School of Media Studies
THE NEW SCHOOL August, 2014

**IN TROUBLE**

Dirk Davis Thinks He Is About To Get Fired

Dear Charlie:

Once again, I wanted to let you know how much I enjoyed your Media Sales and Sales Management graduate course. I have never learned so much. When I returned to KVVB-TV after the course, I put a lot of the ideas I learned into practice. I got much more input from all of the people in the sales department; I really did become a participative manager. In the last couple of months I've had several people tell me that I've become a much more effective manager.

However, two of those people are not my local sales manager and my general manager. Ellen Arnold, the local sales manager, has been at the station for about five years — she preceded me by three years — and she has a very tight relationship with my general manager, Lou Mounty. Some people at the station think it's more than a close business relationship, and you can never be sure with Ellen, who will stop at nothing to get her way. Lou hired Ellen and wanted to promote her to my job, general sales manager, but the owners wanted someone with more experience — a proven track record, they said – and recommended me. The owners had dealt with me at a competing station, so Lou hired me. However, he continually sings Ellen’s praises even though our local business is down and our national business is way up.

At first Lou thought I would be KVVB's savior in our revenue battle with Channel 6, the market's news leader for over a decade with 45 shares in both early and late news (we're a distant second with steady 25 shares, although we had a nice uptick in the May sweeps to a 32 share and good demos). The other station in the market is a UHF and is not a factor in the news ratings, with 6 and 8 shares in the demos. However, Lou seems to be a little discouraged now about ever overtaking Channel 6 and is desperate to increase revenue. Ellen, who talks with Lou frequently, seems to sense this and I believe she is trying to divert focus away from herself and local sales and onto me.  She wants to make me the problem and the scapegoat.

Lou is on the hunt for scapegoats too. This is his third general manager's job, each in a smaller market. He's been here eight years and seems to be frightened. The local owners are putting pressure on him to increase profits. They are in the construction business and don't understand the importance of ratings to sales. Their attitude is, “just sell harder, like we do when business is slow.” Plus, some of their real estate and construction deals are in trouble, and they want the bottom line propped up no matter what.  I think Lou is looking to make me the problem.

For example, last week he told me to "lower rates so we don’t lose any business." However, with a ratings increase in local news, now is the time to raise rates slightly, not lower them. Plus, we can never go as low as the UHF, so if we lower rates, our shares won’t go up. But Lou is on a tear about not losing any business – pushed by Ellen, I suspect.

Today Lou said again, "are we losing any business?" Lou goes into the traffic department late every afternoon and looks at the orders we got and then tries to find salespeople who haven’t put in an order so he can tell them, “I need an order every day from you. Did you lose anything today?” It’s terrible on morale.

Also, Ellen has been complaining to Lou that I’m giving too many accounts to national and that I should make some of the national accounts local ones to help local billing. She claims she can get higher rates locally, which is crap because national gets much higher rates nine times out of ten. Lou is getting tired of it and has said to me, "Do something, be decisive, give her some national accounts. Screw the rep.” In fact, we pay the national rep less commission on national business than we pay local salespeople on local business, but Lou doesn’t want to hear that. Also, Ellen complains that I interfere with local salespeople and that the traffic manager has too much power. What can I do?

Ellen is right: (a) I do sales training with the local salespeople because she has no idea how to train them because she never had any formal sales training herself and (b) I ask the traffic director to check out all the orders that come in for rates and to kick them back if the salespeople go too far off the card—more than 15%. Ellen constantly lets everyone know that she has access to Lou, and when an order is kicked back to her, she’ll say something like, "I don't think Lou would like it if he knew you were turning down business." As you know, the traffic director, Lenise Smith, is an excellent, intelligent and dedicated traffic director. Ellen makes Lenise's life miserable. I tried several times to tell Lou that Ellen is a problem, but he won't listen, so I've stopped saying anything.

Lou doesn't want any more bad news. Business was off for the first quarter, network ratings are down, the network has cut compensation, retransmission fees are not up and the owners are hollering for more profit. Lou is very tight with the news director, who Lou thinks is an aggressive tough guy who pushes the newspeople to the limit. The news director is in Lou's office three or four times a day brownnosing him and telling him that the salespeople don’t know how to sell news.

Lou likes the operations manager, too, who he recently promoted from being promotion director. Lou fired the program director, who had been with the station 19 years, and combined her job with the promotion director's and called the new job operations manager. The operations manager is a memo freak. He sends everything via e-mail – it’s a flood.  He can't even have a conversation with me; he comes to my office and asks if I saw the e-mail he copied Lou on. He did it three times yesterday. Lou loves it.  He says, "Now there's a take-charge guy." The ops guy hasn't done much, since Lou makes all the programming decisions (he likes to get a free dinner from the syndication salespeople), and the advertising budget has been cut way back by Lou, so the ratings are unlikely to move.

Charlie, I'm afraid. My wife and I like this area, and the two kids are happy with their friends and school. We have a nice house with a big mortgage. What can I do to avoid being fired?

I think I'm a good sales manager and I have strong support from all of the salespeople, from my national sales manager and all of the sales support people. We know we're doing a very good job in sales, but how do I convince Lou?

AUTHOR'S NOTE

While the incidents in this case are not factual, they do represent a composite of actual events and operating situations.  This case was prepared to use as a teaching tool.

ASSIGNMENT

1. What advice would you give Dirk Davis?