

How to classify salesmen and increase their performance

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Abstract

Sales managers struggle constantly when trying to improve the performance of each member of their sales team. One reason why sales managers are bound to fail when trying to improve the performance of all their team members is the following: They lead their team and each individual member of the team with the same leadership style ignoring the individual sales types they have in their team.

Hence, this paper offers a tool on how sales managers can categorize their sales team members in one of twenty sales types. In addition, this paper offers guidance on how to increase individual performance of each of these introduced twenty sales types.

Introduction

Nobody can change his personality completely, but ones performance can be elevated. Successful salesmen may have the same personality traits as unsuccessful salesmen. Not the personality attributes of salesmen make the difference, it is the fact that successful salesmen perform better. The successful salesman has a different attitude towards performance.

In this paper, salesmen with similar performance attitudes, goal orientation, selling behavior and competences are categorized. These types and groups are like-minded people and should be lead in a similar way. The categorization of types of salesmen simplifies the leadership for sales managers, because it enables sales type adjusted guidance. Rain men should be dismissed from leadership, whereas the ambitious performer needs a tight leadership. The cherry picker demands for an additional task, whereas the complex performer has to learn how to achieve the same output with less input. Knowing your sales team well is a prerequisite for targeted leadership measures. In this study, initially it is crucial to get to know the salesmen and their attitude towards performance in order to influence the sales performance positively without attempting to change the salesmen's personality.

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Behavioral patterns, actions and selling characteristics are the foundation of every performance. Each salesman has a different work-style, which is the preferred attitude towards selling. This selling attitude determines the selling type of each salesman.

Each of the selling types, presented in this paper, represents a group of salesmen with the same attitude towards performance. Each selling type is based on a certain performance level but mostly describes a salesman's approach towards performance.

These types symbolize sales archetypes, which can be distinguished by the attitude towards performance, actions and selling. These types can be considered distinct selling characters. The prime criterion to categorize salesmen is the attitude towards performance. In this context, developing of selling types is a good method to evaluate active salesmen.

This classification model introduced in this paper fits very well for sales people that are actively in the process of increasing their performance. Comparing this model to others, it is a good diagnosis tool to evaluate the performance attitudes and levels of a sales force. The model supports to find out HOW a salesman's performance behavior is, but it does not reveal any information answering the question WHY. Performance is volatile; therefore the performance of salesmen has to be measured regularly to be able to react to sudden performance changes. When the company does not have any salesmen already employed, it is impossible to find out the general attitude towards performance. Therefore this model is not applicable for the recruiting process, because in this process you mainly looking for personality traits. These personality traits are rather stable over a live time and in comparison to the attitude of performance not alterable. Hence personality type classification models, as the Managerial Grid of Blake and Mouton or the Myers-Briggs Type Indicator, are more suitable for the hiring process.

The typology of performance

Nowadays, discussions about leadership too often end up in discussions about personality traits. When the sales manager knows the attitude towards performance of each member of his sales team, he can lead them individually and therefore more effectively. This discussion focuses on the "how to lead". This paper proposes to ask the question "whereto" first.

This paper focuses on finding performance types and not personality types. These performance types name the different performance levels and describe their characteristics.

The performance types define each salesman in a specific phase of one's performance development stage. In other words, each salesperson has his particular selling lifecycle. Therefore, a salesperson progresses through several different types, during his working life. This paper differentiates between twenty types of salesmen (compare figure 1). Each type represents similar minded salesmen with similar performance and goal orientation. These types form the ideal target groups for tailored leadership measures by the sales manager.

A performance milieu is a pool of several sales types, which comprise of a similar selling culture. The twenty selling types can be summarized with three milieus, "the climber", "the observer" and "the downslider milieu".

The performance-groups consist of salesmen with similar performance levels e.g. the ten top-selling salesmen. In this context it is irrelevant, which performance type these salesmen belong to. These salesmen are an ideal target group for group-dynamic leadership.

Types, milieus and groups give a picture about the performance of salesmen at a specific point in time but also over a long period of time.

