LEARN FROM THE PROS: Managing A Sales Force And Operating A Small Distributorship

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About Your Business

• Who am I?

• Who are you?

• How long have you been in the industry?
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Who’s Minding the Store?

How Many Hats Do you Wear?

• Manage the Company
• Top Sales Producer
• Family
• What do you want to do?
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Let’s Talk Strategy at 20,000 Feet

• Business Plan?
• Goals – 3 years? 5 years?
  – Size of Company
  – Number of Employees
  – Size of Sales Force/Number and Size of Accounts
  – Office or Home
  – Technology in the Cloud
  – Paperless Work Environment
  – Webstores
  – Graphic or Fulfillment Services
• What are the Costs Associated with Your Plans and Goals
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A Quick Recipe for Disaster

• Recognize that you cannot do it all....AND do it well

• Failure to Manage Cash can be Your Business Demise

• Adding Expenses without Cost/Benefit Analysis

• Failure to Provide Leadership
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Build The Winning Team

• Hire Smart

• Engage Your Employees

• Don’t Wait Too Long to Make Changes
Cash Is King

- Establish Good Banking Relationship
- Pay Bills On Time
- Analyze All Expenses .... Before and After
- Establish Good Vendor Relationships
- Collect Receivables on Time – Don’t Apologize
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Your Role as The Leader

- Set Clear Goals
- Establish Policies and Procedures
- Embrace Technology
- No Micro Managing!!
- Be Consistent and Fair
- Be Agile and Flexible
- Establish Contingency Plans
At The End of The Day........

• Commit to Volunteering
• Network and Cultivate Industry Relationships
• Develop an Exit Strategy
• Balance Life/Work
  – “Don’t Confuse Having a Career with Having a Life”...Hillary Rodham Clinton
When Should I Hire a New Sales Representative?

- You have achieved a level of success and experience within the promotional products industry
  - You need to know what it takes

- You have a set plan on how to train and manage a new sales representative
  - You must have a written plan or don’t do it!

- You have the capital reserves to hire a new sales representative
  - A new sales representative is a major investment
Who Should I Hire?
(What to Look For in A Sales Representative)

- **Characteristics**
  - Hungry
  - Competitive *Most Important
  - Thick Skin (Can Deal with a Lot of Rejection)

- **Types of Sales Representatives**
  - Elephant Hunters - Big Deals (Not a Lot of Deals)
  - Grinders - Lots of Deals
  - Grinders/Elephant Hunters - Combination

- **What Fields should I be looking at?**
  - Teachers, Telecommunications, Office Equipment and Telemarketers
Hiring: The Most Important (and Difficult) Part of Being A Sales Manager

• Where Do I Find A Sales Representative?
  - Reference from a Supplier
  - Online/Newspaper Ads
  - Friends/Relatives (Where I Have Found the most)

• Interview Process
  - 1st-Phone, 2nd-In Person, 3rd-In Person/Take on Call and 4th-Final in Person

YOU REALLY NEVER KNOW WHAT YOU HAVE UNTIL 30-45 DAYS
(Sometimes Shorter!)
How Should I Pay My Sales Representative?

- **Independent Contractor/Sub S Company**
  - Commission Splits - 50/50, 45/55, 40/60, Etc....
  - No Benefits or Expenses

- **Company Employee**
  - Salary, Benefits, Commission and Expenses - All Negotiable
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Are You Making Your Sales Representative Ready and Able to “WIN”

TRAINING—Absolute Key to Making Your Sales Representative Successful
- **Teach Industry** - Products, Price Codes, Decoration Methods, Etc...
- **Scripts/Roll Playing** - Prospecting, Presentations, Telemarketing, Handling Objections, Closing, Etc...
- **Take On Calls** - Take Sales Rep on your calls and you on their calls.

**Training Never Ends** - The Day A Sales Professional Thinks They Know Everything is the Beginning of the End

**TRAIN, TRAIN, TRAIN** - **GIVE YOUR SALES REPRESENTATIVES THE TOOLS TO SUCCEED!**
Goal Setting: Does Your Sales Representative See a Light at The End of The Tunnel?

Types of Goals
- **Sales Quotas and/or Commissions** - Quota is the Minimum not a Goal
- **Activity Goals** - # of Calls, # of Meetings, Etc...
- **Personal Goals** - Exercise, Charity, Family, Etc...

Goals must be challenging but achievable (If goal is not achievable then a Sales Representative can be easily discouraged)

Be Ready to Adjust Goals - After 1st Quarter, 6 Months, Etc....

Goals Must Be Written Down - If Goals are not written down, they will not be achieved

GOALS ARE AN ABSOLUTE NECESSITY TO ANY SUCCESSFUL SALES FORCE
Achieving Goals: Getting your Sales Representative to The Finish Line

Different Types of Sales Representatives call for Different Types of Managing

- **TYPES OF SALES REPRESENTATIVE**
  - **Highly Competitive/Overachiever** - Keep Challenging and Get them to “Think Big”
  - **Stressed Out** - Keep Pumped up and Focus on the Positives
  - **Laid Back/Underachiever** - Micro Manage and Keep Tabs on Them (Call Sheet, Activity Reports)

**Micro Managing** - When to Lay off and When to Stay on (Tough to Gauge)
“A Little Healthy Competition Never Hurt Anyone”

Most Sales Professionals are Competitive. (That’s why they are in Sales!)

Types of Competition
- Post Sales Reps #’s Publicly-Sales or Commission sheets
- Sales Contest-Make achievable and maybe multiple winners
- Incentives, Bonuses and other Rewards-Mini Contests

IF YOU DON’T THINK YOUR SALES REPS ARE COMPETITIVE, YOU’RE WRONG. SOME JUST DON’T OPENLY SHOW IT
How Do You Jump Start That Dead Engine?

• There will be tough times-You must motivate!

• **Stress Activity**-Make more calls, go prospecting
  “Activity Breeds Activity”- Make something happen

• **Call Good Clients**-Always nice to hear a friendly voice and it just may be what gets the positive flow going

• **Work Together**-Go Prospecting or make phone calls together. Let the Sales Rep know you support them and you’re in this together

Let your Sales Representative know that you’ve been through tough times and have worked through it
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If You Want Winners, Act Like One!

LEAD BY EXAMPLE

- Professionalism
  How You Dress
  How You Speak to People

- Work Ethic
  If You Go Hard, Then Your Sales Representative Will Go Hard (Hopefully)

- Positive Attitude

- Keep Emotions in Check
  Not Too High, Not Too Low

If you are a selling manager, it is key to let them know that you are in the trenches just like them
The “Not” So Fun Stuff of Managing-Discipline and Termination

- **Grounds for Disciplinary Action**
  - Stealing, Unprofessional Behavior, Dishonesty and just generally hurting the company

- **Discipline**-Warnings and/or probation

- **Termination**-If strong enough infraction

Think long and hard before firing a Sales Representative
- Need to have all Legal Grounds covered
- It is much easier to keep someone than to find someone new
The “DON’Ts” of Managing a Sales Representative

- **The Fine Line Between Managing and Micro Managing** - Give people some slack

- **Expecting People to Work Like You** - Sales Representatives must be managed to their specific level and personality

- **Sales Representatives are Human Beings, Not Robots** - They are people that have lives outside of work.

**SALES BALANCE** - Work Hard, Play Hard
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SUMMARY

• Give your Sales Representatives The Tools to Succeed-Train Them Well

• Set Achievable Goals

• Learn What Makes Each of Your Sales Representatives Tick-How Best to Achieve Goals

• Lead by Example