

Regional Sales Managers

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GUIDELINES FOR INTERACTION BETWEEN REGIONAL SALES MANAGERS AND MANUFACTURERS' AGENTS

Objective

These guidelines were developed to provide a clearer understanding of a Regional Sales Manager's (RSM) duties, responsibilities, objectives and interactions with Manufacturer's Representatives.

It is not our intent to write a job description for RSM; that would be presumptuous and unrealistic. We do, however, intend to suggest specific requirements that we feel are essential to effective marketing in the changing marketplace..

While we debated about the content of this paper, we discovered that the length could be endless. We decided, rather than write a job description, to outline certain basic objectives that both RSM and manufacturer's representatives should achieve. once these "basics" were agreed upon, then we would make recommendations on areas which need to be redefined or concentrated upon.

Objectives For Regional Sales Managers (Basic)

- 1) Training of new sales people in a representative firm.
- 2) Assist end user and representative problems with the factory.
- 3) Introduce new products and programs.
- 4) Provide technical assistance to end users or representatives.
- 5) Help in establishing goals and forecast in a territory.
- 6) Provide support to representatives to enable them to achieve the goals.
- 7) Assist in closing important orders.

Objectives For Manufacturer's Representatives (Basic)

- 1) Develop new business.
- 2) Expand business with current customers.
- 3) Service customers in such a manner that they want to continue to do business with the manufacturer.
- 4) Manage the territory with regards to:
 - A) Competitive activity
 - B) Sales meetings
 - C) Trends in the marketplace
 - D) Credit problems
 - E) Marketing their products
 - F) Establish customer base
- 5) Be an extension of the manufacturer's business.

These previous objectives are all very fundamental and could be expanded upon tenfold. However, we will leave specifics and objectives to the individuals involved.

Areas to concentrate on:

Expertise

It is damaging and embarrassing to all elements of the industry to watch a semi or untrained regional manager make a dealer or end user call.

Our position regarding training is firm. The factory regional manager should be the expert on his company's products. Anything less than the "most knowledgeable person" should not be acceptable by either the manufacturer or the representative agency. The single most effective way to not get into a bid situation is with superior selling skills and product performance information. Lacking this, the regional manager becomes more of a problem than a solution.

The factories must place greater emphasis on teaching their field managers both product knowledge and selling techniques. They should also be well versed in the policies of their manufacturer, as well as possessing general background information pertaining to the role their representatives play. Those lacking this information should not be sent to the marketplace.

Authority

Assuming impeccable credentials regarding product information and selling techniques, the regional manager cannot succeed without the authority that balances his responsibilities. We feel the factory must empower the regional manager for two key reasons:

- 1) To grow their share in that market.
- 2) To create an effective and objective measure of the regional manager's performance.

Sending a regional manager to the market without proper authority will not only fail to gain the desired increase, it will create a negative impression with several segments of our industry. It is our feeling that the more the factory decentralizes authority, the more effective they will be in the future..

Scheduling Of Visits

Regional managers should give sufficient notice to the representative firms of upcoming visits. At least 30 day notice should be given, and specific objectives should be stated. With advance notice appointments can be confirmed and business conflicts can be avoided.

In a different period in the foodservice industry, having a regional manager visit a territory and basically make "social" calls on existing good customers may have been acceptable without a critical examination of the same. The local marketing agent should collect information, funnel that to the regional manager, then collectively plot the strategy to be used to capture new and incremental business.

Some calls to maintain "goodwill" obviously should be made. However, if the regional manager only wants these calls scheduled, it becomes the responsibility of the agency principal to communicate this to senior factory management. If he cannot or will not do this, then he should persuade the regional manager that they jointly need to pursue new business.

Joint Responsibility/Review And Planning Session

The representative is the every-day presence in the market. The regional manager is in several market areas that may differ in many aspects. We feel that, for maximum effectiveness, this inside/outside viewpoint should be shared in regularly scheduled planning sessions.

Input from both parties is vital in today's market to help determine strategy and tactics for successful (read "profitable") growth. Mutually agreed upon goals will help create a bond between representative and manufacturer. This activity, if practiced regularly, and reviewed annually, will improve the ally relationship we need to have between representative and manufacturer. If that alliance fails to produce results, it may indicate that sales management needs to more closely monitor their field sales position.