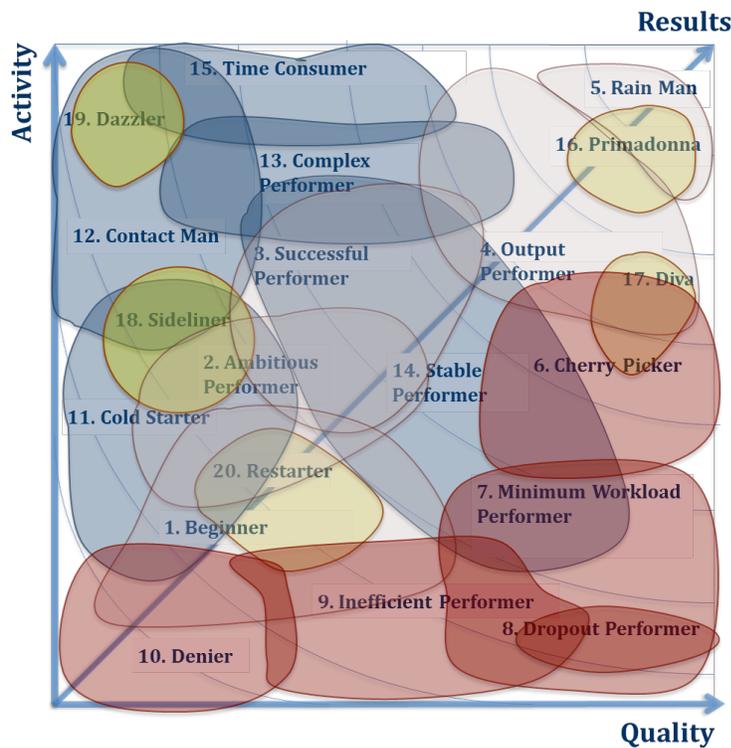


Figure 1: sales types portfolio

As shown in the figure 1 twenty types can be differentiated by the activity and the quality of the activities. Consequentially these types have diverse selling results. The types 1, 2, 3, 4, 5, 16, 17 and 20 form "the climber milieu". The types 6, 7, 8, 9, 10 and 17 represent "the downslider milieu". The types 11, 12, 13, 14, 15, 18 and 19 constitute "the observer milieu". Each isoline in figure 1 shows all points in the coordinate system of the same result by multiplication of activity and quality. The isolines assist in dividing the three main performance groups.

The twenty selling types in sales

Figure 1 visualizes the sales portfolio on the two axes activity and quality. The combination of activity and quality reveals the sales type. Examples for activity are: number of customer visits, number of offers, number of appointments and number of sales meetings. Examples for quality are: productivity, order size, successful closings and hit rate. This figure reveals that at each possible combination of activity and quality one of the twenty types of salespersons can be found.

During a salespersons career a typical salesman progresses several selling types. This has quite a few reasons: The performance of salesmen is never steady, due to the fact that the attitude towards performance changes over time for several causes. Triggers for positive and/or negative change in performance can be the modification of the organization, the implementation of a new product, a new sales manager, a new higher ranking or rather sponsored colleague or private reasons such as the foundation of an own family or the construction of an own house. Even small things such as the not accepted expense report can cause a performance change.

1. "The Beginner": is engaged and has no working experience, aspires professional establishment, is willing to adapt and is shapeable. This salesperson wants to sell but does not have the skillset to do so, hence needs a tight guidance.
2. "The Ambitious Performer": is very motivated by first positive responses of their customers. This salesperson is determined, target oriented, disciplined, willing to adapt and shows a high willingness to perform. For a positive development this salesperson needs initially the contact addresses of the customers and also the attention/leadership by the sales manager.
3. "The Successful Performer": has a very positive and supporting approach to high performance with optimization potential. This sales type is efficiency and

effectively oriented with the desire for professional establishment. Hence the sales manager has to visualize an attractive future path for this type.

4. "The Output Performer": is a stable key performer with high performance intelligence. Usually this type is the key player of the company. This sales type performs consistently well and demands recognition for his results. He needs the attention of the sales manager.

5. "The Rain Man": This type embodies the ideal performance intelligence of the company and this person will be the first choice of the customer. In addition, this type is focused, resilient and motivated by each customer contact. Hence this type should be relieved from not sales related tasks.

