

MKTG 4370: Sales Management Spring 2014
T/Th 12:30 – 1:45 in BB 10

Instructor: Dr. Avery Abernethy, Office Hours: T/Th 3:30-4:00 and by appointment, Office 201 Lowder, ph. 844-8544, E-Mail (the best way to get in touch): abernav@auburn.edu

Required Texts: Sales Force Management 10th edition by Dalrymple;
How to Win Friends and Influence People
Lecture Notes & Assignments - at Sofy Copy.
Get the homework raw data from my web site

Suggested Text: Applied Excel Guide such as Excel Personal Trainer

Class Objectives:

More money is spent on personal selling activities than on all other marketing functions except perhaps distribution. All businesses fail without sales revenues. Personal selling thus has tremendous impact on both the costs and revenues of a business. My goal is providing you with the skills necessary to run, motivate, and improve the profitability of sales forces. The specific skills you should obtain by the end of the course include: 1] The ability to apply spreadsheet tools to sales and marketing management problems, 2] The ability to use sales management tools to increase unit and total profitability of marketing lines, 3] the ability to use sales management tools to attract, retain and motivate quality sales forces, 4] the ability to integrate marketing and other business tools to sales management problems via case analysis.

Grade Determination:

1. Three Exams-----	28%
2. Best three of Five cases -----	34%
3. Homework -----	20%
4. Group Presentation -----	8%
5. Two Dale Carnegie Papers -----	5%
5. Attendance/Participation/Sales Aptitude Assessment -----	5%

Exams: The exams are short answer essays and applied problems. These questions come from the lectures, case analyses and from the text. Each exam will take the full class period. The final exam has the same time limit: 1:15. My goal is measuring your ability to use and apply class material to marketing problems.

Exams focus on solving business problems. [Good examples are the homework and questions asked concerning the cases]. The exams will be partially open note, you can take in one 8 2 x 11 sheet to the exams. You may also have a calculator and pens/pencils. You should be able to objectively analyze different sales strategy options and make good business decisions. Good decisions are feasible choices that maximize overall profitability. Test questions often require students to analyze a set of information and make a good business decision. An example of a previous exam is on my web site. Students are responsible for the assigned readings, regardless of whether they were discussed in lecture. If there is a direct conflict, lecture material supersedes the textbook.

Homeworks: There are four homework sets. Homework data is on my web site with a printed copy in the note package. Excel is essential in completing the first three homework sets. Each student must do their own spreadsheets. Using another person=s spreadsheet will be considered cheating.

Dale Carnegie Papers: There are two papers from the Dale Carnegie book. Paper one is due early in the semester. Read the book. Then write a paper (typed) that is seven pages or longer (double-spaced) discussing what you learned from the book. **At the end of the paper you must give me a specific interpersonal goal that you wish to achieve by the end of the semester. The interpersonal goal must be specific towards one individual (not in general to listen more, smile, etc.....).** What specific person are you having difficulties with? Or what specific interpersonal relationship would you like to improve. Other examples are: How to get along better with a roommate, how to overcome objections with a specific difficult person, how to get a specific person to respond more favorably to you.....

The second paper is very brief (3 typed pages or less) discussing what you did following Carnegie's suggestions and how well it worked out for you. This paper is due at the end of the semester. I want to know how you applied the material and your honest appraisal if it worked or not. Your grade on paper 2 is not based on the success or failure of your application of the Dale Carnegie suggestions. Just give a brief, but honest summary of what you did and the outcome of your actions.

Cases: Case analysis will help each student apply class concepts to real business problems. Each student can turn in a maximum of five cases of which the best three grades will be counted. Each written case analysis is due at the beginning of class.

How to Do Cases: These cases can be no longer than four, double-spaced typed pages unless otherwise noted on the day-to-day assignments. Points will be taken off for legibility and readability. The cases are often more difficult as the term progresses and you are advised to do the earlier cases. You can discuss case material with other students including possible case solutions. However, the

case write-up turned in by each student (including spreadsheets) has to be done independently and without assistance.

There are several critical topics that commonly comes up in cases: 1] What is the target market(s)?; 2] What funds are available?; 3] What is the budget?; 4] How exactly will the strategy be implemented?; 4] How can you tell if the strategy was a success or a failure? (this includes designing a feedback method and assessing the effects of past efforts).; 5] What should be done in the future? More specific points that must be addressed for each specific case are contained in the class schedule section.

