

Chapter Two -- Dealing with Change

The Ultimate Success Skill

These are incredibly difficult times for distributor salespeople.

Competition in almost every segment continues to intensify. At the same time, customers seem to expect more service and demand lower margins. Most markets are rapidly changing, and it's hard to keep up with the changes in technology and products.

Customer's demands seem to be a moving target. Sometimes it seems like the lowest price is all anyone is interested in, while at other times they talk about the need for trusting relationships and partnering with vendors.

These rapid changes are a mark of our times. In fact, the indications are that this rapid pace of change will continue unabated.

Consider this. In 1900, the total amount of knowledge that mankind had was doubling about every 500 years. In 1990, it was doubling about every two years. And the pace continues to increase. One futurist predicts that today's high school students will have to absorb more information in their senior year than their grandparents did in their entire life.

That incredibly rapid pace of new knowledge drives the forces of change at an unprecedented rate. It's almost as if a malevolent spirit were stalking our economy, rendering all the wisdom of the past useless, and casting a spell of confusion and uncertainty over the land.

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As a consultant, I work with distributor executives and salespeople in a variety of industries. And almost invariably, during my first interview with a new client, I hear words something like this, “You need to understand that things are changing very rapidly in our industry.”

I do understand, because I see things changing very rapidly in virtually every industry with which I work. And the indications are that this rapid state of change will not be a temporary phenomenon we all must live through. Rather, it will be the permanent condition we must accept for the foreseeable future.

Howard Stein said, “All I know is, things don’t work like they used to work. So don’t plan on doing anything based on the past.”

But rapid change is only one of the forces that is surging through our culture and contributing to the uncertainty of our turbulent times.

Relentlessly Growing Complexity

In every direction we look, we see the world becoming more complex. On a world-wide basis, the evening news is dominated by reports of wars between countries we didn’t even know existed a year or two ago. The Soviet Union was one entity a short time ago. Today it’s incredibly more complex.

Closer to our own lives, we see our markets splintering into more and more fragments. Products, energized by the explosion in knowledge and new technologies, are becoming increasingly more complex. For example, can you

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imagine a piece of equipment today that doesn't have a computer somewhere in its innards?

The services we buy and sell are becoming more complex as computer capabilities are folded into services of all types, and providers respond to the market demand for personalized service. For example, a few years ago we had one number to call for our phone service. Today there are so many vendors of various phone services that we need to employ people just to deflect their incoming calls.

Unfortunately, the trend toward growing complexity in every area of our business also shows no signs of weakening.

The business environment in the near future, therefore, will continue to be characterized by rapid change and growing complexity.

All this means that the skills, strategies, and tactics that have served you well in the past may be becoming obsolete. But here's an even more sobering thought – because of the rapid rate of change, the new skills and tactics that you develop today may well be obsolete in just a few years.

That means that in order to deal with these difficult times, salespeople need to be able to continually change what they are doing. They need to absorb new information created by our changing world, review their tactics in light of it, and change their behavior in positive ways.

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In other words, they need to continually learn. The ultimate self-improvement skill in the 21st Century is the ability to master “self-directed learning.”

Self-directed learning is the ability, on the part of the individual, to absorb new information about the world, and to change one's behavior in positive ways in response to it.

When most of us hear the word “learning” we often associate it with formal school, or perhaps seminars and company-sponsored training programs. While these are all means of facilitating learning, they don't capture the essence of the ultimate self-improvement skill.

Self-directed learning is the ability, on the part of the individual, to absorb new information about the world, and to change one's behavior in positive ways in response to it. The key is behavior change. Learning without action is impotent. Knowledge that doesn't result in changed action is of little value.

Constant change in your behavior is the only reasonable response to a constantly changing world. Self-directed learning differs from the traditional approaches to “training” in that it requires the individual to assume complete responsibility for his own behavior change. The stimulus for the learning must come from the individual, and he/she must develop his own learning program to expose himself to new information, and to change his/her behavior appropriately.

Let's look at two fundamental areas of a salesperson's job in order to see how the need to “learn” is critical.

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Products

The key is behavior change. Learning without action is impotent. Knowledge that doesn't result in changed action is of little value.

The explosion in information has led to technological innovation and change at a dizzying rate. This means that new products are coming into the market – every market – more quickly and more regularly than ever before.

The competent salesperson can no longer be content with his/her product knowledge. The product that is today's hot new seller will likely become an obsolete dinosaur within a couple of years.

