



CHAPTER 2

The “Not-So-Sweet 16” Reasons Salespeople Fail at New Business Development

I love what I do for a living. One of the favorite aspects of my practice is how many different salespeople I have the opportunity to know, observe, and coach.

Between my various positions as a salesperson and sales executive, and two stints in full-time coaching/consulting, I’ve had the privilege to observe and work closely with hundreds of salespeople across fifty companies. I’ve seen who is effective and who is not. I’ve uncovered best practices that are prevalent among top performers. I’ve been able to test theories in the field, tinker with technique, and see the results firsthand. Unfortunately, I’ve also witnessed a lot of failure—particularly when it comes to new business development sales.

I regularly see good people who excel at many aspects of selling (relationship management, customer service, problem solving, or client retention) dramatically underperform when it comes to acquiring

net new business. And after years of observing so many salespeople struggle in this area, I've compiled a list of that I affectionately call the "not-so-sweet 16" reasons salespeople fail at new business development. I share these common behaviors, attitudes, and attributes as a wake-up call, not to be negative or to belittle anyone. I typically review this content as part of my kickoff with a new client. It helps level the field and gets us on the same page before tackling proper new business development philosophy and process. The truth is that everyone in sales (starting with your humble author) falls victim to some subset of these issues.

To the seasoned salesperson, I ask you to be honest with yourself as we unpack the list. Take a long look in the mirror to see which three or four of these habits may be hindering your new business success and negatively impacting your results. To the sales newbie, you may not be far enough along to yet know which of these pitfalls will trip you up, but consider this chapter as a warning and road map of potential dangers and potholes ahead. Whether we are rookies or grizzled veterans, let's put down our guards, check our pride at the door, and try not to be defensive. Transparency and honesty are healthy first steps on the path to performance improvement.

They Haven't Had To or Don't Know How

I touched on this topic in Chapter 1. A widespread reason salespeople struggle with prospecting and new business development is because they simply do not know what to do. And it isn't even their fault. Many people in sales have never been forced to find new business. Taking care of existing customers has consistently been a reliable way to grow revenue. In good times, there was plenty of demand, and as long as we met the needs of existing customers and maintained a solid relationship we picked up business and everyone was happy.

Last year I worked with several sales veterans who have been doing what they are good at (account management) for a long, long

time—some as long as thirty years. Up until recently, it worked for them. Now, however, their business is significantly off, as is their income. They are scared, lost, confused, and unsure how to even begin the process of hunting for new business.

I’ve also spent a good deal of time with an assortment of young salespeople from various industries. They have been tasked with prospecting to acquire new business, but their biggest hurdle is that no one has shown them what to do or how to do it. “Go make calls” doesn’t qualify as either sales coaching or training. Unfortunately, the lack of sales mentors is taking its toll. No one is modeling what a proper new business sales effort looks like or investing the time to show these newbies the ropes.

Beginning with Chapter 4, we’ll dive into the entire new business development process and methodically review how to put together an effective new business sales attack.

They’re Always Waiting (on the Company)

Salespeople fail to develop new business because they are too patient and too slow to get into action. In company after company, I see salespeople waiting—waiting on the company. I hear excuses about waiting to call prospects until the new marketing materials are ready. Waiting for the new website to launch. Even waiting for warm leads. Please.

Top performers in sales don’t wait for anything or anyone. Clear marching orders, new sales materials, training? Leads, what’s a lead? Nope, can’t wait for any of those. The clock is a tickin’ and time is a wastin’. Top performers act. In fact, they *proactively* attack target accounts even if it means getting into trouble because they’re so far out in front of the support curve.

Waiting is a key ingredient in the recipe for new business failure.

They Are “Prisoners of Hope”

Being a “prisoner of hope” is a close cousin to “waiting on the company,” but it happens much later in the sales cycle. I didn’t invent this term. I’ve heard it in many places, though I am not sure where it originated. Credit is often given to Tom Reilly, a fantastic sales trainer and author of the helpful book *Value-Added Selling*.