Cost/Purpose

Conversation with many representatives, dealers and field managers suggests factories do not get maximum effectiveness from their field sales people. Failure to search for more effective methods using both representatives' and regional managers' input will only result in poor use of a company's assets and under-utilization of their representatives' effectiveness in the market.

From the representative's viewpoint, if the regional manager cannot bring solutions, information, partnership attitude and help in analysis, they inhibit the ability of the representative to maximize sales.

Careful consideration should also be given to unnecessary or excessive paperwork, i.e. call reports, territory analysis, competitive surveys and market changes. Although this information can be very beneficial, if done to excess, it can become counter productive, taking valuable time away from the rep's selling duties. Additionally, this excess paperwork could challenge the claim of independent representatives and could make them appear as employees. This could raise a whole new set of operating dilemma.

All of the "tools"; i.e. car phones, fax machines, e-mail, CAD systems, electronic catalogs, etc. will not bring about the necessary changes. It must be done by managers who understand the importance of strong representative/manufacturer alliances, who analyze, execute and monitor the new plans that are necessary for success in today's turbulent marketplace.

Closing

The difficulty in establishing guidelines comes in the compliance and the evaluation of these objectives. Today manufacturer's representatives are working harder than ever providing key marketing functions that previously were performed by the food service distributor. Manufacturers are working harder to provide quality products at economical prices in a flat or slow growth economy. Both representatives and manufacturers are struggling to produce profits sufficient to enable both to expand services, personnel, research and development and training.

Until we all realize that we are in the foodservice business together, sharing common goals and philosophies, we will continue our present non-communicative relationship. Most manufacturers feel free to evaluate manufacturer's representatives performance, but we don't know many representatives who would freely evaluate their regional sales managers performances.

Times are changing, and we must all realize that professionalism is the key in surviving into the next millennium.

GUIDELINES ON EFFECTIVE REGIONAL SALES MANAGERS

As foodservice manufacturers and manufacturers' agents search for greater sales and profitability in the 90's, the business relationship between them must be sounder than ever. A key element in determining and enhancing this relationship is the capability of the person the principal hires to manage the manufacturers' agent—the Regional Sales Manager. Unfortunately, an issue that instantly galvanizes the manufacturers' agent community is the ineffectiveness to date of the Regional Sales Manager to perform the functions necessary to maximize the joint sales effort. Over and over, the manufacturers' agents complain of the inadequate training received by the RSM; often it is the manufacturers' agent rather than the principal doing the training. The few good ones are promoted, leaving the manufacturers' agent to train the replacements. The principal must recognize the value of the good RSM. If this Guideline does nothing else, it must convey how important the position is to the manufacturers' agent. These guidelines outline the necessary attributes of the RSM in order to enhance the performance of the manufacturers' agent. THE IDEAL Regional Sales Manager should:

I. Be A Self Starter With A Strong Work Ethic

II. Understand And Respect The Relationship Between The Foodservice Manufacturers' Agent And The Manufacturer

A. A partnership utilizing the combined talents of both organizations for maximum performance

- 1) The manufacturers' agent is an independent contractor, not an employee
- 2) The manufacturers' agent must sell multiple lines to offer low cost service and expand penetration

III. Be An Effective "Hands On" Trainer Of Manufacturers' Agent, Distributor, And Operator Personnel

A. Product Knowledge

- 1) Features and benefits; proper product preparation
- 2) Competitive advantages and disadvantages
- 3) Conduct ongoing competitive cuttings
- 4) Pricing—per unit and/or plate
- 5) Nutritional analysis
- 6) Menu applications/especially cross-menued with other products in manufacturers' agent's line
- 7) Recipe ideas
- 8) Overcome standard objections
- 9) Keep abreast of market conditions and trends

B. Marketing knowledge

- 1) Principal's strategy
- 2) National account programs and approvals
- 3) Growth programs
- 4) POS
- 5) Utilization of advertising, promotional activities/coupons, etc.