6. "The Cherry Picker": This type is a successful slacker with clemency oriented performance behavior. In addition, it is a detached former top performer who wishes to achieve the same results with less work. The sales manager needs to supply this type with additional tasks in the customer and market management.

7. "The Minimum Work Load Performer": This competent performance denier refuses to fulfill the expected performance goals but is still a very competent sales representative. This type needs increasingly pressure from the sales manager.

8. "The Dropout Performer": This type shows low willingness to perform and personal goals do not correlate with the company goals any more. Usually this type is an unremarkable underperformer. Often shows high ability to perform outside the organization. He is content with his position and feels like a situational winner. This type needs a motivational shift towards achievement of the sales goals.

9. "The Inefficient Performer": is a type which consistently underperforms with little perspective. The character suffers from activity and quality deficits but is still trying to improve. This type needs close guidance, a support program, and likely individual skill training.

10. "The Denier": Internally this type has quit already and is on the search for something new. This type is resistant against all leadership and coaching-measures and shows no target or performance aspiration. If this type shows no willingness to change, a separation is the only solution.

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11. "The Cold Starter": This type is motivated but acts without plan and goal. In addition, it is a very anxious and enthusiastic seller with a deficit in sales quality. The sales manager has the goal to increase his productivity systematically.

12. "The Contact Man": This type is very sociable but non-committal; as a result this type is not a respected salesman. Hence the sales manager has to push for a behavior modification.

13. "The Complex Performer": This type is a hard-working salesman with low emphasis on work and time optimization. This type needs work and time specifications.

14. "The Stable Performer": The friendly sales representative, with average and stable achievements. This type is willing to adapt and integrate with moderate readiness to perform. For an increased performance, the sales manager has to show new perspectives to this sales type.

15. "The Time Consumer": Helpful or detailed oriented salesmen with low efficiency. Employees with extensive supervision needs, who is looking for professional establishment. This type has to learn how to achieve results with less effort.

16. "The Primadonna": is a public performer of success, individualistic personality, shows success and skills with high desire for self-expression.

17. "The Diva": The princess in the field of sales. This type shows unconventional behavior, pushing limits within the sales team while showing a high willingness to perform. Additionally, it requires special attention from the sales manager due to the fact that this type can destroy the climate of the sales team.

18. "The Side Liner": is a sales wallflower with good work regime, but lacks noteworthy results, the everlasting second. The sales manager has to encourage this type.

19. "The Dazzler": This type is a poser and show-off. For an enhancement of this type of salesperson minimum standards have to be set.

20. "The Restarter": This type is an unspectacular comeback. He focuses on company goals after overcoming a significant descent. This sales type is ready for increased degrees of freedom immediately after first achievements.

Due to the commonalities in their attitude towards performance each of these types is a distinct target group for leadership and therefore an effective approach for personal guidance.

The Performance group

In addition to the individual performance and the connected personal guidance, there are several group-dynamic effects within the performance group and the sales-environment, which can have a positive influence on the overall sales team performance.

Consequently, after the classification of the sales personnel types, follows the classification into the following three performance groups, **"The Key Performer"**, **"The Average Performer"** and **"The Underperformer"**. The categorization of the sales persons takes place by allocating the successful sales. As a result in each performance groups some of the above introduced types are overrepresented.

"The Key Performers" are the 20% efficiency oriented sales personnel, who generate up to 50% of the output. The key performer group consists of "The Rain Man", "The Output Performer", "The Primadonna" and sometimes "The Diva" and "The Successful Performer". The personal goals of the key performers are often-times higher than the individual goals set by the company. These salesmen should be motivated additionally by adding new challenges and additional sales goals. When planning modification activities within the sales organization, "The Key Performers" should be considered to be the first target group. Only if they are convinced of the activity, the other performance groups are likely to consent. "The Key Performers" acting as a role model, can create a substantial performance pull.

"The Average Performers" mostly consist of the following types: "The Stable Performer", "The Cherry Picker", "The Minimum Workload Performer", "The Dropout Performer", "The Cold Starter", "The Contact Man", "The Elaborator", "The Time Consumer" and sometimes "The Diva" and "The Successful Performer". They are up to 60% of the sales personnel, but only generate up to 45% of the output.