Prisoners of hope describes salespeople who have, for the most part, stopped working the sales process and ceased pursuing new opportunities because they are so hopeful the precious few deals in their pipeline are going to close. They spend (waste) most of their time talking about, worrying about, wondering about, that good-size contract that was predicted to close last month but didn’t. Instead of doing the wise and responsible thing—spreading their effort across target accounts and opportunities in various stages of the sales cycle—they lock up, becoming prisoners to deals in the pipeline that are now getting stale and starting to grow mold.

When prisoners of hope are confronted about their lack of activity and overly optimistic projections, they usually respond in a nonchalant manner. I’ve even heard people say with a straight face, “I’m not worried. I’ll get a bluebird. A deal will fly in; I’ll get lucky and make my numbers. It always works out for me.” Friends, a few moldy deals, passivity, and luck are not a winning formula for developing new business.

They Can’t “Tell the Story”

Salespeople fail to grab a prospect’s attention because they can’t “tell the story.” The sales story is our single most important weapon because we use it every day, all day long. We use talking points from our story when we are on the phone and trying to entice someone to meet with us. Bits and pieces of our “story” end up in our e-mails, voice mails, and presentations.

Is there a greater sin in sales than boring your audience? We’ve all

had the experience of being “presented to” by a salesperson who bored us to tears. So often what comes out of a salesperson’s mouth is self-focused. It’s all about the salesperson and his great company or offering. Frankly, I’m continually disappointed by salespeople’s lack of passion and power when they speak. Let’s be honest. If you’re not excited about what you are selling, how in the world will you get a prospect interested?

Salespeople fail to attract new customers because beyond being self-focused, they’re long-winded and their message is often confusing. Many salespeople don’t invest the energy to sharpen their story, but instead serve up a pitch that neither differentiates from the competition nor compels the buyer to act.

I can’t say it any plainer: Salespeople consistently fail because they can’t tell their story effectively. We’ll cover the topic thoroughly in Chapters 7 and 8.

They Have Awful Target Account Selection and a Lack of Focus

Many salespeople fail to develop new business because they’re wandering aimlessly. Too often, they’re not locked in on a strategically selected, focused list of target customers or prospects.

Sometimes they fail because they don’t invest the time and brain power to ensure they are calling on the right accounts. Even the best talent will have a hard time succeeding if their efforts are directed in the wrong direction. However, more common than flat-out calling on the wrong list are salespeople who don’t focus on the list they have. Salespeople are famous for lack of discipline and losing focus. They attempt to call on an account (once), but don’t get anywhere. Instead of sharpening their weapons and continuing to attack the same strategically selected targets, they turn and pursue a new set of prospects. This constant change of direction becomes their death knell because they never gain traction against the defined target set.

In my personal sales experience and what I’ve seen from other top

performers, new business success usually results from a combination of perseverance, creativity, and resilience while staying laser-focused on a well-chosen, finite list of target prospects. I'll share more about the concept of selecting targets in Chapter 5.

They Are “Late to the Party”

Being late to the party may be fashionable in the social scene, but it can be deadly in new business development. This reason for failing builds off the last. Salespeople who are not proactively working a finite list of target accounts often find themselves in situations where they are late or last to an opportunity.

When we're late to the opportunity, we tend to encounter a prospect who's already shopping and searching. Some sales gurus will tell you that is exactly what you want—a well-qualified, educated, ready buyer. I couldn't disagree more. When we're late to the party, we're stuck reacting to, rather than leading, our prospects. Their initial opinions may be already formed. They've probably begun to define their evaluation process. Instead of being perceived as a value creator or problem solver, we're now selling uphill, and already being viewed only as a potential supplier or vendor (I hate that word).

The worst-case scenario is that we end up playing our competitor's already-in-progress game. Actually, the true worst-case is when we're stuck responding to a request for proposal (RFP) that our competitor helped the prospect write! That has happened to me and, believe me, it's no fun playing against a stacked deck.

Too many salespeople get overly excited when invited to submit a proposal they were not expecting. I'm not saying that it's bad to respond to a request for proposal. What I am saying is that we are in a much better position when it was our own proactive sales work that created the opportunity for us to submit a proposal. We will look at the pitfall of overqualifying prospects in Chapter 9 and examine the need to balance our sales effort against accounts in various stages of the sales cycle in the Chapter 14.

