

Sales Force Development: The Middle Management Perspective

Riddhiman Mukhopadhyay¹

Abstract:

The Middle Managers are the show runners in the Sales Organization as they mediate between the Sales Force and the Corporate Management and surely assumes to be a stakeholder in the execution process of the strategies formulated at the corporate level

Hence it becomes very critical for an Organization to structure its Middle Managerial Levels whether hiring laterals or promoting internal talents where either of these decision is having its own merits and demerits. The author in this articles have tried to provide certain meaningful insights for decisions pertaining to evasion of possible risks regarding functioning of the middle management of the Sales Organization and ensure proper their empowerment to deliver superior results.

Key Words- Middle Management, Sales Function, Incentivization, Control Machinery, Role clarity , Role conflict

Sales Department: The Organization-Customer Interface

Sales Department in a Business Organization forms it's integral part even in the stage of inception when the other Departments viz. H.R.M, Operations, IT, Finance, do not start functioning in the organization. Sales forms the fundamental of all functions a Business Organization can perform primarily due to the fact that it constitute as what we call as Organization-Customer Interface and the sole revenue earner for the organization. As we commonly state that the activities of an organization revolves round the customer according to the modern concept of business and attribute the credit of delivering such activities to the Marketing Department but the fact goes beyond doubt that the delivery across to the customer by

¹ Associate Professor, Pune Institute of Business Management

Sales Department in majority of the industries with a very few exceptions in the services industry (e.g. hospitality). Marketing, a component of which is defined by the experts as “listening to the customers” Sales Department being at the Organization-Customer Interface takes up the role of the voice box of the customer to the Marketing Department. This is probably the reason why both the two functions are often integrated under a corporate official (General Manager or a Vice President) who takes care of both the departments. This is to expect a coordinated functioning of both the department and demanding a healthy understanding between them.

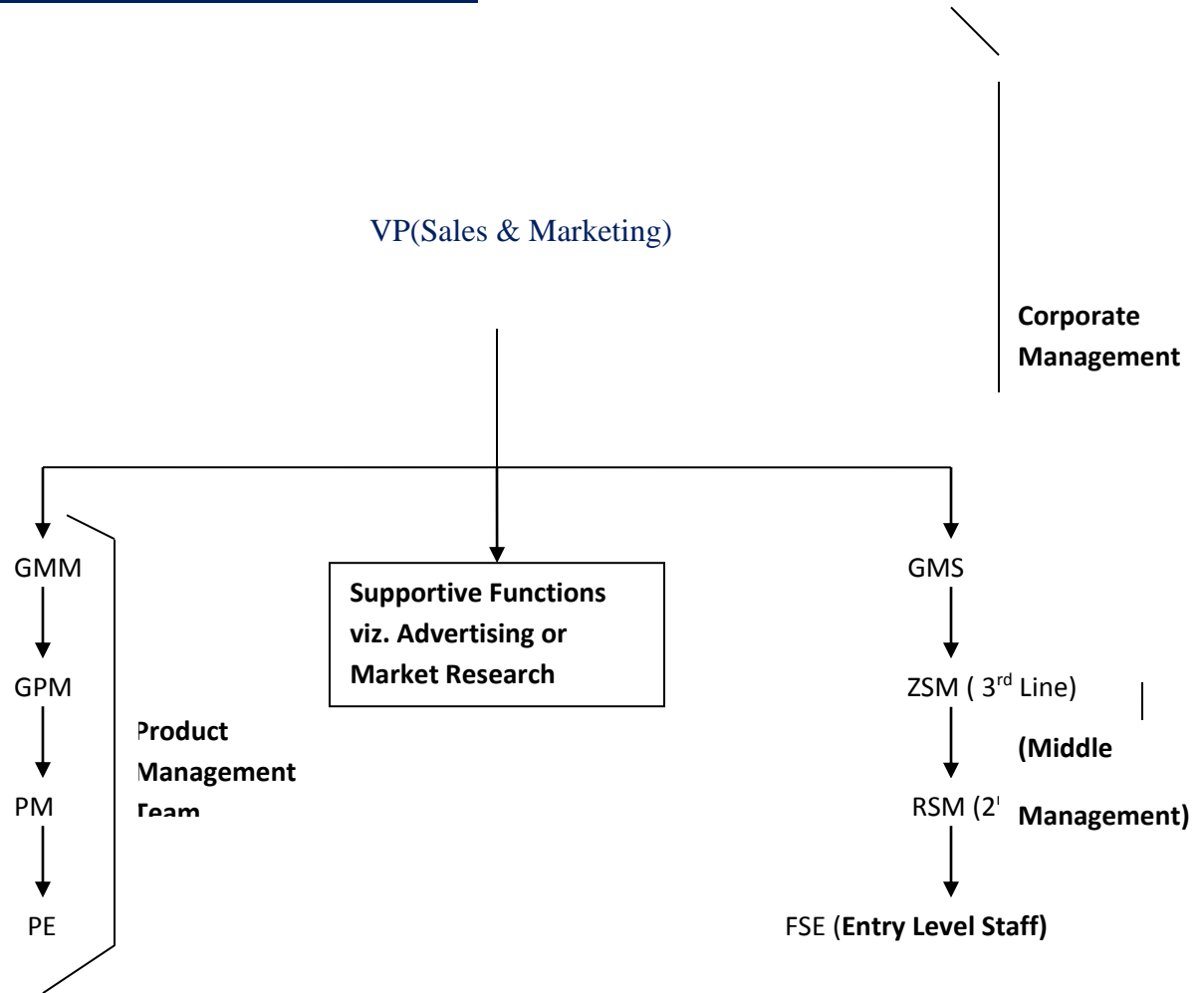
The Marketing and Sales Function: The link & conflict

