

## Entrepreneurship Building a Business

### Chapter 13 The Promotion Strategy: Developing and Managing Sales

#### Section 13.2 Planning, Directing, and Evaluating Sales

##### SECTION 13.2 After You Read Answer Key

##### Self-Check

1. Sales planning involves determining the goals and timing of sales efforts. It also involves making sales forecasts, determining sales budgets, establishing territories, and setting sales quotas.
2. Three methods frequently used for the payment of sales people include: straight salary, straight commission, and a combination of salary and commission.
3. To evaluate salespeople, establish guidelines, identify factors to be measured, set standards for performance, compare performance to standards, and discuss results with salespeople.

##### Think

4. Forms for evaluating salespeople will vary, but should be based on an analysis of the job.

##### Mathematics

5. \$5,000, \$60,000, \$60,000, \$79,550, \$80,752, \$90,900, \$92,125; Mean:  $\$5,000 + \$60,000 + \$60,000 + \$79,550 + \$80,752 + \$90,900 + \$92,125 = 468,327 \div 7 = 66,903.86$ ; Median = \$79,550; Mode = \$60,000; \$5,000 is an outlier. Because the mean is skewed by the outlier, the median is the best measure of central tendency to use when projecting future earnings.