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## The Four Critical Roles of a Sales Manager

Responding to a survey question “*What business discipline would you like to learn more about?*” the number one response of business people was Sales Management. The respondents were the usual mix of upper and lower managers in large and small companies representing most corporate functions.

Why the interest in sales management? Part of the answer is that some of the respondents are sales managers who want to become more effective, while others see sales management as part of their career path. Many of the general management group wanted to learn how to lead and manage sales managers.

A quick search on Amazon yields over 75,000 titles confirming there is a lot of interest in learning how to be a better sales manager.

### **The Four Critical Roles of a Sales Manager**

Sales manager are faced with some unique challenges. First of all, the type of people they manage. Sales people are by nature outgoing, socially driven egocentrics. These characteristics translate into employees that are individualists who are most concerned with their own personal production. In today’ business environment where building “teams” is all the rage, the salesman is perhaps the most difficult convert. Second, the sales manager is often half-field based and half-corporate, resulting in a less than complete exposure to overall corporate functions.

What exactly is the role of a sales manager in today’s business environment? While the answer varies by industry, here are four roles of sales managers in almost all businesses:

- ✓ Deliver expected results on time and on budget.
- ✓ Represent the needs of the sales department back to the company.
- ✓ Identify and solve problems.



- ✓ Train and develop personnel.

Let's review each of these in more detail.

### Deliver Expected Results

The ability to meet commitments in any organization is important, and that is especially true for the sales manager.

Here are just a few of the areas where a sales manager is expected to deliver results:

- To the company, sales managers are responsible for delivering volume, at specific prices (or profit levels), on certain timing, and they are responsible for the reports that general management uses to make decisions.
- To their employees, sales managers are responsible for delivering needed training and development, support with customers, and accurate, timely information with which to sell.
- To the customers, sales managers are responsible for delivering fair and equitable offers across all customers, and insuring the sales force deals with them in good faith.

We all know how the world feels about sales people. They will say or do almost anything to make a sale. There is the stereotype of the car salesman in a loud plaid sport coat who would sell his mother an overpriced lemon without a twinge of conscience. Like it or not, the world just doesn't trust sales people and therefore their managers. It is simply a lack of credibility; too many sales people have fallen short of expectations with too many buyers to expect anything else. This basic mistrust makes it all the more important to be a sales manager with integrity.

Integrity for a sales manager begins with meeting the commitments made to the company, your employees, and most importantly, to your customers. But things don't always go as planned. There will be times when commitments cannot be met, and that is when it is important to step forward with honesty.

### Represent the Sales Department

The sales manager supplies a critical communication link between the field sales organization and the corporate sales office. Like a filter, the sales manager controls what goes up the organization and what goes down. This role is especially important in large, multilayered organizations.

The reason is more management layers result in more information sent to and requested from sales. It is not unusual for manufacturing, product supply, marketing, and even finance departments to want input from sales.



In smaller organization these departments may see sales people as a matter of course, but in the large organizations spread out across the U.S. or the world, that rarely happens. The sales manager ends up acting as a filter for requests for information – otherwise the sales force will spend most of their time filling out reports instead of selling.

The sales manager also controls field visits. Headquarter people often want live sales input. While this is valuable, it can become a productivity problem for the sales force. The sales manager needs to control the number of visits, make sure there is a real need for live contact, that the right people are involved, and that the timing is not disruptive to the sales force.

I know of a case where the finance department of a large corporation sent a team of their clerks into the field to straighten out some discrepancies with the sales force. It was important work because of the cash flow implications. Unfortunately, it was right in the middle of a very important product introduction. The meeting with dozens of field sales people lasted several days and resulted in minimal gains in cash flow. A worthwhile project, but it should have been postponed until after the product introduction.

The sales manager also filters information from field sales directed back to corporate. Sales people are not a bashful lot. They have a lot of ideas for products, promotions, etc. They are the closest link to the customer, so they are in tune with the market. From all these ideas are some real gems that will increase efficiency, reduce costs, lead to significant product improvements, or even whole new lines of products. As this information filters up to the sales manager, he or she provides additional perspective and should support ideas that are worth a trial.

### Identify and Solve Problems

The ability to identify and solve problem is a skill required of any successful manager. While there are many potential problem areas that would involve the sales manager, here are a few of the most common:

- Problems from corporate; issues with sales volume, budgets, or manufacturing capacity.
- Problems from field sales; personnel, product availability, product not meeting specifications, or competitive problems like pricing, product lineup, etc.
- Problems from customers; issues of product not meeting order specifications, not delivered on time, or priced incorrectly.

