



# Book The Zero Turnover Sales Force

## The How to Maximize Revenue by Keeping Your Sales Team Intact

Doug McLeod  
AMACOM, 2010  
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## Recommendation

Even though sales executives abhor disruptive sales-force turnover, they often accept the constant churn as unavoidable, like death and taxes. Sales veteran Doug McLeod thinks otherwise. He sees sales-force stability as eminently achievable and offers recommendations for fostering it, though not all of his suggestions seem practical. For example, he advises sales managers to invite job applicants to call for five-minute interview appointments during a specified 45-minute window. If more than a few people apply, that could overload your phone system and wash away good applicants. Overall, however, McLeod aptly explains why “Old School” methods of recruiting, managing, compensating and motivating salespeople no longer work. His enjoyable, cleverly written text spares no sacred cows or trusted icons, and his 12 retention factors make perfectly good sense. When it comes to keeping top salespeople, *BooksInShort* believes McLeod’s book gives sales executives a good rundown on what really works.

## Take-Aways

- High sales-force turnover is typical, expensive and inefficient.
- The primary reasons salespeople quit are the “12 assassins of sales-force stability.”
- They include “weak recruiting,” “cold calling” and “straight commission” pay schemes.
- Salespeople also leave because of excessive sales meetings, unfocused training, useless “ride-alongs,” and vague or unrealistic goals.
- Sales managers undermine sales force stability by breeding “unrest in the trenches,” ignoring top achievers and treating beginners with impatience or hesitation.
- Websites that fail to support sales lead to high turnover, as do time management woes.
- To reduce turnover, offer your salespeople better work conditions and more money.
- Convince C-suite executives that keeping a stable sales force requires changes that will benefit the company in terms of better revenue, lower costs and consistent sales.
- To retain salespeople, become the best, most communicative sales manager possible.
- Good sales managers are honest, supportive, confident, optimistic, respectful and attentive to their staffers’ ideas and goals.

## Summary

### Troubling Turnover

“Sales-force turnover” is a big problem, though sales managers often are resigned to it as the norm. High sales force turnover – more than two salespeople leaving a team each year – is hugely expensive. A departing employee generally costs his or her yearly compensation times 1.5. Thus, a \$50,000-a-year person’s exit costs

\$75,000, plus replacement recruiting, security checks, office setup, the time of human resources personnel and trainers, and your effort as sales manager.

“Many organizations suffer from ongoing sales-force turnover and never talk about it, assuming it’s a simple fact of life, an unfightable state of nature, part of the business plan.”

Departing salespeople typically complain that they could not get along with their sales managers. Other reasons salespeople leave include too many cold calls, straight commission pay systems, endless sales meetings and far-fetched, vague goals. Of course, like all employees, salespeople want to do well financially. They also seek opportunities to develop and maintain multiple accounts; solid, but not intrusive, training; a way to advance; a nice place to work; prompt payment of bonuses, commissions and expenses; and recognition and support from their managers.

## Get C-Suite Executives on Board

To stabilize your sales force, make the terms and conditions of employment more agreeable. This will require the cooperation of C-level executives. Convince them to make positive changes by presenting a compelling business plan in a short, sweet, powerful multimedia format. Focus on the goals of creating a loyal sales force – implementing efficient hiring and training practices, eliminating “Old School” methods of contacting prospects, and restructuring your role as sales manager from motivator to leader.

“Willy Loman is a straight-commission salesperson.”

As sales manager, you’ll reap big benefits from fulfilling these goals and keeping your sales force intact. These benefits, which you should outline in your business plan, include saving money, providing an advantage over the competition, increasing sales effectiveness and revenues, reducing recruiting, making your competition worry, maintaining sales-force equilibrium despite market pressures, impressing customers and prospects, and helping your salespeople feel more confident. A stable sales force reflects positively on you as a manager and on the company.