They Have a Negative Attitude and Pessimistic Outlook

This one is as commonsensical as it gets. Can you name one really successful person who has a negative outlook on life? I can't. And I know for sure I haven't seen an overly pessimistic person succeed in a sales role. If you have, please share their story with me. I'd love to meet and study the negative pessimist sales star.

Bottom line: Sales winners take full responsibility for results. They don't whine and complain. Those who underachieve at developing new business tend to have a list of solid excuses close at hand.

Lazy, complacent, excuse-making salespeople with a victim mentality lose. Period.

They Are Guilty of a Fake or Pitiful Phone Effort

Picking up the phone to call prospects tends to be a key delineator between legitimate new business salespeople and posers. True business developers know it is something they need to do, while those who fail find every reason possible not to pick up the phone.

Some people in sales fake it pretty well. They pretend to make proactive telephone calls, but don't really do it. In the name of full transparency, this is probably the one habit I most easily succumb to.

My “fake” effort emerges after I sit down during my well-intentioned time block. I make the fatal mistake of scanning a news site or two before I start making calls. Or I'll be on LinkedIn researching a prospect and then get the bug to check my Apple stock. Before I know it, I'm changing my fantasy football lineup or checking the weather for an upcoming client trip. Forty-five minutes later I still haven't started calling. And, of course, I forgot to close my e-mail, so during that time several messages came in from favorite clients and friends. Can't ignore a request from the CEO at your largest client, can you? Another forty-five minutes pass by. Before you know it, there are now only thirty minutes left in your dedicated two-hour proactive calling session. Hmm, I'm getting kind of hungry; who

should I invite to lunch? And that's how we fake our phone effort. Can anyone relate?

The pitiful effort comes from salespeople who actually make their calls, but are so nervous and uncomfortable that they're completely ineffective. Lack of confidence ruins their mental state and their voice tone. They sound like, forgive the pun, they're just phoning it in, dialing away making calls so that they can say they did it. Chapter 9 will help you master the proactive telephone call to prospects.

A whole lot of salespeople fail to develop new business because they pretend to make calls, or they're really bad at it when they do.

They Are Not Likable, Don't Adapt Their Style, or Have Low EQ

Finish this statement: People buy from people they _____. Right! People buy from people they like. Sadly, there are people trying to make a living in sales that are not very likable. And honestly, that's a problem.

There are some people in sales whose quirks, weird habits, or bad breath get in the way of success. It sounds trite, but it is reality. Some of us need an honest friend to be bold and tell us the truth about how we turn people off. I once worked with an executive-level salesperson who was a disheveled mess. His clothes, his briefcase, his persona all screamed mess. He would sit at the conference table during a sales call, lean back in his chair with one arm raised above his head, and twirl the hair on the back of his head. Finally, his CEO had seen enough and said right to the guy's face, "You need to stop doing that. It is hurting you."

Another important component of likability and connecting with a prospect has to do with communication style. We are all different. Some of us move and speak fast while others are more deliberate. Some of us are loud and emotional, and those on the opposite end of the spectrum are more quiet and steady. There are driven, "get to the bottom line as fast as possible" types, and there are the analytical types who want to hear every detail and have the patience to listen.

Emotional quotient (EQ) is a measure of your emotional and social intelligence. It involves your ability to manage yourself, your emotions, your relationships, and people’s perceptions of you. All of those are kind of a big deal when you’re in sales. Low EQ people, no matter how smart or driven, have a hard time establishing the relationships with new contacts and therefore struggle to develop new business.

In sales, our job is to connect with the buyer. It’s a hard thing to do when we only have one speed and myopically treat everyone the same, regardless of their style. I’ve seen some horrific disconnects on sales calls. Rapid-fire, fast-talking, passion-driven salespeople calling on reserved, data-seeking technical buyers. Ouch! Sometimes salespeople fail to develop new business simply because they lack the perception or relational skills that allow them to adapt to the style of the person they’re calling. The rapport-building section in Chapter 11 offers a simple, intentional method to take the style of the buyer into account and prepare to adapt your approach during a sales call.

Again, people buy from people they like and trust. Part of our job is to ensure we are likable and trustworthy.

