

PHILIP A. GERBER

A Business Owner's Guide to

MANAGING SALES PEOPLE

This book is written for the business owner who needs to hire, train, manage and motivate salespeople but doesn't know how.

Happy About

Managing Salespeople

A Business Owner's Guide

Book Excerpt

Philip A. Gerber



**20660 Stevens Creek Blvd., Suite 210
Cupertino, CA 95014**

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INTRODUCTION

Every company needs sales. You may have a great product or service; but without sales, there is no revenue to keep the company going. Some of you think that selling is a necessary evil. Some of you even know that selling is the most important activity in business, but you may have insufficient knowledge of what needs to be done to increase sales.

If you are the owner of the company as well as the only salesperson, then you are in sales for one of two reasons. Either you think you are the only one who can explain your product or service; or more likely than not, you don't think you can afford a salesperson. If it is the is true, then let me be perfectly clear.

A good salesperson will not cost you anything. Instead he or she will make your company more profitable.

If you want to know how to hire a good salesperson and/or how to manage that person, then this is the book for you.

You shouldn't be doing the selling; you need to run the company. If not, it will be like driving without a steering wheel...eventually you will crash.

After a salesperson is hired, he/she needs to be trained, managed, and motivated.

Even if you know something about selling, some of these areas are probably foreign to you. Since sales is the lifeblood of the company, you as the owner/manager need to make sure

that you hire the best salespeople, train them the right way, manage them effectively, and motivate them to go beyond the limits they set for themselves.

In this book, you will find chapters on telemarketing and sales managers. You may opt to hire telemarketers to enhance your sales and/or support your salespeople. These people also have to be hired, trained, managed, and motivated. As your sales force gets bigger, you may need a sales manager. Once again, hiring, training, managing, and motivating are covered in detail.

Each section starts with a chapter explaining why the section is important. It is natural for readers to skip to the important parts or what they perceive to be important. After reading the first chapter in each section, you may decide to skip that section or pay special attention to some of the specific chapters. Hopefully, I make the case for learning and understanding each and every chapter.

This book will give you the tools to make the right decisions regarding salespeople as well as the skills to be a sales manager. Once you learn these skills, your company, your employees, your salespeople, and even you will have greater success.

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Section 1
Hiring
|

Chapter 1

Why Is This Important?

Hiring the right salespeople will determine the success or failure of your company!!!!

A salesperson can bring revenue into the company. Without that revenue, the company cannot make payroll nor pay its vendors. Just because you have a great product does not mean it will be purchased. And just as importantly, because you hire a salesperson, it does not mean he or she can sell.

When you pick a salesperson, you need to look at what that person has done as well as what he or she says. If you pick the wrong person, your company will be in for a difficult period.

Just because a salesperson is likable, he or she does not necessarily meet the key criteria for success.

Your tendency will be to pick a person you like. Your justification will be that if you like him or her, so will your potential customers. That may be true, but would you spend thousands of dollars on a product for your company just because you liked the salesperson? If so, I can be very likable and I want to talk to you about the Brooklyn Bridge. I doubt your response would be yes! So why is likeability the key criteria? Typically because lacking experience in hiring salespeople, usually that's all you have to go on.

In my experience as a consultant, I have found that over 50% of the salespeople I worked with were nice people, but they couldn't sell. I also discovered that many of the people who could sell would have been better off selling a different service or product than

what they were selling. The likeable salespeople did much better in relationship sales, which meant that they developed an ongoing relationship with each of their clients to produce ongoing revenue. Obviously, that means that the client bought from the salesperson because he liked him or her, not necessarily because the product was the best. Unfortunately, new customer sales were limited at best. The likable salesperson didn't do as well on one-time sales which required constant prospecting and selling skills they obviously lacked.

This section ensures that you know what you are looking for and that the person you interview fits the qualifications. It also teaches you how to ask the right questions to determine if this person is right for you. You also need to discuss compensation and come to a mutual understanding.

Chapter 2

Who Is the “Right” Person?

In order to find the “right” person, you need to understand where you are in the marketplace. Are you selling a service or a product? Is your type of product conducive to developing relationships or one-time sales? Is your product high-tech or lowbrow?

Once you understand where you are as a company, you can then search for a salesperson who will have the right skills to fit in. Too many times, a salesperson will apply for a job selling a service when his experience is selling products. He thinks they’re the same; and if he can make more money and the manager likes him, he will opt for the position. It is a mistake from the start. Unless the manager is a good sales trainer (don’t kid yourself) and can train this person from scratch, failure is a given.

Intangible sales are in the mind and tangible sales are in the hand.

