I, Arun Rajaram, hereby submit this work as part of the requirements for the degree of:

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“Job Characteristics of a Successful Sales Manager”

This work and its defense approved by:

Chair:   Dr. Richard L. Shell

          Dr. Ernest L. Hall

          Dr. Ronald L. Huston
Job Characteristics of a Successful Sales Manager

A thesis submitted to the
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by

Arun Rajaram

Bachelor of Science in Chemistry
Bharathiar University, India, 1996

Committee Chair: Dr. Richard L. Shell
ABSTRACT

At no previous time have sales managers faced more opportunities and challenges. They will have to adapt to some dramatic trends like increased buyer expertise, rising customer expectations, intense foreign competition and revolutionary developments in communications and computer technology and the influx of women and minorities into sales careers. Adaptation to these trends involve increased understanding of the interdependent functions of sales and marketing. Field sales managers and the headquarters marketing team will require better understanding of each others responsibilities. Among the most important areas of expertise that the effective sales manager will need to develop are better understanding of buyer behavior, better motivational and leadership skills, more awareness of technological interfaces, and superior managerial and interpersonal skills.

The objective of this thesis is to locate and explain the important characteristics required for a successful sales manager, which includes the explanation for why the sales manager needs to understand and develop skills for - general management, structuring the sales force, strategic planning to design the sales territories that increase sales, recruiting the best talents, training other sales people, and applying the latest developments in human motivation and leadership skills.

The investigation has been accomplished through a literature review of research done over the years on the topic of sales management. Then with the help of those articles, arguments have been made about how and why each of those characteristics is important for success and then a conclusion has been drawn about the level of importance of each of those characteristics.
The various aspects of sales management include understanding the importance of personal selling, strategic planning, strategic trends, sales force organization, sales force selection and training, selecting effective combination of motivational tools, amount of supervision needed, purposes of budgeting, sales quotas and effective compensation packages. Of these the ones that have been found and explained to be critical to the sales manager’s success are recruiting training and good motivational and leadership skills.

Future challenges for sales managers are in handling a diverse workforce of different races and nationalities. Motivation being a very inherent part of sales manager’s job, the source of motivation is found to be different for people from different regions of the world.
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1. INTRODUCTION

The primary responsibility of a sales manager is to staff the organization with the right people.\textsuperscript{1} The most important job that any manager has in any field is to select the right people for a given job. If the right people are hired, even bad plans may be successful. Thus staffing or recruiting is particularly important in sales management because the success of a marketing plan lies in implementing it. That being said there are other major functions that a sales manager does, on a day to day basis.

Primary Responsibilities of a Sales Manager

The sales force productivity drivers are the basic decisions that sales managers make and these affect almost all the facets of the sales team. The sales manager’s decision making processes can come under four broad categories:

1. Data analysis category, which includes their collection and analyses that enable the people concerned to understand customer buying behavior, and the need to segment, prioritize and target the right markets.
2. Sales force organization category, which is the best deployment of sales force resources across products, markets, their activities and the correct territory alignment.
3. Personnel category, which includes the selection, training and development, coaching, and the assessment of selling competencies, conducting motivation programs, and designing evaluation systems.
4. Sales Systems Category: that involves management decisions that affect efficiency, effectiveness and job satisfaction of the sales force that affect the customers indirectly.

Compensation and benefits, incentives and tools and processes are part of this category.

Objective

This investigation analyses the different roles that a sales manager assumes like recruiting, training, motivating, structuring the sales force, and designing territories. The analysis involves
explanation of the different roles that the sales manager performs and the job characteristics that need to stand out for the sales manager to be successful.

**Methodology**

The method of study involves literature review of research done over the years on the topic of sales management. Then with the help of those articles and texts, arguments have been made about how and why each of those characteristics is important for the success of a sales manager and then a conclusion has been drawn about the level of importance of each of those characteristics.

The various aspects of sales management include understanding the importance of personal selling, strategic planning, strategic trends, sales force organization, sales force selection and training, selecting effective combination of motivational tools, amount of supervision needed, purposes of budgeting, sales quotas and effective compensation packages. Of these the ones that have been found and explained to be critical to the sales managers success are recruiting training and good motivational and leadership skills.

The sales force is successful if

- Sales research functions create an understanding of buyer behavior. Correct segmentation, assessment and prioritization of the markets are performed
- Appropriate investment is made in the force that is if the size and structure have been determined correctly, and their deployment is optimal across products and markets
- Salesperson development is planned through powerful programs of recruiting, training, coaching, and career path development
- Sales systems provide data, tools and processes for accurate compensation plans and effective customer selling approaches
A successful sales manager gives appropriate importance, as against a fire fighting approach, to the three functions he performs – the operational areas, tactical efforts and strategic efforts. Operational areas include his day-to-day responsibilities, such as phone calling and filling out reports. These are repetitive and reactive skills that a sales manager uses daily. His tactical efforts that help him plan and manage actions to be taken in a year or less. Completing territory forecasting and filling out employee performance plans are instances of his tactical efforts. His strategic efforts that help him focus on his team in the long run, like the planning or redefining the team’s selling approach.
2. STRUCTURING THE SALES FORCE

The sales force structure decisions influence how customers see the firm. This in turn affects the demands of selling skills and the knowledge required by the salesman, which in turn affects his salary, recruitment consideration, training and the other responsibilities carried out by the sales manager. This is one of the easier responsibilities of a sales manager as enough research has been done on this topic and solutions are almost ready made.

The three broad sales force structures are generalist, market based, and product based.

Generalist Sales force structure: This is a basic sales force structure. Here sales people are assigned to sales territories made of a list of accounts or group of contiguous geographic units. These could be the counties or the zip codes. All the products available with the firm are sold by the sold to all the accounts or prospects available in this territory. This is the most efficient structure. This is the model that generates higher call activity and more face to face selling effort than the other ones. A sales manager usually chooses this model if he feel that all his sales people have at least some threshold level of all facets of selling. According to Ralph W. Jackson, about the only time geographic organization is not used is either when the company serves only one area of a country or when the customer base is very limited. He also explains how only on very rare conditions are sales managers called upon to change this structure, as when the company needs a push for one of its products or when there are different types of customers, when salespeople are not able to provide proper service for each.

