



# Shifting the Mindset

## How to manage through change

**Change is inevitable, and one current change having a major impact on pharmaceutical sales management is the reduction in the number of PCTs from 303 to 180. The SHA has until October 2006 to provide the next generation of PCTs, which must deliver a 15% reduction in managerial and administration costs.**

Practice based commissioning is seen as the best way to bring about a patient-centred service. Therefore GPs are likely to require information from representatives based on the economics of healthcare, not just on the clinical properties of drugs. It will be the responsibility of sales managers to ensure that their representatives can cope with this change. So as well as being leaders, managers will need to be more flexible and to coach their representatives in the competencies necessary for sales effectiveness in this new arena.

During such periods of change, there is a need for rejuvenation of attitude – which requires more support than traditional management can provide. Traditional managers often overlook signs of eroding momentum. Effective managers use a wider variety of approaches to get their teams to move into action. They are prepared to listen, share and use different ideas and tools to create new approaches. This requires skills in facilitation and coaching.

### Managerial behaviours

Coaching is not teaching, instruction or training.<sup>1</sup> A good coach will help representatives to unlock their natural ability by learning with them, thus increasing their understanding and awareness of the factors that determine their performance and permit their ownership of that performance. A good coach can help the representative to learn how to achieve more. Coaching is a better way than instructing of helping people to learn and generating the commitment to produce better results. A beneficial by-product of this is an improvement in the relationship between manager and representative.

A recent case study with 36 Regional Business Managers in an ethical pharmaceutical sales force showed that in order to be more effective, they needed to use a greater range of managerial behaviours. A 180° feedback questionnaire elicited evidence of the styles they used when dealing with their teams. It was found that telling and selling behaviours came to the fore. Participatory and delegating behaviours were less likely to be used, especially when the managers were under pressure to achieve bottom line results. So rather than developing a style that would enable them to coach, encourage and provide support, these managers displayed a more directive style.

In order to maximise the performance of their representatives in a changing environment, these managers would need to feel more comfortable with facilitating and coaching their team. By achieving this, they would be able to encourage new and more appropriate selling styles in their representatives.

### Building effective team climates

With another pharmaceutical company, we used a Team Climate Inventory<sup>2</sup> to evaluate two similarly-structured teams with roughly equivalent mixes of maturity and sales potential in order to identify why one team was performing poorly while the other was hitting and out-performing its targets. *Team climate* is a term for the way a manager and a team work together. Good team functioning in a sales environment is essential: it increases participation and improves the commitment, effort, loyalty and creativity of team members.

So how does the building of an effective team climate within a regional sales team affect the overall performance of that team? And how is this related to the operational style and personal characteristics displayed by the manager?

In the high-performing team, there was trust between the manager and



the team members. Information was shared, and everyone had agreed to work toward achieving the highest levels of performance. They had a clear vision of their own and the team's main objectives and targets. They felt happy to challenge each other in meetings, and were prepared to express and enact support of each other's innovations. This required advanced facilitation skills on the manager's part, as well as an understanding of where and when it was appropriate to focus on performance.

While the low-performing team understood its objectives and targets in terms of the numbers to be achieved, there was not much mutual trust, and the team had very little vision of the value of the objectives they were setting for themselves or the organisation. Strangely for a pharmaceutical team, they had little idea of the impact their objectives would have on a wider society.

## Managerial judgement

This analysis was developed further by asking the question: "Do Regional Managers understand how to manage both people and business objectives?" In order to evaluate this objectively, a Scenarios<sup>3</sup> questionnaire was used that had shown a significant positive correlation between high scores and subsequent promotion rates over a five-year period. It was found that those scoring higher on 'managerial judgement' tended to be more flexible in their people management style.

The manager of the higher-performing team displayed good judgement, especially when dealing with people and their objectives. This manager's scores suggested that he was happy to work one-to-one with representatives, but could also deal with the team as a whole. He was prepared to make an effort to tackle staff who had motivational, performance or other problems, acting to improve the situation while still keeping firmly in mind the need to meet objectives and achieve results.

Although he adopted a 'coaching' style of management, this manager pushed the representatives to make rapid improvements in their performance and expected them to continue to meet their objectives. In the field, he was seen to be taking an active role in providing specific feedback. He was conscientious in following up initial intervention with more encouragement to help the representatives develop. This manager was also comfortable working with the whole team. In regional meetings, he adopted an open, encouraging and communicative style, with a willingness to address any issues that the team advanced.

The lower-performing team had a manager who was only average at working one-on-one with sales staff; he was capable of some coaching, but did not necessarily prioritise it. When dealing with the team as a whole, he tended to downplay motivational issues; when decisions needed to be made, he did not really consult with the team. He focused on task achievement, while opportunities to raise the performance and motivation of the team were missed. These factors had a major impact on the team climate, and consequently on the team's overall performance.

## Improving performance

Research has shown that 75% of professionals could be significantly more effective in their work than they are.<sup>4</sup> When coaching in the field, what should the manager focus on in order to help representatives be more effective and deal with a changing environment? In a 2002 study with an ethical pharmaceutical sales force, it was found that activity levels<sup>5</sup> and performance were significantly correlated with a number of factors.

By focusing on these factors, an improvement of up to 16.7% in sales could be achieved.

The highest correlation was with a factor called *attentive faking*. This means using the social cues given by a doctor as a guide to one's own behaviour. Those sales representatives who pay the most attention to their customers achieve the most success. Despite the fact that this might appear self-evident, it is not always the case with sales professionals! The second most important factor was called *social control*; it means flattering doctors to gain influence, looking for reactions to the representative's behaviour and manoeuvring the doctors to reveal things that they might not intend to.

Coaching representatives in these two skills is the key to influencing doctors. Those representatives who were the most successful also used effective planning, attention to detail and an ability to find time for what was really important. In a word, they were conscientious.

## SUMMARY

- Good sales managers rely on trust, not control. They exert influence through a person-to-person style, not a position-to-position style. They create a clarity of vision and purpose with their view fixed on the long-term horizon, not the short-term bottom line. They focus on increased effectiveness, not efficiency – on doing the right thing, not doing things right. They develop an environment that encourages people to innovate and thus to be dissatisfied with the status quo.
- In order to do all this, they need to have excellent managerial judgement and skills in facilitation and coaching. This encourages their representatives to identify how they can enhance their performance and capitalise on their own ideas in order to be more successful.
- It will be the ability of sales managers and their representatives to adapt, rather than the ability of pharmaceutical companies to reform, that will successfully influence the PCTs of the future.

## References

1. MacLennan, N. *Coaching and Mentoring*, Gower, Aldershot, 1995.
2. Team Climate Inventory© Anderson & West, ASE.
3. Scenarios © Howard & Choi, SHL.
4. Research by Yankelovich in 1983, quoted in Thomas, A. *Coaching for Staff Development*, BPS, Leicester, 1995.
5. Measured by PASAT 2000 © *Sales Personality Questionnaire*, Poppleton & Jones, The Test Agency.

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