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Traditionally, a great deal of discussion has been directed to the many challenges facing sales organizations. In the new millennium, however, the width and intensity of these challenges will magnify. In this environment, sales organizations can expect highly turbulent times as buyers, sellers, and the environment undergo dramatic changes. Consequently, sales and marketing managers must understand the impact and overall implications of executing a marketing concept that incorporates a focus on the customer and the long term (Webster, 1994).

Additionally, the rapid growth and implementation of information technologies (IT) will require many organizational changes. From the sales force perspective, the integration of computerization has only begun to cultivate significant changes within sales organizations (e.g., the ordering process). Many sales and marketing managers will be taken by surprise by the magnitude and rapidness of the challenges presented by the internal development of technology. By identifying critical issues such as these, sales organizations are better equipped to handle adversity.

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In this vein, the purpose of this article is to identify eight critical priorities that will need attention by sales organizations over the next decade. To address these issues, the author indicates critical elements and the implications that they create for sales organizations. Further, the author makes recommendations for addressing these shifting priorities.

Shifting Priorities

Through the identification of the priorities, managers can anticipate the needed actions. To address these issues, Table 1 identifies former priorities, the shift of these priorities, and their implications. A more detailed discussion of these issues follows.

Individual Quotas

Historically, sales organizations relied heavily upon the performance of individuals. The results of these individuals were "stacked" on top of other performers, creating a composite of all performers.

As firms become increasingly driven by elements that are difficult to measure (e.g., building relationships with customers), personal selling shifts from influencing to managing conflicts inherent in buyer-seller relationships (Weitz & Bradford, 1999). The focus of measurable performance will move to less defined outcomes (e.g., organizational participation and long-term relationship development). In this setting, productivity of the sales force will be driven by wider organizational participation (more of a marketing orientation), making it increasingly difficult to assess individual efforts. Consequently,

TABLE 1

SHIFTING SALESFORCE PRIORITIES

	FORMER PRIORITY	SHIFTED TO	MANAGEMENT IMPLICATIONS
1.	Individual Quotas	Team Productivity	Measure individual and group responsibilities
2.	Sales Reward Systems	Organizational Reward Systems	Establish reward/compensation systems to match desired outcomes
3.	Personal Customer/ Seller Contact	IT Customer Information System	Restructuring of seller/buyer contact. Technology (support and sufficient training)
4.	Manageable Span of Supervision	Downsizing in Sales Management	Expert Systems Salesperson Self Sufficiency New forms of supervision
5.	Traditional Coaching	Coaching Larger Numbers	Alternative trainers (i.e., senior salespeople) Efficiencies in coaching
6.	"Cookie Cutter" Hiring	Developing Diverse Salesforce	Diversity recruitment and maintenance programs
7.	Typical Career Cycle	Nontraditional Career Cycle	Develop appropriate strategies, objectives, and career options
8.	Short-term Sales	Long-term Outcomes	Look for long-term customer solutions/relationships Shift measurement focus from short-term transaction sales

sales objectives will more commonly reflect group efforts (Chrzanowski & Leigh, 1998).

How should sales organizations respond?

A primary danger to this shifting priority is that the potential exists for individual salespeople and managers to lose some direct accountability for their performance. Correspondingly, the possibility also exists for the avoidance of responsibility by the sales force members.

Managers in this environment must provide a "balancing act" between individual quota assignments and organizational goals. First, the sales organization may have to reexamine how measurement is assessed. While salespeople can retain productivity objectives, it may be necessary to expand the traditional measurement period (e.g., quarterly) to a longer time frame. First, by expanding the time of measurement, the focus moves away from driving immediate sales results ("sell something today") and allows the salesperson to concentrate on factors that produce results (e.g., building relationships) over longer time frames. Secondly, the organization may have to accept that quotas do not have to reflect specific sales productivity. Sales organizations can create measures of competence (e.g., customer trust and commitment) that go beyond historical sales productivity measures (Morgan & Hunt, 1994).

Organizational goals should be broadened to include the input and productivity of all organizational members. For example, the use of teams (Katzenbach & Smith, 1993a, 1993b) in a selling environment does not diminish the importance of producing revenue for the seller. In this setting, team goals (quotas) can be developed that reflect the entire organizational need (revenue) from each customer. Of course, quotas can then be subdivided to reflect more specific accountability from individual team members (Parker, 1994) as it is critical to ensure some individual responsibility is retained.

Sales Reward Systems

As results are measured more within the context of the group (organizational) output, compensation systems will need restructuring. The emphasis on building relationships rather than short-term sales dictates changes in evaluation and compensation (Weitz & Bradford, 1999). Utilization of selling teams requires compensation systems that reward both individual and overall group performance (Parker, 1994).

How should sales organizations respond?

In this setting, sales organizations will face the significant challenge of constructing "dual track" reward systems that are tied together. Consider the situation in which a salesperson is working on a team with members from other functional areas attempting to sell a complex telecommunications system. Such an effort requires a vast array of individuals working separately, in a cohesive effort. Measuring such outcomes needs to simultaneously focus on the "big picture," selling the system to the customer, as well as the degree to which the individual has accomplished his/her specific portion of the organizational goals. Therefore, in such a complex environment, sales organizations will want to measure long-term customer plans that provide long-term benefits to the customer and the seller.