"The Average Performers" are the majority of the team which is willing to perform and to adjust. They have a strong tendency towards pragmatism and transparency in sales. Interestingly they are not only afraid of career digression but often-times also of career progression. The main aspiration of "The Average Performer" is to keep a low profile within the sales team. When implementing modification

activities, this group should be the last one to be confronted. If the modified sales activities were accepted by the other two groups, the intervention has the potential to trigger a long-term improvement of the performance of this group.

“The Underperformers” unify “The Inefficient Performers” and sometimes “The Cold Starter”, “The Beginner” and “The Contact Man”. This group consists of up to 20% of the sales personnel, but only contributes up to 10% of the output. Modification activities have the goal to bring “The Underperformers” up to an average performance level.

By dividing salesmen into performance groups (compare figure 2 and 3), it becomes possible to compartmentalize the sales team by their performance.

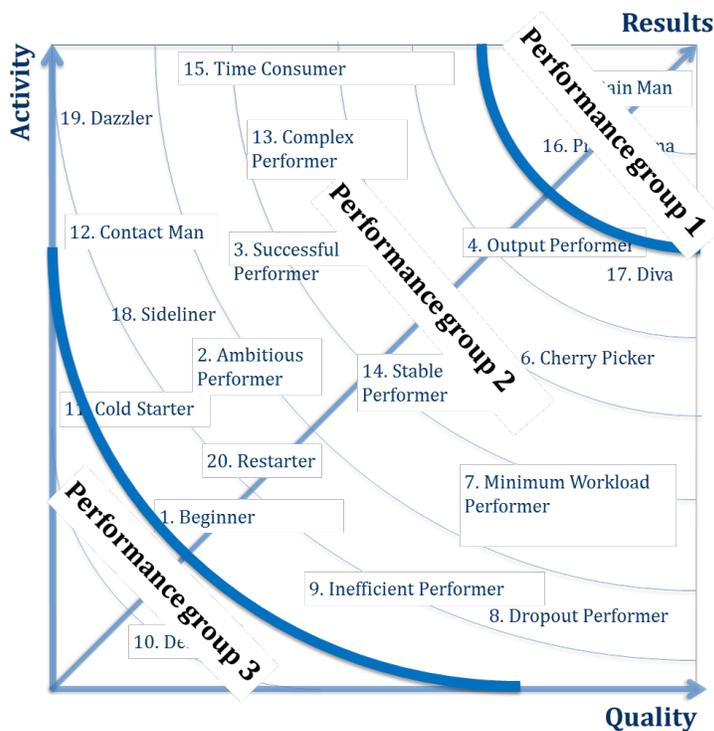


Figure 2: Performance groups

In Figure 3 you can see an example of the division of 15 salesman into these three performance groups.

