MARK 7378 Strategic Selling
Fall 2013

Professor: Carl Herman
Office: MH 398
Office Hours: 4:00 – 6:00 pm Monday and by appointment

Phone: 713-305-7755

Required Course Materials

Text: *Customer Centered Selling*, Robert L. Jolles
Chapter 5 and 6 – *Rethinking the Sales Force*, Vincentis and Rackham
Harvard cases and articles
Link to Harvard Cases
Selected Readings – WebCT and Harvard Business Online

Nature of the Course

Many firms are seeking new methods for getting products and services into their customers' hands. The rapid growth in selling costs and just-in-time inventory management as well as changes in market structure have forced many organizations to seek out new channels for selling products and services to customers. As customer-relationship selling continues to emerge as a significant selling strategy, the role of customer-oriented selling takes on added significance.

At the same time, we find that many industries are becoming increasingly concentrated—some companies find that less than 5% of their customers comprise 90% of their business. Rapidly changing technology has led many firms to seek close alliances with other firms to gain access to the latest technological advances. East of these trends has contributed to a movement in many organizations to redefine the nature of their buyer-supplier relationships.

Strategic Selling is an innovative course that deals with the issues involved in getting products and services into customers' hands. The focus is on large business customers that can have a significant impact – positive or negative – on a supplier's success. Therefore, the course focuses on the management of ongoing customer relationships (as opposed to activities used to acquire new customers).

Traditional models of channel, services, sales and purchasing management do not adequately address the issues associated with managing these relationships. This course will address several themes – 1) Key Principles of Sales, 2) The importance of relationship or customer oriented selling 3) National/Global Account selection and management, the use of technology by sales people and strategic account teams

Learning Style

The methods of learning in this course require advance preparation by the students. We will work together to present, discover and share ideas in order to learn more about the issues related to selling products and services and managing ongoing customer relationships. I believe that a variety of pedagogical and andragogical techniques maximize what we all get from the class. Therefore, the course will use text presentation, case discussion, lecture, facilitator and student-led discussion, a field project, a research project, Socratic dialogue, video, group exercises, a field trip, and student presentations to expose key learnings.

Cases provide a critical component of the class. For cases to be an effective learning tool, student preparation is essential. I will expect each of you to provide a thorough analysis of the cases. Cases should be prepared individually at first. After your initial evaluation, feel free to meet with classmates in small groups to further prepare the case. In the classroom you are on your own and I expect you to defend your position. "Contribution to class learning" is the key criteria for evaluating participation. You and your classmates, in addition to your instructor, are important sources of learning. Take advantage of your colleagues' knowledge and ideas, and do your part by being prepared and contributing to group and class meetings.

Daily Routine

For most days, I expect class meetings to follow this type of routine:

Lecture/discussion/guest speaker/video/group exercises, etc. focusing on the key topic(s) of the day (40-50 minutes)
Case discussion or Sales Role Play – 75-90 Minutes
Break (15-20 minutes)
Student led discussion around research or field project (30 minutes)

Group Projects

Each student will be involved in three group projects this semester.

1. Customer Centered Selling (CCS) and Rethinking the Sales Force

Each team will present four chapters from Rob Jolles, *Customer Centered Selling or* Neil Rackham's *Rethinking the Sales Force.* CCS provides a foundation in selling and the sales process and Rackham provides an overview of Strategic-Key Account Management. The objective of the PowerPoint presentation is to give our class a working knowledge of what a salesperson does, before we devote the rest of the semester to the study of how sales people relate to strategic and key accounts.

The presentation should be 20-30 minutes long

2. Leading Edge Issues (LEI)

The Leading Edge issues project (LEI: explained in more detail in the Appendix 1) requires your team to write a short report and *lead the class in a focused discussion* of a particular topic.

The LEI projects will be presented throughout the semester and we need to get started soon so by Friday – August 31 - I need three topic ideas in order of preference. Please relay these to me by e-mail.

3. Strategic and Key Account Management in Action (SKAMIA)
Strategic, Key Account Management in Action (SKAMIA: explained in more detail in the Appendix 2 should use primary source research —where you learn about how a particular company or industry manages key account relationships or distributes products. The idea is to gather primary (at least 3 interviews with employees of the company) and secondary (library type research) data to better understand current practices in key account management.

Each team will prepare and present their SKAMIA research near the end of the semester, see below. This paper should be 3-5 pages long. In addition to the paper, the team will present their findings in class. The presentation should be a 20-30 minute PowerPoint presentation followed by 15 minutes of Q&A.