So, salespeople must acquire the skills of constantly learning about new products and new technologies. There will be a continuous string of new language to learn, new features to understand, and new applications for new needs on the part of their customers. How long ago was it that none of us knew what a "Pentium" was, or what to do with a "DVD?"

Markets

On the other side of the selling equation, the markets – our customers – are changing just as rapidly. On one hand, there is a great deal of change in the names and styles of the players (Wal-Mart instead of thousands of independent businesses), while on the other, every industry is becoming more complex as the trend toward specialization creates a kaleidoscope of market segments in place of the homogeneous markets with which many of us grew up.

Salespeople will have to continually refine their interactive skills and deal with each customer as a unique individual. That will require them to learn more

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intently about their customers and the processes which are most effective with them – a never-ending challenge.

At the same time the world is changing rapidly for us, it is changing just as rapidly for our customers. One day it seems that the lowest price is the only concern. While the next day they talk about long-term “partnering” with trusted suppliers.

The competent salesperson not only has to keep up with changing customers, but also customers who change in their needs and demands.

Preparing to Master Self-Directed Learning

Proficiency at the ultimate self-improvement skill demands some new competencies from salespeople. While the specific skills are too detailed for this article, we can describe some of the qualities needed to enable a person to become an active self-directed learner.

First, they must have an attitude of “pro-active” responsibility for their situation. In other words, they must believe that their actions have consequences, and that in order to change the consequences they must change their actions. This sounds so fundamental as to be ludicrous, yet it seems to be a concept that is foreign to much of the population. In recent years our culture has fostered a “blame someone else” attitude. Unfortunately, as long as we remain a victim of someone else, we have no responsibility to change our own behavior.

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Salespeople must accept the responsibility for their own behavior and for the consequence of that behavior. As one of my clients said to me, “If you always do what you always did, you’ll always get what you always got.” Therefore, the need to change what you do, if you expect different consequences.

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Next, salespeople engaging in self-directed learning need to have an openness to new information. Probably one of the sure harbingers of pending failure is the attitude that you know it all. Salespeople who will continue to improve themselves understand that they don’t ever have all the answers. There is always something new to learn. And, like magnets, they’re continually searching for new ideas, new perspectives, and new information to absorb.

And finally, they need to be able to follow through on their plans. They must have the ability to act on decisions they have made, and become creatures whose actions arise out of conscious thought rather than unconscious habit.

Given this set of attitudes, a salesperson can begin to master the procedures and disciplines that will characterize him/her as a “self-directed learner” and equip him to be successful in our turbulent times.

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Q #2. I've read your ideas about the need to invest in developing myself. Can you quantify that? How much time and money should I spend on my own education?

A. Now that's a question I'm rarely asked. It's refreshing to receive it.

I'm assuming that you are referring to your education beyond formal schooling. After you've finished your degree and you're done with your academic education, how much should you invest in your continual growth and development?

Let me share some research with you. ASTD, the association for training and development, does an annual survey of its member companies. While the numbers vary a little bit from year to year, generally good companies spend about 3 to 3.5% of payroll on training their employees. The Distribution Research and Education Foundation found that high performing distributors spend 2.5 % of payroll on training, while average distributors spend 1.3 %.

So, if you are asking from the perspective of your company, figure somewhere around 3% of your sales payroll will put you in the general area. In other words, if you have five salespeople, averaging \$50,000 each, that's \$250,000 in sales payroll. Three percent of that would be \$7,500 spent each year in continuous development.

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If you are asking from a personal perspective, the answer lies in how serious you are about developing yourself. A good way to gauge this is by using the same measurement – percent of payroll. In this case, the question is percent of your income. Let's say you make \$50,000 a year. If you attend one of my sales Boot Camps, for example, you'll spend \$1295 for tuition, plus the cost of the hotel and transportation. Let's figure about \$1700, or a little over 3% of your gross income.

I believe that a serious salesperson, dedicated to making a career of professional sales and committed to improving himself, should be spending around 3 - 4% of income a year on the task.

What about investment of time? I believe a company ought to spend about four hours a month in developing its sales force. And the same for you, one hour a week, week in and week out.

Let's put this in perspective. Only about 5% of the salespeople in the world spent more than \$20.00 on improving themselves in the last year. If you invest 3% of your income and one hour a week to continuous improvement, you'll soon rise in the ranks, as your competitors are generally content to stay where they are, investing minimally in their own development.

