

How to Fire a Salesperson Without Getting Burned



OR...

*Firing With
Finesse*



Brian Jeffrey

Replacing a salesperson is always the last resort but if it has to be done, do it right. Learn how to take the pressure off both you and the person who will soon be looking for a new career opportunity.

Enjoy the read.



Brian Jeffrey
President
Quintarra Consulting Inc



Quintarra Consulting Inc
1451 Donald Munro Dr | Carp, ON K0A 1L0 Canada
613-839-7355 | Quintarra.com

How to Fire a Salesperson Without Getting Burned

by Brian Jeffrey



This e-book, like the actual event itself, is short but not so sweet. As a sales manager, one of the hardest chores we have to perform is to fire someone. You can call it termination, de-hire, lay off, downsizing, right sizing, or any number of other neat phrases, but the bottom line is that you're putting someone on the street and impacting his or her professional and personal life.

Firing someone isn't easy, but it's one of those tasks that comes with the territory. It's a difficult task that is sometimes made even harder by circumstance.

If you're fortunate enough to have a human resource or personnel department to do the job for you, I still recommend that you be there when it happens. The experience is a great incentive to make sure you hire smart and train well.

THE TERMINATOR

My initial experience in this area came about three months into my first sales management job. I was working for an Ottawa-based manufacturer's rep and our Halifax salesperson wasn't doing the job any more. He was an older gentleman who was burned out and didn't realize it or wouldn't admit it. After several salvage attempts, the company sent me to Halifax to terminate him.

Despite the fact he knew I was coming, he didn't show up at the airport to meet me as requested. I made my way to the hotel and checked in. When I tried to place a call to him, I discovered his phone number had changed and his new number was unlisted. I called our Ottawa office, obtained his home address, and then grabbed a cab to his home. I wish I had asked the cab to wait, but I didn't.

There I was, sitting in this gentleman's living room with his wife and three children. He knew exactly why I was there, and he was not about to make this chore any easier for me.

Years later, I was thankful for this experience. It doesn't get much worse than having to sit in front of a just-terminated employee with his crying wife and three bewildered children, waiting for a taxi that I had to ask them to call for me. While I'm still not immune to the challenge, the experience made me less vulnerable, although not less sensitive, to the process.

In this particular case, I had inherited a poor performer who couldn't be salvaged. But it doesn't matter if you inherit one or hire one. If you have a dud, take action quickly. You can't afford to tolerate sub-standard performance. A poor salesperson can affect the performance of the whole team. If a sales manager is seen as tolerating mediocrity, then the others feel they don't have to perform either. Pretty soon your eagles will start hanging around with the turkeys if they think they can get away with it.

MANAGING THE FLOCK

Sales managers are the keepers of the flock. Pareto's Principle and the 80/20 rule notwithstanding, in any group of 10 salespeople, you're likely to find one to three eagles, four to six chickens and one to three turkeys. A sales manager's job is complicated by the fact that sometimes the chickens and turkeys are hard to tell apart.

Part of a sales manager's job is to keep the eagles soaring, to get the chickens out of their comfortable nests and into the sales barnyard where they can hunt and peck with the rest of the flock, and to roast the turkeys.

But what if you've hired smart, provided the training, given the tools and the support they need to succeed, set targets and monitored activity, coached and reprimanded — and performance is still lacking. What do you do?

Well, you've reached the last resort. Now it's time to cut your losses and give the person a new career opportunity, preferably with another company (a competitor). Let the person go. Do it properly and do it fairly, but do it. You can't afford to carry deadwood.



Get rid of your deadwood.
It's only good for starting fires.

What's the Harm?

A poor salesperson can be an incredible drain on your resources. If he's on straight commission, you're inclined to think he isn't costing you anything. Don't kid yourself! This person is draining you of your most precious resource — your time. In addition, he can create a huge morale problem as he complains about how bad things are, etc. I've seen some of these whiners ground the eagles with their depressing attitude.

Sales managers are masters at rationalization. They tell themselves that old Fred is just having a bad week (month, quarter, or year) and he'll snap out of it soon. Or that new salesperson who isn't coming up to speed yet is going to be OK, even though their stomachs are telling them otherwise. Stop kidding yourselves.

Should You Fire?

Because firing someone is, if you'll excuse the expression, terminal, unless you are firing someone for ethical or integrity issues, you may want to think twice or three times before doing the deed.

