Breaking In the New Salesperson

OR...

Paper Training New Puppies

Brian Jeffrey

Getting a new salesperson up to speed is like breaking in the engine on a new vehicle. Do it right and you'll get years of good service. Do it badly and you may lose your investment.

Enjoy the read.

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Breaking in the New Salesperson

by Brian Jeffrey

Apart from not taking the time to hire smart, the next most common and disastrous tendency that many sales managers and companies exhibit is to not get the new hire started off on the right foot, or any foot at all. I've seen situations where the new salesperson has shown up at his new place of employment, all wide-eyed and bushy-tailed, only to be treated as an unexpected visitor and an interruption. What a great first impression and introduction to a new employer.

This first impression is critical. Keep in mind that the new person has taken a huge leap from a place where he was probably fairly comfortable into a new, and hopefully, wonderful company. If these hopes and expectations are not met to a satisfactory level, the new person may be inclined to go back to his former employer (if possible) or continue to look for the elusive perfect job.

Many of these new hires have had their résumés floating around the marketplace for some time. If they don't feel sufficiently welcomed at their new place of employment and another better looking opportunity comes up, they'll jump ship before it even leaves the harbour. The first days and weeks you have with a new employee are critical in determining whether or not you'll keep the person past the six-month point.

You've already invested a lot of time and money to find and hire the best person you can afford so doesn't it make sense to capitalize on that investment and not squander it? Of course it does. So why do so many companies mishandle the situation?

The most popular excuse for not providing proper orientation and training for a new salesperson is lack of time. Sales managers are already very busy, many to the point of overload. The arrival of a new salesperson on their doorstep just adds to the load. Consequently, they often fall into the trap of simply handing piles of product literature and catalogues to the individual, giving him a pat on the back, and telling him to "Go-get-'em, tiger."

The new salesperson takes an unguided tour through this pile of product mush, trying to remember key points that he prays will be of interest to someone, somewhere. And then he wanders off in the hopes of finding someone to "sell" to. Is it any wonder that these new hires don't work out as well as the sales manager had hoped?

> **If you don't know where you're going, any road will take you there.**

Some organizations use the less than innovative "B-L-B" training technique (blind-leading-the-blind) where the new hire is teamed up with one of the more seasoned people who promptly passes on most or all of his or her bad habits. An alternate approach is to send the new person out with two or three different people, ensuring that the new hire becomes thoroughly confused.

Mind you, I prefer the B-L-B technique to the "swimming pool" training technique where the philosophy is, "Let's drop him into the deep end of the pool and see if he comes up.” Some kind of training, even poorly executed training, is better than none. At least it shows you care.

Some managers like to train only survivors. They allow new salespeople to flounder around for a couple of weeks or months. During that time, the sales manager provides minimum direction and assistance (after all, he’s already too busy putting out many fires). If the new recruit survives, the company will then provide some training. It’s like sending a new soldier into battle without showing him how to shoot and then providing target practice if he comes back. The odds of survival are low.

Doesn’t it make more sense to give your new salespeople a fighting chance by providing them with the tools and the training they need to survive up front, not after they’ve become discouraged?

The new salesperson has a thousand and one questions that need answering but, unfortunately, he or she doesn’t know what all the questions are. It’s your job as sales manager to answer these questions before they are asked and provide the initial training that gets the new salesperson off to a flying start.

The biggest payoff in providing training for your new salesperson is also the hardest to evaluate or put a dollar value on. A properly trained salesperson can become productive months sooner than one who is simply let loose into the world and expected to fend for himself. Unfortunately, there’s no way to determine how fast or how slow a new salesperson will come up to speed if you don’t provide training. But trust me, a week invested at the front end for training can often trim months off the naturally unproductive efforts of new salespeople, even experienced new salespeople.

CALCULATING A RETURN ON YOUR TRAINING INVESTMENT

Providing proper orientation and training for the new salesperson usually has the result of bringing the individual up to speed (and profitable) weeks or months sooner than if he or she hadn't been trained in the first place.

For example, let's assume your average salesperson brings in $10,000 of gross profit a month and it takes a new salesperson five months to reach that productivity level. Let's also assume that providing some front-end training will get a new salesperson off the mark more quickly and get him or her to reach full production one month earlier.