Market based sales force structure: The structure that is market based has the most interesting form of heterogeneity and complexity. This involves the sales force's most important asset, customer. The suspects and prospects fall into many market segments each one with its own needs and buying behaviors. Here, within each segment there are many decision makers. Here
the market based selling teams develop their own selling process for the segment they serve, and the organization is highly adaptive to changes in consumer needs. Sales managers generally avoid this structure because of the fact that efficiency is decreased as more than one salesperson covers a geographic area.⁵

Product based sales force structure: The sales manager chooses this mode of structure if the firm has a large, complex and diverse product line. The sales force would be more effective because of the product specialization and expertise of the work force. Sometimes this approach can lead to parochialism in that each product group tends to protect its own turf and travel costs and time for the sales people increase.⁶
3. DESIGNING SALES TERRITORIES THAT INCREASE SALES

Erika Rasmussen in her article “Protecting Your Turf”, talks about how experts recommend that sales managers review their territories at least once a year to see if they need to be realigned. Good territory alignment is important as it enhances customer coverage, increases sales, fosters fair performance evaluation and reward systems, and lowers travel costs.

Sales people have an activity capacity. Customers and prospects have activity and coverage requirements. Allocating the requirements of the customer across the sales force is territory alignment. A successful sales manager must be able to design or alter sales territories depending on a complex set of factors. There are reasons why territory management has to be done efficiently.

1. Workload balance increases sales: A salesperson spends 50 percent in selling – 30 percent (14.1 hours) selling face to face and 20 percent (9.4 hours) selling over the telephone. The rest is spent traveling and waiting (23 percent, 10.8 hours); handling administrative tasks (14 percent, 6.6 hours); and making service calls (13 percent, 6.1 hours). Well designed territories increase sales because total customer coverage is increased. And incremental sales are generated because the sales force sees more good customers. Such a balanced work force keeps every sales man equally busy. By this all the customers receive appropriate coverage. For instance, a sales person who has additional capacity can provide coverage on an account that is currently managed by a salesman that it very busy. A neglected account in a high work load sales territory may turn out to be one of the best accounts in a low workload sales territory. It is likely that salespeople with too much time are seeing unprofitable accounts and salespersons too little time are missing key accounts. Workload balance enhances sales force responsiveness.

2. Realignment can reduce Salesperson travel: Peters and Waterman in their book “In Search of
Excellence” propound that successful organizations are not overly complex and stress structural flexibility. Realignment of sales territories is a form of this structural flexibility that sales managers have to have in determining territories and this reduces travel time. Territory alignments that do not acknowledge roadways and airline routes increase travel time and therefore reduces productivity. Some managers have benefited by the use of telemarketing, and internet selling to reach low potential, remotely located accounts. While these approaches were not as effective as face to face selling, the benefits of reduced travel time more than compensated for the lost sales.

3. Poor Alignment can lead to Low Morale and High Turnover: If smart sales people are placed in territories that have a very low potential, they lose interest as time goes by as the amount of money they make is not high as those of a salesman in a high potential territory where even an average sales man can make huge money. As time goes by the smart sales person loses interest and starts looking for jobs in another company that is ready to give him a better deal. By giving the salesperson the right account with the right structure, the sales manager helps him become an intrapreneur or a mini corporate president, as those salespeople that own those territories.

The following are generally the kind of events that should create a need for the sales manager to realign his sales force.

1. Change in the force size or structure: A good sales territory and call procedure groups customers and prospects in a manner that allows each to be called on as conveniently and economically as possible for maximum effectiveness. A manager who is creating a new sales force, restructuring its sales force, or significantly changing the force size must create a new alignment. Restructuring and upsizing both require reassignments of accounts and prospects. However, downsizing requires more than rearrangement of accounts. Decisions need to be made
about who is to be retained, who is to be asked to relocate, and who is to be asked to leave the company.

2. Mergers and Acquisitions. Mergers and acquisitions, those happen with the different divisions of the company or across different companies, require the integration of the selling sales teams. This integration results in a redesigned selling organization. A change in size or structure creates a need to realign the sales force. These realignments can be very troublesome if the two selling organizations that are merging have disparate cultures, customers, product lines and/or job requirements.

3. Unbalanced Territories. A company that has not realigned in years is not aware of the increased sales opportunity, improved morale, and reduced turnover that a good alignment provides. Improved alignment opportunities are available every year. Hay Group’s Sales Force Effectiveness practice estimated the average 1999 cost per in-person sales call at $164.70.11 Cost per call includes compensation, benefits, and reimbursed travel and entertainment, but no indirect allocated expenses. It represents the cost of putting a salesman on the road. A good indicator for the performance of a company’s territorial alignments could be the comparison with such numbers. This article also goes on to suggest that the cost per call averages $242 for service industries, $202 for industrial manufacturing, $113 for wholesale/distribution, $95 for manufacturing, and $80 for retail. Sales force turnover is typically between 0 and 50 percent, the U.S. average is about 20 percent. On a positive note, this represents a 20 percent opportunity to fine-tune a sales territory alignment. The signal for unbalanced territories comes from customers and salespeople.

Customers are either frustrated that a salesman never calls for a service or that he could be overdoing it. The sales person could feel that he is underpaid when compared to the other
agents or that he has to travel via other people's territories to reach his account. These are the signals that there is imbalance in the territory.

4. Market Shifts. An adaptive selling sales force moves to take advantage of market opportunities. The best territory alignments position company resources where market opportunities are greatest. Hence, geographic market shifts usually require realignments. Since markets and coverage needs change over time, alignments should be modified to meet these needs.

5. Demographic Needs. *Sales and Marketing Management* magazine publishes an annual survey of Buying Power which contains data on population, households, retail sales, and effective buying income (EBI) by region, state, county, and metro markets. Every day, the center of the U.S. population moves a few feet to the west and a few feet to the south. Each year, the population of the western part of the United States is expected to grow by one million people. The Northeast, in comparison, is expected to have limited growth. Demographic shifts also manifest themselves in other ways. For example, in the next fifteen years, the southern part of the country will see an increase of 2.3 percent per year in the population over forty-five years of age. For firms whose end-user market segment is mainly in this age group (e.g., health care and leisure travel), this population increase will have a dramatic impact on the geographic deployment of the sales force. Failure by sales managers to react to demographic shifts like these can result in missed opportunities.

6. New Products. New product launches shift market opportunity and hence requires realignment. New products are a particularly crucial reason to realign.

7. The Need to Shake Things up Occasionally. Finally, it is useful to consider realignment for its own sake. Giving different customers to different sales people, bringing a new salesperson with a
fresh perspective into a territory can have a positive impact. The new salesperson learns the customer's needs afresh and, as a result, may discover ways to increase sales that were overlooked by the old salesperson. Also, a new salesperson can often make a difference with reluctant prospects and can eliminate some of the "no see" accounts. Finally, realignment provides a new challenge for salespeople and extends a salesperson's experience set.