Suggested Steps to Use in Preparing a Case

1. Read over the case to get a broad idea of the general situation.
2. Read it again for key points.
3. Briefly state the main problem and other important problems (if applicable).
4. Give a solution to the problem using information from the case, text, and lectures.
5. DO NOT RESTATE THE CONTENTS OF THE CASE. We all have a copy of the case.
6. There may be several reasonable solutions to any given case. But your answer should be grounded in logic and the case situation.
7. Your case answer should use the information in the case and be internally consistent with case facts.
8. You cannot say that you "lack information" or that there is a need to "do research" unless these 4 questions are answered in the report:
 - a] You specifically define the information you are obtaining, i.e. the research goals.
 - b] You specifically detail how (or from whom) you would obtain the information.
 - c] You determine how much the information would cost.
 - d] You specifically state how the information would be used in the decision, i.e. if the results were x I would do y and if not I would do z.

Remember, managers are paid to make decisions under conditions of uncertainty.

Group Presentation: There is one group assignment, presenting one of the cases.

Selecting the Group - The maximum group size will be 5. Students pick their group members on the 2nd day of class. Pick people you can work with. Each group will turn in a list of the 3 cases they would most like to present from the list on the day-to-day syllabus schedule on the third day of class. **Students cannot turn in an individual case report on cases they are presenting with their group.**

Group Presentation Requirements and Grading: Each group will present one case to the class. Each group will be graded 50% on the written report and 50% on the group presentation.

50% - Written Report . The group must turn in a written case report which can be no longer than 10 pages (including tables and handouts). I also want a snapshot of the powerpoint presentation which does not count against the 10 page limit.

50% - Group Presentation. I use the following criteria to evaluate the presentation: professionalism of dress and manner; clarity; presenting a single solution; effective use of charts/overheads; solution is feasible and appropriate, questions are addressed effectively. One, some, or all of the group can present. But every group member is responsible for the quality of the presentation and should be able to answer questions.

Presentation Time Limit - Each group will have 15 minutes to present their findings. The instructor will hold up (discrete) signs at the 5, 10, 13, 14, and 15 minute marks. If a presentation runs over the 15 minute time limit, 10 points will be deducted from the group presentation grade for each minute that the time runs over.

Presentation Hints: 1] The audience is assumed to be the CEO and other top managers of the firm. They are very familiar with the information presented in the case. What the CEO wants is answers, analysis and a overall plan of action given the circumstances. The group can assume that the CEO is familiar with all information presented in the case. I have a section in the lecture notes on writing group reports that could be helpful.

2] Look Sharp! - You are being evaluated both on what you say and on how you say it. Practice your presentation. Make sure it flows smoothly and can fit within the time limit. Make sure your handouts/overheads are clear and that the projection and display equipment is in good working order before the presentation. In the business world a great idea that is poorly presented can die a painful death.

If a group member refuses to come to meetings or refuses to do the work required by the group they can be fired. To fire a group member, send them a email letting them know when they must meet with the group and/or the work that they must do (send a copy to Dr. Abernethy). If they do not do the work or attend the meeting, send a follow up email firing the group member (send Dr. Abernethy a copy). Students fired from a group get a 0 on the assignment. Groups do not have to tolerate members who simply fail to do the necessary work and expect to piggyback on the shoulders of others.

Attendance/Participation: All students will be asked questions by the professor. Doing your readings before class is essential. Class participation is most important on "case days." Be prepared to discuss every case. Students making a positive contribution to class discussion get bonus points. If a student is disruptive, points will be taken from the a/p grade (turn your cell phone off or let me know if you are an emergency service professional).

Because students can gain bonus points through class participation, the a/p grades for the class will range from 0 to numbers over 100. Example: suppose a student came to class every day and participated frequently. The student could have an a/p grade of 150 which would yield $(50 \times .05) = 2.5$ bonus points to the students class average.

Missing scheduled appointments loses sales. Since promptness is important in selling, attendance will be measured at the

beginning of class. Attendance may also be checked additional times during the class period. I keep a daily roll and if you are not there when the roll is checked, you are counted absent. However, even if you are late you still need to attend class since most of the graded material will be based on the lectures and class discussion.

You have two free unexcused cuts. After that, your a/p grade will fall 15 points per unexcused absence. If you have six or more unexcused absences, you will earn a 0 for attendance. Students must provide a valid (see Tiger Cub), written excuse for missing class. Written excuses should be provided within a week of the absence.

General Class Policies:

No makeup homeworks or cases will be given because the answers are discussed in class. You can turn in an assignment early in person or by email if you know you cannot attend class that day. Students with unexcused absences (see the Tiger Cub) will be given a 0 for the assignment. Students must also have a valid excuse for missing exams. Pre-requisites are enforced and students can be dropped from the class regardless of how far along the term or any grades that may have been earned.