To be successful under these conditions, sales organizations first need to be able to identify and then quantify important group and individual goals.

Group reward systems have been related to performance, and tasks and reward interdependence interact to increase performance (Wageman & Baker, 1997). Sales organizations will need to be able to isolate individual productivity as it relates to the performance of the group. As a very difficult issue, sales organizations (and in particular, lower levels of sales management) must be careful to ensure that the measurement process does not interfere with the desired results. It is not hard to imagine overzealous sales managers trying to overly document individual efforts in an attempt to link individual and group efforts. Instead, sales managers must think in terms of individual tasks and responsibilities as representing one aspect of a formula and, from this, determine the weight of the contribution of that individual to the completion of the group formula.

Personal Customer/ Seller Contact

The nature of customer contact will change. Historical contacts between buyers and sellers have been through personal visits, with intermediate contact via other processes (telephone, mail, etc.). However, as the availability and accessibility of electronic commerce increases, it is expected that data-based information systems will be used to sell more effectively (Downey, 1999). Increasingly, various forms of information technologies (IT) including new channels of distribution (i.e., telesales, telemarketing, direct mail, interactive electronic marketing) will be used for contact between interested buyers and sellers (Bartlett et al., 1998).

How should sales organizations respond?

To be successful in an environment in which technology will often replace some direct personal contact, it is necessary for buyers and sellers to first feel comfortable in this setting. Of course, this means that sellers will have to incur this responsibility, spending a considerable amount of resources (time, money, etc.) in developing mechanisms to ensure that the information technology contact with customers is meaningful and rewarding. For instance, Procter & Gamble (P&G) has constructed an IT customer information system in which Kmart's check-out registers automatically send changing inventories to Procter & Gamble, increasing the efficiency of delivery systems to Kmart (Evans et al., 1998). Critical to this IT system, P&G initially had to convince the Kmart management that such sales and inventory information would remain confidential while the system provided Kmart a strategic and competitive advantage in its marketplace.

In this setting, sales management must develop a program in which the customer accepts contact via technological methods. The role of the seller, using information technology as part of the buyer/seller interaction, is to position clients to believe that the quality of seller contact is enhanced through technology. For instance, in the Procter & Gamble example, the amount and timeliness of the information exchanged must be seen by Kmart as an enhancement in the value of participating in a relationship with Procter & Gamble.

To achieve this aim, however, salespeople must still perform the traditional task of constructing strong client linkages, which may be enhanced through collaborative communication with customers (Mohr et al., 1996). From a strategic perspective, information technologies can be used to enrich existing relationships through their ability to enrich the satisfaction of customers.

Manageable Span of Supervision

Downsizing is a term that will find a more permanent "home" in sales organizations as corporations continue to become more horizontal (Byrne, 1992a, 1992b). As producers of revenue, sales organizations have often been left alone in organizational personnel reductions. However, increasingly, salespeople will be seen as revenue generators and sales managers will be considered an expendable layer of management. Sales managers, who in the past managed six to eight employees, may now be asked to manage as many as twice those numbers as the focus on individual productivity (revenue and lower expense ratios) decreases the demand to staff many managerial positions.

How should sales organizations respond?

In this environment, sales organizations will seek salespeople who require less supervision and are highly capable of "self managing." The focus, therefore, will be on attempting to compensate for the loss of sales managers through other mechanisms. For example, expert systems will be made available to salespeople in the hope that software driven technologies will decrease the need for first-line managers as knowledge and problem solving abilities are further decentralized. Senior salespeople will also be asked to support other field salespeople in an attempt to minimize management overhead. Perhaps most radically, however, and as mentioned earlier, sales managers will be required to broaden their locus of control, doubling and perhaps even tripling in some instances, the number of direct report subordinates. Managers, therefore, will have to maximize their management efficiency, constructing methods that will allow them to supervise a larger, more diverse, and widely separated sales force.

Traditional Coaching

Coaching involves the training, development, and ongoing supervision of salespeople by sales managers. Traditionally done on sales visits with the manager accompanying the salesperson, coaching has been a critical method of supervising and instructing salespeople. Practitioners typically indicate sales coaching consists of supervisory feedback, role modeling, and salesperson trust in managers (Rich, 1998). However, as sales organizations decrease the number of sales managers, firms will seek other methods to enhance or replace these one-on-one contacts and development methods (Richardson, 1996). This change will have several key impacts on sales organizations.

How should sales organizations respond?

First, sales managers will be expected to coach a much larger group of salespeople which will allow less opportunity for individual development and create more stress on the sales manager. Sales managers, therefore, will have to be prepared to work with larger numbers of sales professionals. When reducing the total time that any manager will be able to spend with a salesperson, the manager will have to become more efficient and effective in supervisory functions (Richardson, 1998). Consequently, managers will frequently spend more time with salespeople whose performance can be improved through coaching. To drive effectiveness, managers will become more adept at identifying individuals whose performance can (and cannot) be improved.

