

## FALLSTUDIE 2

Thema: Operative Steuerung einer Verkaufsorganisation („Setting Quotas“)

*„How little you know about the age you live in if you fancy that honey is sweeter than cash in hand“ – Ovid-*

Case: World Wide Security and Protection Systems, Inc.

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### Fragestellung:

1. Was sind die Probleme in diesem Fall?
2. Welches Vorgehen sollte der Sales Manager Gino Brancolini in dieser Angelegenheit wählen?
3. Sollte das Bezahlungsschema für den Verkäufer Rick Gimbert beibehalten oder geändert werden? Wenn ja, warum? Wenn nein, welche Änderungen würden Sie vorschlagen?
4. Theoriefrage: Wie sollte ein Bezahlungsschema für Verkäufer entwickelt werden (Sales Compensation Plan)? Was sind die wesentlichen Elemente eines Bezahlungsschemas (Methodik der Bezahlung eines Verkäufers)? „Worauf sollte man dabei achten?“

### Leitfaden zum Vorgehen:

- Lesen Sie die Fallstudie (mehrmals) genau durch und erstellen Sie Ihre eigene Analyse und finden Sie erste Ideen und Lösungsansätze
  - Was ist die Ausgangssituation?
  - Wer sind die handelnden Personen (Verantwortung, Funktion)?
  - Welche Probleme können Sie erkennen? Warum?
  - Welche Auswirkungen könnten diese Probleme mit sich bringen?
  - Welche Ansatzpunkte für eine Lösung ergeben sich aus der Analyse?
- Recherchieren Sie zum zu Grunde liegenden Theorietema (Frage 4)
- Diskutieren Sie Ihre Analyse und Ihre Lösungsansätze in Ihrer Gruppe
- Finden Sie einen in der Gruppe abgestimmten Lösungsansatz, den Sie der gesamten Lehrgangs-Klasse vorstellen werden
- Bereiten Sie eine Präsentation (30 Minuten) vor, in der Sie Ihre Ansätze und Lösungen der Klasse zur Diskussion vorstellen
- Erstellen Sie einen Bericht zur Theoriefrage (5 - max. 10 Seiten)

2. Should the team receive compensation for its productivity, or should the teamwork be considered part of the job?
3. If you feel that a productivity compensation plan for the sales team is called for, design one.

**CASE 9-3****WORLD WIDE SECURITY AND PROTECTION SYSTEMS, INC.****Setting Quotas**

World Wide Security and Protection Systems, Inc., manufactures and distributes a line of security and protection systems to consumers, businesses, and the government throughout the United States and in some European countries. A 49-person company sales force sells products in the United States; the company's international sales are handled by an export management company.

Prior to the end of each fiscal year in June, the sales managers in the United States sit down with each sales rep to establish his or her quota for the upcoming year. During these discussions, the two people go over the rep's performance for that year. The sales manager brings along the sales records for the previous year for each of the rep's accounts, as well as various forecasts of industry sales and general business conditions. They go over each account and review past accomplishments and plans for moving forward. They also identify new accounts that should be targeted for the coming year.

In the Phoenix territory, the district manager, Gino Brancolini, was preparing to meet with Rick Gimbert, who was one of the district's top salespeople, to set Gimbert's quota for the upcoming year. Gimbert's sales for the previous three years were as follows:

2000	\$1,050,000
2001	1,118,000
2002	1,240,000

Brancolini opened the meeting by saying, "Rick, we want you to know how pleased we are with your development and with your contribution to Security and Protection's growth. You have exceeded your quota every year since you began with us. You have a great future with this company."

Gimbert acknowledged the compliment with a "Thanks." He was pleased with the praise, but he had heard these words before as a prelude to Brancolini's raising his quota by a large percentage. So he added, "I've been lucky in that the Phoenix area has seen some significant growth over the past few years."

Brancolini smiled at Gimbert's comment, recognizing it as a bargaining tactic. "Rick, you are much too humble. I am sure that you will continue to exceed expectations. Here is your quota for next year." He handed Gimbert a letter that specified the upcoming quota.

Gimbert looked at the letter and scowled. "There is no way that I am going to be able to sell \$1.4 million next year. The 9/11 terrorist attack in 2001 helped everyone's sales that year and this year; but the fear caused by 9/11 has receded. Anyone who beefed up security because of the attacks has done so by now. It is the slow economy that is going to be the biggest driver next year."

Brancolini countered, "You may be right about the receding fear associated with 9/11, but you're in one of the fastest-growing areas in the nation. Also, don't forget that there will be a 10 percent across-the-board increase in prices next year."

"Yeah," said Gimbert, "that is just one more reason why I won't be able to meet this quota. When prices go up, demand generally goes down. As I see it, the higher prices will make our products harder to sell. The economy is down, construction is down, and prices are up. How can you expect me to sell more?"

"Well, Rick, just how much do you think you can sell?" Brancolini asked.

Gimbert replied, "\$1.25 million."

"Come on, Rick, you are sandbagging me. You did just about that much last year."

Brancolini's use of the word *sandbagging* referred to the financial importance of salespeople reaching their quotas. Security and Protection's salespeople make a 5 percent commission on their sales, out of which they pay their own expenses. But once they reach quota, they get a 1 percent bonus on the quota amount as well as an additional 1 percent commission on all sales over quota. Because there is a lot of money involved in meeting quota, where the quota is set is important to each rep and their managers.

"Look, Gino, if I don't make quota, I lose money. Five percent of \$1.25 million is \$62,000. My expenses run about \$15,000. I need the extra money. Set my quota too high and I will just go somewhere else. This job isn't worth it!"

"Calm down, Rick. I know this is important to you; but you have always made your quotas, so you can't say that we have been setting them too high."

"That's not the way I see it," said Gimbert. "Each year, I have had to bust my tail to make quota. Then, when I do, you think it's too low and raise it. I'm damned if I do and damned if I don't. Well, I am tired of it and I'm not going to do it anymore. I won't accept any quota higher than \$1.25 million."

Gino Brancolini did not like being given an ultimatum, but Rick Gimbert was such a good sales rep that he did not want this to escalate any further, so he said, "OK, Rick, let me think this over and get back to you tomorrow."

Questions:

1. What actions would you advise Gino Brancolini to take in this matter?
2. What are the problems in this case?