Is the person salvageable? Have you done everything you can to help the person perform to his best abilities? Is there any additional training that you can provide? It's far better to retrain than replace. Is there a substance abuse problem that would benefit from an outside intervention? In other words, have you given the person every opportunity to succeed?

Is there some other place within the company that would benefit from the person's talents? Some underperforming salespeople can excel in customer service. Or maybe the person can move to inside sales or the order desk.

While extremely unpleasant, termination should never be a surprise to the person. It's important that this drastic option be made painfully clear to the salesperson well in advance of it happening. It makes absolutely no sense to give a person a good performance review and perhaps an increase in salary one month and then fire him the next. The salesperson should have been very aware of what he needed to do or what targets needed to be met to forestall the event from happening at all. As sales managers, we have not done our job if the firing comes as a surprise to the salesperson.

If you're still not sure if you should part company with someone, ask yourself this, "How would I feel if the person came into my office today and resigned?" If the answer is, "Whew," then your gut feeling has just been confirmed and it's time to move forward.



There's a time to let things happen
and a time to make things happen.

Paving the Way

As mentioned above, termination should never come out of the blue or as a surprise to the person being fired. In fact, termination should be a last resort, not a first choice.

If you have someone who you are remotely considering as a candidate for dismissal, I recommend you read my e-book on *Salvaging Problem Salespeople* before moving forward.

The path to dismissal needs to be paved with performance reviews, attempts to correct performance problems, as well as an acknowledgment on the part of the poor performer that termination is an option unless agreed-upon performance improvements are achieved within an *agreed upon* period of time. Note the emphasis on the term *agreed-upon*. This is a mutual plan for improvement or reassignment (termination).

DOING THE DASTARDLY DEED

Once you decide to part company with a salesperson, do it very quickly. This is not the time for small talk. Don't beat around the bush. Arrange to have all the termination paperwork ready to go along with any final salary and commissions due. Collect all your sales material, customer information, computers, cell phone, company car, key to the front door, etc. If he drove into work that morning in a company car, arrange for a taxi to take him home. Don't drive him yourself.

The idea is to get the individual debriefed, dehired, and defused as quickly as possible. I'm not suggesting you give the person the bum's rush, but the whole exercise is going to be somewhat uncomfortable for both parties so you want to get it over with as soon as professionally

possible. Above all, don't give someone two-weeks notice and expect him to hang around the office or continue to make sales calls. (Yes, I've seen companies do that with a devastating effect on morale.)

There's a certain wisdom to having another person with you, usually another manager, just in case a witness is required to collaborate what actually occurred during the termination. He or she should be seated on the same side of the table as the salesperson being terminated to avoid giving the appearance of two against one. This person's role is as an observer only and he or she should stay out of the conversation if at all possible.

In doing the deed, keep it short and simple. There's no need for you to offer long explanations for the company's decision, and you certainly don't want the individual to leave a broken person. After calling the person into a private office, you might say something like this:

"Fred, it's apparent to both of us that things have not worked out to either of our expectations. That being the case, the company has decided it would be best if we parted ways effective today. Here's a cheque covering the two-week notice period and other moneys due you along with your unemployment paperwork."

"Like you, Fred, I'm disappointed that things didn't work out, and I think it's best for you to get on with your career. In order to help you, I'd like to wrap up any loose ends as quickly as possible so you can get on with the job of finding a new job."

The idea is to drop the bomb quickly and then repair any collateral damage. Whatever you do, don't get into a discussion of what went wrong or who did or didn't do what, etc. This is not a time to dissect, rationalize, or explain the company's actions. If Fred tries to get into that discussion, you might say:

"Fred, it doesn't matter what did or didn't happen. The decision has been made and it's out of our hands. The important thing now is for you to get out there and find a new job."



A firing is not the time
for a post-mortem.

If Fred persists, just keep repeating the above paragraph until he gets the idea that you're not going to be drawn into a discussion or argument about the wisdom of the firing decision.

Even if you are only the messenger and don't agree with the decision, don't say or do anything that shows that.

Again, never discuss, or even mention, the performance problems, or lack thereof, that lead up to the termination. It's not a matter that is open for discussion and you'll only get into a spitting match if you go there.