They Can’t Conduct an Effective Sales Call

In many cases, the pinnacle of what we do is the face-to-face sales call. Much of our work in new business development is to secure that meeting with a potential customer. Because we work so hard for the meeting, we better be really effective once we get in front of that prospect. But many in sales fail because they fall flat on their face when attempting to conduct the initial face-to-face meeting.

I’ve personally been on approximately 2,000 sales calls in my career, about half of them as the salesperson and another thousand as the third person (sales manager or coach) on the call. I’ve seen some incredible artistry on superbly professional sales calls. And I’ve also seen sales calls blown and butchered in every imaginable way.

Most sales calls I see are not well structured. Salespeople either go

in without a solid plan or they fail to share their plan (agenda) with the prospect. Neither situation is ideal, and one of two things tends to take place. Without a clearly structured plan or agenda, control usually defaults to the prospect. The buyer ends up directing the path of the conversation and it's no longer the salesperson's call, even though it was initiated by the salesperson. The other consequence of not having a well-constructed plan is that the salesperson ends up talking way too much. Imagine that. A salesperson talking too much.

Sales calls are ineffective because the salesperson often forgets the purpose of the meeting; namely, that we are there to find pain, potential problems we can solve, and opportunities we can help capture. Many salespeople regularly confuse “presenting” with “selling.” They talk a disproportionate percentage of the time and don't ask enough good questions. Even when they do attempt to probe, salespeople tend not to listen to the answers! Time and time again I've seen buyers attempt to guide or provide clues to the salesperson. Usually too busy presenting to notice, the salesperson runs right by these clues. I've even seen buyers attempt to stop and redirect the salesperson toward a more relevant topic, only to have the salesperson interrupt or talk over the prospect. Really.

Chapters 10 and 11 provide a comprehensive look at structuring winning sales calls.

They Love to Babysit Their Existing Accounts

This may be the most sensitive of the 16 reasons salespeople fail at new business development. I tend to yell the loudest when sharing these thoughts, and I also seem to get the most pushback from struggling account managers who take offense at my thesis.

On the surface, my point seems almost heretical. How dare I proclaim salespeople fail because they invest too much time and energy caring for their customers? May I take a moment to point the reader back to the title of the book and the title of this chapter? I'm not saying we don't need to serve our customers. But I am emphatically say-

ing that a majority of those in sales prefer to overserve their existing accounts at the expense of prospecting. It’s New Sales where most people need the help, not managing existing relationships.

Listen, we all understand. It’s easier talking with someone you know. It doesn’t take a lot of proactive thought to respond to requests from an important client. The e-mail comes in and gives us something urgent to do. It makes us feel good and useful. It also helps pay the bills, especially if our compensation plan pays the same commission for a customer we acquired years ago as it does for one we just brought on board. I get it. Everyone gets it.

The issue is that the very salesperson most offended by this conversation is the same one who fails miserably when it comes to hitting the new business quota. I see many highly relational salespeople who live for their clients’ affirmation. It makes them feel good to be needed. They say things like, “If I don’t take care of it, who will?” Another favorite of the account-management-leaning rep is: “I sold it. I am responsible. The client trusts me.” Great. The client trusts you. I appreciate the value in maintaining a high level of customer satisfaction. But it’s my job to point out the opportunity cost of a salesperson spending 95 percent of the time babysitting existing customers. That sounds a lot more like a customer service role than a sales role.

They Are Busy Being Good Corporate Citizens

This reason gets me in trouble with the human resources folks and the corporate culture police. Similar to the previous reason, being a good corporate citizen seems harmless, on the surface. What could be bad about serving on the Halloween Party Committee or representing the sales team on the company’s safety task force? From my perspective, a lot! There are some in sales who would rather volunteer to clean the restrooms than have to sit across from a stranger and ask a few probing questions about the person’s business and face possible rejection.

There’s a lot of talk about “niceness” today. People are evaluated on how nicely they play with others and what they contribute to the

team. It all sounds good. But I can confidently write that it's rarely the person voted "most pleasant, selfless member of the team" who thrives at acquiring new business. Quite to the contrary, the nicest person frequently underperforms. People who have a difficult time saying "no" or delegating work to others tend to push new business development efforts to the bottom of their list.