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Q #3. I'm one of those salespeople who hasn't spent \$20.00 this year on a book or seminar to improve myself. I just don't want to go to the trouble. I believe that I can learn sufficiently on the job, and I'm tired of going to school. Should I feel bad?

A. Now that's an honest question. Should you feel bad? My knee jerk reaction is to say, "of course." But, on further reflection, it depends on your approach to your job, and on your aspirations for yourself. First, a definition -- "mastery." You achieve "mastery" of any profession when you are in the top 5% of performers in that profession. Pursuit of mastery is the process of continually striving to achieve and then to remain in the top 5% of your profession.

I believe that every serious professional salesperson ought to strive for mastery. If that applies to you, then you want to become as good as you can become. If you want the greater sense of fulfillment, the greater degree of respect, and the increase in economic status that mastery brings, then, yes, you should feel bad because you are not acting consistently with your aspiration.

So, from one perspective, I have to say yes, you should feel bad. But it is not an ideal world. And, realistically, only about 20% of salespeople have such aspirations. Most are content with the status quo. Most just want to do their job, go home at the end of the day, and be done with it. If that's you, then I guess you are living a life consistent with your values, and that's OK.

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The difference is what you want for yourself and your family. If you are perfectly content with your situation and your results, if you do not want anything that can be achieved by higher performance, if you don't want to become something better than you are, then you are perfectly content, and contentment is the enemy of growth. If you want to be or achieve something that you are not now, that discontentment should lead you to the realization that you must change if you are going to achieve something more. And that realization should stimulate you to invest more heavily in your own development.

So, which are you ? Content with your situation, or discontent? The answer to “should you feel bad” depends on your position.

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Q #4. **Dave, I'm interested in what you would recommend for a subscription to a monthly sales magazine and a sales improvement seminar.**

A. You have touched one of my hot-buttons with this question. So, forgive me if you get a longer answer than you expect.

First, let me applaud you for asking the question. As amazing as it sounds, I have come to the conclusion that only about 5% of salespeople ever invest in their own growth and improvement. My understanding of that number has evolved over the years. I used to think it was much higher, but the more experience I gain, the more I'm convinced that it's a rare and unusual salesperson who will actually spend \$20.00 or so to improve himself/herself, much less to actually go to a seminar. So, just by asking the question, you have indicated that you are probably in that top percentile of salespeople. And, the fact that you probably will invest in improving yourself means that, over time, you will distance yourself from the pack.

Before I tackle your question head on, let me sketch a little more background. Here's a word to remember: *Learning event*. What's a learning event? It's an experience you have in which you encounter some new ideas, you gain insights in new ways of seeing existing ideas, or you are reminded of

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behaviors and practices of which you may have been aware, but from which you have gotten away.

So, reading a newsletter could be a learning event. So could a sales meeting or a conversation with one of your colleagues. So could five minutes spent after a sales call reflecting on what went well and what didn't.

What is important is this? As a result of a learning event, you focus on some better behavior that you are going to implement in the future. Learning, for adults, is all about behavior. In other words, you must find something that you can do differently, and decide to do that thing.

For example, you may have participated in one of my phone seminars. That's a learning event. Following the seminar, you say to yourself, "I really should spend more time prioritizing my customers, so that I don't waste my time with low potential accounts." That thought is the "better behavior" that you decided to pursue as a result of the learning event.

Generating those kinds of commitments is what learning is all about. When you asked for a recommendation, my belief is that you ultimately want to generate those commitments to "better behavior" in yourself or in the salespeople you manage.

I sometimes hear this kind of comment, "I knew that." This from an experienced salesperson following a seminar. My response is, "So what?" This is not about what you know, it's about what you do. So the question should not

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be, “Is this something new that you didn’t know?” The question should be, “Is this something good that you are not doing, or that you could do better than you are now?”

The emphasis has to be on action (behavior), not just knowledge. Here’s a real life example. I just now had a conversation with a sales manager calling me with a problem. He had read my “How to Excel at Distributor Sales” book, and was impressed with, among other things, the chapters on getting organized. He said, “It is such basic information, but yet they don’t do it.” He went on to say that getting your file system organized was fundamental, but when he rode with his salespeople, none of them had done it.

That’s the point. They probably all knew that they should be organized. But none of them were doing it. You see, it wasn’t about knowledge, it was about behavior.