Knowing where the problems come from is just the beginning. The real skill is projecting what problems are likely to arise in the future, and create solutions ahead of time.



Figuring out where the problems are likely to come from requires experience and close contact with field sales and customers. A sales manager who can project their thinking several months to one or two years forward will have a distinct advantage in this area.

Even if you have the ability to project problems well in advance, it means little unless you can also find ways to solve them.

### Train and Develop Personnel

Perhaps the most important role of a sales manager is to train and develop personnel. Like parents raising children, training and developing good employees is the legacy we leave behind long after we are gone. In the case of a corporation, the legacy of well-trained employees is what insures the future success of the company. Richard Deupree (retired chairman of Procter & Gamble) once said, *“If you leave us our money, our buildings, and our brands but take away our people, the company will fail. But if you take away our money, our buildings, and our brands, but leave us all of our people, we can rebuild the whole thing in a decade.”*

As Baby Boomers retire there is a projected global shortage of skilled workers. Business will be competing like never before for the best and brightest people. The ability to train and develop employees will be a distinct competitive advantage. Employers will be faced with basic and ongoing skills training as well as the more advanced training that will prepare individuals for assuming additional responsibilities.

## Getting Started

Now that we’ve reviewed the role of a sales manager, let’s look at how to increase your SMEQ (*Sales Management Effectiveness Quotient*). Here are five steps you can take to become a more effective sales manager:

### Time Management

The ability to manage one’s time wisely was once a desired skill. Now it is an absolute necessity. If you haven’t mastered it yet, learn to be a “one time to conclusion” handler of issues. For every piece of paper you get, for every electronic message over the computer, and for every voice mail you receive, make it a habit to handle it once to conclusion. If an issue simply can’t be handled to conclusion, at least make some progress. Don’t let things pile up in a corner of your desk under a file “To Do.”

### Personnel

The subject of personnel can be divided into two pieces: recruiting, and training and development.

Hire the best people you can afford. It is cheaper in the long run. A Fortune 500 company says they spend an average of \$10,000 to recruit and hire a single individual. That’s a lot of money,



but it's nothing compared to the cost of training someone for a year before you discover they aren't cut out for the job.

Once you've found the best employees, give them the best initial training, and the most ongoing training you can. Training is not only an investment in the individual, it is an investment in the success of your company. Well trained, skilled employees are a competitive advantage. Make your employees the best.

### Integrity/Credibility

I recently attended an industry panel where a number of buyers expressed their dreams for a perfect sales manager. Without exception, the number one characteristic desired by the panelists was a manager with integrity. Their desire was expressed in remarkably simple terms: "...we want someone who will be fair and honest, someone who will do what they say when they say, and will always let us know upfront if there are problems." It doesn't seem like much to ask for, but it is what they wanted most and what they saw the least in the people they dealt with.

### Future Forecasting

Get all alone on a quiet day, close your eyes, and imagine what your industry might be like five years from now, ten years from now, and 20 years from now. Now, think about how your business can be successful in the industry of the future. If you want to be successful, you'll need to design your business to be successful in the future.

### Leadership Style

There is no one leadership style that is "right." But certain styles work best in certain situations and with certain people. Any sales manager who expects to succeed in the future will learn how to adapt his or her management style to best fit the person and the situation.

## One Final Thought

Psalm 37 provides some excellent advice for us as we face the daily challenge of being good employees, spouses, and parents: "*Delight yourself in the Lord and he will give you the desires of your heart. Commit your way to the Lord; trust in him and he will do this. Be still before the Lord and wait patiently for him; do not fret when men succeed in their ways, when they carry out their wicked schemes. But the meek will inherit the land and enjoy great peace.*" (Psalms 37:4, 5, 7, 11 NIV).

Delight in what the Lord brings into your life. All things work together for good for those who love the Lord. Remember that God is in control, not you. Commit your life, including your work, to Him. If you will wait on the Lord and trust in him, you will have peace in your heart and less stress in your life.



Finally, stay focused on the Lord. Through all the trials and tribulations of life, do not be tempted to cut corners or compromise your integrity. Do not be envious of deceitful men who prosper, they will all reap what they have sown.