The salesperson who likes to walk his customer's order through production, or is the one everyone else calls for help when their iPhone stops syncing with the company e-mail, is guaranteed not to be on top of the list of those bringing in the most new business. Guaranteed. Top-performing salespeople tend to be productively selfish with their time. They have no trouble abruptly ending a conversation with a time-wasting associate. When the top sales hunter finds the copy machine jammed, he doesn't open the cabinet and start reading the maze of directions. He kicks the copier door and yells for someone to get the damn thing unjammed because he has a major proposal to get out today.

Being the good corporate citizen can make you well-liked, but it's unlikely to make you more successful picking up new accounts. We will look at ensuring that selling time is your priority in Chapter 14.

They Don't Own Their Sales Process

Salespeople who don't have a clear mental picture of the "path to a sale" or can't articulate their sales process usually struggle to acquire new pieces of business. When we don't own the selling process, it's likely we end up defaulting to the buyer's process. And not surprisingly, the buyer's way can often put us in precarious situations unsuited to our advantage.

I see this play out in a number of ways where the salesperson does whatever the prospect asks. It seems like the right thing to do because the prospect is asking for it, but that doesn't make it so.

Occasionally, a prospect will invite you to come in and make a presentation. *Presentation* is one of those words that makes my skin crawl.

I will unpack that subject further, and entertain you with the most painful experience of my sales career, in Chapter 13.

When I hear salespeople talk about a “presentation,” I’ve learned to ask a series of questions: What type of discovery work have we done? To whom are we presenting, and what do we know about them? Why are we being asked to present? Disappointingly, the response I regularly get is that the prospect has asked the sales group to present a capabilities overview and we agreed to do it. We haven’t done any sales work up to this point and cannot answer the questions I asked. But for some reason, salespeople are excited to go in and get naked without knowing any of the rules. That’s an example of defaulting to the buyer’s process.

Another example is the buyer asking for a proposal very early in the sales process, sometimes after only an initial meeting. The salesperson, who is often evaluated by the number and dollar value of proposals issued, readily complies. I contend that proposing too early in the sales process (aka Premature Proposal Syndrome) produces a less-than-ideal proposal and puts the seller at a disadvantage. Some of the possible dangers of prematurely delivering a proposal include not having identified the buyer’s criteria for making a decision, all the key players involved in the decision, and the true underlying issues driving the request for a proposal.

Whether it’s presenting before doing discovery and relationship-building work, or proposing before understanding the complete picture, the outcome is the same: Not owning and following a solid sales process limits the effectiveness of our sales effort and certainly can lower our batting averages.

They Don’t Use and Protect Their Calendar

It boggles the mind that with all the apps, technology, tools, and toys we have today, time management is still such a hot topic. Hasn’t it been nearly thirty years since the Franklin Planner was all the rage? Four hundred dollars to carry around a forty-pound planner!

Same story, different day. As it pertains to sales and prospecting, the calendar issue is a biggie. Simply stated, most people in sales are easily and happily distracted from anything to do with pursuing new prospects. It's the rare salesperson that has a written business plan, and even rarer to find one whose business plan is dictating what goes on his calendar.

Talented salespeople who could succeed in bringing in new business often don't because they refuse to carve out time for proactive prospecting activity. I will say it again: No one defaults to prospecting mode. No one. I've yet to see a salesperson find fifteen free minutes and say, "Hey, it's great I have this time free right now. Let me grab my target list and make a few calls to see if I can connect with new contacts and schedule a couple of meetings." Never happens.

Only salespeople that dedicate blocks of time on their calendar for prospecting activity consistently succeed at acquiring new business. Chapter 14 takes an in-depth look at creating and executing a new business attack plan.

They Stopped Learning and Growing

One of my mentors says that if you're not growing, then you're dying. Looks like a good portion of today's sales force is terminally ill. Since you're reading this book, what I'm about to share does not apply to you, but I'm shocked how few salespeople see themselves as professionals and how even fewer invest in their own development. Most salespeople read absolutely nothing about sales. No books, blogs, magazines. I hear remarks such as, "Either you can sell or you can't." Or, "I've been doing this longer than some of my customers have been alive. There's nothing new I can learn about sales." Wow! Arrogance, ignorance, and underachievement are a dangerous and ugly combination.