THE FORCES AGAINST CHANGE. There are several reasons why sales managers find it hard to maintain an up-to-date alignment. These factors can be very challenging considering the sales manager is expected to give results even while working on such aspects that do not make an immediate impact on the profits.

1. Realignment Disrupts People's Lives: A national review and design of sales territories may result in the relocation of salespeople. Salespeople do not always welcome relocation. The uprooting leads to new social environment, possibly new schools for children, and a new job for the spouse. Even without a relocation, a realignment requires a salesperson to call on new and unfamiliar customers and prospects. Rapport must be established with the buyers for these accounts. Moving a single account between territories can be seen by one salesperson as losing the best account and by the other salesperson as gaining the worst. Also, territory redesign often leads to new reporting relationships. Those sources of dissonance, for both salespeople and managers, make territory realignments unattractive.

2. Realignment Disrupts Customer Relationships. In many industries, sales people need in-depth
customer knowledge in order to be effective. As a result, management must take great care to ensure that this knowledge is not lost when a realignment takes place. A good relationship transition program addresses this concern.\textsuperscript{13} For example, each customer who is transferred should be introduced to the new sales person by the departing sales person. Together, the sales people coordinate the transition. A compensation plan that rewards smooth transition also helps in maintaining customer-company relationships.

3. Sales Force Compensation Plan Can Discourage Change. The sales force incentive compensation plan influences sales force behavior. This behavior is not always consistent with what is best for the organization as a whole. For example, incentive plans based on sales volume encourage sales people to want more accounts than they can cover efficiently. More accounts mean more opportunities to build sales. In contrast, incentive plans based on market share encourages sales people to want fewer accounts than they could manage. With fewer accounts, a salesperson can penetrate the accounts more deeply and drive out the competition. Finally, growth oriented incentive plans encourage salespeople to want territories with large numbers of accounts with untapped potential.

4. Realignment is Cumbersome and Costly. Manual sales force realignment is time-consuming and unrewarding. In her article “Marking Their Time” Sarah Lorge explains how Aanheuser-Busch had to make smaller territories and hired new reps, just to give their salesmen time to sell, as their customers had started demanding value-added services.\textsuperscript{14} When relocation costs are included, companies often spend from $10,000 to $1,000,000 on realignment. Sales managers are expected to be having an eye on the money they spend while they change territories. That way they will be able to have a control on the bottom line, profits. But some sales managers
might give this as the reason to not do the realignment that the sales force needs. This will affect the productivity badly in the long run.
4. RECRUITING THE BEST SALES PEOPLE

The first opinion that is formed of a ruler’s intelligence is based on the quality of people around him. – Niccolo Machiavelli.

Sales managers from most industries agree that hiring is the most important decision sales manager makes. Ten year polling among the participants in the sales force productivity programs at North Western University’s Kellogg Executive Development Center states that hiring decisions of the sales managers have the greatest impact on sales success. Hiring, training and sales manager are consistently ranked as the three most important factors, with hiring generally regarded as the most important.

The Hiring/Training Tradeoff

Selling organizations such as Procter and Gamble, Johnson and Johnson, Coca-Cola and Xerox mainly hire recent college graduates for their sales positions and train them thoroughly to be successful. These companies view their training programs as a corporate asset that generates a differential competitive advantage. In contrast, some other companies hire only people with sales experience, they expect the new hires to integrate quickly and contribute to the selling effort. When selecting between risky and conservative bets among recruits, sales managers preferred the conservative bet when the outcome would be known immediately, as in the case of experienced new recruits. However, when the outcome of their performance would not be known for several months, sales managers showed greater preference for the riskier bet.15

The labor market had an impact on which of these hiring strategies a manager chooses. In tight labor markets, its typical for managers to seek inexperienced hires. Economic recessions on the other hand, result in corporate downsizing initiatives that force many experienced people in the job market. Thus, managers have an opportunity to hire experienced
people. However, managers rarely lay off their best people, when downsizing, so careful screening of applicants is recommended in this economic environment. Congruence, which is the degree to which an organization’s resources and demands and a sales recruit’s needs and skills are compatible, is critical to the subsequent performance of those recruits.

A survey of members of the National Association of Purchasing Managers, “The Buyer’s Top Ten”, *Sales Manager’s Bulletin*, 1993, gives the traits of the best sales people.

1. Empathy (also called by Greenberg (1983) as the most important quality) 16
2. Knowledge
3. Organization
4. Follow-through
5. Punctuality
6. Energy
7. Promptness
8. Problem Solver
9. Willingness to work hard
10. Honesty

A fundamental question that arises when this list is reviewed is which of these features or characteristics can be developed through training and which are innate. All the above characteristics listed are inherent in the candidate. Only skills and knowledge can be taught. As a sales executive once said “You cannot send a duck to eagle school”.

Every manager wants the members of its sales force to have most of the characteristics listed above. No single individual has all of these characteristics. Hiring and training both contribute to the development of a high performance selling team, but their roles are different.
The role of hiring is to locate individuals with the core characteristics and values that lead to success in sales. The role of training is to give these individuals every opportunity to succeed by providing them with the knowledge and skills that will allow them to meet customer needs.

High performance selling organizations try to get the best possible sales people, experienced or inexperienced. The sales managers then ensure that their new hires are equipped to succeed by providing excellent training. The first line sales manager is critical to this equation, because his or her job includes selecting and building the team. Consequently, he or she is involved in both the hiring and training aspects. The first line sales manager is usually the key decision maker in the hiring decision. Since every sales person will report to, work closely with, and contribute to the success of his or her sales manager, the firm usually hires people who are recommended by the sales managers. Sales managers are also critical participants in the training process. They provide instruction, feedback, evaluation, and coaching.

Hiring Directly Affects Company Results

The money that a company spends in recruiting, training, and paying salary for a recruit is wasted if the individual does not perform or does not like the job and leaves the company. An unsuccessful recruiting effort can result in the hiring of a disproportionate number of sales people who are either average or poor performers. What happens to these new sales people? Some will continue and some will not. In the better outcome, the poor performers will leave, either of their own accord or because of management action. However, when a sales person leaves, the expenses of hiring and training a new employee is incurred again. Furthermore, turnover leads to a sales force that is low on the learning and productivity curves. High turnover results in a company with a perennially inexperienced sales team, vulnerable to customer defection because it is not serving its customers well. High turnover also contributes to low
morale among the salespeople who stay as they may be required to pick up the slack caused by the departure of their colleagues.