The eternal confusion between Marketing and Sales often exists with a new management learner which is devolved on the Marketing faculty to clarify at the inception of the course, failing which the confusion continues to exist till the learner joins the Corporate as a Management Trainee and perhaps for the first time in his life he takes or gets the opportunity to learn and discern between Sales & Marketing. Prof. Arup Roy, a visiting Faculty of Indian Institute of Social Welfare and Business Management, Kolkata, and a Marketing Consultant by himself, prefers to impart the conceptual difference to his Marketing students, who are mostly working executives at the very outset. Prof. Roy clarifies “Marketing is an ‘outside-in-process’ whereas Selling is an ‘inside-out-process’ where I often take the example of a sales person who starts his call by describing features of a camera and induce the prospect to purchase the camera whereas a marketing person tries to find out the preferred features of the customers for a camera and tries to assess the fit with his current product & focuses to improvise the product rather than achieving a sales transaction and such instances are subtle but effective in clarifying distinction between Marketing and Selling.” However Prof. Roy agrees to the fact that modus operandi, intersections and interactions of the two functions are understood by the learner only after getting the final placement or in Internship Programs in some occasions. Even in agreement with the line of thinking of Professor Roy, when we look at the organizational functions not much difference of marketing & sales is clarified at the middle level management or entry level as with a designation of Marketing Executive an individual has to do a sales job. Although it is true that marketing department engages itself in designing the strategies; translating them into concrete

marketing programs while it is devolved on the Sales department to ensure an immaculate execution of those programs to achieve their sales targets. Here we can derive a clear-cut cause-effect relationship. However chances of conflict still remains in an organization as Marketing Department may justify the failure of a brand due to improper implementation of strategies in the market by the sales force while the Sales team may defend lack of Sales performance for a particular brand by attributing the failure to the irrelevant strategies formulated by the Marketing Department. However such doubts as to “who’s failure” can always be resolved under proper Review Mechanism administered by the corporate management but however such conflicts are very detrimental for the market productivity of the organization and must be reconciled with due aptness and efficiency with proactive corporate interference.

Figure:1.1

The Marketing and the Sales Organogram



GMM-General Manager Marketing	GMS- General Manager Sales
GPM- Group Product Manager	ZSM-Zonal Sales Manager
PM-Product Manager	RSM-Regional Sales Manager
PE – Product Executive	ASM-Area Sales Manager
	FSE-Field Sales Executive

The above diagram(fig.1.1) shows the clear demarcation of the marketing department with that of sales in an organization which can be interpreted in this way that the marketing department sets the strategies which are destined to be implemented by the frontline sales force and monitored by the middle managers. The corporate management keep a close watch on the show i.e. implementation of these marketing programs formulated by the Product Management Team through effectively designed feedback machinery from the frontline → middle management → Corporate Management. In fact in many organizations the members of the Product Management Team also keep in touch with the sales force and often refer to their feedbacks for further strategic decision and action.