## Words to Ponder

### Courage

*“Be strong and courageous. Do not be afraid or terrified because of them, for the LORD your God goes with you; he will never leave you nor forsake you.” (Deut. 31:6, NIV)*

*“The greatest test of courage on earth is to bear defeat without losing heart.” Robert Green Ingersoll*

### Tact

*“An offended brother is more unyielding than a fortified city, and disputes are like the barred gates of a citadel.” (Prov. 18:19, NIV)*

### Wisdom

*“It is better to heed a wise man’s rebuke than to listen to the song of fools.” (ECCL. 7:5, NIV)*

*“Wisdom is oftentimes nearer when we stoop than when we soar.” William Wordsworth*

### Strength

*“But as for you, be strong and do not give up, for your work will be rewarded.” (2 Chron. 15:7, NIV)*

### Determination

*“Not only so, but we also rejoice in our sufferings, because we know that suffering produces perseverance; perseverance, character; and character, hope. And hope does not disappoint us, because God has poured out his love into our hearts by the Holy Spirit, whom he has given us.” (Rom. 5:3-5, NIV)*



# Cases in Real Life

## Background

Sales managers get transferred to new divisions rather frequently. Whether it is your first assignment as a sales manager or your tenth, in every case you will face the moment when you meet the troops for the first time. Some of them will be eager, looking forward to the change in leadership. Some will be cautious, not wanting to get too excited about your arrival. And some will be wondering why in the world management picked you!

The challenge is, “How do you begin to assemble this diverse group of egomaniacs (salesman) into a cohesive unit?”

## Situation

Bob is a 24-year-old hot shot who began his career with XYZ Corporation upon graduation from college at 21. He started as a sales rep and in 18 months was promoted to a management trainee position, after nine months he was assigned to his first job as a sales manager. His five employees are:

Mike, 22 years old, a recent college graduate, still in training, wants to be in advertising.

Barb, 22 years old, a recent college graduate, still in training, wants to be president.

Gary, 41 years old, no college. A very happy, stable, productive career salesman.

Bill, 55 years old and the senior man in this area. He was the highest ranked performer for years but has lost his edge. His motivation is low. He has children older than his new manager.

Pat, 25 years old. Pat has worked part-time in the industry since high school and all the way through college. Pat is a bright, aggressive, talented salesman with a year of experience. He was not hired as a management candidate. He has the intellect to handle more responsibility but says he doesn't want it. He has an in-your-face ego that can be divisive in meetings. Pat loves to challenge authority just for the fun of it. His dynamic personality makes him the informal group leader. Pat is the unit's top producer.

Bob has been on this assignment for three months. During this period of time, he has worked with each of his employees in the field two or three times each and has had one group meeting. He has not been able to get control of the entire group or bring them together as a team.

Bob's goal is to build the group into a self-reliant, highly motivated group of sales reps. What should he do?



## Bob's Solution

Bob worked with each sales rep individually to determine their skill level and understand their career goals. Based on this information, he created an aggressive training plan for each person. Over the next 9 months, he worked 60 hours per week trying to meet the needs of each of his people while fulfilling his own responsibilities as a sales manager. Bob is frustrated that he has not made the progress he wanted with his own accounts because he is spending most of his life catering to the needs of his salespeople.

## Another Solution

Bob suffered from a common problem of young managers: trying to meet everyone's needs all of the time in an effort to establish himself as the leader. The result is a group of individualists who are overly reliant on their manager. Remember, the objective here is to create a group of highly motivated top performers without killing the manager along the way.

The first step is to establish yourself as the leader with every person in the group. Start this process with Pat because he is the most divisive and the informal group leader. Work with Pat to win him over and gain his respect. Once the group sees Pat respecting Bob, the rest of the group will start to come around. Once Pat has been won over, move on to Gary. Since Gary is a productive employee with good selling skills, the younger group will respect him and Bill will notice that everyone else is starting to work with more enthusiasm.

Once Bob's leadership of the group has been established, it is time to get them working as a team and take ownership of their own training and development plans.

Pat's aggressive style is great if it can be harnessed in a positive way. Give Pat responsibility for some meeting presentations and for some of Mike and Barb's sales training.

Gary is intimidated in group situations but great one-on-one, so let him do some of the training for Mike and Barb as they get a little more experience.

Bill needs a kick in the seat of the pants. He has great skills, he just isn't using them. His motivation will increase as he sees the rest of the group's enthusiasm. Use Bill for his years of expertise. He has seen and done many innovative things. He will make a great sounding board in meetings. Draw him out by asking him to express his opinions.

Mike and Barb are great resources. They are full of new ideas and enthusiasm. Use them in meetings to teach new concepts to the group and encourage their implementation of ideas.

Finally, have each person develop their own training and development plans. Resist the temptation to do this work for them. What they do on their own, they are more likely to own. And what they own, they are more likely to accomplish.





