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978-0-521-84834-3 - Leading the Sales Force: A Dynamic Management Process

Rene Y. Darmon

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Leading the Sales Force

How should a sales force be managed effectively? Like aircraft pilots, managers must analyze information and make interconnected decisions in order to accomplish their missions. This book provides an integrative vision of a sales manager's function, using the concept of a dynamic sales force management process. This process adds a new dimension to the "classical" conception of sales force management, showing how sales managers can be more effective when they develop and maintain a holistic vision. Part I of the book describes the key actors and their roles, while Part II examines the tools used to implement the dynamic sales force management process. René Darmon shows how this process relies on a clear vision of successive sales missions to be accomplished over time by all members of a sales team, as they develop strategies and tactics which contribute to fulfilling the firm's overall aims.

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To Nicole, my loyal partner in a life-time lasting relationship.

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Preface

Why write a new book on sales force management? Obviously, sales and marketing managers have long supervised and controlled salespeople without resorting to the concept of a dynamic sales force management process. Nevertheless, this integrated vision of the control and management of a sales force is likely to add a new dimension to the “classical” conception of sales force management. This new integrative dimension brings together the multiple and complex aspects of a sales force system. This book shows how sales managers can be more effective when they develop such an integrative vision of their mission.

The concept of dynamic management process encompasses more than the traditional managerial functions of situation analysis, planning, program implementation, and control. It includes also the definition of strategic objectives, the translation of those mission objectives into operational and tactical plans and decisions, the constant adjustments of these plans over time, as well as the necessary adaptations of the organization during the process.

The dynamic sales force management process concept relies on a clear vision of a succession of sales missions to be accomplished over time by all the members of a sales team. At each level, the various members of a sales force develop their strategies and tactics that must all contribute to fulfilling the overall missions. The proposed concept builds on the prevalent philosophy of customer relationship management (CRM), and the development of long-term customer relationships that are mutually beneficial. It also includes salespeople’s knowledge management, as well as the notion of salespeople’s empowerment. As a consequence, both sales managers and salespeople tend to follow very similar dynamic management processes, increasing the complexity of the overall sales force management process.

The main purpose of this book is to provide sales managers with a guide for managing their fast-evolving functions more effectively, at a time when selling takes an increasing strategic role in most organizations.

Sales forces can benefit from the integrative and dynamic vision of the proposed management process. Perhaps more than any other function in a firm, sales leaders can successfully apply this vision. Sales force management is complex, requires accounting for many facets of the problem simultaneously, and necessitates a host of decisions that are interrelated and taken over time, often with immediate and lagged effects. Under such circumstances, leading a sales force with an overall vision of the process, with the constant awareness of the mission objectives to be met, and without losing sight of all the relevant details, is probably the best route to effective sales management.

Another related but central theme of this book is that the proposed process takes place at various levels of centralization/decentralization, according to sales managers' options. This provides salespeople with a more or less extended decision space, which directly affects the design of the various management programs, as well as the communication flows that are necessary for implementing those programs, and consequently, their costs.

The book is made up of two parts. Part 1 is essentially descriptive. It provides an analysis on the various elements that constitute the dynamic sales force management process: buyers, buyer-supplier relationships, salespeople (more or less autonomous managers of their customer relations and territories), and the function of a sales manager.

Part 2 is more normative than the first one. It provides a more detailed description of a sales manager's command center, the programs through which managers exert their actions, as well as the information flows that are necessary for feeding their dashboards.

Each chapter tackles a precise sales management question and takes place into the comprehensive framework outlined in the first chapter. Consequently, after reading Chapter 1 which defines essential concepts, a reader can approach the different chapters in any order without losing an understanding of the topic covered.

Sales practitioners and sales managers of industrial or consumer product organizations should find in the following pages an integrative vision of the selling management function, and hopefully, new perspectives and thought-provoking discussions that could lead to improved practice. Salespeople will also find some thoughts about their new and fast-evolving functions and an integrative vision of these functions. This vision should be a good preparation for accessing managerial levels in their organizations. Business school students, especially at MBA and doctoral levels, will find an exposure to personal selling and sales management that is somewhat novel in

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comparison with most traditional textbooks on this topic. Management researchers may find in this book a few original conceptual frameworks that could lead to a number of research hypotheses and research questions that still need to be tested empirically and validated. Finally, any person with some interest in personal selling and/or management may find matter of thoughts in the following pages.

René Y. Darmon