Secondly, a greater premium will be placed on finding and maintaining trained salespeople. The organizational expectation will increasingly call for less time per salesperson devoted to coaching, as more salespeople will be expected to "self develop," placing pressures on individuals to acquire their own skills through options such as peer mentoring (Fine & Pullins, 1998).

Third, senior salespeople will frequently assume the role of trainer and "coach." Firms may realize a lower cost benefit by assigning a senior salesperson to help develop a newer salesperson.

"Cookie Cutter" Hiring

Sales managers are infamous for hiring salespeople who are similar to themselves or other successful salespeople. While the benefits of this approach can be seen (if someone has succeeded, duplicating this person theoretically duplicates performance), it limits the diversity of salespeople. In a market in which salespeople are scarce, maintaining diversity of qualified sales personnel will become a critical issue.

How should sales organizations respond?

In an environment in which high degrees of diversity are critical, sellers will have to be able to identify and understand individual variances. Because it is extremely difficult to perform such assessments in multiple markets with the same "cookie cutter" mentality, sales managers may have to seek salespeople who are "cut from a different mold" or are able to "think outside the box."

To be able to meet the needs of unique buyers, sales organizations are going to have to diversify to a greater extent than generally imagined. Going beyond race and gender differences, traits such as education, lifestyle, career aspirations, and technical training will all provide a basis for including salespeople of different backgrounds. Critical to this process, however, is understanding that buyers have also become more diverse. Hiring diverse sales forces may increase the success previously unexplored with potential buyers.

Typical Career Cycle

Though widely accepted for many years, little discussion has focused on the notion of the salesperson moving through the career cycle (Cron et al., 1988). Identified as career stages, these "steps" represent discrete movements that salespeople go through at different times of their careers. In turn, each of these stages (Exploration, Establishment, Maintenance, and Disengagement) makes organizational and individual demands. As salespeople progress through these stages, it is important to be cognizant of specific requirements to maintain job satisfaction and productivity.

How should sales organizations respond?

Sales organizations need to develop methods to manage the movement through these cycles. First, sales managers need to be trained to recognize the signals for each of these stages—what should the sales manager look for in each of these stages of his/her salespeople? Accompanying these stage identification mechanisms must be training in dealing with the types of activities and programs that are most effective for ensuring that performance is maintained during each of the stages. For instance, during the exploration stage, sales managers need to provide sufficient instruction and assistance to the salesperson to ensure that the salesperson develops within the framework of his/her position.

There seems to be some explicit agreement that salespeople typically move forward within the cycle. In contrast to existing cycle conditions, it is expected that in the next decade, different conditions will emerge in the career cycle resulting in more rapid movement through the cycle. Driven by an increasingly dynamic environment (e.g., more competition, technology, and productivity demands), salespeople may escalate the speed by which they become unhappy with their jobs. Thus, moving rapidly through the cycle will increase the speed of "burnout."

The existence of dramatic environmental changes will encourage salespeople to move laterally or even backward in the cycle. Consider a salesperson who is "burned out" because of his/her inability to remain current in technological advancements in the products being sold. This salesperson has no interest in retiring, but the stress of becoming up-to-date technologically creates high levels of dissatisfaction. Under these conditions, this type of individual may become increasingly open to accepting lateral or even backward career stage movement. For instance, moving to a new industry, this individual might enter another sales position in the exploration stage, wanting to experience new challenges and opportunities. To minimize this situation, sales managers must begin to develop strategies, objectives, and tasks that allow salespeople to remain linked (at their desired level) to their position. Sales managers must discover what appeals to salespeople about their positions and enrich these appeals on an individualized basis.

Short-term Sales

Sales organizations have been, and will likely always be, entrusted with the responsibility of generating revenue for the entire firm. Consequently, most firms want to be able to establish and then measure success based on the accomplishment of these specific goals over a fairly short period of time (e.g., monthly, quarterly, annually). Many companies are reorienting their sales forces to focus on specific market segments and compensation practices are changing accordingly (Hansen, 1998). The refocusing of the organization will necessitate the assignment of longer-term goals.

How should sales organizations respond?

Sales organizations will need to establish mechanisms that allow for longer-term goals to be established. For instance, it may be necessary to create sales compensation systems that are not based on outcomes in an easily measured short-term period but that instead reward long-term accomplishments based on behaviors as opposed to outcomes (Krafft, 1999). In direct conflict with more traditional systems (e.g., quarterly payments to salespeople), this approach will first take a great deal of patience on the part of many sales and marketing managers. Specifically, sales organizations must have processes in place that support longer periods of measurement, as well as the personnel who support this outlook. Shifting to a long-term outlook in this environment requires the recruitment of personnel who are comfortable in this setting. For instance, if the existing salespeople have been rewarded quarterly for many years, it is reasonable to conclude that shifting to a longer-term payout will create some level of dissatisfaction among at least some of the salespeople.

Conclusions

This article identifies major shifts in priorities of sales organizations. In addition to identifying these critical areas, the shift in emphasis and the implications of this shift have been presented. In this vein, management can become aware of the changes and can subsequently take necessary and appropriate actions.

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