The other possibility of course, is that the weaker performers stay. This leads to low customer satisfaction, inferior territory management, and subsequent market share losses to a competitor with a better sales force. Only the best salespeople can adapt and take full advantage of product, market or environmental opportunities. Moreover, weak salespeople absorb company resources at a high rate. They consume management time for coaching, training, and appraising and are inefficient in terms of company travel and expense budgets.

Hiring too many poor performers also damages the morale of the better performers, since the best people like to surround themselves with other successful people. This increases the turnover of good salespeople and contributes to the decline in sales force quality.

The value of the sales lost by a single ineffective salesperson could be as much as $300,000 to several million dollars per year depending upon the industry.18 This opportunity cost is the result of customer mishandling, such as poor needs assessment, inappropriate “solutions” or product recommendations, slow delivery or inadequate service. A good relationship between a customer and a company can disintegrate quickly if the salesperson is below average. Every salesperson affects his or her company’s performance, either positively or negatively. The corollary to this bad news is that good hiring leads to success. Every sales manager should attempt to be as careful and thorough in their recruitment of sales people.

Hiring Directly Affects Sales Managers

Effective first-line sales management is crucial to sales people. A sales manager has many responsibilities, including setting individual goals, coaching, evaluating, leading, motivating, analyzing, deploying resources, hiring, training, resolving conflicts, traveling with salespeople,
researching the market, selling and firing. Everything the sales manager does is easier if good people are hired.

Hiring Affects Culture

New recruits bring their own values to the company. Successful people can become heroes for the company, and the company develops legends from successful ‘war stories’. New hires affect the current culture and create the future culture. Jim Miller, the CEO of BT Miller Systems opines that the best way to retain the company’s culture is by recruiting through referrals from present employees and compensating the employee financially if the new recruit stays for 90 days.19

Processes for Effective Hiring

Successful hiring is easy to describe – identifying the kind of salespeople required, finding people who fit the profile, and attracting them to the company. However, successful hiring is hard to do.

Ad Hoc Interviewing is Unreliable as a Hiring Tool

The process of recruiting and selecting salespeople can be greatly simplified and improved by using quality instruments and well designed processes. Those processes must have Validity – whether the device measures what it is that we want to measure or how well it relates to the requirements of the job; Reliability – consistency or stability of the results, does the device yield similar results with similar people; and Job relatedness – whether the instrument or process is relevant to the job.

Some companies rely mainly on two ad hoc interviews, one with the first-line sales manager and the second with the regional or national sales manager. This hiring process can be improved.
Studies across many job categories show only a 14 percent correlation between interview predictions and job success. Interviewing alone is not a good method of evaluating prospective employees.

Regrettably, many companies believe that interviewing is very effective. A decision made by a single interviewer is about as good as a guess.

Table 1. Selection methods and their validity.

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<td>Age</td>
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In the table, the predictive technique is an assessment tool used to determine whether a person will be successful at a job. The validity is a percentage indicating the correlation between the predictive technique and ultimate job success. A 0 in validity would indicate no predictive power for the technique. Age, for instance, is virtually useless as a predictor of job success. A 1.0 validity would indicate that the predictive technique is completely accurate. This meta analysis is a summary across many jobs and many research studies, and these results are appropriate for sales in particular.

Since hiring is one of the most important management decisions, a process that involves only ad hoc interviews is not sufficient. Tests, in addition to the interviews, can close some of the gap. The best tests examine the behaviors that lead to job success. A firm cannot develop application forms, psychological tests, and other selection tools if it has not first analyzed the job. If the hiring criteria and selection tools are developed through job analysis, misplacement and turnover can be reduced.\(^{20}\)

The best results occur when the recruiter can observe the behaviors important to the job. It is necessary to identify desirable salesperson behaviors before it is possible to test these behaviors. It might seem difficult to test for “success” behaviors during the recruitment process, but recruiters do it all the time. The recruiter notices if the candidate is late for the interview, if the candidate’s resume contains typos and grammatical errors, and if the candidate fails to send a thank-you note. However, these are simply indications of the candidate’s professionalism, and while this is important, a job generally requires more specific abilities. Methods that enable the recruiter to observe the potential recruit’s behavior include temporary job tryouts, simulations, tests, and behavioral interviewing. Referrals, reference checks, and background checks rely on others who may have observed a candidate’s sales
ability. Also, the strength of the relationship between many of the characteristics and performance varies significantly across types of customers and types of products sold.\textsuperscript{21}

**Companies Must Train Their Recruiters Well**

Sales managers have many roles, and time spent on recruiting reduces the amount of time they have available to handle other job functions. Since, hiring is important to the company, it is an activity that the sales manager, often a key recruiter, needs to do efficiently, and effectively. All recruiters must be trained well.

Interviewing skills and testing skills are two areas that often require training. Because of their strong people skills, sales managers are likely to be good ad hoc interviewers, but they probably need training and practice in advanced techniques such as structured and behavioral interviewing.

Large companies may consider using a regional recruiter. A person assigned specifically to recruiting develops expertise in hiring because it is his or her only job. Also, a regional recruiter provides the same quality of recruiting throughout the region and is more objective and effective at screening than the individual sales manager. Using a regional recruiter increases the traveling cost for recruiting but cuts down on the expense of training first-line managers in recruiting. However, while the first-line managers do not have so many interviews when there is a regional recruiter, they still should interview the most promising candidates.

Sales managers, as well as others who recruit, are evaluated and given bonuses based on how well their recruits perform. This is especially effective with district managers. Since district sales managers are usually compensated on the basis of district results, they are indirectly evaluated on their ability to recruit well. The evaluation becomes more
immediate when experienced people are hired, as their effectiveness is more quickly apparent. Success is more difficult to determine for positions that require long training periods.

Companies with a large span of control (many salespeople reporting to one manager) may also benefit from having a specialized regional recruiter. The first-line manager in such cases should make sure he is not spending all of his or her time recruiting.

Ramsey Principle

People tend to hire people with whom they are comfortable. Successful people will not be intimidated by successful job applicants – in fact, they look for people who they think will be successful. If a sales manager wants excellent salespeople, he must have the professionalism to be able to hire a person who he feels can do the sales managers job well.

Managers should avoid ‘Warm Body’ Hiring
Salespeople can always find work selling something. They tend to be both self-directed and confident enough to try something new. For management, this means that dealing with turnover can be a regular event. Vacant territories can create panic – customers are not being served, new accounts are not being opened, the district’s or region’s quota is in jeopardy. Consequently, some managers rush to fill vacancies. This is a mistake. They can rush to hire a star candidate, never should rush to fill position. The habit of hiring someone just to replace the vacant spot with a “warm body” eventually leads to all the salespeople in the district being warm bodies. The short-term problem has been turned into long-term problem - a district full of warm bodies who might just as well be cold and dead for all the sales they are generating.