As you can see below, your investment has netted you a $6,000 return in the first five months, to say nothing about having a happier, more productive employee.

	Month 1	Month 2	Month 3	Month 4	Month 5	5-Month Total
No Training	$2,000	$4,000	$6,000	$8,000	$10,000	$30,000
Training	$3,000	$5,000	$8,000	$10,000	$10,000	$36,000
					Additional Income	$6,000

CREATING A GOOD FIRST IMPRESSION

How do you think a new hire would feel if, when he showed up at your company for that first time, he was warmly welcomed, brought to his workspace where he found a set of sales literature, his business cards, and an agenda outlining what he will be doing and where he will be going for his first week on the job? Pretty impressive!

Just the simple act of taking the time to order the person's business cards can make a difference. Many years ago, I joined an organization whose policy it was to not print up the business cards until you were there for at least six months. I realized within a few weeks of joining the organization that I had made a bad decision and I moved on at the first available opportunity. I ended up printing my own cards, which was a good thing, because I didn't last the six months.

Creating that all-important first impression isn't difficult. It just takes a bit of planning. The information that follows is your guideline for doing it right the first time because you may not get a second chance to create that first impression.

ORIENTATION AND TRAINING CHECKLIST

A new salesperson requires orientation and training in three areas:

- Company policies and procedures.
- Product knowledge.
- Sales training.

The following questions are typical of those a new employee might have but hesitate to ask. Use them to help you decide what information the person needs to know to become operational in the shortest amount of time. By taking the initiative and answering the questions before they are asked, you create that all-important good first impression.

Company Policies and Procedures

If your company is one of the few that actually has a policies and procedures manual, don't just hand it to the new hire and expect the person to read it. There's no doubt it will be read, but will it be understood? It's impossible to get clarification from a manual, and there may be a hesitancy on the part of the new salesperson to ask too many questions because he fears looking dumb. Take the time to review with the employee those items that are important in getting the person started. Some things regarding policy matters might be:

Travel and entertainment expenses.
- What's allowed and what isn't?
- What expenses require receipts?
- What are the rules for out-of-town travel?

- What mode and class of travel is preferred?
- Can I use my own vehicle for out-of-town travel?
- Are there accommodation limits?
- What are the rules for entertaining prospects? Clients?
- Are there dollar limits for entertainment?
- What expense forms are used?
- When are expenses due?
- When are expenses paid?

Automobile expenses.
- Who pays for the gas?
- What parking expenses are covered?
- Does the company pick up parking tickets?
- Are mileage records required?
- What mileage rates are paid?
- What are the restrictions on the use of a company vehicle?
- Can I use the company vehicle for vacations?

Company credit terms.
- Do we extend credit to customers?
- What credit applications are used and when should they be used?
- Am I expected to collect overdue accounts?
- Who approves credit applications?

Product return policies.
- When will the company take a product back?
- When won't the company take a product back?
- Any restocking charges?
- Is there a special form for returns?
- What or whose approvals are required for a return?

Product/service warranties.
- What are the warranty terms?
- Who determines what is in or out of warranty?

- What is the normal turn-around time on warranty repairs?
- What are some of the extra costs not covered in the warranty?
- Who normally does warranty repairs?

Company benefits.

- What are they?
- What is the employee's portion, if any, of the cost?
- When does the benefit plan become effective?
- Who, besides the employee, is covered by the plan?
- What forms, etc, are used when making a claim for medical expenses?
- Where should completed claim forms be submitted?
- What are some of the special features about the company's plan?

Remuneration plan/commission structure.

- When is payday?
- How do I get paid?
- What holdbacks are there?
- What are the normal deductions?
- Is there a draw against commission?
- What are the limits on draws against commission?
- What happens if the draw exceeds the limit?

NOTE: Make sure your new salespeople understand the rules under which they earn their income. At the first pay period, take the time to review the rules to avoid any misunderstanding and aggravation. Always be cautious when dealing with a person's livelihood.

After you get the relevant policies out of the way, turn your attention to company procedures. Here are some of the things you will want to cover:

Internal contacts.