Middle Managers: The show runners

In Middle Management of the sales organogram is the prime show runner of the entire sales function and remain accountable for sales performance from the territories through managing and maintaining the sales force on a productive mode. As the corporate management desires that every territory under sales operations of the organization should act as the contributing centers for the profitability of the strategic business units it becomes imperative for the middle managers to marshal his resources in a cost efficient but result oriented mechanism which hails his position strongly in terms of business centric evaluation in the organization. It is thus evident that effective sales management at the middle level is one of the cornerstones of success of the organization .where middle management is instrumental in driving the sales force activity. The corporate management has it's own process of monitoring through quarterly or monthly review meetings and other intermittent interactions on the basis of periodic feedbacks. The corporate management however rarely meets the frontline staffs i.e. the sales force and devolve the accountability of dynamism of the various performance parameters qualitative (say company image in an area) or quantitative (say sales volume) upon the middle managers.

Sourcing of Middle Management

The aforesaid importance of the middle management obviously necessitates the corporate management to develop a strong managerial excellence at the middle level and thus acquire the right talents to fill up the available vacancies of the middle management cadre. Usually such candidates can be sourced from within the company i.e. promoting people from the lower cadre to the immediate higher position (e.g. from a field executive to an Area manager or from an Area Manager to a Regional Manager) or from the industry.

However there are certain obvious advantages and disadvantages for both in-sourcing and out-sourcing of middle level managerial candidate. Incase of in-sourcing the major advantages are:-

The candidates being the existing employee of the company is usually aware of company's work culture, atmosphere, processes, policies and philosophy and need not be trained on the same and moreover having mentally and physically adapted to the system do not have any reservation on part of adopting and adhering to corporate management decision

The candidates invited to take up the middle management positions through promotions are usually fails to negotiate on an appreciable hike in the pay-package having perceiving the career growth obtained through promotion as a comparatively more valuable than monetary benefits, in other words sourcing middle managers through internal promotions are more financially viable for the organization whereas the external candidates with a proven track record will negotiate for a reasonably higher package to justify there switch over.

The companies drive for hiring people from incase of performing people in the system a timely promotion is useful for retention of a valued staff. Incase of career of senior people who's performance showing decline owing to frustration may be given a fresh lease of life through elevation of their position where they sometimes shows upswing in their morale and behavior to regain the mode of productivity.

Some disadvantages of in-sourcing are as follows:-

The internally promoted candidates are sometimes too immature to shoulder higher responsibilities whereas the companies to avoid hiring from outside and incur expenditure hurriedly promote the frontline sales people to the 1st line management level the impact of which occurs in form of imposition of unnecessary load on the 2nd line manager to handle all the hassles or inefficiencies of the concerned newly promoted manager and mostly compromised performance.

It is often observed that the best performer in the sales force in terms of sales performance is promoted whereas other aspects like behavioral skills and technical skills are given lesser importance. This is why the focus of the sales force is mainly upon sales figures rather than on overall development which includes building customer relationships, developing new territories, self development.

Incase sales personnel is promoted as the 1st line manager in the same territory due to vacancy resulting from resignation or rapid expansion plan of the company; which implies the individual becomes the direct reporting authority of his peer group. This may result in possible non-cooperation from the group due to jealousy or ego centric mentality and also failure of the individual in assuming adequate control over the team in apprehension of getting rejected or possible shyness due to previous peer relationship. A clarity on the concept can probably be rendered through an appropriate example.

It is hence assumable that there are several advantages and disadvantages in hiring of middle level managers from outside the company. The advantages are:-

I. The company selects a person from the industry having adequate experiences and proven track record and moreover if the territory handled by the individual in his previous company is same as that assigned in the current company, the market and territorial knowledge will never be an issue. The customers will be common if the target segment of the either companies (previous and current) are same. Hence to such advantages of readymade availability of territorial knowledge

and customer relationship of the manager can definitely provide authentic direction and predictably encouraging performance of the sales force.

An entry of a new person into the system fosters newer ideas. This is for obvious that when a person is hired from another company certain evaluations are done related his experience, knowledge, attitude, track record through various instruments like interviews, psychometric tests or referral checks from different sources. The company ensures certain value additions are entertained at the Sales Force level while accommodating a person from outside into in the system (**refer exhibit no:2**)

Usually a person from outside the company do not have a preoccupied mindset regarding the field force and tend to maintain due neutrality and able to develop a strictly professional relationship which otherwise is difficult incase an internal candidate gets promotion amongst one's peers.