# Meeting Notes

**Use these meeting notes to help lead a discussion of the role of a sales manager in your organization. Tailor the discussion to your audience: If you are talking to sales managers, focus on their role and your expectations of them. If you are talking to sales reps, focus on what they should expect from their management.**

Discuss the role of a sales manager in your organization. Be very specific and clear about your expectations. Provide concrete examples illustrating good or poor performance whenever possible.

- Deliver expected results on time and on budget.
- Represent the needs of the sales department back to the company.
- Identify and solve problems.
- Train and develop personnel.

Discuss key characteristics of successful sales managers in your organization. Clarify why these characteristics are important in your organization through the use of examples. Elicit additional examples from group discussion.

- Integrity.
- Effective time manager.
- Good at training and developing personnel.
- A future forecaster with skill at changing the business to meet future needs.
- Capable of analyzing problems and developing and implementing solutions.
- An adaptive leadership style, capable of matching your style to fit different situations and people.



# Action Keys for the Sales Manager

✓ **Understand your role as a sales manager:**

- Deliver expected results on time and on budget.
- Represent the needs of the sales department back to the company.
- Identify and solve problems.
- Train and develop personnel.

The role of a sales manager will vary from company to company and even from assignment to assignment. Learn what is expected of you as a sales manager before you do anything else.

- ✓ **Become expert at managing your time effectively.** This does not imply you become a clock watcher but rather that you are working on the most important task at all times.
- ✓ **Find and hire the best personnel, and then train them to do the best possible job.** The secret to getting the most out of your employees is often to get out of their way and let them work!
- ✓ **Train continually.** Everyone in the organization, including you, must be constantly improving your skill sets. Anyone who does not will be obsolete within five years.
- ✓ **Get a reputation for integrity.** Credibility with your customers, employees, suppliers, peers, and your corporate headquarter contacts is the most valuable resources you have. Credibility takes weeks, months, or even years to build but can be lost in a split second of wavering integrity.
- ✓ **Become a future forecaster.** If you want a competitive advantage in the marketplace, this is a good one to have. Become skilled at forecasting industry changes and how your business will change to meet future industry needs.
- ✓ **Develop an adaptive leadership style.** Learn to adapt the leadership style you use to fit the situation and the individual. The diversity of our workplace demands this skill if you expect to motivate employees to high performance levels. Simply put, the same formula doesn't work with everyone!



## Executive Spotlight

Executive Spotlight had the privilege of talking with Mr. Mel Ray. Mel is the founder and President of United Lenders Mortgage Corporation, headquartered in Orange, California.

**Executive Spotlight:** How long have you been a Christian, and what led you to become one?

**Mel:** I became a Christian in 1986 after losing my best friend, John, in an auto accident. It was the best year of my life financially, but I realized that when John died his possessions were meaningless. I remember asking God, “What’s the deal?” I wasn’t angry with Him, just confused. He led me to Saddleback Church the following Sunday, and I knew God wanted to be in my life.

**Executive Spotlight:** Do you read the Bible and pray every day? Why?

**Mel:** Our pastor is always pointing out the benefits of having a daily “quiet time” to read the Bible and pray. A few years ago, I began this habit, and I must say it is a life changing one. I do it in the morning for about 30-40 minutes and it starts the day for me the way it should be – with the Lord.

Spending the first part of my day with the Creator of the universe is such a powerful experience and reminds me of the importance of prioritizing my life. How can communicating with the Almighty be a #2 priority? Those few moments each day have made a tremendous impact on my faith and trust in Him – especially during this difficult period of economic stagnation. This quiet time gives me confidence I would never have on my own.

**Executive Spotlight:** How do Biblical principles help you in managing your time, talents, and money?

**Mel:** We are promised throughout the Bible that if we are faithful to obey the Lord, He will honor our requests for help. In the past, I would always throw money at a problem thinking that was the most efficient solution to it. But God wants more than that. He wants **us**, not just our checkbooks. As a result of the present economic environment, I have been forced to rely on my time and talents in lieu of writing a check to a deserving ministry. What an eye-opener that is! I’ve discovered I really do have talents and abilities that God can use and it feels great.

While this time may be remembered as a very slow year for the mortgage industry, it has been the most remarkable year of spiritual growth for me because I really began to experience complete trust and reliance on His word.

The Bible tells us to rejoice when we have problems because God is using them to refine us. I do rejoice because a “slow” year became a “grow” year for me. Serving the Lord has become the most satisfying endeavor of my life.