

Deciding: To Ditch or Not to Ditch Design Display

Instructions for Dale Doran (2)

Since you last met with your attorney, the situation at Design Display has deteriorated dramatically. The company's revenues have not grown since the depths of the recession, despite an observable modest uptick in the commercial economy. Because it is essential to spend on marketing, the CEO has temporarily reduced the commission sales percentage to 25% - with the extra 5% to go into marketing. (He has promised to make it up when revenues come back up.) This has affected the other three commissioned sales people, whom you consider to be your friends. You are very concerned about their fate if the company goes under.

The CEO is increasingly anxious about the business revenues and the smallest discretionary expenditures. He has insisted that you pay for the cost of overtime support for an upcoming presentation. His anxiety makes him irritable and sometimes insulting to the staff, accusing you and the others of "sitting back and not pounding the pavement." He has commented in sales staff meetings that people shouldn't be "old dogs with old customer and no new tricks."

Late one afternoon, the CEO walked by your desk and yelled: "I see you wearing a hole in your chair. You followed him to his office and broached the idea of leaving. "Maybe I should just go somewhere else, if you are so displeased with me." The CEO began to yell: "You can go all right but you're not sucking the company's blood out with you. You'd better not lay a hand or a phone call on our customers. You're stuck. You can go down with us, or sit out for two years."

You realize that the CEO is afraid of exactly what you'd like to do: to leave and take your customers with you. He is afraid that will be the end of his business; he's probably right.

You are indeed loyal to your customers, and spend much of your time at Design Display facilitating their project work. You are in fact spending additional time prospecting and developing new customers, so you

If you left Design Display and could not compete at all, you have NO idea what you would do. You might have to start over, switch industries. That could mean long days, possibly lots of travel. If you could go to Upscale and compete for new customers, but without taking any of your (or Design Display's) old customers, you really don't know how long it would take to build commissions up to a reasonable level. It could take three or four years, possibly more. That too could involve a great deal of travel, as many of the potential customers would be located outside the local area. (You hate traveling, as you are now a soccer coach, homework helper, and your wife has been traveling a great deal as well.)

If you have to, you and your wife could afford to pay the attorneys' fees needed for legal action here ONLY If you do not suffer a significant decline in household income.