- Who does what?
- Is there an organization chart?
- Are there any part-timers?
- Who looks after customer orders?
- Who is the internal customer service contact?
- Who should I go to if I need direction?

Paperwork flow.

- Are there completed sample forms available? (Note: Provide samples of completed forms for use as examples and memory joggers.)
- What forms are needed when?
- How are the completed forms distributed? Who gets what form and when?
- Why are the forms important?

NOTE: This is not show-and-tell time. Get the new person to actually complete some of the forms.

Sales reports.

- What type of sales reports are expected?
- What forms are to be used?
- When are sales forecasts due?
- What reports will I receive from the company?

NOTE: Most salespeople despise paperwork. Be sure to stress the mutual payback that the reports provide. Some companies make payment of expenses dependent on timely completion of required sales reports.

Sales quotas.

- What sales do you expect from me for the first 30, 60, 90 and 180 days?
- How long should it take me to come up to speed?

- What is my annual sales quota?
- What are the consequences of not making quota?

NOTE: Make sure you get agreement on the ramp-up quotas. Be sure to monitor the new person's progress and feed back timely information to help keep him on track.

Commission sales.

- Are commissions paid on receipt of order, on delivery, on invoicing, or on payment?
- When are commissions paid? (Monthly, quarterly, 15-30 days after credited, etc)
- Are there split commissions? How are they handled?
- What is the commission formula?
- Does the commission rate vary among the products/services?

Order processing.

- How are customer orders handled?
- Who looks after the internal process?
- Who can I contact if I have questions?

Some of these questions may not be applicable to your operation while other key ones may have been left off. The important thing is to take the time to make sure your new person has an opportunity to get her questions answered, even the ones she didn't think of!

Product Knowledge

Product knowledge can be broken down into two broad categories: the products themselves and the product lines in general. Of course, the term "product" is interchangeable with the word "service," depending on what you are selling. When explaining the product lines, here are some things to cover:

Profitability.

- Which product lines or specific products are most profitable to the company?
- How do I handle low-margin products?
- Which products should I emphasize (push)?
- Which products should I downplay (why)?

NOTE: While there are always exceptions to the rule, companies usually want their salespeople to concentrate on those sales that will bring in the most revenue. Your salespeople, on the other hand, will want to work on those sales that have the highest personal return (commission) for the least effort.

Product history.

- What is the background behind the product?
- What is the history of the company's relationship with the supplier?

Product future.

- How does this product fit into the company's future plans?
- What are some of the follow-on products that are coming along?

Price lists.

- How do I read and use current price lists?
- What gets shown or not shown to customers?

In terms of the products themselves, your new salesperson will want to know:

Benefits.

- Are there feature/benefit sheets for the products?
- Why should customers buy the product?
- What are some of the exclusive selling features of the product?

Availability.

- What are the normal delivery times?
- How reliable is delivery information?

Reliability.

- What has the service history been?
- What should I be careful of?
- Where shouldn't I sell the product?

Competition.

- Who are our major competitors?
- How are we different from or better than our competitors?
- Are there any competitive product/service comparison charts?

NOTE: Be honest. If you have some dogs in your product line-up (a dog is a product that you have trouble giving away, let alone selling), alert the new salesperson to this fact and show her how to get around the potential problems. Don't let the new salesperson find out from a customer or, even worse, a competitor.

Don't just know your product — understand it. Know why your prospects should buy it.

Sales Training

The final area that you should provide training and support in is selling to your particular market. Maybe it was because I was in the sales training business for so many years that I'm such a strong advocate of some kind of sales training for all salespeople, but particularly new salespeople.

It's a sad fact that most people who get hired into a sales position have had no formal sales training beyond product information. This means that, while they may be successful, they really don't know the more subtle nuances of their craft. Some actually have no idea at all of what they are supposed to do. These are the ones who think that all there is to selling is to go around and talk to people all day long!

If someone isn't sure what makes him or her successful, it's difficult to repeat the process with any consistency. These people continue to make sales more by accident than on purpose.