If the product is selling itself, managers should hire a temporary worker to help with the paperwork, or ask the sales manager to call on the key accounts temporarily. Another way to alleviate the need for ‘warm body’ hiring is for managers to recruit constantly.
Recruiting Constantly

The best time to recruit is **before** you have an opening. – J. Doug Clopton, Regional Manager for Hershey’s chocolate.\(^{22}\)

The time to assuage the empty position panic is before the position becomes empty. An empty position should be filled right away – with an excellent salesperson. Effective sales managers have a list of worthy candidates, so that when a territory becomes vacant, they can check their list, make several calls, and hopefully fill the vacancy quickly. The “time to hire” is too long for many companies, but a good manager cuts it down quickly by being ready to hire from a list in his or her desk drawer.

Candidates list can be made up of employee referrals, candidates who rejected offers in the past, customer’s employees, former employees, employees in other functions, and people met in various social settings. Keeping a list will always come in handy.

In the survey asking managers where they find their best sales people, 47 percent of the respondents indicated that referrals were their best source.\(^{23}\) Companies whose salespeople require a large amount of training before becoming effective should consider a “bench”. The bench would consist of current employees who are in training or serving in staff positions until a vacancy becomes available in the sales force. As territories become available, the bench is utilized. This way, vacant territories are rapidly staffed with trained salespeople.

Not Every Hire Will Be Perfect

Sales reps that are consistently in the lowest 20 percent of the organization may be in the wrong job, a problem which cannot be helped through training. - Dick Canada, Chairman of Dartmouth Group in an interview.\(^{24}\)
Some people who are hired should not have been hired. It is crucial to have evaluating systems that identify successful salespeople and deal with the average or below-average performer quickly and fairly. Effective sales managers develop processes that give everyone a chance to succeed. They give new hires credible and useful feedback, train them, coach them, and ensure those who are good stay. The hiring process is the first step in employee life-cycle management. It is recommended that new hires be evaluated quickly and losses cut fast if the new hires are not working out.

Too Many Sales Managers Think They Hire Well

Too many sales managers do an average job in recruiting because they rely primarily on one or two interviews. They also think their salespeople are better because their sales went up last year. They also give other explanations when sales go down. There are two reasons managers think their hiring process is excellent.

1. They were hired.
2. They are in charge if hiring.

A good hiring process will match people to jobs at which they will succeed, and success goes a long way toward work satisfaction.

Internet is Changing the Way Companies Recruit and Hire

The internet increases the availability of information and decreases search costs. This affects both sales managers and job candidates. Managers can advertise open positions more easily and increase the number of applicants for each position by posting information on their own Website or an internet job board. Candidates can identify available positions and can gain information about the company and the position without interfacing with human resources personnel.

It is unlikely that sales managers will be able to make hiring decisions using the
internet and electronic communication techniques. However, the Internet gives managers an opportunity to allocate their time and efforts more efficiently. Recruiters agree that online recruiting is an efficient way to generate a large applicant pool. While online advertising of job openings has these advantages, many recruiters find that the widespread availability of information and the reduced cost of submitting resumes to multiple employers via the internet leads to a abundance of unqualified candidates in the applicant pool. This means that managers need to spend more money and resources screening the resumes they receive online.
5. TRAINING THE SALES FORCE

Sales training can be defined as a specific program, formal or informal in nature, designed for the sales force’s learning and development in order to achieve the overall, long-run goal of a marketing organization. The purpose of sales training is to make salespeople successful – continuously successful. A good sales manager provides his salespeople with the opportunity to develop the competencies they need if they are to succeed.

A High Performance Selling Team is a Good Team

There is a clear difference between highly trained sales people and those whose training has been deficient, regardless of their level of competence. Successful training has a favorable impact on the customer, the sales force and the company. It is in every firm’s interest to equip its people for success. Regrettably, many firms maintain their equipment better than they develop their people. Despite the reported relationship between sales training and sales productivity, studies report that over one-third of business firms do no sales training and many other firms provide only on-the-job training. People gain self-esteem and provide more value to the firm when they grow professionally and develop competencies that enable them to perform their jobs more efficiently and effectively. They are also less likely for another job when their firm invests in their professional development.

Successful salespeople possess many of the competencies listed here.

Knowledge: Product; Customer; Technology – database, information management, and tools;

Company policy values and Culture

Ability/ Capability: Customer and industry research; Customer and account profitability maximization; Development of best selling process; Quantitative analysis; Problem solving

Skills: Prospecting; Needs Identification; Time and territory management; Listening; Persuasion;
Presentation; Negotiation; Closing; and Account maintenance and expansion

The role of sales managers in training is to provide salespeople with an opportunity to overcome deficiencies wherever they exist. Capability gaps arise when the sales force does not have the knowledge, skills, or capabilities to implement the most appropriate customer attraction and retention process for the company’s marketplace and business model. The ideal customer attraction and retention process, in turn, depends upon responding most appropriately to the company’s selling environment. Selling environments are made up of factors that are both external and internal to the company. Different competitive environments require different selling processes. Insurance is sold differently from pharmaceuticals, which are sold differently from power plants. Similarly, the selling process is usually different for broad and narrow product lines, and for environments that demand account maintenance and those that demand new account development.

**Training for people new to sales**

Sales trainees need to be taught the importance of the role they play in introducing innovations to markets, conveying information to customers, facilitating the consumption of goods and services, serving as a channel of communication between the company and its markets, and most important for a marketing oriented sales organization, solving problems for customers. New salespeople face a capability gap the moment that they join the firm. They have much to learn about their new job. Inexperienced hires have the most to learn. They need to become acquainted with the selling environment facing the firm and with the most effective selling process for each of the firm’s target markets. They have a significant need for training and the firms initial training program can be quite extensive. New hires with prior sales experience usually participate in abbreviated training sessions that focus on company-specific competencies.
and product knowledge. Ongoing training in static selling environments usually consist of new product updates, a presentation of new marketing initiatives and selling skill refreshers. Managers and trainers do not continually reinforce the behaviors which have been covered in the training programs and this lack of skill reinforcement leads to minimal behavioral change by the sales person. So, proper ways of reinforcements by sales managers become necessary for the success of training programs.