Every week I learn something new. I follow dozens of sales gurus on Twitter and carve out a few ten-minute segments a week to read their blog posts—which are *free* and accessible 24/7 with the click of

a mouse or tap on an iPad screen. Not to be dramatic, but I don't think it is a stretch to say that most people in sales could experience transformative change if they would invest an hour or two a week reading business books and articles that can help them to grow professionally. We wouldn't go to a doctor that wasn't reading medical journals to keep abreast of the latest research or get in a plane with a pilot who hasn't been to refresher training. What makes us think we can be highly effective sales professionals if we stop learning?

Prospects are busier than ever (do yourself a favor and grab Jill Konrath's incredible book *SNAP Selling: Speed up Sales and Win More Business with Today's Frazzled Customers*) and more resistant to our sales efforts than ever before. We must continually be sharpening our skills and improving at our craft. Those unwilling to invest will likely begin failing at a faster rate.

Honestly, They Are Not Built for It

This is the hardest reason to share because it's the most personal. I don't like to tell people this, but intellectual honesty and years of observation force me to: Some people are not built to succeed in a hunting-type sales role.

I've had this experience several times. I'm brought into an organization to help increase sales and find members of the sales team who struggle year after year. Perennially, they fail to make their numbers or bring in new business. Yet, they're still there, on the team, charged with a new business quota.

This may sound crazy, but some people are just too relational to make it in a new business development role. Mike, are you saying that being too good at relationships can actually hurt your sales performance? Yes, I am. Sales hunters experience conflict, risk, and rejection on a regular basis. Very often, highly relational people (including those in sales) cannot stand the conflict and tension that often exists when trying to open new doors and convince prospects to change direction, break a relationship with an existing supplier, and move

their business to us. Developing new business requires pushing past resistance. Some people are not comfortable doing that. They hear one “no” and immediately say “thank you for your time” and hang up or leave. I’m sorry, but a salesperson with that makeup belongs in a service role, and management is foolish to ever think that individual is going to deliver new business.

The other behavioral style that can severely struggle in a hunting role is the highly analytical, super conscientious type. Analytical people like to have all the data and facts before acting. Many of them live to be right, and their greatest fear is being wrong or embarrassing themselves. Well, I’ve got news for you. New business sales can be messy. Pretty much anyone who has done it long enough has plenty of embarrassing stories of failure, mistakes, and risk—all things that make analytical types very uncomfortable. Sales is about action, and analysis-paralysis is not a quality that tends to produce new business development success.

Whenever I share this assessment with a sales team, it’s pretty common for someone to approach me afterward and thank me for the blunt honesty. They have been trapped in a role that they knew didn’t fit them, but were afraid to admit it. Listen, no one wants to live a miserable existence in a job that doesn’t align with her natural talent.

Although this chapter has a negative tone and bears bad news, my desire is that we would all examine ourselves, our attitudes, and our behaviors. I encourage you to spend a few minutes scanning the full list at the conclusion of this chapter. Take a long look in the mirror and ask a few friends and colleagues for their opinions, too. Sometimes we have a hard time seeing ourselves accurately, but someone who knows us well and cares about our success can offer a clearer perspective.

Which of these common 16 reasons salespeople fail at new business development are hindering your success?

1. You haven’t had to prospect, don’t know how, or haven’t seen it modeled well for you.
2. You spend too much time waiting—waiting on the company or waiting for new materials, clearer instructions, or leads.
3. You allow yourself to become a prisoner of hope to a precious few deals and stop working the process to create new opportunities.
4. You can’t effectively tell the sales story.
5. You have done an awful job selecting and focusing on target accounts.
6. You are late to the party and end up playing an already-in-progress game.
7. You have become negative and pessimistic.
8. You are either faking your phone effort or could be much better on the phone.
9. You are not coming across as likable or are not adapting to your buyer’s style.
10. You are not conducting effective sales calls.
11. You babysit and overserve your existing accounts.
12. You are too busy playing good corporate citizen and helping everyone else.
13. You don’t own your own sales process and default to the buyer’s.
14. You don’t use your calendar well or protect your time.
15. You have stopped learning and growing.
16. You just aren’t built for prospecting and hunting for new business.