The New Sales Manager may suffer from the following disadvantages:-

An experienced executive having spent long years in an industry develops his own notions, style and may suffer from the lack of flexibility and adaptability especially while implementing or conforming to the strategies and the policies of the company. An executive coming from a different organization may receive low acceptance from the sales team especially when he tries to implement his ideas he is carrying from his previous organization as well as when.

In case the Sales Manager comes from a different but related industry or the same industry but having handled previously different category of products; he will obviously take some time to familiarize with the geographical or the demographical definitions of the market.

Hence it is evident that organizing the middle management becomes very critical for the organization and poses a huge challenge in front of it. Careful recruitments of middle managers and their customized induction and training becomes imperative for the organization.

In the above situation the article attempts to develop a working model for the Middle Managers, under both the circumstances whether a newly promoted or newly recruited.

The New Sales Manager

The organization as a part of appraisal process as well as career advancement elevate the best of their talents from the field force into the first line sales management cadre often designated as Area Sales Manager, Territory Sales Manager or a Field Sales Manager depending upon the organization. The candidates selected for promotion carries the following merit:-

High Performance with appreciable track record ;mastery on a market geographically or demographically defined in terms of market intelligence, sales.

Proactive nature; designing of customized strategy in addition to the grand strategy provided by the Corporate Management.

High energy level

High product knowledge and technical competence (especially incase of sectors like B2B, IT, Pharmaceutical, Finance)

Efficient handling of channel partners and fruitful channel relationships.

These incumbents also carries the certain demerits as:-

Lack of role clarity(this may be removed through “Managerial Orientation” programs conducted by the organization)

Role conflict-The promoted manager may not be always quick in role transition from a Sales rep to a Sales Manager. Even after assuming his position as a manager he assumes himself more of a qualified sales person than a Manager

Impact of Role conflict and Role clarity on Sales Activity

The new sales manager rather than acting as a mentor to the Sales Rep assumes the role of a demonstrator enacting each and every activity supposed to be done by the Sales Rep. Sometimes it may be the demonstrative role of a manager may be essential but in the spree of proving own superiority over the subordinate and generate respect, the manager may continue his role of a “Senior Representative”.

The new sales manager withstands all the sales pressure which ideally he should have imposed on his subordinate.

The new Representative as a result of such behavior from his senior manager either develops complacency and dependence whereby instead of developing himself he looks forward towards his superior's intervention in almost every field activity pertaining to client as well as channel management.

In case of sales rep having an aspiration towards self development may get discouraged and leave the organization.

This brings about a sheer wastage of executive time in mostly the operational issues rather than strategic or issues related to localized strategy formulation, operational decisions or any innovative tactics in customer or channel communication.

Exhibit:1

Ravi received the offer for promotion to the post of Area Sales Manager (ASM) in his company which is in B2B selling of industrial lubricants. This was after the Area Sales Manager Mr.Prabeer Sinha was made to resign forcefully by the corporate management under the initiative of Mr.Shivaprasad –Vice President, Sales and Marketing and the Regional Manager Mr.Debavrat Gupta following Sinha's ill-behavior with the field staffs resulting in lack of motivation and dropping of sales productivity. Initially Shivaprasad advised Gupta to hire a new Regional Manager from outside the company as he felt that none from the field force person were matured enough to shoulder higher responsibilities at that stage but Gupta contested his advise with the reason that,incase of Prabeer Sinha who was also hired from outside things did not work out fruitfully. Although Sinha was a good worker, sincere, honest but had a high level of ego, awkward body language, pessimistic and fault finding attitude with low zone of tolerance lead to his frequent conflict with the sales staffs. Moreover in the spree of achieving sales target irrational pressures was exerted on the sales force The sales force which was once productive got demoralized and performance went down. Initially Sinha was warned by Shivaprasad but having continuing with the same temperament he was asked to resign. Ravi was the best performer in the team in terms of sales , he was a fantastic salesman but lacked in communication skills, man management skills, product knowledge and overall maturity. Amongst the other members of the team Sanjay was Ravi's classmate and both studied together and had an intimate friendship relation. Sanjay was matured, he took the decision of promoting Ravi very sportingly and assured Ravi of all cooperation and assistance. However Jayant and Sujata,the other two members of the team did not take the decision in a positive manner. Jayant had done his masters in Mechanical Engineering with specialization in fluid dynamics and had very good product knowledge. Sujata was also a premiere B-School graduate and had excellent communication skills. Both of them along with Sanjay lacked the level of enthusiasm and diligence like that of Ravi and hence were not thought to be suitable for such a responsible post. However after Ravi took charge as an ASM, another new sales executive (SE) was selected for