The dismissed salesperson will be somewhat dejected but not overly surprised. If there is any surprise, it's usually surprise that the deed wasn't done sooner. In some cases, the dismissed employee is actually relieved, as it can be an enormous strain to be performing at a substandard level for a prolonged period of time.

While this goes without saying, I'm going to say it anyways, Don't say or do anything that might be considered as putting the person down. Remember, it's not the person's behavior that was the problem, it was their performance.

The Exit Interview and the Exit

As soon as possible, debrief the salesperson, preferably with a tape recorder, on any activity he or she has going that you should know about. Review each account and opportunity and develop a list of what actions need to be taken. If you have a sales automation, CRM or contact management system in place, go through it in detail and make sure it's up to date.

Be sure you get this information from the person before he or she walks out the door. Terminated employees can become very selective about what they remember. They are not happy campers at this point

and, given some time to think about it, they can convince themselves that they've been hard done by and refuse to co-operate.

Without being obvious, stay with the person as he cleans out his desk and removes his personal belongings. Retrieve all client files, contact reports, forecasts, etc, as quickly as possible. Make sure no company files, information, mail lists, etc, find their way into the salesperson's briefcase. Then escort the individual to the door.

If the salesperson has been working out of his home, or if he has company material at home, don't ask him to bring it in. Go yourself to pick it up or send someone else with the person. Be sure to keep the soon-to-be-departed person away from any computers. Disgruntled employees have been known to reformat hard drives out of spite and erase all the data on the computer hard disk.

Don't forget to recover any keys, company credit cards, and telephone calling cards. In some cases, it's often a wise decision to change your locks. Most keys can be duplicated and a seemingly calm and responsible person may ultimately decide that he or she has been wronged. The person could drop in after hours to cause some havoc or "borrow" some equipment or sensitive material like client information, etc.

When to do the Deed

There's no good time to fire someone, but there are definitely some bad times. Firing someone on Friday afternoon or just before a long weekend or holiday is bad news. It's better to do the deed early in the week. You want the person to be out the next day looking for a new position. You don't want him sitting around all weekend, particularly a long weekend, feeling sorry for himself, stewing about the perceived injustice of it all, and then visiting a lawyer on Monday morning to file an unlawful dismissal suit.

Use empathy and sensitivity to make the parting as professional and painless as possible. Your objective is to get the person out of your company with as little disruption to himself, to you, and to other staff members.

DON'T ABANDON THE DEHIRED

While it's best to get the individual off the premises quickly, that doesn't mean you should abandon him. Unless the firing process went poorly and one or both of you lost your cool, there's no need to just dump the person onto the street with a good-luck-and-good-riddance attitude. You may want to offer the individual limited use of your facilities in finding a new position.

After the dust has settled and emotions are back on an even keel, there's nothing wrong with providing the person with an empty desk, use of an off-line computer to write letters and resumés, access to the photocopier, and some secretarial and telephone answering services. The length of time that you extend these services will depend on the seniority of the person. Two to 12 weeks is a reasonable time limit.

Outplacement Services

If you're releasing a senior person, you may want to consider the use of an outplacement service. These firms specialize in assisting terminated executives with the job search process. If a person has been with your firm for a long time, the whole process of finding new employment can be quite daunting. An outplacement specialist will help the individual with resumés, interview preparation, networking ideas, etc.

In addition to it being a somewhat humanitarian thing to provide, the cost of this service often outweighs the cost of a potential unlawful dismissal lawsuit.

FINAL THOUGHT

While you may be disappointed and angry at the salesperson's poor performance, remember that you shared in the decision to keep the person on as long as you did. You may have even hired the person

in the first place. Don't let the anger cloud your professionalism. Don't do what you would *like* to do, do what is *right* to do. And whatever happens, allow the person to leave the company with his or her self-esteem intact.



ABOUT THE AUTHOR

Brian Jeffrey is a sales management consultant and former sales trainer with over 40 year's experience. He's the author of *The Sales Wizard's Secrets of Sales Management*, *The 5-Minute Sales trainer*, 18 ebooks, and over 100 articles on selling and sales management.

Brian provides sales management consulting, coaching, and mentoring to business owners and sales managers. He has had many sales successes (as well as a few spectacular failures) and has learned what works, what doesn't, and why — information he readily shares with others.

Find out how Brian helps companies maximize their sales at **www.Quintarra.com**.

