

**THE OPEN UNIVERSITY OF TANZANIA**  
***FACULTY OF BUSINESS MANAGEMENT***

**MBA PROGRAMME**

**OMK 605: SALES MANAGEMENT**

**Course Outline**

## **1.0 INTRODUCTION**

Sales Management programs are very important in today's business. If for nothing at all sales are the main sources of revenue to a business firm. They do not exist in a vacuum. They are formulated to respond effectively to a firm's environmental circumstances. For this very reason the programs must be consistent with the business's competitive and marketing strategies. The successes of most firms in Tanzania and around the world could not have happen without the adoption of appropriate policies concerning the organization, training, motivation, compensation and control of the people who make the sales. The course is organized around eight lectures, each of which has key learning objectives, a set of relevant topics and a list of relevant readings. You are required to search for these readings and work with them in order to obtain the knowledge that is consistent with the key learning objectives. On average you are to spend about 3.5hours learning about each topic. It is important for you to note that this course will complement all other courses in the marketing option. It will also provide knowledge to professional qualification in marketing, if you want.

## **2.0 KEY LEARNING OBJECTIVES**

Upon completing this course you should be able to:

- (a) Understand and appreciate the concept of sales management
- (b) Formulate a strategic sales program
- (c) Implement the sales program
- (d) Evaluate and control sales force performance
- (e) Work in any organization as a sales manager or executive.

## **3.0 PRE-REQUISITES**

In order to get more from this course you will need to revive your knowledge of Strategic Marketing, Marketing Research or Business Research Methods, Accounting and Entrepreneurship Development. This will help you compute salesman's compensations, prepare sales forecasts, identify and evaluate sales opportunities, estimate costs, and prepare sales reports that will be required of you.

## **4.0 COURSE CONTENT**

### **4.1 LECTURE 1: SALES MANAGEMENT: MEANING AND SCOPE**

#### **4.1.1 An Overview**

This lecture introduces you to the meaning and the scope of sales management. It highlights the relevant principles and practices of sales management. It is a vital link between an organization's strategic plan and the achievement of sales to final customers. For this to happen effectively a number of functions including planning the sales effort, developing an effective sales force, implementing and controlling the sales program.

#### **4.1.2 Key Learning Objectives**

After studying the tasks of this lecture you should be able to:

- Explain what sales management is;
- Understand the scope of sales management;
- Learn about career options;
- Learn about the requirements for sales management.

#### **4.1.3 Sub-topics**

1. The meaning of Sales Management
2. Responsibilities of Sales Managers
3. Career options for sales people
4. Skills requirement

#### **4.1.4 Reading List**

1. Lecture notes
2. Churchill, Gilbert A, Neil M. Ford and Orville C. Walker, Jr. Sales Force Management. 5<sup>th</sup> edition, Irwin, Chicago Chap. 1 pp. 1 - 14
3. Still, Richard R., Edward W. Cundiff and Norman A.P. Govoni, Sales Management: Decisions, Strategies and cases. 5<sup>th</sup> Edition Chaps.1 and 2.

### **4.2 LECTURE 2: WHAT DO SALES PEOPLE MANAGE?**

#### **4.2.1 An Overview**

Sales management is nebulous and in practical terms it may be difficult to manage something if you don't have solid understanding of what it is that you are trying to manage. Options differ on this issue. In this lecture we will try to establish a solid foundation of knowledge for our subsequent discussion of sales management.

#### **4.2.2 Key Learning objectives**

After studying this lecture you should be able to:

- Understand the selling process
- Learn about how organizations make purchase decisions
- Learn about how sales people can facilitate and influence those decision

#### **4.2.3 Sub-Topics**

1. Establishing a solid foundation of knowledge-selling processes
2. How do organizations make Purchase Decisions?
3. Facilitating and Influencing Buying Decisions

#### **4.2.4 Readings**

1. Lecture Notes
2. Churchill and others
3. Still and others

### **4.3 LECTURE 3: FUNCTIONS OF SALES MANAGEMENT**

#### **4.3.1 An Overview**

An effective management of a company's sales force and sales task involves three processes which include formulating strategic sales program, its implementation and evaluation and control of sales force performance. These three areas involve functions and specific task that must be performed. In this lecture we focus our discussion on one of the three functions, namely planning the sales program of the sales job.

#### **4.3.2 Key Learning Objectives**

After studying this lecture you should be able to:

- Understand and apply the sales planning concept.
- Conduct situational analysis affecting sales activities
- Set sales objectives
- Develop feasible strategies

#### **4.3.3 Sub - Topics**

1. Planning process
2. Analyzing sales situations
3. Setting sales objectives
4. Development of sales strategies

#### **4.3.4 Readings**

1. Lecture Notes
2. Churchill and others Chaps 3-5.
3. Still and others chaps 3-5.

### **4.4 LECTURE 4: SALES FORECASTING AND BUDGETING**

#### **4.1 An Overview**

The next step in the planning process is to forecast expected sales and to establish budget for achieving them. Forecasting involves several major steps and many forecasting methods.