the territory of Ravi. Kamal the newcomer was a fresher and required a lot of attention from Ravi in terms of technical guidance, field

induction so that Ravi could not give time to look after the other three territories of Sanjay, Sujata and Jayant. The productivity of territories of Sujata and Jayant declined day-by-day. When Ravi realized the same he could not charge them or ask for clarification. He tried to solve the problem by allotting more time with them in joint field work (jfw) which once again shifted his focus from the newcomer Kamal. It was due to his lack of man management skills and maturity he was literally in soups and could not make out what could be done to prevent such a deterioration of performance. Realizing the same Debavrat Gupta discussed the issue with Shivaprasad and proposed to solve the problem by investing more time in Ravi's territory for a month compared to other five ASM s who were quite experienced as ASMs having served longer tenure. Shivaprasad agreed and approved his tour program. Out of his 20 days of allotted field work for the subsequent month Debavrat allocated 5 days in the territory of Ravi in two stretches Three days during the 1st week and 2 days during the 3rd week. Out of three days in the beginning of the month Debvrat Gupta went for the joint field work with either of Sujata and Jayant meeting their key accounts. During these two days he identified a lot of gaps in their work in terms of irregularities in meeting of potential accounts, improper implementation of corporate strategy, failure in identifying new accounts and overall lack of initiative level. On the third day Debavrat called Sujata and Jayant for a review meeting in presence of Ravi. Both Sujata and Jayant were dealt very toughly by Debavrat who indicated the gaps in their work and advised them for improvement through certain action plans which were minuted and countersigned by both. Then in a one-to-one discussion Debavrat advised Ravi to be strict with Sujata and Jayant and shed of any sort of reservation while taking them to task because they were his peers. Debavrat explained Ravi , "Now see Ravi, while you worked as a Sales Representative, you were the one who was responsible for your performance ,now as a manager four of your team members are the contributors to your performance hence you have to apply yourself as a resource optimally and very judiciously in the sense that out of your four team members who's performance can phenomenally improve in your presence is Kamal, so you have to invest

maximum time in joint field work with him. As far as your other team members are concerned all of them are experienced in their respective territories and they do not lack competence or selling skills ;they know their customers and probably the ways to generate business from them. Thus by keeping joint field work with them you cannot bring about any appreciable increase in the business which you can bring about in case of Kamal; your other team members are mostly suffering from attitude problem which can be solved only through reviewing their performances and giving them feedbacks periodically and keeping me in the loop of the process. Do not keep any such feeling that they were once your co-workers, Understand you are their supervisor now and you will be held responsible for their performance so you cannot afford to tolerate their non performance for too long,I have been for jfw with them, identified their gaps and suggested them certain action plans which they are required to execute before my visit for jfw with them in third week of this month,if they do not improve I will be taking up their issue very seriously.In future deal with them the way I am doing ”

Exhibit:2

Mr.Vivek who have recently joined in a newly launched division of an established pharmaceutical company as an Area Sales Manager with a sales team of seven Medical Representatives (M.R) which had also been selected few days before he joined. The team consisted of fresher candidate of bio science or pharmacy background. Vivek understood that the candidates had the basic raw materials on which he was required to work upon. During the same time A product was newly launched by the company which had very promising potential in the institution i.e. hospitals. Since all the team members were inexperienced the General Manager-Sales and Marketing Mr. Nagesh Guha , advised Vivek to accompany each of their MRs for j.f.w during launching of the new product to key customers at least on the first day in their respective territories. However Vivek thought differently. He designed what is called “a crash program” for launching in the institutions i.e. to the physicians, medical officers, junior interns at the hospital outdoors, indoors, critical care units. The “crash program” implied a launch program involving several M.Rs under a managerial supervision in an institution. The M.R s collaboratively details the new product with i.e. one talks about product features, one on benefits, one on the safety

profile, one exclusively handles the objections of the customers and one may share a literature. This gives a synergistic impact on the physician and induces him/her to remember the brand name which may precipitate into prescription support provided the doctor is inclined to use the generic drug. The launch strategy proved to be successful and certain immediate prescriptions were honored by the nearby chemist shop marking the initial tertiary sales.

