



Laboratory Sales: Managing and Coaching

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Introduction

The research is clear and undeniable. Great coaching is the foundation for developing top-tier sales representatives. But it extends beyond the sales profession. Whether someone is a performer, an athlete, or an executive, top individuals in any industry continually strive to improve their skills. Leading companies also consistently seek ways to boost their employees' competencies. In sales, it comes down to training and coaching. In my first job selling lab services, my company initially provided four weeks of classroom training, followed by occasional reviews. Once established in my territory, my manager scheduled co-rides with me on two successive days each quarter. Although I was initially nervous about having my boss observe my client interactions, I found his feedback to be constructive. In fact, I still use his suggestions in my sales training course.

We all need coaches because we can't see our own swing, and it is human nature not to self-analyze. We need someone with a critical eye to help us identify our strengths while also pointing out our areas for improvement so we can work on them. Some sales organizations have terrific managers who give honest feedback. However, some supervisors are less attentive or inexperienced. There are several reasons for the lack of good coaching.

Lack of Coaching

First, coaching can be challenging, especially when working with a successful sales representative who believes their method is correct. The *law of first knowledge* heavily impacts how most people grow. People tend to trust what they learn first.

The second reason is that some organizations lack a coaching culture. For example, in a typical hospital outreach program, management often hires a marketing person who reports to the lab director or another staff member. Usually, these individuals do not have sales management experience, which forces the rep to figure things out or resort to questionable tactics. Labs with a dedicated sales manager, however, tend to perform better in revenue growth and client retention because of the planning, oversight, and mentoring provided by an experienced supervisor.

Third, some sales managers claim, “I’ve got too much to do in the office. I just don’t have the time to devote to the field.” That’s simply an excuse. People need to set aside time to co-ride with their representatives, not only to offer compliments and critiques, but also to discuss strategies. Equally important, co-rides keep the manager “in reality” with customer and prospect remarks as well as competitive situations.

Even if a salesperson has worked for another lab, training and mentoring should still take place. As the famous UCLA basketball coach John Wooden was known for saying, “It’s what you learn after you know it all that counts.” Continuing education covers topics such as new test introductions, client supplies, methodologies, billing updates, clinical terms/test significance, EMR connectivity, and an annual review of federal and state compliance. In addition to these subjects, it remains crucial to review sales techniques (e.g., probing, presenting, overcoming objections, closing). A key point is that, regardless of how often a manager conducts classroom instruction and role-playing, in-the-field coaching is the most effective way to reinforce the skills learned in the classroom. Without direct observation—coupled with verbal feedback—very few salespeople will retain the skills they have been taught. When I was a manager, I would write a follow-up letter to each representative after our day in the field, highlighting the positive and critical points I discussed during our time together.

Whom to Coach

Many managers believe that poor performers need the most attention. However, research shows that the greatest return on investment comes from mentoring those with the *potential* to become superstars (i.e., those who are self-motivated), as well as star performers. For sales representatives with underperforming territories who find the job difficult, this might not be the right business for them. Working with these individuals often proves to be an inefficient use of time. A successful coach will want to (1) focus on those who are self-motivated and eager to learn, and (2) direct their efforts where they can make the biggest impact on the bottom line.

Four Characteristics of a World-Class Lab Sales Manager

The best organizations have managers who do four fundamental things to help their salespeople reach their full potential. They are:

1. Review the distinction between strategy and tactics
2. Focus on creating value on each visit
3. Build a coaching culture
4. Reward high performers

1. A Fundamental Sales Understanding: Strategy and Tactics

When I was hired once as a district manager for a full-service laboratory, I wanted to see how my direct reports would develop a strategy and tactics plan for their top three prospects. What I received showed their misunderstanding of this basic sales function and the differences our lab could leverage. I had training to do.

Strategy refers to the long-term position that the representative aims to achieve. Strategies will vary between accounts due to differences in competitive offerings, office dynamics, personalities, relationships, and opinions. Furthermore, internal client developments may occur between

representative visits, necessitating adjustments to the strategy. As the famous Chinese general Sun Tzu said, “Tactics without strategy is the noise before the defeat.”

Tactics, on the other hand, indicate the face-to-face interactions. In a sales call, they fall into four main categories: (1) the preliminaries, (2) the investigation, (3) the presentation, and (4) the close. Each sector contains various elements that require training and role-playing. Examples of tactics in a written plan include “see ____ about _____,” “use XYZ support material when seeing _____,” “find out what ____ likes to do outside of work,” “find out the birthday of ____ and mark my calendar to send a card,” among others.

2. Focus on Creating Value with Each Call

When asked to define their job, most sales reps will say, “To make sales.” In reality, representatives don’t “make” anything. Their ultimate role is to *provide value*. A skilled manager trains salespeople on how the lab can increase value by (1) enhancing the provider’s reputation, (2) improving the office’s community standing, and (3) benefiting their patients. This method fosters an emotional connection rather than just focusing on mere logic. During a sales call, discussing common lab features like quality results, customer service, specimen pick-up, billing, and EMR integration is essential. However, that’s often where the discussion stops. The salesperson treats their lab as a transactional, commodity vendor rather than a valued and trusted partner.

Building value involves understanding your lab’s key differences *compared to each competitor*. During client discussions, it’s important to ask questions that determine whether any of those differences matter. Discrepancies can occur in many areas, including test methods, turnaround times, report formats (including interpretive comments), test menu, billing, courier pickup times, PSC locations (including days and hours), internal QC programs, on-site professional staff, lab location, test setup and reporting times, client-specific data reports, and more. We all use our own judgment when making decisions based on perceived differences. However, decision-making becomes stronger with a knowledgeable salesperson who asks key questions to identify the client’s needs— both known and unrecognized. The rep then ties those needs back to his lab’s benefits (i.e., its unique differences).

3. Building a Coaching Culture

As mentioned earlier, a manager’s role includes coaching and supporting their team to improve performance. If the lab doesn’t have a qualified person for this responsibility, hiring an experienced sales consultant can be an effective solution.

Building a coaching culture involves asking three key questions: (1) who should receive coaching, (2) when should coaching occur, and (3) what topics should be addressed. If managers cannot provide honest and objective feedback, the organization will remain—at best—at a mediocre level.

4. Reward High Performers

Top performers seek recognition for their achievements. It’s important to celebrate this regularly and in front of their peers. Rewards can differ, such as having their name displayed on a wall plaque, enjoying a fine dining experience, receiving immediate written feedback, or choosing a gift from a catalog. Great coaches offer positive comments and actions early and often.

Conclusion

Top-level managers conduct sales training and teach their representatives the fundamentals of strategy and tactics using real-life examples. They stress the importance of creating value by highlighting key differences compared to top competitors. A sales manager understands the who, what, and when of coaching. Finally, they foster a coaching culture and consistently recognize top performers.

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