C. Administrative Support

- 1) Delivery schedules, minimums, lead times
- 2) Liaison between manufacturers' agent and manufacturer customer service representatives
- 3) Ensure efficient flow of paperwork (program billbacks, show monies, etc.)

4) Pro-actively resolve unauthorized deductions with manufacturers' agent

IV. Be A Decision Maker

- A. An empowered RSM earns the respect of both customer and manufacturers' agent. Time productively spent by decision makers usually results in sales.
- B. Be responsible-deliver on promises
- C. Establish guidelines for the manufacturers' agent to make proper commitments for the manufacturer

V. Be Organized

- A. Plan goal oriented visits in advance
- B. Proper and timely follow-up when necessary
 - 1) Letter to customer after sales call for greater impact
 - 2) Recap of sales activity to manufacturers' agent principal contact

VI. Be A Motivator

- A. Enthusiasm and creativity are necessary attributes to energize everyone to realize greater sales
- B. Be a team player-lead by example
 - 1) Work willingly with principal contact and other personnel

VII. Be Accessible

- A. Twenty-four hour or less response necessary to respond to crisis and daily business decisions
 - 1) Use voice mail to maximum advantage
 - 2) Designate back-up for emergencies

VIII. Be A Positive Influence

- A. A strong positive RSM can tip a close decision
 - 1) The RSM should enjoy a relationship with key customers and be part of the sales team

IX. Be A Problem Solver

- A. Have a thorough understanding of distributor and end-user operations
- B. Creative utilization of all the manufacturer's sales and marketing tools to solve customer problems

X. Be A Communicator

- A. Discuss and document problems and opportunities clearly
- B. Review mutually developed goals and plans to achieve them

XI. Offer Trade Show Support

- A.** Major show attendance required
 - 1) Help set up and break down
 - 2) Utilize all above mentioned attributes at the show to positively influence manufacturers' agent, distributor(s) and customers

- B.** Proper and timely communication of show policies
 - 1) Product presentation
 - 2) Allowances/show specials/premiums

It is the responsibility of the manufacturer to train high caliber candidates BEFORE they reach the field. The principal that makes the proper investment in a quality RSM earns the respect of the manufacturers' agent and customers, invariably resulting in the achievement of the goal - greater sales and profits!

GUIDELINES FOR RELATIONSHIPS BETWEEN REGIONAL MANAGERS AND REPRESENTATIVES

The Problem Is In The System

By Pearl Brown, LCSW

Problems - Problems - Problems! This is the conclusion in the hundreds of survey forms returned by the Manufacturers, Regional Managers, and Representatives. The finger of blame keeps pointing at the "other" - with the Regional Manager taking the most of the heat. The Regional Manager really begins to look like a scapegoat.

Watch out! Blame, and hope that the other will be different, never solves problems. Look again! The problem may be in the relationships between the three groups - not in any one of them alone.

My specialty is in working with couples and families who have problems in relating to one another. Usually when a family comes for counseling, one person in the family is seen as the "problem" and the hope is that if this person will change, all will be well.

Wrong! It is only when the family system is looked at as a whole can anything change. In fact, when other family members see their part in the problem, they are reassured because they have the power to make a change, rather than hoping the other person will do it.

The relationships between Manufacturers, Regional Managers, and Representatives constitute a system, just as in a family. Think of this system as a mobile. When one section of the mobile moves, the other sections change position - each part affects the other. In fact, the artist of the mobile creates just the right balance. The goal is for the business "family" to create just the right balance to fulfill all their needs - so all can be winners—synergistic success!

The first step in achieving balance is for each group to look at their needs and expectations. In a family, parents may demand too much or too little from their children. Frequently, they do not make clear just what is expected of them and grow deaf to their demands and needs. Often, parents do not let their children know that they are people too, with needs of their own. Most often in a family, the problem is one of learning that your own needs won't suffer if some one else's needs are met too. When family members feel they are safe, heard, and responded to, they can work out compromises and solutions.

In the business family, a frame-work of guidelines and ground rules can provide an atmosphere of trust and safety. Each member can be given proper respect, attention, and rewards. Usually, in spite of the many problems and misunderstandings, there is great excitement and energy in working out a new "family" system.