If you want to continually improve, then you regularly answer the question: “What could I do better than I am now?” The question is not, “What do I not know that I should know?” It’s not just knowledge, it’s *knowledge applied* that is the issue.

The way you find answers to that question is to regularly engage in learning events.

In other words, rather than just one intense day-long seminar once a year, I’d prefer you to be involved in a learning event at least once a month, if not

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weekly. My recommendation is four hours once a month. The systematic and regular involvement in learning events puts you in the mindset of continuous improvement, constantly stimulates you with new “better behaviors” and allows you the time to focus on one or two areas of improvement every month.

That’s why, by the way, I do the phone seminars once a month, and our Up-A-Notch™ video programs are designed to be done once a month.

One more little piece of background before I provide some specific resources for you.

We all understand that people learn best in different ways. One thing that is rarely acknowledged is that different media generally have a slightly different impact on our learning. For example, when we take in something strictly by ear, we have a tendency to believe it more and remember it less. That’s why you can’t remember last Sunday’s sermon in church. It may have sounded good at the time, but you’ve lost the message in the few days since then. Taking something in by reading has the opposite impact: We are more critical of the information, but we retain it longer. It’s not as believable, but is more memorable.

The best learning experiences, then, require you to listen, to read, and to do. In that way, you are far more likely to gain helpful answers to the question, “What could I be doing better than I am now?” By the way, that explains why my telephone seminars, in-person programs and multi-media programs are configured

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and structured the way they are structured. They are all designed to maximize your learning by appealing to a multiple number of senses.

That brings us to this conclusion: If you are going to do “continuous improvement” effectively, then you need to regularly expose yourself to a variety of learning events, focusing on the question, “What could I do better than I am now?” as a way of gaining value from every experience.

Here, then, are a variety of resources:

1. Newsletters. Start with my “*Thinking about Sales.*” Then look at “*NAW - Smart Brief*” (www.smartbrief.com/NAW). There are a number of other electronic newsletters available, and you should consider each that looks appealing.

In terms of paper newsletters, I’m on the editorial advisory board of “*The Competitive Edge*” and recommend that, of course. I personally like “*Sales & Marketing Excellence*” (www.eep.com to sign up.)

2. Magazines. *Personal Selling Power* has been a good quality publication. I also subscribe to *Sales & Marketing Management Magazine*, which focuses both on management and sales. There are industry-specific publications for almost every trade group imaginable. Rather than attempt to list them here, let me just encourage you to get on their subscription lists. Contact the national association of companies who do what you do, and find out what publications are available for your industry.

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3. Seminars. I have to admit that I'm a terrible critic of others in my business. I think there is so much fluff passed off as information by people who have no idea how to help people learn, that it's outrageous. So, I rarely find someone to recommend.

Of course you should be a regular or master subscriber to TGIF & K, my series of monthly telephone seminars. Look for my "Top Gun" seminars for distributors, as well as my "Time Management" seminars. I honestly think that my programs are the best in the world because I'm the only educator in the field of sales and growth that I know of who combines a deep understanding of how people learn best with a wealth of practical, street smart, real-world expertise.

Beyond that, there are dozens of learning events in the form of seminars. Ask around, and get word-of-mouth recommendations from people whose opinion you respect. AMA does a good job with almost everything they produce, although they are a little pricey.

4. Books. With about 50,000 books published in this country every year, you have an almost limitless variety from which to choose. I'm regularly asked to recommend a good book. My response is this: Read my books first. After you have read my books, then it really doesn't matter much. If your attitude is right and you prepare your mind with the question, "What could I do better than I am now?", you'll find something of value from almost any book.

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Go to the library or the local book store, and pick up whatever appeals to you that day. Having said that, I have to admit that I am impressed with Neil Rackham's books, and recommend them highly.

5. Other resources. Self-study, multimedia programs are highly effective because they appeal to all the basic ways to learn. I specialized in them, and you'll find a variety on my website. If you really want to get serious, check our self-study sales certification program – but remember, it's only for the top five-percenters of the world.

The jury is still out on web-based media as a learning media for soft-skills. There is no doubt that CBT (computer based training) can be effective for skills like learning a new piece of software, but it is yet unproven for things like learning to ask questions effectively, or handling objections. With that in mind, I like the www.youachieve.com web site and think that it has potential.

Whew! Now that's a long answer to a short question. Hope this helps.