Change in the selling environment is a second factor that threatens salespeople’s competencies and can create gaps. There are numerous sources of change in today's environment. They are increased buyer sophistication, more demanding customers, buyer consolidation, deregulation, increased competition, commodification of products and services, mergers and acquisitions, new products, broader and more diversified product lines, technological breakthroughs, internet commerce, selling process redesign.

Each of these can dramatically affect the company’s selling environment, redefines its ideal selling process, and alter the skill and knowledge that the salesperson will need in order to be successful. Each salesperson will need to retool to become more effective and efficient. Effective sales force training in times of change guarantees that the capability gap does not get too wide and ensures that the sales force sustains its success in the new environment.

Several examples can serve to illustrate how training programs have been adapted to overcome capability gaps induced by a dynamic environment. One insurance company had a focused product line that it offered to small businesses. The company was very successful in its niche. However, it decided that it needed to do something different to sustain its historical growth rate, and so it decided to broaden its product line by introducing several new products. The products served a different customer need and were currently offered by other insurance
companies. The company reasoned that customers would like to have all of their insurance needs met by a single insurance company. It also felt that it knew its customers well and had developed strong relationship with them, and so it could be the company of choice. A company sales force visited the targeted small businesses. With the enhanced product portfolio, the selling process had to change significantly. In fact, the company decided to enter into partnership with another insurance company that better understood the underwriting risk associated with the new product offerings. The training program was updated to include product knowledge, revised customer needs assessment, and partnership selling modules.

Sales managers are facing significant challenges as segments of their company’s customers begin to buy over the internet. Here role of the sales force has changed. Salespeople will need to identify customers in the Internet segments and teach them how to order from the company’s Web page.

**Insights to Improve Sales Training**

The firm’s Level of Emphasis on Sales Training Is a Reflection of Its Culture

Xerox corporation which is has one of the finest training programs reports that there is a 87% loss of skills 30 days after the initial instruction.\(^\text{30}\)

Every sales force culture makes a statement about what the sales force values and what it sees as important. Culture that values professional development and individual growth will have effective training initiatives. Sales force that place excessive emphasis on short-term revenue generation may actually discourage salespeople from seeking professional development opportunities. “What is there to learn” and “I lose money everyday that I am not in the field” are comments from the field that are typical of a low-development culture.

Training initiatives designed to remedy capability gaps affect both short-term and
long-term revenues. Short-term revenues decline incrementally because salespeople are not in the field generating revenues. However, during the training, the salespeople are developing capabilities that will make them more effective in the long-run. They are postponing their sales into the future. The challenge is coming up with the right training decisions that will balance short-term revenue losses and short-term training costs with long-term sales force effectiveness. Several conditions may lead to a low-development culture. They include the following:

- Salesperson goal have a heavy financial orientation.
- All performance metrics are stated in terms of sales and/or profits.
- Only experienced salespeople get hired.
- The training budget depends upon company performance.
- Sales managers are the primary trainers, but they also carry a significant individual sales goal.

Selling organizations that are learning organizations take a different approach to training. They usually hold salesperson accountable for his or her own development. However, they act as an enabler. The sales manager in a learning company begins by helping individuals to recognize their capability gaps and then develops individualized programs to overcome these gaps. Specifically, he helps individuals diagnose needs, develop objectives, design learning experiences, find resources, and evaluate learning outcomes. Sales managers in Motorola require each salesperson to attend class for a specific number of hours (e.g., forty) each year. Other managers establish individual learning accounts, consisting of money and time, which are at the discretion of the sales manager for the purpose of developing salespeople. Sales managers should make learning a part of the culture.

**Training is Frequently Viewed as the Easy Fix**
Sales managers constantly face challenges. Some of the more common ones that are heard are

- Sales force turnover is too high.
- The sales force is generating sales, but not profitable sales.
- New business development needs to be improved.
- The sales force is calling on “friends and family” too frequently.
- The market has shifted and the sales force keeps selling in the old way.

Very often sales management looks to training for the solution to these challenges.

Training is the easy remedy when the management thinks that there is a productivity problem. Training is a quick fix. All the company needs to do is find some money and hire trainers – of which there are many.

Training has quick impact. Its influence is quicker than that of other sales force drivers. Seeing the impact of automation, hiring, resizing, and restructuring requires more time. Also, training is less disruptive than other sales force driver changes. Selling roles do not change much, and sales territories are unaffected. Sales managers do not need to accept less important jobs, as they may have to do in a restructuring.

Expanding training is a positive statement. It says that the company cares about its people. Everyone will grow and become better. Training is also the least risky factor for a sales manager to change. No one is being blamed for poor performance. Feelings will be hurt if the real problem is a weak management team. Salespeople may lose money if the real problem is an ineffective incentive compensation plan.

However, training is ephemeral. While it is a quick fix, it is also a quick ‘unfix’. Poor financial performance frequently results in cost cutting measures, and training is often one of the
first areas to be reduced. It is less disruptive to cut a training budget than it is to reduce head count, restructure the sales force, or terminate an automation program.

**Ideas That Can Enhance Any Training Program**

The following ideas can enhance any sales force training program.

1. *Rapid prototyping works*. It is more cost-effective to implement a training program quickly and modify it as wrinkles appear than to wait until the “perfect” program has been developed before launching it. The “perfect” program will take too long to develop, incremental sales will be missed, and the program may be out of date before the sales force sees it.

2. *Individualized training has advantages over group training*. Capability gaps differ across individuals. An individualized program is more effective but less efficient than a group program. The effectiveness gains from individualized instruction frequently exceed the efficiency gains that result from group programs. It is important for sales managers to get fully effective salespeople in the field as quickly as possible.

3. *Active Learning is more effective than passive learning*. People learn more by doing than by listening. Studies confirm that people generally remember 10% of what they read, 20% of what they hear, 30% of what they see, 50% of what they hear and see, 70% of what they say and 90% of what they say as they do a thing.

4. *Training modules that are structures around actual business problems are very effective*. It has often been said that if experience is the best teacher, then a good role-playing session should be the next best teacher. Role playing with problems is interesting. They get people involved. They stimulate learning. They allow salespeople to anticipate what it will be like in the field. Salespeople who have received such training are more effective when they encounter the same or a similar business problem for the first time in actual practice. Many types of skills and
knowledge can be integrated in these training modules. For example, a training module can incorporate both product knowledge and selling skill development. Du Pont High Performance Films uses role playing on a continual basis to practice critical, issue-oriented sales calls just prior to making these calls.\footnote{31}

5. Technology has opened wide possibilities for delivering information based training. Video-tape playback usually allows trainees to spot their own selling weaknesses, rather than their having to be told about them by observers or trainers. Training documents can be accessed from local servers. They are available day or night. They can include text or video. The software customizes the instruction to address each individual’s capability gap. Web-based training should be done by managers for large amounts of sales force training. The results of tests conducted after such training are considered as part of sales people’s performance and merit reviews.\footnote{32}

**The Sales Manager Has a Significant Role in Professional Development.**

Line sales executives that train their own sales forces are in a better position to evaluate each trainee’s ability and performance than administrators who do not participate in the actual training process. This explains how the sales manager has a vital role in the success of the training program and on the performance of a sales person. The sales manager has the following five activities: select the team, build the team, lead the team, manage the team, and reward the team. The manager is an essential participant in building the team. Anyone who has tried to acquire an athletic skill by just reading about it knows that reading alone is not enough. It is the coach who translates knowledge and theory into performance.