## 12 Reasons Why Salespeople Leave

Many companies make common management errors over and over, creating a revolving door through which unhappy salespeople exit. The prime causes of sales-force turnover, the “12 Assassins of Sales Force Stability,” include:

1. **“Weak recruiting”** – Does your human resources department recruit your salespeople? Is it using online job applications and screening keywords so you end up with a list of electronically screened candidates? This dehumanizing process prevents energetic, go-getter prospects – the type of applicants you want – from standing out from the crowd. Instead, the best form-filler-outers and keyword contestants rise to the top. To find the best applicants, take control of the process. Inform HR that you want to review every application and résumé. Even better, have applicants send you their CVs directly. Set a time to take five-minute calls from candidates. Get them to supply a convincing answer to your most vital question: “Why you?”
2. **“Straight commission”** – When you force people to sell on straight commission, you send a hard message: “Our company does not care about you. If you can’t cut it, we will quickly get rid of you and find someone who can.” Not surprisingly, such firms end up replacing salespeople constantly. If you face a constant personnel churn, get out of the straight-commission racket. Offer salespeople a decent payment system, such as salary and commission, or salary and bonus. To sell higher management on your new compensation plan, review the total number of salespeople your firm has processed during the past five years (everyone who was hired and left, voluntarily or not). Estimate the costs of high turnover. Make a facts-and-figures presentation so the brass understands that straight commission is costly, ineffective and even insulting to your salespeople.
3. **“Cold calling”** – This tactic is a huge waste of salespeople’s time and companies’ money. Besides, cold calling is ineffective. It turns professional salespeople into pleading supplicants: “Hello. I am Mary Jones. Please buy something from me.” Instead of frittering away time with cold calls that put salespeople at a psychological disadvantage, companies should spice up their advertising. Your marketing should stress benefits prospects should act upon quickly. To build sales, offer date-limited, “can’t say no” discounts of at least 25%. That will get prospects to call you, instead of the other way around. Hire a “sales support” person to qualify leads and book appointments. You want your salespeople to spend their time selling, not prospecting.
4. **“Unfocused training”** – Gallup research with 250,000 salespeople showed that talent drives sales. That is, when it comes to selling, you either have it or you don’t. If you are not a natural salesperson, all the training in the world will not make you one. Thus, most sales training accomplishes little. However, the one form of sales training that constantly proves useful is role playing, which helps salespeople learn to think on their feet and deal effectively with typical customer objections. In role-playing sessions, have each salesperson assume both the part of the prospect and that of the seller. This way, salespeople can begin to think like prospects and understand their perspectives.
5. **“Sales meetings”** – Salespeople hate sales meetings. They interrupt busy schedules. They are irrelevant, lack focus and run overtime. They exist simply because they are on the schedule. One psychological study indicates that too many meetings have a negative impact on people. Does this suggest that your weekly sales meetings may be counterproductive? Could they be bringing people down instead of energizing them? Stop holding weekly sales meetings. Instead, set them for once a month, and make them meaningful. Have the CEO drop by to inspire the troops; get someone to make a really useful presentation. If you must hold weekly meetings, use them to accomplish something worthwhile. Don’t waste your staff’s time.
6. **“Fuzzy goals and unrealistic expectations”** – Companies often set unrealistic goals for their sales forces. What they call goals are really wishes or dreams. As a result, their salespeople constantly feel psychologically burdened, striving to achieve impossible pie-in-the-sky objectives. This is a sure recipe for sales-force turnover. As sales manager, stand up to other executives if they set unattainable sales goals. Suggest that corporate leaders consult individual salespeople before setting such targets. No one knows the market better. Heed the other expectations placed on your staff in terms of travel, evening and weekend hours, trade shows, and so on. Make sure these demands are reasonable. When you hire, list the firm’s expectations in writing to establish an accurate framework.
7. **“Inattention to top sellers”** – The competition wants to recruit your best salespeople. If you’re not attentive, it may succeed. To prevent top sellers from moving on, stay fully engaged with them. Don’t assume that just because they exceed their quotas they don’t need your assistance or support. Pay close attention. Get them to talk with you about their thoughts and ideas. Treat them like important customers. Show your appreciation. Help them attain their professional goals. If they want more management duties, ask them to mentor younger staffers or to take a high-profile point position in a major sales campaign.
8. **“Hesitation and impatience with young salespeople”** – Many older sales managers are reluctant to hire younger salespeople, believing that they lack maturity. Nonsense. The fact is, younger employees bring numerous attractive attributes to the table. They are time-conscious and comfortable with tight

schedules. They are the best-educated age group. They are completely at home with technology. They are “peer-oriented” and thus will relate extremely well to younger customers. They work well with each other as “team players.” Younger salespeople can do a terrific job if given a chance.

