



YOU'RE FIRED

STEVE HOYLE considers the main reasons why sales leaders lose their jobs – and how to counter them

TONY'S TERMINATION

Tony Milner got home early that evening, and he was in a bewildered, hurt and angry mood. That lunchtime he had been asked to “pop in” to see his boss Suzanne Legrand. On entering her office he immediately sensed the tense atmosphere, and the presence of Jon O’Grady the group HR director was worrying. Fifteen minutes later he was heading out of the door towards his car, without his laptop or company mobile, having been fired without any prior warning for “poor performance”.

His bewilderment was because he did not fully understand what the “poor performance” consisted of. He had been recruited into Incred Systems some 18 months previously, and while he had only exceeded target in three of the six quarters, overall his cumulative achievement was over 100% of target, which was slightly better than average when compared with colleagues who ran other divisions within the large software and integration business. He had always received positive appraisals from Suzanne, and while he had not had much contact with her over the last few weeks, neither had he heard anything that might lead him to believe something was wrong.

Replaying in his head the conversation that lunchtime with Suzanne, he was still a little confused. In the most recent quarter he had missed his target, but not dramatically. He had always forecast coming in slightly below target. He had two very large possible ‘upside’ deals that he initially thought might have crept into that quarter, but he realised in the end that to force them through would have required giving huge discounts and setting unhealthy precedents with the major customers involved, which he knew would be regretted later in the year. Suzanne’s view was that he had “set her expectations” that at least one of those deals would land in the quarter, and she had been relying on that to make her own committed number. She had

expected Tony to have “made it happen” somehow. The meeting had obviously not been particularly friendly, although Jon O’Grady had been very matter of fact about it, and had outlined what he saw as a very generous compromise agreement. Tony could see that the severance pay on offer was not bad, but he was really upset by the shock and injustice of the situation.

LESSONS TO LEARN

In my experience, Tony’s story (it’s true, by the way, but not his real name) is very typical. As a consultant, coach and mentor, most of my time is spent on helping sales managers and sales directors to improve their performance and results – but in my research for a new book looking at why sales managers, directors and VP’s get fired, I have discovered that the reason is often nothing to do with their sales management skills.

In Tony’s case I managed to speak with both Suzanne Legrand and Jon O’Grady, as well as others in the company. Nobody would give me definitive answers as to why Tony was fired, but it appears that the biggest factor was that Suzanne had to be seen to be ‘doing something’ when she failed to make her target for the second quarter in a row. She had certainly relied on one of Tony’s big deals landing in the quarter, and factored that into the forecast she had committed to with her boss. It was also obvious that questions were being asked about her management style and decisiveness. So it is probable that Tony was the victim of Suzanne’s positioning with her boss and, in effect, he was made the scapegoat for her failing performance. ▶

“The reason sales leaders get fired is often nothing to do with their sales management skills”

« My interviews and research are continuing, but there are already some very clear reasons emerging for why sales leaders get fired:

SCAPEGOAT FOR THE BOSS

This is probably the most common reason why sales directors get fired, and normally it's because of expectations that the boss has set with their boss (or board). In some cases, the sales leader had set the expectations themselves through unrealistically high forecasts that were the result of wishful thinking, which the boss had then passed on upwards. Sometimes the boss, under pressure from their boss, had agreed expectations that the sales leader had not bought into, and then unfairly been dismissed when the results did not follow. This is a large part of what happened to Tony Milner.

NOT KEEPING ENEMIES CLOSE

This has emerged as a somewhat surprisingly major reason for sales leaders getting fired. Enemies in this case are mostly 'colleagues', normally in other functions, and often including people who also have to deal with customers such as those in Marketing, Operations and Delivery. Occasionally, but rarely, the more back-office functions such as Finance or HR can become enemies. The reason for people becoming enemies includes all of the normal emotional and political reasons, heightened because the sales leader has very definite black and white numbers to be judged against and so can be an easy target, and can be 'blamed' for other issues affecting customer-facing functions. In particular, new sales leaders normally focus on the external aspects of the role, and are so intent on driving sales performance that they often fail to pay enough attention to managing often complex internal relationships – and not just the business relationships but the sometimes more powerful personal and political issues too.

"In particular, new sales leaders often fail to pay enough attention to managing internal relationships"



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specialising in helping clients grow the capability of their sales teams in complex B2B environments. His next book *Why Sales Managers Get Fired* is due for publication in Spring 2018. While he has already identified over 20 reasons why salespeople get fired, he is still conducting research and would love to hear from practising sales leaders as to why they or colleagues got fired. Email steve.hoyle@linksdev.net or call 07785 381563.

STILL JUST ONE OF THE TEAM

This is very common with sales leaders who have been newly promoted, either from being a salesperson or from a lower level of management. Often, for the first few months the individual is caught in the 'no man's land' of being a member of the previous team to being their manager and leader. Many a sales manager on getting promoted says that "it will not change me" but in the end it will and it must – because people will inevitably react to them differently and will start 'managing' communications with them in subtly different ways. Over time, it is also likely that the new leader will alter their perspective on the individuals who now work as part of the team. But some managers never get past the point of being able to dissociate themselves from their team.

As a sales leader you are constantly balancing the needs of your people, your peers, customers, suppliers and, most importantly, your boss. To be successful, a sales manager ultimately has to be guided by what their boss and their

organisation want them to achieve – so the primary team that they must associate themselves with is now the management team, and not the group that reports to them. Failing to make that leap is the downfall of many a promising sales manager.