The sales manager implements the sales training ideas. Specifically, he or she individualizes the instruction to the specific needs of the participant and also creates an environment for positive action learning. He or she is a coach and a counselor, providing
constructive feedback to facilitate the learning process.

New training initiatives should be pilot-tested with the sales management team first. Salespeople who return from training need to have their newly acquired skills reinforced in the field. A manager who is not in touch with the new concepts and new vocabulary will not be a valuable coach and team builder.

The sales manager has a difficult and important job. Consequently, he or she needs the training as much as or more than the salespeople. Regrettably, most organizations underinvest in the development of their sales managers.
6. MOTIVATING THE SALES FORCE

Motivation is the desire and willingness of a person to expend effort to reach a particular goal or outcome. Individual motivation is a consequence of many forces operating simultaneously in the person and the person’s environment.\textsuperscript{33}

Sales force motivation is the fuel that moves sales-people to act. Motivation is a major factor in a salesperson’s performance.

**Job Characteristics: What Makes the Sales Job Special?**

The sales job interacts with and influences a salesperson’s individual motivators. The types of sales jobs that exist in a company help determine the most effective motivational strategies.

Even though sales positions very depending on the company’s product, markets, and objectives, there are some general principles that apply to most sales jobs. These can be divided into customer, performance and company characteristics.

**Salespeople and the Customer**

Dubinsky et al., working on their ‘organizational socialization model’ came out with the conclusion that sales force socialization significantly impacts performance, job satisfaction and job commitment.\textsuperscript{34} Most salespeople work alone in a customer-centered job. Coworkers are not usually available for debriefing, or celebration after a sales call. Social interaction can be infrequent, and the customer, who makes the purchase decision, often holds the power.

Relationships with customers can be adversarial rather than cooperative, and salespeople face more rejection than people in any other job function. The ability to overcome objections is of no use when a customer won’t even talk to a salesperson. These difficulties make it tempting for salespeople to call on easy customers – friends and family. Perceptions of role conflict tend to have a significant negative impact on a salesperson’s satisfaction with role partners.\textsuperscript{35} Thus it is
incumbent on the sales manager to make his sales agents be able to socialize with people in such a way that they feel free to express themselves. This in-turn helps in reducing the pressure.

Salespeople and the Company

Sales managers should understand the importance of developing “cadres” – a nucleus of trained people capable of socializing new sales people, instead of “hired hands” – or individuals whose stake hold in the sales organization is minimal. Salespeople are empowered, they usually control their time and activity. However, while they serve as a primary point of customer contact, they are not in control of every part of the interaction between the company and the customer. Conflicts can occur with marketing, advertising, customer service, delivery or billing. Salespeople are responsible only for their efforts, but they are accountable for the company’s efforts.

The company often provides training in selling skills, product knowledge, and time and territory management, which is important to the salesperson. Lack of knowledge in any of these areas can significantly affect performance. Training is especially important for inexperienced employees. Increased requirements within the sales role tend to result in feelings that they are receiving inadequate support from their company and supervisor. Thus the sales manager becomes responsible for the training needed to keep the motivation of his sales people high.

Turnover in sales job can be high, depending on the economy, the job market, and the company performance. Selling skills are valuable to many organizations, so changing jobs can be easy. Sales forces are frequently perceived as a cost item by top management, so sales force layoffs can occur when the company is not achieving its financial objectives.

Salespeople and Performance

Selling can be a high-risk job. Frequently, success runs in hot and cold streaks. There are high
and low points and success is not always dependent on the salesperson’s actions. The product, customer service, team selling, and territory alignment all affect the effectiveness of the sales force. The variability implicit in selling puts more stress in salesperson’s egos.

Typically, success is easily measured by actual sales. There is no hiding from good or poor performance. Salespeople usually know when they are performing well and when they are not. Poor performers may be new people, or they may be long-time salespeople who have plateaued or become stale. Compensation is often tied directly to results via bonuses and commissions, so performance variability means pay variability.

Competitive people who like to win are attracted to the sales job because it is a job that can provide significant ego gratification. Even though success is uncertain, individual efforts clearly pay off.

**What Programs Motivate Salespeople**

Sales managers have had to develop their own approaches to motivating the sales force, based on a mixture of intuition, folklore, industrial traditions, managerial role models and their own experiences.\(^{37}\)

Innate motivators and the peculiarities of the sales job contribute sales force motivation. The third variable in the motivation mix is the programs that management uses for motivation. Management influences motivation both directly and indirectly. All of the sales force productivity drivers influence motivation to some degree. But the ones that affect it most directly are discussed here. Because individual personalities vary, the real challenge of motivation is to set up systems that address all or nearly all of the various personal needs residing in the sales force.

**Managerial Programs that Most Directly Affect Sales force Motivation**
Sales Territory Design and Sales Support

A typical salesperson spends only about one-third of the time in front of the customer. Anything the sales manager could do by way if correct structuring of territories so that the salesperson can spend more time with the customer means an increase in sales. Salespeople will excel in a well-directed organization that is economically sound. Motivation is high when the sales force knows that it offers the best products and services and that it is well supported. An ideal environment for a motivated sales force can include many kinds of support. Marketing provides appropriate materials that enhance the sales force’s ability to add value for the customer. Customer service ensures that all customer inquiries are responded to quickly, delivery is timely, and billing is correct. Sales administration sets appropriate goals and tracks sales accurately. The lead generation system provides good leads.

- Use territory potential measures to ensure fairness
- Give rewards for the success of a group, such as a district or region, so that more people feel the sense of achievement

Successful perks such as special treatment, titles and training are also useful recognition programs. Promotions to new positions are a form of recognition and can help salespeople feel accomplished. Occasionally, powerful recognition can be inexpensive. Abbot laboratories puts a star on the business cards of its top sales performers. This company also sends its star salespeople to one-week course entitled “Strategic Sales and Marketing in the Healthcare Industry of the Future” at a prestigious business school. Carefully selected benefits can boost the ego or increase social affiliation. For example, membership in a special club, such as the President’s Club, is a flattering prize and a chance to socialize at the same time.