Grading: I do all of the grading. I use an objective standard, not a bell curve. A ten point grading scale will be used. I want every student to be able to learn and apply the material so they can do well in the business world - you are not in competition with each other.

Grade Appeals: I can make mistakes. There are two types of grade appeals. If I make a math error totaling your grade let me know and I will fix it immediately. If you disagree with the way a particular question was graded, give me your appeal in writing within a week of when the assignment was handed back. You must also turn in the original of your exam with your appeal. Take time to think through your response (you may wish to refer to your notes or the book).

How to Succeed and Fail this Course: Just a few simple things will help you do well in this course. First, come to class every day. Most of the course material is from lecture. Second, be sure to work through the problem sets in the lecture notes, lecture, and in all of the cases. You need to bring a calculator to class every day. Third, be sure to do your assigned reading. A couple of questions almost always come from the book. Fourth, be sure to turn in all of your assignments. Getting partial credit on an assignment is much better than a zero.

Students coming to class, working the problems, completing the assigned readings, turning in all of their assignments and studying almost always do well. If you are doing all of these things (class, work problems, doing the reading, turning in all of your assignments, and studying) and you have problems - **see me**. If you have questions about something in class or the readings, **see me** or **email me your question**. If you are having problems, **don=t wait until the week before the final to seek help**. At that point, there is little I can do to help you excepting the grade for the final exam. Almost all of the course is finished by then. I always go the extra mile to help students who are doing their job and are having problems with the course material.

On the other hand, **if you don=t** come to class, work the problems, do your reading, turn in your assignments and study but expect me to personally tutor you, bump your average, or Agive you@ a passing grade you will be very disappointed. My teaching philosophy is pretty simple. You have to pass the assignments to pass the class. If you are fulfilling your responsibilities and are having problems, I will do everything I can to help you learn the material and pass the assignments. If you do not do your job, I will not provide special assistance.

Academic Honesty:

Anyone caught cheating on a test will be prosecuted to the full extent possible (as discussed in the Tiger Cub). Anyone copying another student=s case, homework, or spreadsheet will be considered to be cheating. I strongly believe in honorable conduct in the classroom and I have given F's for cheating in the past. Also, each student must sign the honor pledge on the cover page of each exam which states that "they have neither given nor received any unallowable assistance on the exam." If an exam pledge is not signed, the student will receive an incomplete on the exam (and potentially for the class) until the pledge is signed.

Class Schedule

Jan 9 - Discuss syllabus, financial fundamentals of case analysis

Jan 14 - Financial fundamentals of case analysis, Introduction to Selling & Sales Management - notes.
Chapter 1 text.

Jan 16 - **Practice Case: Green Acres Seed Co.** (Note Package)

Be sure to answer the following questions on the case:

- 1] Evaluate the sales force. What is working and what should be changed?.
- 2] What other sales management issues should be addressed?
- 3] Evaluate the firms pricing policy, advertising strategy, and promotional strategy & budget. What specific changes should be made?

Jan 21 - Strategic Planning & Budgeting Continued.
Personal Selling - Notes; Chapter 3 text.

Jan 23 - Personal Selling Continued.

Purchasing and Account Management - notes, Chapter 4 text.

Jan 28 - **Case 1: Sandwell Paper** (note package)

Sales are increasing, yet margins are falling. Do the sales presentations contribute to this? What overall training and control policies would you suggest to overcome this margin problem? What other specific recommendations do you have to correct this problem?

Jan 30 - Territory Management notes; Chapter 5 text, also pg 80 - 88 text.

Dale Carnegie – What I Learned and What I Need to Work On Paper is Due

Feb 4 - Territory Management continued

Homework 1 is due.

Feb 6 - Sales Quotas - notes

Feb 11 - **Case 2: World Class Bull** (Note Package)

You are the Vice-President of Marketing and this problem has been put on your desk. Samantha Williams & Jeremy Silva have a strong disagreement over the actions of Christopher Knox. You must: 1] Decide what (if anything) has been done wrong. 2] If you decide that something has been done wrong, you must decide specifically what to do about it. 3] You must decide if the SFS code of ethics must be changed or not. 4] You will be responsible for communicating with Samantha, Jeremy & Christopher and anyone else deemed appropriate. 5] You are ultimately responsible for all personnel and cash flow decisions and outcomes in marketing.

Important Change To Case Information! - Fort's first meeting with Carol Landry is at a small, public livestock show (not at the Landry home). Fort asks if he can take pictures. Carol says yes. Fort asks if she would like a copy. Carol says yes. Fort gets the home address and an invitation to drop off the photos.

