

Creating and managing Today's Sales Force

Sales management

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Sales managers face two important challenges :

- o Life cycle of products and services shorten
- o Cycle time to sell those products and services lengthen

Customers are more demanding and competitors are more aggressive.

The writer bases its book on three assumptions :

- o A sales force is no better than its management.
- o A sales manager's job is to get work done through other people (your sales team)
- o A manager's job is to make heroes, not be one.

Creating the sales force.

The changing Sales landscape

Following changes are impacting your sales management process, strategy and tactics:

- o Shorter product/service life cycles. This makes products and services difficult to differentiate. If

you can reduce time and steps between the search of the customer and his purchase you will be at the winning end.

- o Longer, more complex sales cycles. The customer takes more steps between search and being ready to sign the purchase: specification research, trial orders ...
Tactical selling and reorganizing your sales force in teams become a key issue.
- o Buying from experts. The buyers in most industries become extremely knowledgeable and experienced both in the purchase as in the products themselves.
- o Group decision. Cross functional groups will make, in order to spread the risk, major purchasing decisions. Multilevel selling is a skill you should train your sales force in.
- o Intense competition. Companies must use competitive grids to identify present and potential competitors, competitive issues and decision points.
- o Less customer loyalty. The demand for cost reduction is forcing purchasers to focus on the bottom line.

Hiring the best.

Everything starts with the hiring of your sales force. Hiring is a science, laying out your expected results (roles and responsibilities) prior to conducting a step-by-step interview. Its requires planning, anticipating needs and working within an appropriate time frame.

1. Before you hire

Make a list of strategic duties:

- o What are the target accounts, markets and products the new hire will need to address?
- o Does he has to concentrate on new account development or further penetration of existing customers?
- o Do the existing accounts require a consultative approach to their long complex sales cycle?
- o Do your sales people have a pricing window or the leverage to negotiate?
- o Do you have different channels through which he will be required to sell?
- o Will he be a solo performer or part of a team?

Answers to these questions allow you to create a detailed job description.

2. The interviews

- o Know exactly what type of candidate your are looking for and prepare a list of questions.
- o Look at his past sales performance.
- o Don't assume that you are more clever than the candidate.
- o Don't show him the job description or discuss specifics until after you asked all your questions.

- o Remember: the interview is to learn more about the candidate.

3. Train for results.

Training is not only about increasing productivity and capacity but also about improving confidence and enthusiasm, about making them feel important and valued.

Training should cover following areas:

- o Product knowledge.
- o Competitive issues and advantages. Knowing the competitors products (competitive advantages and disadvantages) will allow more and better sales and understanding the marker segments and targeting.
- o Customer knowledge. Sales people should maintain customer profiles.
- o Selling skills. Here you have to focus on the specific selling skill most important for success in your industry.

Field coaching allows you to evaluate, motivate and to create rapport.

Remember following during field coaching:

- o Does he establish rapport (discussing personal interests from the customer profile) before asking probing questions about the business?
- o Does he demonstrate knowledge of decision-makers and influencers?
- o Does he demonstrate knowledge of the customer's business, competitors, key drivers and usage of product and services?

- o Does he ask questions to identify key problems, needs and opportunities?
- o Does he suggest solutions, products and services?
- o Does he present features, benefits and proof?
- o Are benefits quantified in money?
- o Active listening?
- o Overcoming of objections?
- o Is he well organized in using sales aids?
- o Does he act like a consultant and think like a customer?
- o Does he ask for the desired action?
- o Does he establish the next action?

After a full day on the field, summarize the key issues acknowledging strengths and weaknesses and agree on actions and objectives.

4. Compensation: let salespeople know how much they cost.

Use written individual plans on salary, rates of commission and bonus, details on reimbursements and fringe benefits. This will give you the opportunity to discuss with them the total cost to the organization.

Strategy and the Firm.

1. Designing the best channels for your products or services.

You have to make two initial decisions: what channels are the most efficient for reaching and servicing your target customers and how are you going to organize these channels.

The proper distribution channel will be defined by :

- o Type of selling
- o Type of customer
- o Operating issues
- o Type of product/service sold

Calvin gives us then some guidelines to establish the most effective channel.

2. How to motivate your people?

Understanding the specific needs and desires driving individuals and the activities and rewards that satisfy those needs is the starting point.

- o Recognition: sales people want to be noticed, praised and appreciated. Recognition has to be sincere, received in public, recorded and involving the top management.
- o Feeling useful, important and worthwhile. They need to feel they make a significant contribution to the company's success.
- o Challenge and achievement.
- o Freedom and authority.
- o Esteem, status and respect.
- o Sense of belonging.

Perfecting the program.

It is important that salespeople know what their sales manager exactly expects from them, if those expectations are met and if not, what corrective action is necessary.

Regular performance evaluations motivate salespeople by recognition of positive performance or providing vital help. The evaluation process should include:

- o What are you going to appraise?
- o Metrics, performance standards and a rating system.
- o The review meeting.

1. What to appraise?

Sales results, sales quality, expense control and customer relations.

2. How to rate?

The rating system should allow you to avoid taking the middle ground of an employee's performance, playing it safe for the sake of avoiding confrontation.

Rating 1: Poor, below acceptable levels.

Rating 2: Fair, close but not yet at acceptable level.

Rating 3: Expected, at acceptable level with accomplishments satisfactory.

Rating 4: Very good, above acceptable level with accomplishments satisfactory.

Rating 5: Excellent, performance and accomplishments are outstanding.

3. How to give the review?

- o Ask them (several weeks before) to rate themselves on each category.
- o Create a relaxed, positive atmosphere with your total attention.

- o Review each section of the appraisal form, soliciting the salesperson's assessment and then giving yours.
- o Be positive, straightforward and helpful.
- o Do not overemphasize one or two skills.