Growing & Managing The Sales Machine
Administration

Overview:
Growing and managing a sales organization is a pivotal skill for anyone interested in a career focused on revenue generation. B8603: Growing and Managing the Sales Machine is an advanced course paired with B8694: Building the Sales Machine and focuses specifically on growth beyond the basic concepts learned in that class. The focus of this class is on the challenges and key issues associated with the growth and management of a professional sales organization. Our emphasis is managing the selling effort of business-to-business and business-to-consumer companies. There will be no emphasis on basic sales techniques and how to be an individual contributor. Instead, this course will focus on sales management, sales operations, sales productivity, sales metrics, and other advanced concepts associated with growing and managing a selling organization. The course is focused on teaching via the case method with significant in-class discussion on cases as well as in-class activities related to the case. In addition, the course will have revenue leaders from the Fortune 500 companies speaking to the class throughout the semester. The course will address all topics in the context of primarily later stage larger enterprises and should be taken only by students with a serious interest in going into sales management or other equivalent roles.

Students will leave the class with:
- Tools needed to grow and manage a professional sales organization.
- Understanding of how to choose a go-to-market model in sales (e.g. direct sales, resellers/partners, OEMs).
- The ability to grow and structure a sales organization.
- The understanding of how to manage a sales force specifically focused on sales hiring, training, compensation, and other operational components.
- Substantial real-world lessons and advice through case work and guest speakers.

Course Materials:
Canvas will contain everything you need for the course, including class readings and assignment overviews.

Grading:
In short, this class requires individual effort as well as teamwork. Individually you will be asked to participate in the guest lectures, case discussions, and in-class scenarios and exercises. In groups, you will need to partake in a final project, splitting up work and collaborating efficiently.

- Attendance & Class Participation 33.3%
- Individual Written Assignments (5 in total) 33.3%
- Individual Presentation Assignment (1 in total) 33.3%

For the group project, each team member will receive the same grade. All students will be required to turn in all assignments on time. THERE ARE NO EXCEPTIONS.
- To prosper in this class, you must attend every class and complete all assignments before the start of class on the due date.

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This course will primarily be taught using the case method with significant class discussion focused on the case. The best way to learn is by doing and so a large component of your grade will be in class discussion as well as some follow up learnings and in class exercises. In addition, every class will have a guest speaker. Guest speakers will be Chief Revenue Officers (or equivalent) of Fortune 500 companies. You will be required to participate in the discussion and ask intelligent questions. In addition to case preparation and guest lecture Q+A, students should expect to complete five graded assignments related to the case. For your sixth assignment (final project) students will be required to present as a sales executive on a particular data set, drawing out interesting insights and focus areas.

Class Participation:
We will be spending a considerable amount of time in class discussions. Everyone should contribute over the course of the semester. Here are some points to keep in mind regarding classroom participation:

- More than one unexcused absence will result in a grade decrease.
- You can’t be shy in selling and managing. Ask questions, participate, and most importantly, what you take from this class will be what you put into it. This will allow you to get the maximum amount out of this class, and will help you in the future.
- Work together. Students can get together and discuss the best course of action for each class, case, and in class work. However, when you come to class you should come prepared to discuss individually.

Prerequisites:
To enroll in this course, students must have previously completed or are currently registered in B8694: Building the Sales Machine or B8613: Entrepreneurial Selling. Exemptions of this requirement may be granted on a case-by-case basis; please email Professor Brown (mcb2025@columbia.edu) with a short message explaining your background in sales and why this qualifies you for exemption.
Lesson Overview & Details

**NOTE: We do not include specifics on dates and times. Lessons are meant to be high level. For a full syllabus corresponding to a specific semester with actual lesson dates please reach out to Professor Brown.**

Lesson 1: Intro, Structuring The Sales Organization, & Developing The Right Sales Model

Using the Jive Software case as our guide, we will discuss the importance of developing a structured sales model, define the sales learning curve, and relate it to Jive Software’s decision-making and its relevance to other organizations. Using the Qualtrics case as our guide, we will discuss different considerations within sales management, including: inside sales versus field sales, top-down versus bottom-up approach to closing enterprise customers, tracking activity versus tracking results, and finally how to choose the right approach for each and every situation. In addition, we will go through a high-level overview of the course, the grading, Canvas, and set overall expectations for the course.

Real World Questions Answered In This Lesson: What sales model should I deploy? What structures are the best in certain types of companies? What specifically should my sales model look like? What is the sales learning curve and how can I get more up to speed on it? What are the key variables to worry about in any sales organization? When thinking through creation of a sales organization what are some of the things I need to watch out for and understand?

Lesson 2: Optimizing For Success Through Better Sales Operations & Metrics

Using the OptiGen case as our guide, we will build on the prior lesson regarding structuring and go-to market, as well as consider new material such as creating accurate forecasting processes, and addressing missed sales targets. We will do this at the executive, the manager, and the individual contributor level to develop a point of view on how the interaction happens and sometimes where there can be friction up and down the chain of command. In addition, we will use outside material to understand the interaction between sales, marketing, and customer success from a metrics standpoint. Students will work through real world scenarios and understand how to think about all of the sales metrics that matter and which are related to key levers of success.

