

# thinktwice™ Today

Vol. 1 Issue 3



July 2006—Retaining Sales Talent

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## ASK THE COACH

**Q.** What are some tips for coaching veteran salespeople?

**A:** “Respect a man, he will do the more” - James Howell. Veteran salespeople want to be treated with respect and praised for their strengths. As their sales coach, it is your role to be their partner for success. Ask them what tools they need to reach their goals and how you as their coach can support them in getting there. Work on a plan together. Involving veterans in their own coaching leads to big results: increased retention rates, stronger loyalty to you and the company and higher levels of performance.

-*Marci Rinkoff is a TLG Associate specializing in coaching.*



## Performance Management: Glue that Makes Salespeople Stick

### Rampco Case Study

Last year, the sales division at Rampco (fictitious name) had been suffering from high sales staff turnover, a 23% drop in revenues over the same period last year, and two top salespeople being stolen by a competitor. The Sales V.P. received scores from Rampco’s internal employee survey, which showed that the sales organization was suffering from low morale and engagement.

The V.P. tried several remedies to boost motivation, such as adding more sales contests and incentive programs and conducting off-site team-building activities. These produced a brief spike in the sales numbers, but they quickly dropped after the initiatives were gone. She also put some of her low-performing salespeople through a sales training class, hoping to get their heads back in the game. This didn’t produce much change.

A year later, turnover was still high, revenues were still down, and competitors picked off Rampco’s best talent. What happened?

This dilemma is a common one. Rampco’s sales organization was feeling pain. To stop the bleeding, they tried to bandage the problem with short-term “fixes” such as incentives and team-building sessions. The problem is: *What happens when the sales contest, team-building or training program ends?*

To avoid wasting dollars, resources and time, Rampco should have started by defining the root cause of the issue.

Of course, Rampco’s salespeople wanted more compensation. But more important, Rampco’s sales leaders eventually discovered that most of the turnover and morale issues were related to performance management.

Sales [performance management](#) is, simply put: *Practices that align the day to day performance of every salesperson, manager and leader with the sales organization’s goals.* It involves setting and communicating clear expectations around goals and behaviors, coaching and giving feedback on a daily basis, and reviewing performance regularly while focusing on development. It doesn’t cost a lot, but good performance management practices are the glue that makes sales performance stick – and keeps talented salespeople motivated.

For *Seven Tips for Effective Sales Performance Management*, [click here](#).

## President's Perspective

Retaining top sales talent isn’t a new issue. Yet it’s still costly and as relevant an issue as ever. A 2004 report by Hewitt Associates studied companies with “double-digit growth” relative to “single-digit growth” companies — and assessed their sales effectiveness. A major [finding](#) concluded that double-digit growth companies (those with highest three-year total shareholder returns) had average sales force engagement scores of 64%, versus their single-digit growth counterparts whose sales engagement scores averaged only 43%. This month’s newsletter highlights non-monetary

ways to keep salespeople engaged and retain top talent...which research shows can significantly impact your company’s bottom line and improve shareholder value. We’d also like to hear your ideas for retaining top salespeople and keeping them engaged!

—*Phyllis Roteman, President The Loyalty Group*



## Matchmaking: Key to Sales Retention

“Paper or Plastic?” Not a question you would consider asking a candidate for a sales position. But asking about a job candidate’s preferences might be more relevant than you think.

One of the main reasons people leave their companies is because of poor job fit—a mismatch between candidates’ preferences and the characteristics of the job and work environment. Because retaining sales talent starts from hiring the right talent in the first place, this match is critical.

As a hiring manager, start by defining your work environment and the type of candidate who would be a good fit. Here are some *reality check* questions to ask yourself even before you start recruiting:

- Is this a job with a long sales cycle (requiring patience), or is it a quick close (giving instant gratification)?
- How much support and training should a new hire expect?
- How much time is spent *selling* versus *servicing* accounts?
- How much time is spent in the field versus on the phone?
- How automated is your sales process?
- What other preferences, likes or dislikes could impact a candidate’s success in this job?

You can help candidates decide if they’re a good match for the job by being honest and accurately describing the role. Joe, a salesperson who has held four sales positions in the past 18 months, feels hopeful about his latest company who he describes as “ideal because so far I’ve seen them practice what they preach.” In past roles, he says that companies rarely gave an accurate picture of what the position was really like, talking only about salary potential and the positives of their business. His current company was very “upfront and honest” by being clear on expectations and not sugar-coating the challenges.

Be careful not to be so wowed by a stellar resume that you ignore job fit. Find out if they prefer “paper”—for example, are they used to handling their own administrative paperwork for a portion of the day back in their office—or if they prefer “plastic”—uploading information to a handheld while on the road. Matching the characteristics of your sales job to the preferences of potential candidates will start you off on the right foot in retaining your sales talent.

—Mitzi Chollampel is TLG’s Manager of Customer Loyalty



### HOW TO STAY CONNECTED TO YOUR SALES TEAM

- Do More than Talk About Numbers.
- Infuse Meetings with Learning and Fun.
- Schedule Sacred Time on Your Calendar.

Read more on each of these tips and quotes from our readers on our TLG Blog “[The Learning Rap](#).”

### DID YOU KNOW ?

“The least committed to a company are its salespeople, 38% of whom planned to leave within two years.” (Research by Hay Group, cited in [The Sales Talent Crunch](#))

### TESTIMONIAL

“Your thinktwice™ is clever! The disappointment with many sales training programs is that the training does not stick in the field. But your program breaks down the basic concepts, drills down, assigns a focus for field testing, then follow up...all presented in a simple manner!” — *Monica Frederick, V.P. Sales, ModernHealth, Inc.*

### Coming Next Month:

#### *Making Competencies Practical*

- Getting individuals to embrace your company’s competencies.
- Simplify and tailor competencies for your business.
- Make competencies easy to apply on the job.

### PRODUCT CORNER

Looking for a way to make sales meetings more learning-focused and motivational? Bring the thinktwice™ Sales Cards to life with this Leader’s Guide for Sales Managers. Check out this easy-to-use guide on how to facilitate 15-45 minute sales “mini-trainings” during sales meetings on our [e-store](#).

