

Wag the Dog

By Kelly R. Thompson

The company I went to work for when I first came into the water industry 15 years ago had a management turnover problem. Sales managers would rarely last longer than six months before they either were fired or became frustrated with the position and left of their own accord. Often it was a race to see which happened first.

I originally was hired as a sales trainer/recruiter for the company, and even though I was a young, inexperienced, naïve 28-year-old, it did not take me long to realize that the sole purpose of my job was to help threaten the job of the current sales manager. The company employed several salespeople at the time. Most were regularly in the top five in the country for our dealer network, and one was No. 1 in the country three years in a row. They were great at what they did. One of the problems, however, was that they knew it.

This was a huge frustration for the managers. They could see the talent the sales team possessed, but they also could sense how underutilized that talent was. The sales team ruled the company. The salespeople could do or say whatever they wanted, and they refused to be held accountable. When a sales manager tried to organize the team and hold them accountable for mistakes or insubordination, they went straight to the owner, and the owner always took their side. It reminded me of a parent refusing to listen to a teacher describe an intelligent but badly behaved child at a parent-teacher conference.

It did not take long for me to adopt the “if you can’t beat them, join them” attitude and I opted to become a straight-commissioned sales professional for the company so I could enjoy the financial benefits and the perks of little accountability.

And I did enjoy both. When new


sales managers joined the company and wanted to take away some of the benefits the sales team enjoyed, I knew that it was only a matter of time before things went back to the way we liked it because the managers never had support from the owner. The salespeople got whatever we wanted.

Sales Team Overhaul

Now that I have had an opportunity to work with dealerships across the country, I see that we were actually pretty fortunate because our sales team at least produced numbers. I have seen many dealerships that have one or two salespeople who demand higher commissions and zero accountability, but produce little profit for the company. Often the owner knows he is losing money on a salesperson, but feels that he has no options. If he tries to hold the salesperson accountable or adjusts the commission so that the company is not spending more money than it makes, the salesperson may quit—or, even worse, sabotage the business. Then who would make sales calls? The owner often is wearing too many hats to take on that responsibility as well.

When the company I worked for was purchased by Clearwater Systems, things changed. The owner, Dick Abel, valued the sales team but understood that a company needs all team members to follow the same rules, regardless of which department they are in. He understood that holding a salesperson accountable may lead them to quit, but if they are costing the company money, then the temporary loss of sales eventually would turn into a long-term benefit. It would allow him to hire someone who would not complain or threaten to quit every time a change was implemented in the organization.

Abel invited me to assist in developing an accountable sales department as



Creating accountability
to ensure a
successful business

his sales manager. One of the first questions I asked him was how much support I would have if I wanted to make significant policy changes, something that I recognized needed to be done even though I had enjoyed the old ways. I asked him what would happen if I saw the necessity to fire his top producer. (This was a hypothetical question at the time, but unfortunately, a year later, I found myself in the position of having to do just that.) His response was that he was not hiring me to hold a title—that would simply be a waste of money. He wanted someone to manage the sales department for him, and if he was going to override all of my decisions, it would be a waste to pay me.

That was a satisfactory answer, and Abel remained true to his word during my entire tenure at the company. The result was that, over the next seven years, the sales staff went from 12 salespeople with little accountability

to a well-organized and accountable team of eight professionals who created most of their own business and kept the company growing even as Michigan's economy crashed around us. I also should note here that only one of the final eight was part of the original 12. Sometimes hard decisions have to be made.

Making the Hard Choices

Fortunately, Clearwater had the resources to be able to take the temporary loss of sales as we transitioned from a team of salespeople to sales professionals. This becomes far more difficult when there are only one or two salespeople in the organization and the loss of a few sales could hurt badly. In this situation, I often see a salesperson complaining to an owner that he is not getting enough leads and not making enough money, so he needs more commission in order to continue to work at the dealership.

Unfortunately, I have seen too many owners who give in and pay more money.

That brings me to one of the many lessons Abel taught me: Don't let any member of your team put holes in your boat faster than you can bail the water out.

If you are a salesperson or team member in this situation, I challenge you to stop taking more than you are giving. If the ship goes down, you go down with it. Instead of demanding higher commission for fewer leads given to you, try going out and producing some of your own business. Develop relationships and create opportunities. There are a million ways of achieving it beyond the traditional door to door. Adopt a "give more than you take" philosophy, and I guarantee you will see far more long-term benefits than you are seeing now.

If you are an owner in the situation I am describing, then I challenge you to look at the costs versus benefits of continuing to allow your tail to wag the dog. I realize there often are personal relationships involved as well, but the reality is that if you have a team member who is willing to selfishly sink your ship, then he or she may not have the same commitment to you as you do to them. You own the company. You have the right to make rules and implement policies that will benefit every team member. What is it costing you to have someone on your team who is willing to harm the company for the sake of their own short-term benefit? I recommend sitting them down and having a straightforward conversation. Determine whether or not they are willing to help your company grow. If they are, work out a plan together. If they are not, be willing to make the hard decision. It is your company. *wqp*

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