

## Speech to Sales and Marketing Executives of Dallas

University Club – Dallas, TX

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Mr. Rapoport talks to the sales and marketing executives about “the essentials of executive sales management.” He tells them about his own experiences in an effort to give them some examples of how they can approach their sales team. He reviews the American Income story, describes the company’s basic philosophy, and gives some management advice. Rapoport stresses that they are in a wonderful profession, one that takes strong talent in many different areas.

When Rapoport graduated from college in 1939, he proclaimed himself “the smartest individual that you could ever know.” After 53 years of experience, he has a comical view of himself in the early years of his career. He hopes that his audience is not as pompous as he was. At the beginning of his leadership at American Income, Rapoport “read every self-improvement book that ever came down the pike.” However, all of the hyped-up material did not make his sales force any more productive. Rapoport realized that he had to tailor a philosophy that would perfectly fit his company. After many revisions, the company has established four tenets that make up its philosophy. 1) “to know where you are and where you are going,” 2) “to know what is and what can be,” 3) to dream big and implement realistically, and 4) “to recognize our responsibility and make decisions with sensitivity.” These tenets address the company’s policies on direction, planning, motivation, and decision-making. American Income has had a “total

commitment” to its philosophy, and its four tenets provide a clear understanding of what values the company upholds.

After formulating a company philosophy, sales management leaders should focus on making each salesperson a “good captain.” American Income has five specific requirements of its salespeople. First, they have to own the product they sell. This means that every American Income agent has a life insurance policy with the company. Second, agents are required to practice their presentations every day. Third, agents are asked to constantly increase their knowledge of the product. Fourth, agents must define a full day’s work and then carry it through with discipline. For American Income agents this means eight calls a day and 10 to 12 calls on Saturday. Fifth, agents should strive to improve themselves. At American Income, agents can measure their improvement by earning bonuses, promotions, and convention qualifications.

Managers should be setting the example for their salespeople. Rapoport says, “Capable salespeople make a good living in an honest and ethical way.” They learn how to do this by watching their leaders. Agents will only be as ethical as their leaders.

Managers have the tough job of knowing the difference between kindness and weakness. Rapoport says that this was the hardest lesson he had to learn in management. A leader has to raise standards to weed out those who do not belong. Rapoport believes that salespeople should join the ranks of professionals like lawyers and doctors, by using measurable standards. Management has to incrementally increase standards to challenge their sales team and separate the good from the bad. The only way to raise standards is to have a solid foundation. American Income’s foundation consists of its philosophy, dedication to its salespeople and customers, and a commitment to do things the right way.

This does not mean American Income has been perfect. Rapoport openly admits that the company has had more failures than successes. He says the difference has been that “I never fell for the get-rich-quick approaches.” Rapoport built a strong foundation that could withstand mistakes. The company did not even make much of a profit for 20 to 25 years because every dime was reinvested into building the company. After establishing a solid foundation, the company soared in production. In management Rapoport wants his audience to understand that good ideas are worthless until they are used. Leaders make something happen with their great ideas. He says, “Conception is 10% and implementation is 90%.” With these basic bits of advice managers are ready to look for quality salespeople.

Rapoport has his own definition of a salesperson that 95 percent of the so-called salespeople do not fit under. He says that a professional salesperson has pride in his or her product, adheres to the ethical guidelines of selling, is committed to company standards, is able to go back to where he or she has been, and uses high-pressure sales techniques. Rapoport argues that a true salesman will always use high-pressure approaches because his enthusiasm and belief in the product is so great.

Rapoport claims that the best way to have good salespeople is to provide quality leadership. It all starts with a solid foundation, specific company philosophy, and an excellent product that people need. When leaders recognize the gravity of their position, they have “the responsibility of creating opportunities for those who look to us for leadership.” Rapoport hopes his advice will help them learn from their mistakes and build up better companies.