



FIRE

YOUR SALESPEOPLE

A story for sales managers, by Claudinei Franzini, marketing director for Mundo Cristão (www.mundocristao.com.br) in São Paulo, Brazil.

It has been six months since the last salesperson was “invited” to leave the publishing house. In the past, the horror of being deprived of their most versatile salesman had managers grabbing for their sleeping pills.

To keep its sales force motivated, the company was more than generous, paying bonuses to those who reached their individual goals and offering free courses, training and college scholarships—just a few of many benefits unheard of elsewhere. Even so, tired of feeling underrated by their superiors, all the other salespeople had quit. How could Superstar Salesguy get special treatment when the whole team worked so hard?

Well, Superstar Salesguy was bold, driven, even aggressive. It was rumored he even called a customer at home one evening, just to close a deal that would help him reach the monthly goal set by management. The mere thought of losing him had everyone in the office on edge for days, but things just could not go on as they were.

The company president brought up the subject in a conversation with Mr. Brightman, a friend who dropped by for a visit at the publishing house. After a few minutes of listening to the president’s story,

Mr. Brightman remarked:

“Get rid of your salespeople.”

Though the idea sounded preposterous at first, soon it became clear. Mr. Brightman’s advice was to avoid having Superstar Salesguy on the team.

“He might seem like the answer to the company’s problems now,” said Brightman, “but he’s trouble in the long run. He’s the kind of guy who demands full-time attention and a high salary. He hates to be contradicted. Superstar works only with top customers, yet he treats them like numbers. And, given a little autonomy, Superstar Salesguy offers unauthorized discounts that jeopardize the company’s bottom-line. He’s a lean, mean selling machine.”

“But our company needs this guy, and more just like him,” argued the president. “We have to fight to stay in this competitive market. Superstar accounts for 70 percent of the company’s total sales!” The company relied more on him than on its sales strategies or market demand.

Brightman replied, **“A publishing house needs sales consultants,”** and proceeded to show why.

1) Sales consultants want to be part of the team and work for the common good. They do not suffer

from delusions of grandeur. Their priority is not the paycheck, but rather getting the best deal for the company.

2) Sales consultants see customers as partners. They want to help customers by offering them what their stores really need—instead of pushing products that will end up being returned in the near future. They offer high quality service to keep customers satisfied. They build healthy, long-term business relationships. Sales consultants stand up for their customers before the company, and stand up for the company before their customers.

After listening attentively to his friend, the president asked how many sales consultants the publishing company would need to reach its customers.

“First you must **define your customer service strategy,**” answered his friend. “If your strategy focuses on customer types, define what kind of relationship you wish the company to develop with each client. Obviously, larger accounts should get more attention. For example, if 80 percent of the company’s sales come from 20 percent of its customers, those accounts should receive special treatment. This could mean two phone calls and a visit from the consultant each

month, merchandising support, top priority in special promotions, and much more.

"On the other hand," Brightman continued, "if you choose to work with territories, those 20 percent of the customers responsible for the largest orders will be serviced by several consultants instead of only one, as is the case right now. Your company could have a few sales consultants with 60 to 70 large and small customers each. A territory-based strategy allows for a better accommodation to customers' needs, more thorough knowledge of regional events, trends and a greater affinity with a particular market."

Encouraged by the possibility of change in the sales system, the president decided to call the marketing manager and the financial director to join in the conversation.

After a brief overview of the talk, the marketing manager responded.

"It's easy to motivate Superstar by setting goals and bonuses. But, how can you motivate sales consultants?"

"Sales consultants feel motivated when they are treated like people and not like numbers," said Brightman. "Invite them to participate in putting together a sales plan. Ask them to suggest goals, specific actions, advertisement strategies. Encourage them to show interest in customers through visits, mail or small gifts.

"When sales consultants are more involved in the everyday process of generating income for the company," he added, "they are motivated by being part of a team."

"I don't know," said the financial director. "I don't think that's enough."

"No, he's onto something," said the president. "Shared values, a common mission and vision are important."

"That's right," said Brightman. "Give sales consultants a vision of all they can accomplish. Show them that they play a part in their future in the company. If they suc-

ceed in their job, the company will grow and so will they. The future of each of your sales consultants depends to a large extent on their ability to develop their activities.

However, you should also keep them informed of the status of the sector and the economy and grant them access to all the sales reports available.

"Also," he added, "meet periodically with your sales consultants to discuss their problems and offer practical solutions. Encourage creativity. Give your sales consultants freedom of action, provided they stay within company regulations. Pray together about the challenges involved in developing their work. Pray for each other."

"But what about their remuneration," said the financial manager, "should we offer commissions only, a fixed salary, or a combo?"

"Pay sales consultants a fixed salary and a percentage-based commission," said the visitor. "With a fixed salary you will guarantee they will pursue the company's interests as well as the customers'. They have a pay check at the end of the month, even if sales are not as high as expected. But don't let them get too comfortable. Establish a small percentage of commission in case they reach the goals they helped set. This will be a great incentive, but not a major issue in their work."

The marketing manager was excited by the suggestions from the president's friend, but still had doubts.

"What is the best way of hiring sales consultants?" he asked.

"Hire them as company employees and not as independent agents," suggested Brightman. "That way you define the relationship. In other words, you tell them that all their creative efforts, energy and potential for generating business should be focused on your company. This will also help them share the internal motivation of the team, a very significant element

of success. As independent agents, they might lose sight of their role in the organization and the enthusiasm and motivation that come with the feeling of belonging to a team."

It's been a few months since all this took place. Radical changes are evident in the publishing house's performance. Last month's report showed a considerable growth in sales; the customer satisfaction index indicates an increase of trust in the company and a decrease in complaints. Product return rates were the lowest in the last four months.

Just yesterday, the marketing manager met with the consultants. He shared the good news with his team, and thanked them for their effort in working towards customer satisfaction and increasing the distribution channels.

In the last report sent to the publishing house's board of directors, the president of the company was happy to conclude: "Nothing in life produces more flexibility than adversity and failure."❖



Claudinei Franzini led the September 2003 Letra Viva consultation in Guatemala.