It's interesting to note that there is the same number of "born salespeople" as there are "born engineers" or "born auto mechanics." Selling isn't an art. Selling is a skill... a skill that is acquired through hard work, learning, and experience.

When hiring salespeople, I feel preference should be given to candidates who have taken the time and energy to acquire selling skills in a structured manner. In fact, someone with a CSP (Certified Sales Professional) would receive very close scrutiny.

Before setting your new hire loose among your clients, take the time to provide the person with enough sales training so tht they will handle the customers the way you want them handled. Even some informal sales training will give your new hire a sharper cutting edge.

Sales training can be broken down into three broad sections:

Customers/Prospects/Suspects.

- Who are current customers?
- Are there any house or protected accounts?
- Are there any split or shared accounts?
- What does a typical customer profile look like?
- Who has bought these products or services in the past?
- Who is a typical prospect for the product or service?
- How do I identify a suspect?

NOTE: The addition of a new salesperson is an ideal time to review your house accounts. Are there any house accounts that should be opened and reassigned and are there any open accounts that should be reclassified as house accounts?

Sales Territory.

- What defines my sales territory?
- What assistance will be provided in helping me organize my sales area?
- Will I have assigned accounts/clients/customers?
- Is there any historical sales information available?
- Who was handling the accounts previously?
- What problem accounts are there? Why?

Selling Techniques.

- What are some proven sales techniques for these products?
- What are some of the things to avoid?
- What prospecting techniques have worked in the past?
- What questions do I need to ask to properly qualify a prospect?
- What common objections am I likely to come up against and how do I handle them?
- What are some time-tested closes that work in this business?
- What do your best salespeople do well?
- How could your best salespeople be even better?
- What selling habits should I avoid?

NOTE: Eighty percent of salespeople have never had any formal sales training and won't know enough to even ask these questions. You have to ask and answer these questions for your new people.

Joint sales calls.

Should you send the new salesperson out on joint sales calls with more seasoned people? Yes, but only after they have had a chance to get acclimatized to the company and the other salespeople. This will probably take a few days to a week. I know you want to get them into the field as soon as you can but don't send them into battle prematurely.

If you do decide to send them out on joint calls, I suggest you debrief new salespeople after the joint sales calls. Ask them what questions they might have as a result of the joint call. Also debrief the person the new body traveled with as well. What were his or her impressions of the new person? Were there any potential problems that arose? Do you have a keeper?

NOTE: Don't depend on joint calls to provide any real sales training. The best that can happen is the new salesperson gets to see how the old salesperson does it, and there's no guarantee the old salesperson is doing it right.

Don't do it all yourself.

There's no reason why the sales manager has to carry the whole burden of the new salesperson's orientation. Share the load with other key people within the organization. Let the office manager help with the internal procedures, policies, and forms training. Using some of the items from the checklist above, the administrative people can provide assistance with order processing and other internal procedures. The service manager can help with customer service questions, etc.

If one of your existing salespeople has aspirations towards sales management, give him an opportunity to prepare himself for a future promotion by taking on some of the responsibility to get the new person started on the right foot.

Not only does this remove some of the responsibility from your shoulders, it provides the new person an opportunity to meet and get to know others within the organization.

Take the time to do it right.

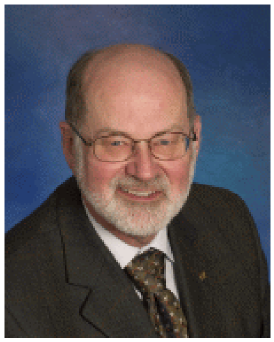
A common response to this list is, "It's going to take a lot of time to go through all this with the new salesperson and I don't have the spare time." You're right. It is going to take a lot of time, and you probably don't have any spare time. But this is not a project you do in your spare time. This is a prime-time project. That's why you have to plan it out in advance. That's why you have to clear your slate so you will have the time during the first few days (or weeks) to get the new salesperson up to speed as quickly as possible.

There are no short cuts to any place worth going.

FINAL THOUGHT

Breaking in a new salesperson is like breaking in a new car engine. The more care you take, the longer it will last and the fewer problems it will give you. Make sure you "break in" your new hire properly so you get a good return on your investment of time and money.

Good luck!



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**.

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