Division of 15 salesmen into the 3 performance groups

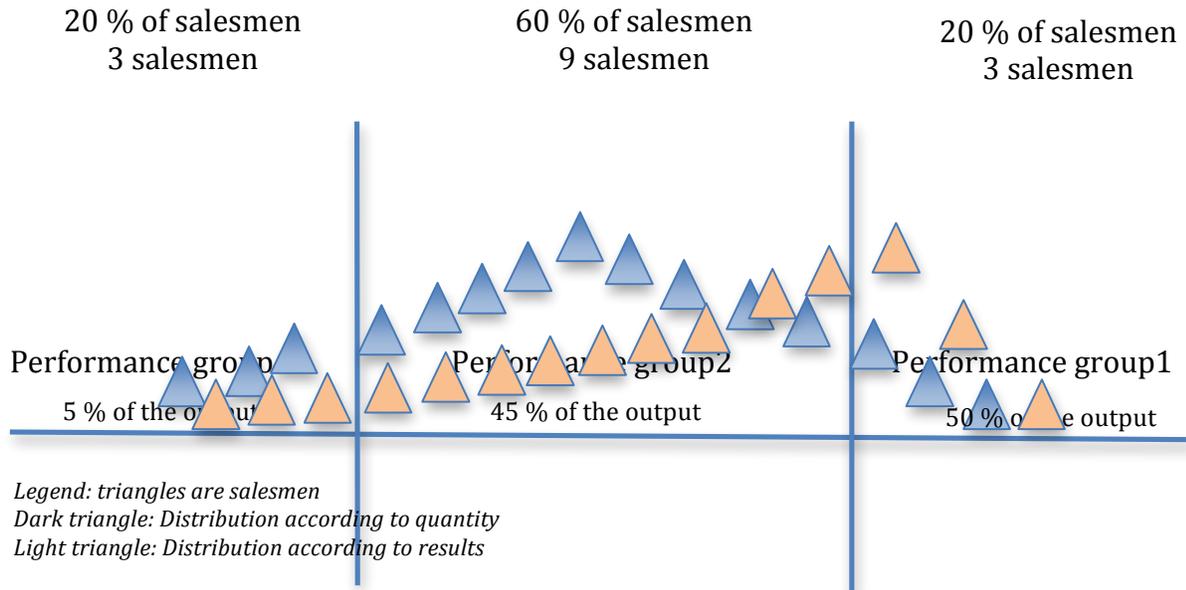


Figure 3: Performance groups analysis: Distinct performance groups within a typical sales team

Once the division is done, the groups can be introduced to the appropriate leadership tools within each group. Conventions, group meetings and team meetings are the instruments utilized the most. The main goal of leading the performance groups is to trigger a performance jump among the majority of the sales team members of a specific group.

The Milieus

The third classification is the milieu (see figure 4). A milieu consists of several types with similar disposition. A milieu is, as the performance group, a conglomeration of several types, but the group-building criterion is different. The group is formed according to common spirit and common performance culture.

Groups of types	Types
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„The Climbers Milieu“	<ol style="list-style-type: none">1. The Beginner2. The Ambitious Performer3. The Successful Performer4. The Output Performer5. The Rain Man16. Primadonna17. The Diva20. The Restarter
„The Downsider Milieu“	<ol style="list-style-type: none">6. The Cherry Picker7. The Minimum Workload Performer8. The Dropout Performer9. The Inefficient Performer10. The Performance Denier
„The Observer Milieus“	<ol style="list-style-type: none">11. The Cold Starter12. The Contact Man13. The Complex Performer14. The Stable Performer15. The Time Consumer18. The Sidelineer19. The Dazzler

Figure 2: Types and milieus of salesmen

"The Climber Milieu" (compare figure 5) includes "The Beginner", "The Ambitious Performer", "The Successful Performer", "The Output Performer", "The Rain Man", "The Primadonna" and "The Restarter". They all have an efficiency oriented attitude towards performance with strong goal orientation and the desire for self-determination. They strive for professional success, want to climb the social ladder and are optimistic when taking on new tasks. They hold themselves to high standards and they support company goals. The sales managers should foster an environment of friendly competition between the top-salesmen. Sales-competitions motivate salesmen of this milieu and in addition, role model salesmen create a performance pull among this group. The biggest challenge for sales managers in this milieu is to keep and tie the top salesmen to the organization.

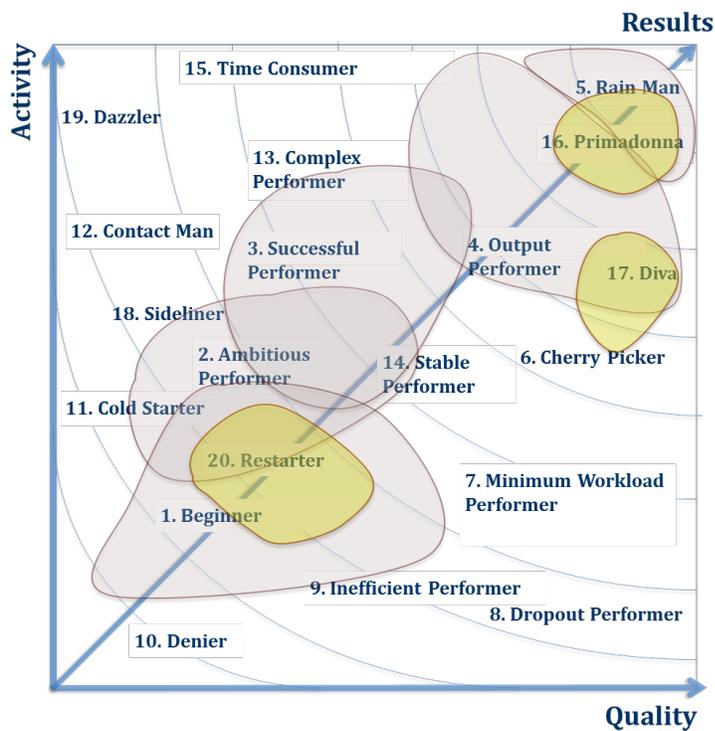


Figure 3: "The Climber Milieu"