As the surveys show, with notable exceptions, few people have analyzed the very complex relationships between Manufacturers, Regional Managers and Representatives. Therefore, as in families, there has been misunderstanding, misinterpretations, fantasies, and lack of knowledge. It's a wonder the system works as well as it does. However, as in dysfunctional families, there is a need to hold on to the old system no matter what the cost.

The first step in helping the system change is for all members to talk! You have now done this through the surveys. The tremendous amount of information you. have frankly and generously shared is a significant step forward.

The next step is to use guidelines and ground rules to readjust the patterns - and to rebalance the mobile. This step is often the point where resistance develops. It is a time of new choices and

possible change, neither of which comes easily. However, the greatest motivation to change is trouble and as the surveys indicate, there is trouble enough to truly want a change.

One of the greatest obstacles reported by both Manufacturers and Representatives was lack of training, and hiring the wrong people to be Regional Managers. Sending Regional Managers into the field without a thorough knowledge of the company's products, philosophies and procedures creates havoc, and is a set-up for failure.

Being untrained in the manufacturer's marketing system and the role of the representative causes difficulty in selling the manufacturer's products. Several manufacturers referred to Representatives as "baby-sitters".

Another serious problem was reported to be the constant turnover of Regional Managers. They were either promoted to other positions in the company, or sent to other territories for more experience, or to solve problems.

These are but a few of the many examples reported. However, it is not specific problems that need to be solved, but rather a process for solving all of them. This process is:

1. Recognition that no one is to blame.
2. All members share responsibility and have the power to make a change.
3. Open discussion of problems, needs, and expectations.
4. Use of Guidelines and Ground rules to create new patterns of relating.
5. Ongoing use of this process to keep relationships in balance.

It may be difficult to give up old patterns that feel safe and secure. However, every Manufacturer, Regional Manager and Representative working harmoniously together make life much more rewarding, fun, and profitable for all!

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3. Regional Manager-Representative Team:

Typical objectives for the team might be to work together in harmony to achieve the goals of the principal; to up-date each other on manufacturer and customer changes, and developments; to select the best distributors or dealers; to be the advocates for each other; etc.

Ground Rules For Visits:

4. Frequency of Regular Visits:

Differences in territories determine the number of regular visits per year. Where the Regional Manager is located; territorial geographic characteristics; actual and potential volume; plus other factors determine the number of yearly regular visits.

Frequency of regular territory visits per year: _____

5. Advance Notice:

If a schedule for regular visits can be worked out between the RSM and the Representative at the beginning of the year, or every six months, or even each quarter, sufficient advance notice is automatically achieved. The number of territories the Regional Manager must cover, and the number of Regional Managers coming into the Representative's territory determine the amount of time needed by both for advance notice. In this way both the RSM and the Representative can maximize the results of the visit.

Advance notice - No. of weeks: _____

6. "As needed" trips obviously cannot be scheduled in advance when emergencies arise:

Consideration must be given other commitments facing the RSM. When such visits are for special events, the RSM is entitled to as much advance notice as possible, to allow adequate preparation. Discussions of "other" visits should thoroughly explore the possibilities for special visits as it pertains to each particular situation.

"As needed" visits - Probable reasons:

- Major customer problem _____
- Major pending order - representative needs help _____
- New product introductions _____
- Special Customer Event _____
- Special Representative Event _____
- Local Trade Show _____

Other: _____

Advance notice needed by RM (weeks) _____

7. Who Pays the Check?

This highly personal and will vary with the situation. This is the easiest rule to decide in advance and will save embarrassment later. Many customers have stated they feel uncomfortable when a representative salesperson and a regional manager take them to lunch or dinner, and the representative pays the check instead of the manufacturer. On the other hand, when the owner of a large agency and a small manufacturer are present, it would look OK for the representative to pick up the check. In either case, it should be decided in the ground rules. Most manufacturers surveyed, preferred that they pay the check with a customer present, and that the RSM and the Representative should take turns when there is no customer along.

