting mid-level managers for the sales department, promoting internally tends to be the first option, based on leadership, experience in running sales teams and knowledge of the sector. Training, age, gender and seniority in the company are not decisive factors.

Most do not calculate client costs

Profitability of their operations, and computer applications and electronic assistance equipment, are the two areas where companies feel weakest and say they need to improve. Interestingly, three-quarters of those polled do not even calculate what it costs to visit a client: This would seem an easy first step to measure the profitability of operations.

Only 36 percent of those polled feel their sales people have adequate knowledge of the competition's products and practices. This stems both from a lack of information provided by the company, and a lack of initiative on the part of the sales agents.

In general, companies think that their own sales team operates better than the competition, with only 15 percent thinking that theirs is worse. Although most think their sales teams are adequate, tellingly, only 12 percent consider them to be excellent.

Based on these results, it would appear that many Spanish companies could stand to professionalize their sales forces, especially as only half admit to having a defined, known

and assimilated sales methodology.

The authors recommend urgent improvements in training, goal-setting, policies, salaries and supervision, respectively. Already, there has been a slight increase in investment in sales forces noted so far this year, which might bring encouraging signs for 2010, the authors conclude.

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