Case Briefs

You are required to write five 1 page (single spaced, double space between paragraphs) case briefs. These will be graded on a 4 level basis (i.e., " □++" for truly exceptic analyses—these will be rare (100%), " □+" for very well done acceptable analyses (88%), and " □(80%) for those analyses falling below my expectations). These are due at the beginning of class and will be marked down one grade level if turned in late during the same class and are not accepted when turned in after the class.

The case brief should include 1) a statement of the problem, 2) identification of key issues in the situation analysis (go beyond listing facts, convince me these are the *most important* facts), 3) a recommendation supported by a justification that reflects a careful analysis of the information provided in the case.

Class Participation

An effective class session can only occur if you, your classmates, and I are involved in the learning process. This requires detailed advance preparation from all of us. I expect everyone to be prepared for each class. This course is designed such that we will learn from each other.

Class and case discussions are enhanced by a free and open exchange of ideas. We learn from each other by building off other people's comments and by disagreeing with other people. You should be prepared to defend a position that you take and you should expect others to defend their positions. I encourage you to challenge ideas with which you disagree—remember to *challenge the idea and not the person*. Furthermore, you should expect to be challenged by others—who disagree with your ideas, not you. By defending your ideas you will learn, but you should also be willing to change your mind. Changing your mind is also a sign of strength. Be aware that for many issues there is no one right answer. I also want to encourage you to be creative in your ideas and show a willingness to take chances.

Class participation is a critical component of my evaluation of your performance in the class. Participation is based on quality, but some level of quantity is also necessary. Quality participation moves the discussion along and contributes to our collective learning. I use the following point system to evaluate class participation on a daily basis:

Truly exceptional analysis/insights	5 points
Very good analysis	3 points
Adding facts	2 points
Showing up prepared*	1 point
Showing up, not prepared	0 points
Absent, but turn in acceptable case analysis	0 points
Absent, but do not turn in acceptable case analysis	-5 points

*Note: I assume you are prepared for every class—so tell me if you are not. If I cold-call you and you are obviously not prepared, you will lose all of your "1 pointers" for the semester.

Attendance Policy

Attendance is expected—in my classes we all learn from each other and your absence will prevent us from learning from you and you learning from us. As noted in the previous section, being absent from class has a significant negative effect on your class participation.

Grades

I expect that by this time in your graduate education that you are intrinsically motivated. I also expect that you are taking this course because you genuinely want to learn more about sales and key account management. Therefore, I do not require any exams in this class.

On the other hand, I believe that we all tend to do what is evaluated and rewarded. I am very interested in learning from you and I think that your colleagues share this interest. If you choose to not actively participate in the class you deny us the ability to learn from your wisdom and experience. To assure that you give as much to the class as you hope to receive from it, I rely on grades (besides the school requires them). I expect to base your grades on the following proportions:

Case Briefs (5 briefs)	20%
Class participation	15%
CCS-LAMP Presentation	15%
Leading Edge Issues Project	25%
SKAM in Action Project	25%

Tentative Schedule

Day	*Content*	*Team Projects*	Case Discussion
8/26	*Syllabus Overview & Introductions* ***CH Sales Process Overview***	*Identify team members at break*	7 words
9/9	*CH - CCS 1-4*	*Team 3 LEI Discussion Document -*	MediQuip S.A.
9/16	*Trip to Halliburton*	***Meet at HAL at 6:00***	
9/23	*Team 2 - CCS 5-8*	*Team 3 LEI Discussion* *Team 4 LEI Discussion Document*	
9/30	*Guest Speaker – David Vinzant PAS Corporation*		CH Decision Centers - SBC
10/7	*Team 3 - CCS 9-12*	*Team 4 LEI Discussion* *Team 5 LEI Discussion Document*	
10/14	*Team 4 - CCS 13-17*	*Team 5 LEI Discussion* *Team 2 LEI Discussion Document*	Siemens
10/21	*Trip to Schlumberger*	***Meet at SLB at 6:00***	
10/28	C**lass at Kingwood CC**	*Team 2 LEI Discussion*	
11/4	*Team 5 Rackham CH 5 and 6*	*SKAM Team 3*	***CH – Account Plans***
11/11		*SKAM Team 5*	Tetra Pak (a)
11/18	*Trip to BMC*	*SKAM Team 4*	
11/5		*SKAM Team 2*	Tetra Pak (b-d)
12/2	*CH CRM, Class Evaluations*	*SKAM Team 1*	Quantium Technology

Appendix 1: Leading Edge Issues in Sales and Key Account Management Project

Leading Edge Issues (LEI) focus on "hot topics" in sales and key account management. As food for thought, I have listed some possible topics below, but your team may choose a topic of its own.