"The **Observer-Milieu**" (compare figure 6) unites "The Cold Starter", "The Contact Man", "The Complex Performer", "The Stable Performer", "The Time Consumer", "The Sideline" and "The Dazzler". These salesmen encompass employees willing to show activity, willing to study and to adjust, who strive for professional achievements, but are not supplied with the professional ambition of "The Ascenders". Oftentimes they are too detail oriented or they support their work colleagues in a way that impedes their sales performance. In this milieu the sales managers should implement sales standards and check qualification measures through job shadowing.

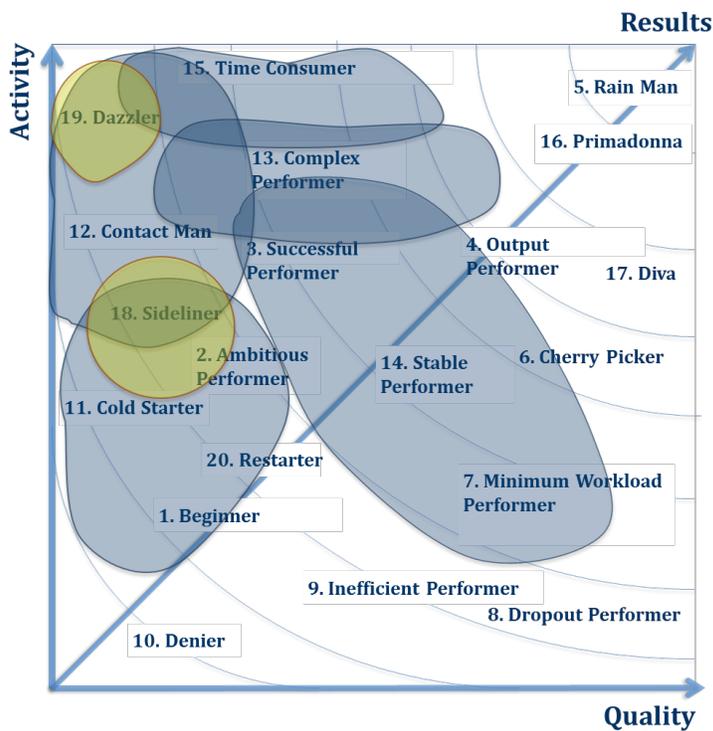


Figure 4: „The Observer Milieu“

“The Downslider-Milieu” (see figure 7) includes “The Cherry Pickers”, “The Minimum Workload Performer”, “The Dropout Performer”, “The Inefficient Performer”, “The Denier” and sometimes “The Diva”. The atmosphere in the milieu can be depressed or desperate, but some types are actually happy. All members of this group want to be successful with as little work as possible. They do not have a high affiliation with their job so they find fulfillment in free time activities. In this milieu the sales manager has to develop standards to recover customers and markets. If these interventions prove to be unsuccessful and the salesmen do not show more affiliation with their company, the only solution is – to lay off these salesmen.