Who pays the check when:

The customer is present? RSM _____ Representative _____ Either _____

The customer is not present? RSM _____ Representative _____ Either _____

Other, such as when the representative owner is along - the representative salesperson is along?

(no owner)..a special visitor - non-executive from the factory is along? _____

8. Itineraries:

In setting plans for the visit, usually the Representative outlines the itinerary and objectives for each call. This itinerary is submitted to the RSM for suggested changes and approval. Once the schedule is set, the RSM can gather the information and prepare the materials needed for the trip. Sufficient advance notice benefits the RSM as well as the Representative. Convenience for the RSM and the Representative regarding accommodations, length of visit, arrival times and pertinent details should be frankly discussed in a positive manner. Manufacturer guidelines or policies regarding hotel and travel expenses should also be reviewed.

Who selects the customers to be called on? RSM____ Representative ____ Both _____

Who prepares the itinerary with list of objectives for each call? RSM____ Representative ____ Both _____

How far in advance should itinerary and objectives be solidified? _____

Who should determine hotels - if needed? RSM_____ Representative _____

For How many days in the territory should regular trips be scheduled? _____

When is usually the best day and time for RSM to arrive? _____

Other _____

9. Training:

Since salespeople spend more time on products that they know well, product training is vital to successful sales efforts. Regular staff technical training sessions should be planned, as well as training of new sales personnel, the inside staff, and distributors.

When, where, and how often should representative staff training meetings be held? _____

How should RSM train inside sales people and new representative personnel? _____

How should training of Distributors be handled? _____

10. Covering other lines was presented as a problem by both Regional Managers and Representatives:

It varies from line to line and from territory to territory. An open discussion of this will help both sides clarify their needs. Fill in the "Other" portion as it specifically applies to special needs.

In the company of the RSM, when may the Representative discuss other lines?

When the customer brings it up: _____

When there is a problem to be solved: _____

When a new product of another line is to be presented: _____

When the Representative had promised to bring samples, quotes, literature, specs, etc. to the customer: _____

When the customer is in a remote area geographically: _____

Other: _____

11. Calls Without The Representative:

There are times when a Regional Manager might have to make a call on a customer without the Representative being present. This might occur in an emergency when the representative is unavailable. How and when should the representative be given a report of the call?

Under what circumstances should the RSM make customer calls without the representative? _____

How should the Representative be notified? _____

How and when should the Representative be given a report? _____

12. After the Visit:

When a visit is completed, do you want a summary of the highlights? Who prepares it? Should there be a list of action items? How will both the RM and the Representative report the progress of items they were to handle?

Calls without the Representative:

Should there be a re-cap of the results of the trip? Yes _____ No _____

If yes, who prepares them? Representative _____ RSM _____

Both

How will follow-through by both the Representative and RSM be ensured? _____

Communications

13. Regular Regional Manager Correspondence:

The universal problem in all relationships seems to be communications. Much of the problem occurs when neither party is clear about what the other expects and why they need it. There is certain information that the Regional Manager needs and expects from the Representative: progress on certain assignments; status of key programs and customers; major problems;

competitor's activities, etc. This information might be expected monthly, or quarterly. Now is the time to frankly discuss what is necessary and when it should be submitted. The use of time-saving forms should be formulated, to keep selling time at a maximum and paperwork at a minimum. How will these reports be responded to formally?

What information does the RSM want from the Representative on a regular basis? _____

14. Regular Representative Correspondence:

The Representative might require information on a regular basis, and this should be discussed in the same way as information requested by the RSM. This might be regular reports of new applications, new products, new policies, successes in new fields in other territories.

What information does the Representative want from the RSM on a regular basis? _____

15. Response Time:

Timely response was constantly brought up by all sides. The establishment of general rules regarding problems, quotes, specifications, etc. would be in order. Response of phone by phone, FAX by FAX, etc. could be negotiated.

How quickly do each want response from the other on:

Urgent matters? _____

Routine matters? _____

16. Alternate Contact:

When the Regional Sales Manager is on the road, or is not readily available, it should be made clear who would be the best people to contact, depending on the nature of the information, or specific action to be taken.