The service, or intangibles salesperson, who sells something intangible, sells with a story and a vision, while the tangible goods salesperson sells by showing the product.

EXAMPLE: When I do training classes I always use my pen as an example to show the difference. I show the pen and click the button that moves the point in and out of the cavity. I point out that this will avoid ink stains on my pocket. I show the rubber around the base and then demonstrate how easy it is to hold. I show the clip and illustrate how it stays put in my jacket pocket.

That's a relatively easy sale because I let the product do the selling. See it, touch it, and play with it. All I do is tell them what I am showing them. I then put the pen away and ask someone in the class to sell me the pen. They ask for the pen and I tell them that I want them to sell it to me without any props. You try it! It's not that easy unless you have been trained in intangible sales.

You need to create a vision in the mind of the prospect that replicates what he would see if the pen were in front of him. Ask the question and create the vision.

EXAMPLE:

Q. Ask the prospect if he has ever gotten ink stains on his clothes.

V. Ask him to imagine a pen that has a clicker that will move the point into the cavity to avoid causing stains.

Q. Ask him if his fingers ever got tired of holding a metal or plastic pen.

V. Ask him to imagine holding a pen with a rubber band around it and how soft that would feel and how it would make it easier to hold.

Q. Ask the prospect if he ever lost a pen because it fell out of his pocket.

V. Ask him to imagine a clip holding it in place.

As you can see, there are differences between intangible and tangible sales. Think of it this way. Anything that the prospect can touch is a tangible product. If you can't touch it, it is intangible.

A service is always intangible, even if you make a presentation with a brochure or an agreement.

If your product is intangible, seek an experienced intangibles salesperson. A teacher would make a great intangible salesperson as they deal with intangibles every day.

Who, What, and Where

In order to find the right person, you first need to understand the different attributes necessary for successful selling. A salesperson will typically work alone in the field. He will work for the most part without direction. He needs to be able to make daily decisions about the three Ws: Who, What and Where. In other words, who should he see, what should he be talking about, and where should he go. He is not like an office employee who for the most part has specific daily tasks and does literally what you or your managers tell him to do.

The following is a list of some of the attributes inherent in successful salespeople.

- Confidence
- Independence
- Self-motivation
- Being results-oriented
- Being ego-driven
- Curiosity
- Good communication skills
- Good listening skills

Confidence is easily transferred. In other words, if you don't have confidence in your product or service, the prospect will not have confidence, either. If you truly believe in yourself and your product, the customer will pick that up and respond in kind. The other thing about confidence is that it is a trait that keeps you going. If you feel good about yourself, you know you can accomplish anything. If you lose that confidence, then you have one foot out the door of success.

I had a salesperson in a territory north of Boston whose wife was really giving him a hard time about not making enough money. She destroyed his confidence, and the problem carried over to his sales (or lack thereof). We made a follow-up call on someone he had been working on for several weeks. The prospect agreed to a meeting, which was a good sign. The prospect was very nice but said that the company just got their annual figures, so they couldn't buy our product until next year. All of a sudden, the salesperson started crying. I literally had to drag him out of the office while I apologized to the prospect. Whatever little confidence he had left was destroyed, and I had to let him go. I found out later that he got a job with a salary in a retail store.

Independence is a quality required for successful selling. Compare your regular employees with the salesperson. They show up at 8:00 in the morning and work until 5:00. They get a lunch break from 12:00 to 1:00, and someone is always watching their time. The salesperson has no one looking over his shoulder. He may get into the field at 8:00 or 9:00 or even 10:00, and you would have no clue. He could take a two-hour lunch break, go to the movies, dog track, or just go home to sleep. All you know are the results: sales.

Obviously, if the results are acceptable, you may not care how much time he spends selling. But if that same salesperson doubled his efforts, you could potentially get double the sales, and your profits would continue to climb.

Someone who is **self-motivated** gets in the field early, leaves late, and takes advantage of every selling minute he has. In Boston, I worked with a salesman whom no one liked. He was arrogant, obnoxious, and unsociable. But he was self-motivated. He figured out that the best time to see prospects was when the secretary was not there. That meant that he was in the field before 8:00 and left long after 5:00. He would walk in to the prospect's office without a gatekeeper and surprise the prospect. Despite the prospect's protests about not being open, he would make his presentation and make the sales, although, many times he got the sale because it

was the only way to get rid of him. No one can manage that kind of behavior; it has to come from within. If a salesman is self-motivated, he will be successful.

Too many salespeople look at selling as a job. The better salespeople look at results. The difference is how they approach the process. If you are **results-oriented**, you focus on increasing the number of sales, not just making sales.