Feb 13 - **EXAM 1**

Feb 18 - Sales Forecasting - notes, Pages 59-72 text

Feb 20 - **Case 3: Buy Here, Pay Here** (note package).

1] Is it likely that Billy will make \$60,000 in his first year? \$80,000 in his second year?

2] What is the number of payments to break-even for Buy Here, Pay Here Autos?

3] Is Buy Here, Pay Here doing "a great job for the community?" Why or why not?

4] Considering all factors, should Billy take this job and start the trial period? Should he keep working in life insurance? Does Billy have what it takes to be a sales manager for Buy Here, Pay Here Autos?

Feb 25 - Sales Forecasting continued; Organization of the Salesforce - notes, Chapter 6 text.

Feb 27 - **Case 4: Pilgrim Drugs** (note package - you may have 6 pages for this case)

You are David Thomas. You can't change the past. You have several immediate decisions which must be made.

1. Do you let Nelson select accounts from Bill Brooks territory?

2. Do you reorganize the territories? Do you add 1 or 2 trainees to the district and make territories for them?

3. If you reorganize the territories, what specific criteria should you use?

4. How should you implement the territory reorganization if you go down that path?

5. Is your goal district profits? Harmony with your sales reps? Harmony with your immediate boss? Do these goals conflict?

Note: There is not enough information in the case to actually redraw the territories. There is enough information to determine if you want to reorganize the territories and the specific control units that you would use for the reorganization.

March 4 - **Homework 2 is due**; Recruiting and Selecting Salespeople - notes, Chapters 7 text.

March 6 - Territory Design - notes, pages 178-191 text.

Spring Break

March 18 - **Case 5: Adams Brands** (pages 366-370 text)

1. What qualifications should a key account supervisor have for Adams?

2. Evaluate the candidates. Which of the candidates would you recommend for the job? Justify your decision.

March 20 - Leadership - notes; Chapter 9 text

March 25 – **Case 6 Arapahoe Pharmaceutical (pg 371).**

What are Zeigler's most serious problems? What specifically should he do next year to correct these shortcomings? What specific actions should he take with Marty? What specifically should John recommend that Nakai do differently? Use the data in Exhibit 1 & 2 to specifically assess the performance of each salesperson. Remember, Larry Palmer has been fired and Peggy Doyle is a new recruit.

March 27 - **Exam 2**

April 1 - Compensating Salespeople, notes, Chapter 12 text

April 3 - Compensating Salespeople continued; Evaluating Sales Force Performance - notes, Chapter 13 text

April 8 - Evaluating Salespeople continued.

Homework 3 is Due

April 10 - Motivating Salespeople - notes, Chapter 11 text.

April 15 - **Case 7: Atomic Co** (pg 375 - 380 - you may have 6 pages for this case)

1. What do you think was responsible for the success of the Tiger Pants line? Luck? Excellent marketing decisions? A great effort by the sales team?
2. What do you think sales of Tiger Pants will be in 2002? How much confidence do you have in your sales forecast?
3. Make a recommendation for the sales team that should be used for Tiger Pants for the last three quarters of 2002. Be sure to consider all relevant financial and nonfinancial factors.
4. If you were Roger Post, what actions would you take concerning setting up the bonus pool as the CEO suggested?

April 17 - Training - notes, Chapter 8 text; Sales Ethics - Notes; Chapter 10 text.

Negotiation - Notes

Homework 4 is due

April 22 - **Dale Carnegie Second Paper Due – Did I achieve my objectives?**

Case 8: Inject Plastics (page 422 text)

You have 5 pages for this case not counting the termination letter.

First, be sure to complete all of the tasks assigned to you by Mr. Brand. You only have to turn in one termination letter (not 3). What is the expected pay of the retained salespeople next year? Are these sales strategy changes likely to increase or decrease Inject's profits? Why? Should Roger see Mr. Oberon? Should he into the other job? Why?

April 24 - **Case 9: Hannover Bates Corp** (pg 417 textbook) - You can have 5 pages for this case.

You are Mr. Sprague. You must improve the profit performance of the district. If you succeed, you are a hero and on the fast track for advancement. If you fail, you could be fired. You must determine the problem and how to correct the problem. You must then come up with a solution to the problem. Remember, if your staff does not execute your strategy you will not be successful

Final Exam Friday April 30, Noon – 1:15.

The instructor reserves the right to alter and amend this schedule or syllabus as determined by the needs of the class with adequate notice.