When the RSM is not readily available, who should the Representative contact? _____

Goals and Forecasts

17. Who prepares Territory Forecasts?...the Representative? the Regional Sales Manager?

Is it then presented for discussion and approval? When should it be done? How much time should be allotted for analysis, changes, and approval? What should happen if the two cannot agree?

Who prepares territory forecasts? Representative _____ RSM _____
Both

How is mutual agreement accomplished? _____

18. How often will the forecasts be reviewed?

What is the mechanism for making changes up or down depending upon unforeseen events with the manufacturer, or in the territory?

How often will progress on goals and forecasts be reviewed together? _____

19. Evaluation Reviews:

This came as a surprise. While evaluations of Representatives by Regional Sales Managers is not uncommon, several manufacturers requested that the Representatives also be asked to evaluate the Regional Sales Managers. At two workshops, manufacturers requested that this be considered.

Will there be Evaluation Reviews of Representatives by RSM? Yes _____ No _____

If yes, how often? _____

Will there be Evaluation Reviews of RSM's by the Representative? Yes _____ No _____

If yes, how often? _____

Rights

20. Un-negotiable Rights:

These are the rights which people give to themselves which they expect others to honor. They were cited over and over by all of the participants in the survey. Obviously people will not tolerate a business relationship where there is a lack of integrity, courtesy, respect, honesty, etc. Yet, the amazing fact was that both the Regional Managers and the Representatives accused each other of breaches of those rights! Certainly, the goal is teamwork, mutual support, and professionalism.

It is in everyone's interest that the Regional Manager and the Representative be advocates for each other and not adversaries!

An open, candid discussion about these rights and how they are achieved and breached will do wonders to establish a healthy team.

What both the RSM and the Representative are entitled to:

Courtesy	Confidentiality	Respect
Integrity	Value of Time	Professionalism
Support	Honesty	Fulfillment of
Commitments Loyalty	Frankness	Teamwork
Positive Attitude	Good Relationship	Fair Share of
Time		

21. Negotiable Rights:

These are rights which have shades of gray and are not black and white. Most of the rights have almost identical counterparts. and should be negotiated. There is no right and wrong. The best solutions will vary with differences in territories, products, and other factors, including personalities. Negotiations will vary between Regional Managers and the various Representatives they cover. They will vary between a Representative and his several Regional Managers.

For example, many Regional Managers insisted on the right to full attention while in the territory. This is in conflict with the many Representatives who wanted the right to talk about other lines when calling on customers with Regional Managers. This negotiation would possibly entail adequacy of advance notices, emergencies, problems, and frequency of visits.

Thoroughness and promptness of reports can be the subject of negotiation. The amount and importance of paperwork should be explored.

What the RSM expects from the Representative:

Full attention in the territory reports	Thoroughness and promptness on
Full availability of Representative people	Prompt follow-through of leads
Approve choice of distributors	To be contacted before factory
Accessibility of Representative staff	Follow factory policies
Promptly fulfill commitments	Uncover opportunities for new sales
Informed of competitive activity	Informed about changes - no surprises
Respect for role as manager	Resolution of problems before call
Sell entire line - no "cherry picking"	

What the Representative expects from the RSM:

Respect for time for other lines	No unnecessary paperwork
Technical training and assistance for staff	Pre-qualified leads
Choice of distributors	Direct factory contact
Accessibility of RSM	Factory policies clearly defined
Fulfillment of commitments	Informed of new applications and
markets	

Informed of competitive advantages and answers
interference
Treatment as contractor - not as employees

Allowed to manage own co. without
Prompt assistance on problem call

22. "Other" refers to Rights not covered:

Fill them in and discuss them frankly. Be sure to use extra sheets of paper to cover any area more completely, or for any areas of the relationships you would like to add to the Relationship.

Other: _____

(Use extra sheets if desirable)

23. Sign-off:

This is optional. After agreement on the Ground Rules, you might want to sign-off, make three photocopies, each keeping one and sending the third copy to the manufacturer for comments and approval.

For the Regional Manager, when appointing a new Representative, such a document can get the relationship off to a flying start. For the Representative with a new Regional Manager, it can save many misunderstandings and problems.