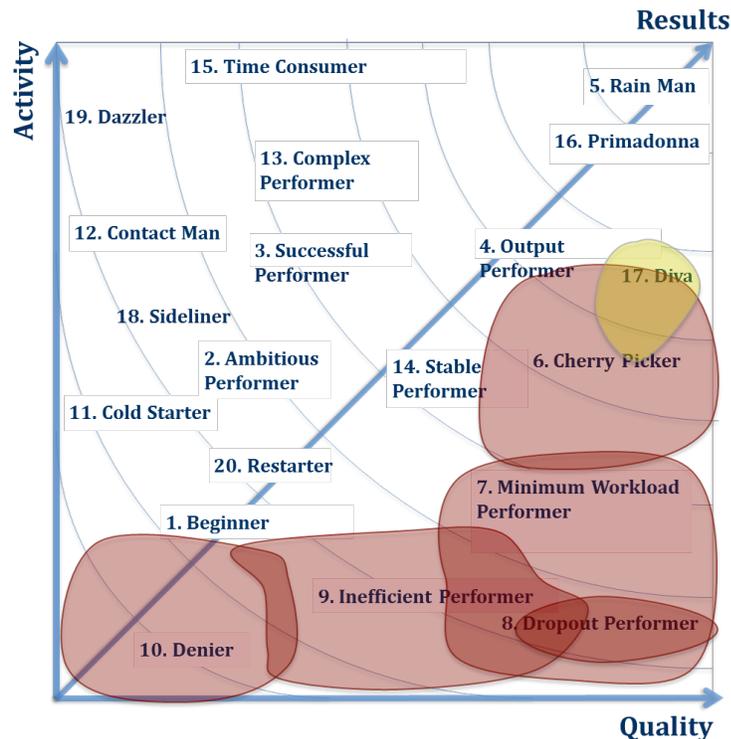


Figure 5: „The Downslider Milieu“

Leadership approach

The leadership approaches describe the appropriate leadership style and tools. Each type has one ideal leadership approach. Each leadership approach supplies the sales manager with guidelines on how to lead their employees. Sales managers guide their sales team by setting individual measures for each selling type, which aim to improve the performance of each salesman individually and the sales team as a whole. In the following, the twenty leadership approaches are introduced:

1. "The Beginner" needs tight leadership.
2. "The Ambitious Performer" needs contact with customers and attention/leadership by the sales manager.
3. "The Successful Performer" needs relief from not sales related duties and the sales manager should visualize an attractive future path for this type.
4. "The Output Performer" needs relief from not sales related tasks and should be granted significantly more freedom and require recognition for their excellent performance.

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5. "The Rain Man" should be released from leadership and relieved from not sales related tasks.
 6. "The Cherry Picker" is reducing his own performance, hence needs new tasks.
 7. "The Minimum Workload Performer" needs increased pressure from the sales manager to facilitate his skillset.
 8. "The Dropout Performer" has to find new motivation within the company with the establishment of new goals and a new territory management.
 9. "The Inefficient Performer" loose customers, hence this type needs to set retrograde targets and distinct guidelines.
 10. "The Performance Denier" is resistant to leadership; hence if this type does not show willingness to change, a separation is the only solution.
 11. "The Cold Starter" needs systematic improvement in his sales productivity.
 12. "The Contact Man" is not respected by the customers; hence this type needs to change his behavior.
 13. "The Complex Performer" is a hard working salesman, who needs help with effort- and time management.
 14. "The Stable Performer" brings continuous results. His results can be improved by a change in the performance culture.
 15. "The Time Consumer" overly services his customers; this type must learn priority management.
 16. "The Primadonna" feels like the star of the sales group with the disposition of having an exaggerated opinion of oneself.
 17. "The Diva" demands devotion and attention and has the potential to destroy the climate within the sales team.
 18. "The Sideliner" is a sales wallflower who needs continuous encouragement.
 19. "The Dazzler" is a poser and show-off. In order to enhance the results of this type, minimum standards have to be implemented.
 20. "The Restarter" is ready for increased degrees of freedom immediately after first achievements.

Conclusion

Milieus, performance groups and sales types are the new target groups in leading salesmen. This approach closes the gap between psychological and capability orientated leadership typologies. The determination of the current attitude towards performance creates a new leadership approach in leading each employee individually. This new leadership approach can also be applied when leading similar minded sales men within the groups. The types and milieus introduced in this paper reveal how the sales manager can improve the performance of each salesman.

Measure sales performance

How to measure performance? The data, the model is based on, was collected from performance measurements of over 35000 salesmen of a variety of branches over the last twenty years. In addition, within the last twelve years over 3000 interviews were conducted with salesmen and sales managers. Additionally, the author has analyzed the results of millions of datasets from internationally operating businesses. The datasets stem from a variety of professions and branches, including cars salesmen, investment banker, insurance agents and pharmaceutical salesmen. The outcome is a simplification of the finding and an implementable utilization of the results.