Other factors leading to the trouble

Getting entangled in the sales metrics

The new sales managers or even experienced ones in some occasion seems to get caught in the web of the sales metrics and feeling the pressure from the superior management may in turn persuade him/her in pressurizing his team-members. Here one more commonly observed pitfall is that the subordinate with the highest productivity is pressurized for additional productivity despite his achievement of 100% sales quota to compensate the shortfall contributed by the team members with lower performances rather than trying for improving them. This tactics seems to be workable for a short period as the productive employee under continuous pressure for additional contribution may choose to leave the organization or complain the higher authority on his boss's behavior.

Inappropriate recruitment

In companies where the field managers are themselves responsible for vacancy management of their territories often choose people in a hurry being unable to bear the sales quota for the vacant territories. This may lead to inappropriate selection of people in the system thus inviting the rational as well as moral responsibility of carrying them unless recruitment system necessitates the significant intervention of the CorporateHR.

The Collaborative Coaching Role:

It goes without saying in such a situation the consequences are quite detrimental for the organization without any issues related to integrity or skill for that matter and hence the senior middle management or even officials from the corporate management needs to be circumspect and prudent enough to handle in collaboration with the middle management.

Field Manager's Training Programs

Inductions and learning on such role transition may be imparted through off-the-job-trainings with high content of delivery mechanisms inclusive of demonstration of role plays, success stories, case solution methods and even lectures or workshops on business analytics and activity control. Innovative trends are noted as far as format of training deliveries are concerned. These includes adventure sports, group activities and debates on various topics to elicit and sustain the enthusiasm of the trainees, however training motto has to be inculcating the role clarity to the newly promoted field managers.

Strong Feedback and Control Machineries

Companies also required to create a strong system of feedback and control at multiple levels from entry level to senior management level to exercise sales force control other than enabling managers with analytical efficiencies on metrics concerning field data. Review meetings on a periodic basis (let's say weekly at the field managers level and monthly at the regional manager's level and perhaps quarterly at the corporate level. The middle manager's review should be emphasized more on their field control activity data rather than sales metrics.

Collaborative Definition of Objectives

Manager's Field visit

In many of the industries namely FMCD, FMCG, telecom and Pharmaceuticals middle managers are encouraged or even instructed for field visit mostly with the objective of drive sales or customer acquisition whereas executive field visit needs to be taken as a window for on-job-training and developmental review of the sales rep especially in the qualitative areas of technical competence on products, general and customized communication and selling skills, customer coverage and conversion plans, compliance and implementation of company strategy and resource utilization. This in turn may automatically drive sales quota on the quantitative front. Ideally a documentation of the field visit by the manager including his observations, instructions and suggestions to the sales rep needs to be recorded. And also may be forwarded to the corporate management for their remarks or suggestions, if any.

Incentivization

Reinforcement has to be an integral part of control activity to develop the desired attitude and practice amongst the sales force. Sales incentives announced by the corporate management may be a driving factor for the sales force to chase their sales target subjected to the fact that they are disbursed essentially by the HR Department on a timely basis otherwise disappointment may set in despite sales achievement. However the middle management has to play a crucial role in chasing the corporate management to disburse the incentive on a timely basis. At their own level also the manager needs to maintain the field force in a state of motivation. Written or even a verbal but timely appreciation on a small achievement can encourage the field executive to do better. Small incentives from discretionary budget of the field managers on the basis of achievements by the sales rep in different areas of skills and activities may be given as token for appreciation. Although motivating sales force by statutory activities like weekend parties, social get-together are organized as a part of the corporate policy but provides a temporary stimulation and may get ascribed as routinized activity rather than a special activity for motivation. Hence in

such a scenario the focus of the middle management on the empowering activity seems to be more crucial and effective.

Conclusion

Continuous growth in sales and its maintenance is unarguably the cornerstone of organizational sustenance. However from the above discussion it is evident that to perpetuate the organizational growth the corporate management needs to design a systematic process of field monitoring which aims at the achievement of success through people development rather than chasing of sales metrics. Losing sales may be re-compensated when the sales force are competent and motivated whereas lost sales may be retrieved temporarily through managerial intervention even if the sales force is incompetent but on the long run may be devastating due to perceived setting in of complacency and dependence of the sales force. A sales manager focused on achieving his sales objectives through Sales Force Development rather than getting busy with sales metrics and simple imposition of the same on his team members without getting the team members subscribing to the same is predictably securing the sales growth and its maintenance for the company on a much more stable and strong platform in the days to come.