GENERAL INCOMPETENCE

Failing to understand the sales business and basic management skills can be why some sales leaders fail, although surprisingly it is not very common. Individuals who have succeeded in a tough sales job probably have the desire and capacity to develop themselves quickly enough, and can always be helped with more training or coaching. If general incompetence turns out to be the major reason for someone getting fired, then it is probably a sign of a bad hiring or promotion decision in the first place.

NOT BEING ABLE TO MANAGE AND TRANSFORM AT THE SAME TIME

In today's fast changing world, all managers, but especially those closest to the customers and emerging trends (ie. sales) have to be comfortable with, and ideally thrive on, being able to implement change quickly and effectively. There is often a tension between driving long-term change and improvements, while at the same time hitting monthly or quarterly targets. This is similar to the classic dilemma facing salespeople around developing relationships and creating/shaping business for the long term, versus taking tactical short-term business to hit today's targets. Most sales leaders relish this challenge, as it is at the heart of what makes sales and sales management exciting.

But, a significant number fail, either because they just manage the short term (which eventually dries up) or because, despite making the right strategic moves, they didn't pay sufficient attention to good management of the tactical operational business and the 'strategic' moves did not bear results in time. Getting the approach right, and doing both without compromising either, is often the hardest part of the sales leader's job, but also the most rewarding (in every sense). It is normally unfair to expect newly-promoted leaders at any level to be perfect, so they will almost certainly need mentoring and coaching in this respect.

POOR POLITICS

It is obvious that in many cases sales managers, directors and VP's get fired in a totally unfair manner, for 'political' reasons. We all know that sales may be fair in the long run, but is often unfair in the short term. But in most cases there are numerous things that can be done to help the sales leader reduce the risks of getting fired.

Returning to Tony Milner, he eventually agreed a revised and even more generous compromise agreement, including a good reference, and was able to get a new job in the same industry sector within a few weeks. Could he have done more to prevent getting fired – the answer is always yes. He realised that his style of focusing on 'getting the job done' was one of his great strengths, but maybe he should have spent a little more time on office 'politics' – on building relationships with his boss's boss and other key stakeholders who might have had a decisive influence on his future. He could have communicated better, spreading the thinking behind his forecast much more widely, rather than just to his immediate boss Suzanne, who was then able to make use of it in a way that suited her own purposes, but undermined Tony's position. Alternatively, he could have kept his forecast between just himself and Suzanne, but managed his communications with her much better. In the end, he had to weigh up if paying a little more attention to managing upwards was something that he wanted to do, and if it would affect his true management style. Only he could answer that, but he did tell me that in his new job he was going to consider relationships with his boss, and management in general, much more carefully.

My initial conclusions about the main reasons why sales leaders get fired are summed up by a recent conversation I had with my wife – an artist who knows very little about sales, but who often has to put up with my stories from the front line of sales. One evening I mentioned to her that I'd just interviewed another sales director who had been made redundant. "What was it this time?" she asked rather wearily. "Oh, mostly politics," I replied, to which her response was, "Isn't it always?"

MICHAEL'S STORY: FROM SALES PRINCE TO SHOVED OUT

One of the more interesting and extreme cases I came across was Michael Fischer, who was recruited as EMEA VP of sales for a major telecommunications provider. The recruitment itself was unusual and should have rung alarm bells with Michael. He was approached directly by the CEO, who had worked with him just three years previously and who, while not a close personal friend, had kept in touch socially ever since. Michael was officially recruited by the global head of high talent, together with the president of international business, Jocelyn Hughes. Michael never really understood how much they were genuinely interviewing him, or just following the CEO's instructions, but they certainly put him through a rigorous process, and negotiated hard on his remuneration package.

Things went fine for Michael for a few months, but in retrospect he should have seen some warning signs: 'EMEA' didn't include all the countries you would expect; his authority sign-off level was not as high as his predecessor's; and he wasn't allowed as much time as had been agreed in his 30/60/90-day plan to find his feet.

His direct reports, however, were great to work with. They warmed to his no-nonsense, back-to-basics approach to a disciplined sales team. Sales practices had become a little sloppy over a number of years, but the company's good market share and near monopoly in many markets had ensured that targets were met and people had been happy. Now though, the market had become tougher and they were losing market share and missing the more aggressive targets the CEO had imposed.

Michael thought he was getting on well with Jocelyn Hughes, who had made encouraging noises since he started, although it was

clear that the relationship was always going to be very 'arm's length'. Jocelyn had been around for many years and had a wide network of contacts, which meant that she always knew what Michael was up to. His greatest issue was actually with his peers in the marketing and support functions, who were constantly letting him down, focusing on their own functional concerns, and not helping him to transform a slightly underperforming sales team into a force to be reckoned with. Their actions were never outright obstructive, but were always a little late, and not as supportive as they needed to be.

Michael, however, faced a major

"In retrospect Michael should have seen some warning signs"

task, and he ploughed on with a fast-paced change programme designed to make the sales team competitive again.

His end came suddenly. Nine months after joining, Jocelyn called him into her office and fired him on the spot with little explanation, other than he was "not a team player". It seems Jocelyn's other reports had 'ganged up' as they saw Michael as a threat to their comfortable existence. Jocelyn had never really wanted to recruit Michael, and now the CEO himself was under some pressure from the board, so could not help save his 'prince'.

When Michael was asked what he could have done differently, his answer was "spend as much time managing relationships to the side and above me as managing the people below me" – one of the classic truisms for most sales managers in most companies.