Teams are responsible for *leading a 20 minute class discussion* on a leading edge issue in sales and key account management. The team prepares a 3-5 page paper (single space, double space between paragraphs) describing the issue. *This paper will be handed out to the class a week before your presentation/discussion.* The paper will not be analytical and should provide no recommendations—the goal is only to familiarize the class with the subject by describing the subject. A set of discussion questions should accompany the paper. The discussion questions should force the reader to think about the issue, for example: If the topic was keiretsu (the tightly knit network of sales in Japan), the questions could focus on how or if an outside manufacturer should attempt to compete in this environment? Or is this an efficient method for sales? *Please note that in class your responsibility is to focus discussion*, not to make a presentation of the paper.

The objectives of this project are twofold. First, to introduce the class to a particular topic relevant to the class. Second, I want to give you experience leading discussions and generating new ideas. Although this presentation style is unique (and sometimes uncomfortable), it represents an important management style that you may want to employ some day. The idea behind this project is to increase our learning by asking everyone to think about the subject and develop creative ideas or solutions that shed light on the practice and its applications. I have listed some possible topics on this and the following page:

Effective CRM Systems	What is CRM? How does a company become customer-centric, what does it mean and what does this concept replace. What are the key strategies and tactics to successfully deploy CRM.
Alternative Sales Methods	A number of interesting new channels are developing, for example, Home Shopping Network/QVC, warehouse stores, catalog shopping, reverse auctions, SaaS procurement sites, ….
Key Account/Global Account Selection	Is a Key Account/Global Account strategy profitable? How do you select these key accounts, if you don't just use account size?
Customer Involvement	Do we get customers involved in product design? Marketing? Sales management? When? Why? How
Sales and Social Media	What is the impact of Facebook, LinkedIn, Twitter and other social media applications on Sales and Strategic Accounts
Compensating Selling Teams	Salespeople are traditionally compensated based on sales volume—commissions. How do we compensate teams of salespeople and keep them motivated?
Mobile Technology	What is the impact of smart phones, tablets, RFID devices, mobile payment systems on the sales profession and sales management

Sales in Japan, China, Eastern Europe, Russia or any other interesting country	Emerging markets might be particularly interesting. These countries offer great promise, but the fact that they are less developed economically may complicate our sales. A project could look at the current system in a particular country, while our discussion could look at how a particular company might enter the market and make key sales decisions.
Global Account Management	With more and more firms having operations scattered around the world, many companies' National Account Management Programs have evolved to Global Account Management. This adds another layer of complexity to key account management. How can firms deal with these issues? You might look at this from a number of angles—cultural, legal and ethical values or just the logistical hassles. Or, how about Global account management in Oil and Gas, complicated by where Oil and Gas is, geographically and politically
Global Sales Management	What are the challenges that are unique to managing a global sales force?
Location Enabled Applications	4Square, Google maps and a lot more to come can impact selling and sales efficiency in big ways, how will this capability change selling?
Other topics are encouraged	Use your imagination or design a project that allows you to better understand an industry or company or practice that will be important to your career.

Appendix 2: Sales/Key Account Management in Action Project

It is important that we become familiar with current practices in sales and key account management. Therefore, as a second group project, teams of students will be required to learn more about how one particular company sells their products or practices key account management. This will be a major project involving a presentation to the class.

This project is intended to be primarily descriptive in nature and should focus on how a particular company is practicing sales and/or key account management. The project should involve basic research on the industry and include data from at least 3 interviews with people in the company. A useful technique is to use a compare-and-contrast approach. One could compare different key accounts by the same firm, or the old versus the new way of doing something at a particular company. I am also open to projects that are more prescriptive in nature—and might be designed to help a particular company solve a particular sales or account management problem.

The research method should include both secondary data collection through library research and primary data collection through interviews with participants or others knowledgeable with the industry. The project deliverable will include a paper (3-5 pages single spaced, double space between paragraphs) and 20-minute class presentation. The paper should have an executive summary, discuss the macroenvironment facing the firm, and describe the firm's sales or key account management practices. Your paper should include some analysis that explains reasons why the firm does things the way it does. It is usually interesting to know how firms motivate account managers or channel members, changes occurring in the industry and how the company is dealing with them, and systems for evaluation performance or success.

I will provide names of the companies and contacts. Teams can request specific accounts, but I reserve the right to veto such requests.