Real World Questions Answered In This Lesson: How do I think about major top level metrics like the sales velocity equation? How do I think about granular level KPIs such as account scoring, territory planning, opportunity mix, splitting up account segments, and other matters? What presentation formats and charts are best to use for every situation? What are the best structures for an SLA? How should sales, marketing, and customer success talk to each other correctly from KPI and metric standpoint? How should I present this information to my executives as well as my individual contributors? Where is revenue correctly attributed across the organization (sales, marketing, and customer success)?

Lesson 3: Hiring, Motivating, & Team Development In Sales Organizations

Using the Med-Mart and FedEx cases as our guide, we will discuss sales commission structure, the general importance of aligning commission structures with company goals, and the variables that need to be considered to ensure that you know how to choose the best structure for any
organization. You will create a suggested plan based on the second case reading and must be prepared to defend your plan during class discussions. Using the Trunk Club case as our guide, we will discuss how to interview and evaluate top-performing sales reps, the role of motivation and behavior in sales, how to develop a winning sales culture and that culture’s impact on compensation and promotion decisions, when to “fix” and when to “fire” an underperforming sales rep, and the proper time to hire a Vice President of Sales.

Real World Questions Answered In This Lesson: How do I compensate people correctly? What is the employee cost associated with the sales organization based on different selling models? Who are my best or worst individual contributors? What KPIs or metrics do I track to know this? How do I position them to optimize growth? How do I think about territory planning and territory forecasting? What are the best ways to train and grow individual contributors? How do I think about positive performance metrics like SPIFs and negative performance metrics like PIPs?

Lesson 4: Direct Or Indirect? Selling Through Resellers & Business Alliance Partnerships
Using the Vocera Communication case as our guide, we will discuss Vocera’s go-to-market decision, cover multiple channels for selling products and the benefits and challenges related to each channel, and develop a strategy to help you choose which option is the best for the company you join when you assume a decision-making role in the future. Using the OuterBay and EMC case as our guide, we will discuss the benefits and drawbacks of an OEM sales model, the variables to consider from the perspective of both parties when negotiating a deal, and how to implement such a model within a salesforce. We will talk through the overall idea of building a channel selling organization and discuss in this specific case what worked and what did not.

Real World Questions Answered In This Lesson: Do particular selling models work well in certain environments? How do I track and measure the success of direct or indirect selling models? How should one set up an indirect sales channel and what situations work well for these types of business models? What are the key considerations to look out for when selling in the channel?

Lesson 5: Mergers & Restructuring Of Sales Organizations
Using the Veritas cases as our guide, we will discuss the tasks and risks associated with merging two previously distinct sales organizations, and how they compare with the merger of other departments. We will also consider the four specific integration proposals outlined in the case, apply last class’s compensation lessons, discuss how to eliminate duplicate positions if needed, and finally, how to roll out an integration plan once a decision has been made. Using the Bausch & Lomb case as our guide, we will discuss the existing sales organization at Bausch & Lomb, the proposal for reorganization outlined in the case, and how these decisions can impact a company’s future on many different levels. We will also cover the broader context of structuring sales organizations and organizational design in sales specifically at the company and team level.

Real World Questions Answered In This Lesson: What works in a merger and restructuring? What data should I look out for to understand when mergers of sales organizations are working or not? How do I think about restructuring away from one selling organization to another?
Where has this worked well and where has it not worked well? What are some of the things I need to watch out for and care about as it relates to mergers and restructuring?

**Lesson 6: Creating a New Sales Organization & Conclusion**

Using the Dropbox and Progreso Financiero cases as our guides, we will discuss the different variables and metrics to be considered when launching a new sales organization and consider how these may change depending on the situation and chosen sales strategy. We will cover and incorporate most of the lessons understood to date and also recap the semester. We will allow for time at the end of class for presentations and move through this lesson fairly quickly to account for our end of semester work.

*Real World Questions Answered In This Lesson:* How would the sales learning curve apply to a freemium model and what metrics would you track? How does this differ from a direct sales method? What is the impact on culture? How do you determine customer value and customer acquisition costs, and how can you improve these two values? What factors should you consider when hiring AE’s and your VP of Sales? Should you manage activities or results to improve sales productivity?
Lesson Cases & Reading Materials

**NOTE: We do not include specifics on dates and times. Reading material is meant to be high level. For a full syllabus corresponding to a specific semester with correct reading and pacing please reach out to Professor Brown.**

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Additional Reading Materials

While our course is heavy on cases, below is supplemental text for the class should you want to read more.

Cespedes, Frank Z. *Aligning Strategy and Sales: The Choices, Systems, and Behaviors that Drive Effective Selling* (2014)