The easiest salespeople to manage are those who are **ego-driven**. They want and need recognition. As long as you recognize this salesperson for his efforts, he will be a high performer. He will strive to be the top salesperson. He needs a simple "Atta boy" just to stay motivated. You don't even have to ask questions to determine whether he is ego-driven. He will let you know. He will tell you all about his accomplishments, big and small. He will come across as God's gift to the sales profession. Be aware that if you hire this person, you need to stroke his ego or he will go elsewhere.

The **curious** salesperson is one who will find new sources of revenue when others give up. He will ask a lot of questions and find opportunities for sales. He is typically a successful salesperson who wants to know everything. During the interview, he will ask you a lot more questions than the other way around.

In order to sell, you need to **communicate**. The clearer the sound of your voice, the easier it is for someone else to understand you. An accent may sound interesting, but if the client cannot understand you, then you are wasting your time. You don't have to be a radio personality to sell, but you need to be able to talk like a professional. The salesperson cannot be shy about talking to potential clients, no matter their position, income, or mode of dress. Communication is what differentiates salesmanship from every other job. The more technical your product, the more your salesperson has to sound intelligent. Hiring someone who cannot explain the product or even ask for the order is a recipe for failure.

As important as it is to be able to talk, it is much more important to be able to listen. Strong **listening skills** are absolutely the

most powerful attribute of a successful salesperson. If you accept the fact that people buy what they need or want, then who is the best person to tell you what they need or want? The customer! If the customer gives you a buying signal and you miss it, then you may not get the sale. If we don't listen and miss those clues, then we typically miss out on the sale.

Chapter 3

Finding Good Salespeople

As with any employee, finding the right salesperson is difficult. Sometimes you can get lucky because you know someone who knows someone. But typically, you find a salesperson by placing an ad in the local newspaper. Most salespeople look only in the Sunday classifieds for a job, but the aggressive person looks every day. Place an ad for one full week, and if not successful, just put it in on Sundays until you find the right person.

Just as you advertise your product or service, you need to create a desire to call. The better salespeople are looking for the better job. You want to tell them why your position is better than the rest. And in sales, there are many job opportunities available. The only way you can “sell” an applicant on your position is to have him in front of you. He may sell you on his skills when he sees you, but right now you are selling the position to him.

The following ad examples will get a good salesperson to call.

Salesperson wanted. We sell intangibles to businesses. Our compensation program is designed to enable you to earn a very high income. If you are self-confident and highly motivated, then this is your dream job. Call 555-345-7655 today to schedule an appointment.

Salesperson wanted. Are you motivated to earn a higher income, confident that you will be successful, and have experience that illustrates both? We are offering an opportunity that will significantly compensate your results. Call 555-345-7655 today to schedule an appointment.

IMPORTANT: Do not accept their calls.

Have someone else set up the appointments. Don't put yourself in the position of answering the applicants' questions on the phone. The questions should be asked at the appropriate time. I find it interesting that salespeople will call to pre-qualify a position because they do not want to waste their time. They need a job and you need a salesperson, so who is potentially wasting whose time? To that point, the person answering the phone can tell them that it is a tangible or intangible product and that the type of compensation is straight commission, salary, etc. That's all your assistant should tell them. They now know enough to determine if it makes sense for them, and it is your turn to avoid wasting your time. Have them fax their resume. If they really insist that they meet you in person, then make the exception. If an applicant is really good, he will not want you to make a decision based just on a resume, but will want to meet you in person. Make sure he asks at least twice before the exception is given.

About the Author



With more than forty years in sales and marketing and as the owner of more than a dozen companies, Phil Gerber has developed a significant portfolio. He has utilized the principles developed through his experience to make his sales teams the most successful in their respective industries. He has literally “been there and done that.”

While he was attending Boston University in the '60s, Phil started his first business renting apartments to fellow students. A few years after graduating, Phil developed a concept to sell original artwork in the home. He went on to buy a movie theater (because he liked the popcorn), and over the years he developed more than a dozen successful businesses. He currently runs four businesses from his home overlooking the eighth fairway of his favorite golf course in Kingwood, Texas.

As Bottom Line Consultants, Phil has been helping organizations improve their sales and marketing for more than ten years. His experience in retail, wholesale, and sales to both consumers and businesses has given him insight into a multitude of sales issues and problems. His simple approach to sales has enabled even novice salespeople to become over-night stars.

Phil has been a frequent guest on radio talk shows discussing sales. His first book, 'Cut the B.S. or How to Sell Like a Professional in a Couple of Hours' has been on the shelves of major bookstores as well as the major internet booksellers for over a year.

For more information, go to www.pgerber.com, or contact the author at phil@pgerber.com.

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