Established on _____ (date) by:

RSM _____ Representative _____ Mfgr. _____

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WHAT IS AN EFFECTIVE REGIONAL SALES MANAGER

As the food service equipment and supply manufacturers and representatives search for greater sales and profitability, the business relationship between them must be stronger than ever. A key element in determining and enhancing this relationship is the capability of the person the principal hires to "manage the representative" - the Regional Sales Manager (RSM).

Seldom does a RSM come along that truly understands their roles and responsibilities in the marketplace. When you have a RSM who understands the intricate, yet delicate, relationships of each player in the market; who understands that representative and factory must operate from the same page in order to achieve common goals, you want to hang on to them as long as possible before they are promoted or leave the industry .

Unfortunately, an issue that immediately galvanizes the representative community is the ineffectiveness of RSM's to perform the necessary functions to maximize the joint sales effort. Over and over, representatives tell me of inadequate training received by the RSM; often it is the representative rather than the principal doing the training. The few good ones are promoted, leaving the representative to train the replacements. It is critical that the principal recognize the value of a highly trained RSM to his company and more importantly to his sales force.

The representative-manufacturer relationship is a partnership with attributes similar found to those found in a family-type system. As a system, the representative-manufacturer partnership must be in balance to be productive and to meet its primary objective of profitability. The first step in achieving balance, is for each party to assess their own goals, needs and expectations. In turn, both parties need to understand the goals and expectations of their "partner." To accomplish this first steps toward profitability, the representative and manufacturer must improve the communication process.

The primary function of the representative-manufacturer partnership is marketing and sales. In today's turbulent and highly competitive marketplace, open communications, accurate information and mutually agreed upon goals will foster greater productivity and success. There is a simple solution for representatives and manufacturers to the issues of increased productivity and profitability, greater innovation, and higher degrees of trust and communication. The remedy is to openly share information and facts, and to use this process as a measure of competence, contribution and reward.

This means that representatives and manufacturers share information among themselves as marketing partners. Factual information of this type can be clearly and openly sought, measured and communicated. Organizations that are driven by the marketplace, facts, reality and cooperation, rather than power and politics, will be those that move toward higher levels of performance and profitability.

In order to properly serve the market, manufacturers and representatives must be working toward mutual goals. Their efforts must be coordinated and their communications must be open and honest. In this type of properly structured relationship, there should be no surprises for either partner because information and performance goals are shared.

Representatives work most directly with regional managers. Based on representative surveys conducted by Jack Berman, Berman Publications and industry associations, there are a number of on-going issues and communication problems between representatives and RSM's which can be resolved through better communication and cooperation. This important relationship should foster productivity and profitability for the manufacturer and the representative agency.

From Jack Berman's "Better Repping," February 1991: "I have just completed a survey of representatives, manufacturers and regional managers. Several hundred replies have already

been received and I have read every one. The news is shocking! Regional managers/representative relationships are a much bigger problem than most have realized." As one regional manager's survey response indicates, "If the regional manager and representative have a good relationship, almost anything can be done. Relationships are the key to help. Once the relationship becomes tangled the help portion drops off considerably."

In the food service equipment and supply industry, change itself may be the only constant. As the representative and manufacturer go forward, their partnership must remain flexible and responsive, focused on meeting the E & S product and specification needs of the end-users. In addition, and in order to survive and prosper within the context of constant change, the partnership between the manufacturer and representative must also be open to change. This marketing partnership will only succeed to the extent that both parties create an environment and communication process that has the following key components: 1) recognition by both parties that fixing blame is not the primary goal, sales and profit production are; 2) open, two-way communication and immediate feedback about problems, needs and expectations so that goals and a common direction are mutually agreed upon; 3) consistent and measurable results and rewards.

When communication is open, constructive and honest, representatives will build his marketing agenda in concert with their manufacturer partner. the benefit to both parties will be a mutually agreed upon direction and commonly held goals. By strengthening this partnership through open communication and joint goal setting, the representative, the manufacturer and/or RSM will reap the results of increased market penetration, achieve greater levels of product sales/profitability and insure the long-term continuity of the relationship.