#### **4.2 Key Learning Objectives**

After Learning by this lecture you should be able to:

- Develop Sales forecasts and budget
- Know existing methods of forecasting and be able to make a choice
- Understand the relation between Forecasts and budgets

#### **4.3 Sub - Topics**

1. Preparing Forecasts and Budgets
2. Establishing Market and Company Potentials
3. Selection of forecasting methods
4. The Relationship between Forecasts and Budgets

#### **4.4 Readings**

1. Lecture Notes
2. Churchill and others
3. Still and others

#### **4.5 LECTURE 5: DEVELOPING THE SALES TEAM**

##### **4.5.1 An Overview**

No company can generate sales without the requisite number and quality of personnel. Thus in the planning function you would have considered the number and type of sales people you would need to carry out the planned activities. It is important at this stage to ensure that you have the right people in house, otherwise you have to recruit the right people, induct into the organization and even train them in the tasks required.

##### **4.5.2 Key Learning Objectives**

By studying this lecture you should be able to:

- Determine your need for sales people
- Learn about recruiting and selecting the right people for the sales job
- Understand the need to induct new sales people into your organization
- Understand and carry out training as a major responsibility of sales management
- Learn how to deploy your sales people properly.

##### **4.5.3 Sub-Topics**

1. Determination of the need for sales people
2. Recruiting and selection of the right people
3. Induction of new sales people into your organization
4. Training of sales people
5. Deploying sales people

##### **4.5.4 Readings**

1. Lecture Notes
2. Churchill and others
3. Still and others
4. Buskirk, R and Buskirk B., Sales Force Management

#### **4.6 LECTURE 6: IMPLEMENTING THE SALES PROGRAM**

##### **4.6.1 An Overview**

In consonant with any kind of management, planned activities have to be carried out. Implementation involves motivating directing the behaviour of sales people towards achieving planned sales objectives. As a sales manager you need to understand why

sales people behave in a certain way, so that you can design the right policies and procedures to direct their behaviour towards the desired objectives.

#### **4.6.2 Key Learning Objectives**

After studying the materials in this lecture you should be able to:

- Learn how to understand why your sales people behave in the way they do.
- Design policies and procedures to channel the behaviour positively towards
- Achieving sales objectives.

#### **4.6.3 Sub-Topics**

1. Understanding why sales people behave the way they do
2. Designing sales policies and procedures
3. Motivating the sales team
4. Supervising and leading the sales team

#### **4.6.4 Readings**

1. Lecture Notes
2. Churchill and others
3. Still and others

### **4.7 LECTURE 7: CONTROLLING THE SALES PROGRAM**

#### **47.1 An Overview**

Control explains the process of measuring progress towards organizational goals and the detection and analysis of deviations from the planned direction towards the goals or objectives. The control function is seen as a critical aspect of your job as a sales manager. Today this function has been made easy by the computer and ICT, because sales managers have access to huge amount of information and its analysis.

#### **4.7.2 Key Learning Objectives**

By studying this lecture you will be able to:

- Understand the purpose of sales budgets
- Understand sales quotas as a control mechanism
- Learn to use Sales Territories and control mechanism
- Control costs and sales expanses

#### **4.7.3 Sub-Topics**

1. The purpose of Sales Budget
2. Sales Quota as control mechanism
3. Sales Territories as control mechanism
4. The control of costs and sales expenses

#### 4.7.4 Readings

1. Lecture Notes
2. Still and others
3. Churchill, Jr., and others

### 4.8 LECTURE 8: EVALUATION OF SALES PEOPLE

#### 4.8.1 An Overview

Sales managers have a variety of responsibilities. When you have recruited salespeople, trained and deployed them it is necessary to have a means of continuously evaluating and assessing the members of the sales team and to remunerate them for their efforts and achievements.

#### 4.8.2 Key Learning Objectives

After studying this lecture you should be able to:

- Monitor the sales volume of each sales person
- Monitor the costs and expenses of various selling functions by sales person or customer type.
- Assess the actual behaviour of each sales person as well as his/her ultimate performance in terms of sales volume

#### 4.8.3 Sub-Topics

1. Monitoring the sales volume of sales individuals
2. Monitoring the costs and sales expenses
3. Assessing the behaviour of sales people in achieving sales goals

#### 4.8.4 Readings

1. Lecture Notes
2. Still and others
3. Churchill Jr. and others

Other readings will be provided during the course. But you are very much encouraged to find other sources or any other book, for example, Buskirk and Buskirk, Sales Force Management, which is about sales management and READ IT.

### 5.0. COURSE EVALUATION

The course will be evaluated as follows:

1. Assignment /Term Paper	30.0
2. Term Test	20.0
3. Final Examination	50.0
<b>Total Marks</b>	<b>100.0</b>