Coaching and Supervision
One-on-one interaction with the manager is crucial for motivation. Managerial attention provides recognition and may also put fear into a lagging performer. Managers provide social affiliation and can act like an ally. In addition, managers can provide coaching, which helps improve ability and performance. Performance evaluation is important for feedback and motivation.

Managers must maintain a fine balance between criticism and reassurance. Too much anxiety is bad for performance, especially in difficult jobs; however, straightforward jobs are done better when the salesperson is energetic and excited. The manager must remember that the same job can terribly taxing for a new salesperson and simple for an experienced hand. The new salesperson needs calming and coaching, and the competent performer needs a little more encouragement. Too much attention can be perceived as micromanaging and can threaten the salesperson’s autonomy. There is a motivational cost in selling environments where the salesperson’s message needs to be carefully controlled by management.

Managers rely strongly on good interpersonal skills in motivating their salespeople. Here, it is especially important to understand what drives the individual. Yelling and backslapping work for some people, while others need only subtle reminders. Good managers create a sense of urgency. They give salespeople credit for success in front of other people and let other salespeople tell them they are doing well. Often the best manager is the one that the salespeople like best, tough and fair.

Communication

Sales meetings and newsletters are a medium for communicating success. They are an integral part of recognition programs, and they encourage healthy ego and achievements motivations. They also foster connection to the company and to other salespeople in the company. When these programs are used frivolously, they can be shallow, “rah-rah” motivators rather than appealing to
deep motivations. A serious, professional look and feel for the communications programs provides the best motivation.

**Culture**

Culture is reflected in norms, values and work style. Most salespeople find it motivating if the work culture is consistent with the salespeople’s beliefs, values, and attitudes. This encourages a sense of belonging and an understanding of the company mission. Good cultures embody the positive aspects of the innate motivators.

**Other Company Factors**

Nonsales areas often affect sales force motivation. Salespeople are more successful if all areas of the company are focused on customer service. Good products, good service, and good value all energize the people who sell the offering. Its tough to feel like a sales winner if the product is bad or if the good customer service is lacking. Difficulties with non sales functions can be improved if salespeople have a process for venting frustrations and a way to provide information about products and customers to other parts of the company.

**Key Insights for Better Sales Force Motivation**

**Smart sales managers provide something for everyone**

Even in the most carefully selected force in a company with a strong culture and uniform policies, salespeople differ. Their natural makeup varies, and their desires and motivators change as they age and as their career matures. In order to keep the entire sales force motivated, management must have a varied program that covers all five motivators: achievement, social affiliation, power, ego gratification, and survival. Neglecting any motivator means that some salespeople are not fully engaged. The motivation program must have something for everyone.

**Managers Avoid Conflicts in Programs**
For maximum effect, motivational programs need to be consistent. Motivation suffers when go-getters are hired for a salaried position. Managers will be unhappy if they have too much selling responsibility when coaching is their most important job function. Training and hiring programs need to dovetail so that new salespeople are not thrust into a job with insufficient preparation. Motivational policy needs to be aligned in a logical, commonsense way.

**Managers should be able spot talent and lack of it**

What appears to be a motivational problem (a “wont do”) may in fact be a competency problem (a “can’t do”). Most people won’t want to do activities that they can’t do. This is why appropriate training and hiring are essential for motivation. Properly prepared salespeople expect their efforts to pay off. They remain motivated even in difficult selling situations.

**Avoid Unfairness**

Unfair territories, compensation plans, quotas, contests, and managers are a roadblock to motivation. Unfair conditions strike at the ego, power, and achievement motivators. It is hard to feel special if you have been cheated. It is difficult to be empowered if you do not get a fair shake. Only the strongest achievers can shake off biased conditions and do their best.
7. CONCLUSIONS AND RECOMMENDATIONS FOR FUTURE STUDY

The proper structuring of the sales force, designing of sales territories, recruiting the best talent, and training and motivation to the ones selected are the most important characteristics for being a successful sales manager. The structuring of the sales force determined by the kind of demand for the products sold, determines if all the sales people in the workforce will sell the same set of products or different ones. The structure that is based on contiguous zip-codes has been found to be the best where all the sales people are trained in selling all the products that the firm sells.

The proper design of sales territories based on the kind of travel needed by the sales person is critical to the sales person’s morale. Not only is it necessary to have a correct workload balance with respect to travel and sales call, it is also necessary for the sales manager to make sure that the sales people get a fair share with regards to the sales potential in their demarcated territory. Recruiting must be done in such a way that the candidate goes through a series of well designed steps that would clearly help the sales manager recognize the strength and weakness of the aspirant. Warm body hiring is to be avoided at all cost. A sales manager’s approach to training must be different to different groups of sales people. If they are new recruits they need hands-on training that is more on an individual basis. Group training is less effective than individual training. Motivational attempts by sales managers must make sure that there is something for all the sections of performers in his/ her staff.

Among all the characteristics of successful sales managers, the one that clearly stands out to be the most important is recruiting. Even a bad plan can be made successful if talented people are hired. That is one of the reasons why sales managers have to spend most of their time recruiting, the way sales people have to spend most of their time prospecting. After recruitment comes training and motivation. Many sales people fail or lose interest in their job because they
do not get proper training. Training in sales systems and coaching for the development of skills to close deals are important to keep the hires from looking for other companies or other professions. Managing each sales person differently and treating everyone fairly is the key to the next important characteristic – the ability to motivate sales people and keeping their motivation level high. The other characteristics - alignment of territories, structuring of the sales force, and design of compensation structures - follow the three important ones that the sales manager needs to possess.

Future research on the characteristics of successful sales managers can be focused on their abilities to handle people of different cultures, nationalities and races. The goal of diversity is not to focus on differences among salespeople or even to combat discrimination, laudable as that goal might be, but rather to establish a sales force environment that will make it possible to take advantage of each individual’s particular strengths as he or she contributes to achieving the organizational selling goals. Sales managers need to be able to help people from diverse groups to be able to integrate them with the organization. Such groups of people fit, or fail to fit. These differences between these outgroup and the typical sales group can also be their education levels (no degree versus B.A. versus M.B.A. or business versus non-business degrees). It becomes the duty of the sales manager to make sure that these outgroups gel with the traditional groups in the organization.
8. REFERENCES