Supplementary notes

Performance measurement and classification are terms that are continuously confused in the habitual language use. In case of performance measurement, salesmen are allocated to specific performance behavior. One way to determine performance behavior is the activity – and product sale deals - portfolio. In this portfolio-concept, which originates from the „Action based Management“ (Schlagzahlmanagement), it is possible to position the salesmen exactly according to their sales activity (number of customer service activities) and their sales quality (hit rate/hitting power). (compare figure 8)

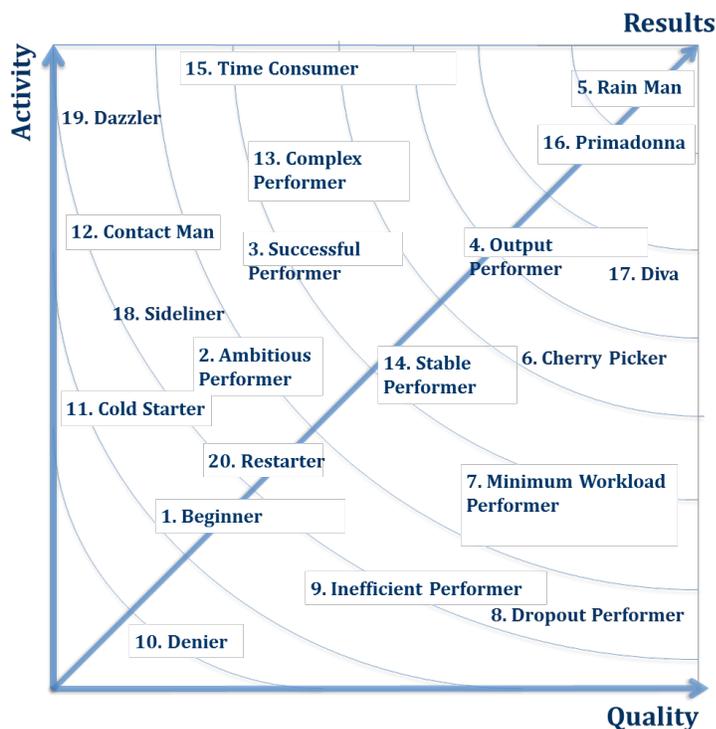


Figure 6: Sales types portfolio

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Classification on the contrary means that types, milieus or groups are assigned to certain results of the performance measurement. More than one type could be assigned to one specific performance position in the portfolio. That is why "The Beginner", "The Restarter" and „The Inefficient Performer“ can be located at the same performance level. However, these types have differing competences and sales attitudes, and a different performance behavior.

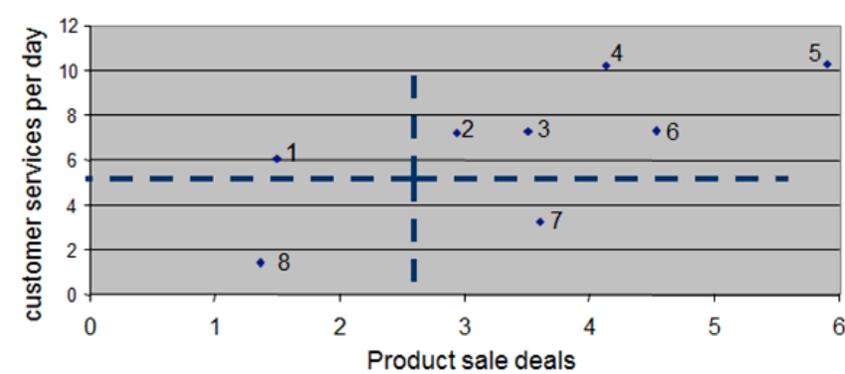


Figure 7: Portfolio

In the figure 9 sales men (dots from one to eight) are located according to the number of customer contacts per day and the resulting closed deals. In order to get a more detailed picture of the performance of your sales team, it is recommended to find out about key performance indicators as the Key Activity. As not all sales activities are of the same importance, the Key Activity is the sales activity that influences a positive outcome the most (positive correlation between the activity and the outcome).

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