9. **“Disorganized ride-alongs”** – Accompanying your salespeople on sales calls – an event known as a ride-along – can make or break your relationship. Don’t line up ride-alongs haphazardly or at the last minute. Schedule them regularly; if practical, go with each salesperson about once a quarter. Work directly with your salespeople. Never cancel a planned ride-along and never be late. Thoroughly plan the sales call in advance. Start off properly by taking your salesperson out for “breakfast or coffee” (not to a drive-through). Don’t spend all of your ride-along time on the cellphone, trying to fix some problem back at the office. Focus entirely on the salesperson and the sales calls. Let the salesperson handle the presentation and the back-and-forth with prospects. Keep your interaction with the prospect to no more than three minutes tops. At the end of the ride-along, debrief the salesperson: “How did you feel the call went?” “What will you do next?” “Is there anyway I can assist you?” Perhaps you can help the salesperson develop a better understanding of the prospect’s needs and wants.
10. **“Unrest in the trenches”** – As sales managers go, do your salespeople like you? More importantly, do they respect you? If not, you will have a tough time with retention. Gain your staffers’ respect by being honest, organized, professional and consistent. Honesty is the most important personal trait to exhibit consistently. If you deceive salespeople once, you will lose their respect forever. Be a leader, not a manager. Keep your emotions in check at all times. Be sincere. Develop and maintain meaningful relationships. To gain your salespeople’s respect, show that you respect them.
11. **“Time as an enemy”** – Does time work for you and your salespeople or against you? Since each day has a set number of minutes and hours, you can’t really manage how much time you have, but you can control your relationship with it and so can your salespeople. Avoid minor interruptions that steal time. If someone says, “Do you have a minute?,” don’t feel obligated to stop your work or the interruption will take five or 10 minutes. Just say, “I always have many minutes for you, but not right now.” Then set a time. Maintain a closed-door policy for part of the day. Let your people know not to disturb you when your door is closed. Deal with emails and text messages during certain periods of the day. Learn to work efficiently with time, not fight against it. Set a good example for your staff. When it comes to working with time, they can learn from you.
12. **“A website that doesn’t sell”** – Most company websites don’t have anything to do with selling. They are little more than Internet billboards. If this is your company’s policy, create an imaginative sales website specifically for your customers. Provide information that addresses their wants and needs, and omit boring corporate information that doesn’t matter to them. Include video testimonials and product demonstrations. Give each salesperson an individual home page. Routinely update your content so it stays fresh. A compelling sales website can build valuable business-to-business leads, just what your salespeople need.

## Salespeople Stay If They Work for a Great Manager

To develop a “zero-turnover sales force,” become the most effective sales manager you can be. This takes a consistently optimistic attitude and a willingness to help solve your staffers’ problems. Learn what’s on their minds by using open-ended questions that require meaty answers, not just yes or no. Avoid “throwaway questions” (“How’re you doing?”) that prompt only throwaway responses (“OK.”) Never be superficial. Listen carefully. Take this dialogue for example: “You: ‘How do you feel about that presentation?’ Representative: ‘Pretty good.’ You: ‘But not great?’ Rep: ‘I don’t know. There might be an issue’.” Thanks to your gentle probing, you’ve started to uncover a problem that is bothering your rep. Find out what it is and try to solve it if you can. Besides becoming an effective questioner, develop these other professional traits:

- **“Ride gain on your personality”** – A term from broadcasting, “riding gain” means adjusting your volume up or down depending on the situation. In sales, this means stepping out of your shell a bit if you are laid-back and regulating your garrulousness somewhat if you are outgoing.
- **“Cut the cord”** – Your selling talent helped you become a sales manager, but now your job is to manage, not sell.
- **“Walk the walk”** – No salesperson will feel secure with a manager with no confidence.
- **“Learn to make decisions”** – Try to make more right choices than wrong ones.
- **“Look in the mirror”** – Do you see an honest person staring back? To get ahead in sales management, you’d better.

## About the Author

**Doug McLeod** has many years of experience in numerous areas of business, including sales, sales management and marketing.

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