

Special Management Series

Managing Salespeople In A Recession

**This is a series of Training for your
Management TEAM**

Presented by J.W. Owens



**A Management
Perspective 303 Series**



Management - JWO 398

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When times are difficult, people in sales are the first to suffer. **During a recession:**

- Their confidence levels drop
 - They get rejected more often
 - Orders get smaller
 - Lead times increase
 - Customers demand more
 - Their activity levels decrease
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- That last point often surprises people. You would think that they would increase activity level and see more customers. In most cases the opposite seems to be the case.
 - The view they take is **“Why bother wasting time. They won’t buy anything from me”**
 - I have had personal experience recently of trying to buy a new house and a new car, where the salesperson concerned failed to follow up and as a result lost the business.
 - People who say there is no business out there are just plain wrong!
 - For sales managers it can be a bit like managing a losing football team. We have to get the team believing in itself again and to get right back to basics.

Here are my 10 tips for sales managers managing in a recession.

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Ten tips for sales managers

1. Begin by working on their self confidence

- Find facts and figures. All economies follow a regular pattern of expansion and contraction. The economy will typically expand steadily for six to ten years and then enter a recession for six months to two years.
- Most people define a recession as two consecutive quarters in which the gross domestic product (GDP) decreases. The UK economy is worth about 2.3 trillion pounds, so although sales tend to dip there is still a lot of business out there.
- Recession has happened before and it will happen again. You need to meet with each member of the team individually and reassure them that you have confidence in their ability to succeed. Call the team together and repeat the message. If they are expecting to fail they will probably meet their expectations

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2. Explain your vision for the team

- All teams are the same.
- They want to feel that they are going to win and they have a leader who they respect and knows what he or she is doing.
- This means the sales manager has to communicate with the team and paint a very clear picture of where they are going and how they are going to get there.

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3. Put your sales plan together

- There has to be a plan that everyone can buy into and believe in. The plan will help to define the team's objectives and sales strategy.
- The plan is a living document that should be reviewed and reassessed on a regular basis.
- Each salesperson should have their own personal sales plan and this should be regularly reviewed with the sales manager.

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4. Start to really focus on your existing customers

- In times of recession customers often complain of being neglected. Put together a strategy for holding on to your existing business. Most customers give as their reason for leaving the fact that they weren't looked after. Review your service levels.
- Speak with your existing customers and ask for feedback. ***“How are we doing?” “What can we do to improve the service we give you?”***

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5. Make prospecting a real priority

- For many salespeople, prospecting is an ad-hoc activity. **Make sure the team sees the importance** of prospecting.
- **Set aside time** every week for prospecting activities. Make it a team activity.
- **Prospecting can be soul destroying, or it can be fun.** It depends on you and how good a leader you are.

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6. Communicate internally with other departments

- This isn't just about sales. Every part of the business needs to understand it has a part to play. **Is the customer getting the best service possible from everyone in the business?**
- **Put it another way.** Does everyone in the business understand they have a responsibility for delivering excellent customer care?
- We can't afford to lose customers at the best of times. In a recession it just **should never happen because we haven't given them great service.**

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7. Get the team to work harder

- One feature of a recession is that **sales activity levels drop**. The team makes **fewer phone calls, fewer visits and spends time on tasks** that don't positively influence sales.
- What time is their first sales call? Do they have an admin day? If so, why? Studies have shown that the typical salesperson spends only 5% of their time in productive selling situations. Try for a targeted increase in activity. Is an extra sales call a day possible? How about 2?

As the manager, manage activity and the results will follow.

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8. Train the team

- When Roger Bannister broke the 4 minute mile he used the Oxford training method.
- This meant he rarely trained as it was believed that if you trained too much your performance would suffer.
- Since then, top professionals in all areas have realized that **you have to train and do it on a regular basis** if you are going to produce a winning team. Running a training course once every 3 years is not an effective use of resources.

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9. Get yourself out there

- **Try to spend as much time with the team and their customers.** Lead from the front and use the time you spend with them to coach them and work on improving their selling skills.
- **Communicate good news** to the team and the customers.
- **Get feedback from the customers on service levels.** Most ideas for improving service come from customers rather than people who work for your company.

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10. Give regular feedback

- Keep giving feedback.
- Reward positive activity.
- Praise good behavior and success.
- Let people know things are going to be okay. If people feel threatened that they may lose their job, or become demotivated their performance will suffer.

Work on your leadership skills and things will be okay.

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Good Selling !



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