



What Causes Your Sales Force Turnover?

#4 EXIT INTERVIEWS WITH SALES ASSOCIATES

We Conduct Exit Interviews to Obtain Candid Feedback that Will Help Improve Sales Force Retention and Productivity

Why are high performing sales associates, sales managers and business development personnel leaving your company? Where are they going? Is there anything you can do to prevent future attrition?

As a result, exit interviews performed by the company can often be shallow and even misleading. Management may fail to recognize the real issues driving turnover or may receive false indicators from exit interviews and take the wrong actions. For example, it is very common for departing sales employees to explain their de-

parture by saying “the money is better at my new job” or “it’s closer to my home” when the real issues may relate to career advancement, sales management, weak selling tools, product issues, etc.

Sales force turnover is very expensive for any company. Not only are costs incurred to hire and

The loss of an average sales employee is estimated to cost somewhere between \$100,000 and \$1,000,000, when considering replacement costs, training costs, lost leads, lost relationships, and opportunity costs.

After interviewing hundreds of sales employees subsequent to leaving their companies, we have discovered that departing employees rarely tell the full story to their Human Resource department or direct supervisor. They provide corporate personnel only the shallowest of explanations for their departure. Why? Because there is nothing to gain and much to lose from being critical of the company. Departing employees realize they may need to use the company as a reference later in their careers. Also, they don’t want to create conflict as they leave and they have little motivation to help the company fix its problems.

EXIT INTERVIEW SAMPLE QUESTIONS

During our exit interviews, we ask the basics such as “Why are you leaving?” and “What feedback do you have for the company?” but we also ask more penetrating questions such as the following:

- How effective is the company’s training during each step of your development?
- How do you perceive the career opportunities at the company?
- How responsive was your manager when the job wasn’t going so well?
- How responsive was your manager to your career aspirations?
- What was the reputation of the company in your territory?
- What was the most effective sales technique used by competitors in your territory?
- How appropriate was the base pay, commission and non-cash reward systems? What could be done to make them more effective?
- What specific incentives motivated you to hit sales targets?
- How appropriate were the sales targets you were given? Did you have a role in setting those targets?
- Was your sales territory appropriate to support your targets?
- What caused distractions from customer-facing time?
- Did you receive the appropriate level of mentoring, coaching and guidance from your managers and executive team?
- What else could the company have done to make you more successful?
- Many others

train a replacement, but consider the value of lost customer relationships that may never be rebuilt and the lost momentum with new customer prospects in the pipeline. Getting a new sales rep up to the same level of experience and productivity as the high performer being replaced is expensive and causes lost momentum in the market.

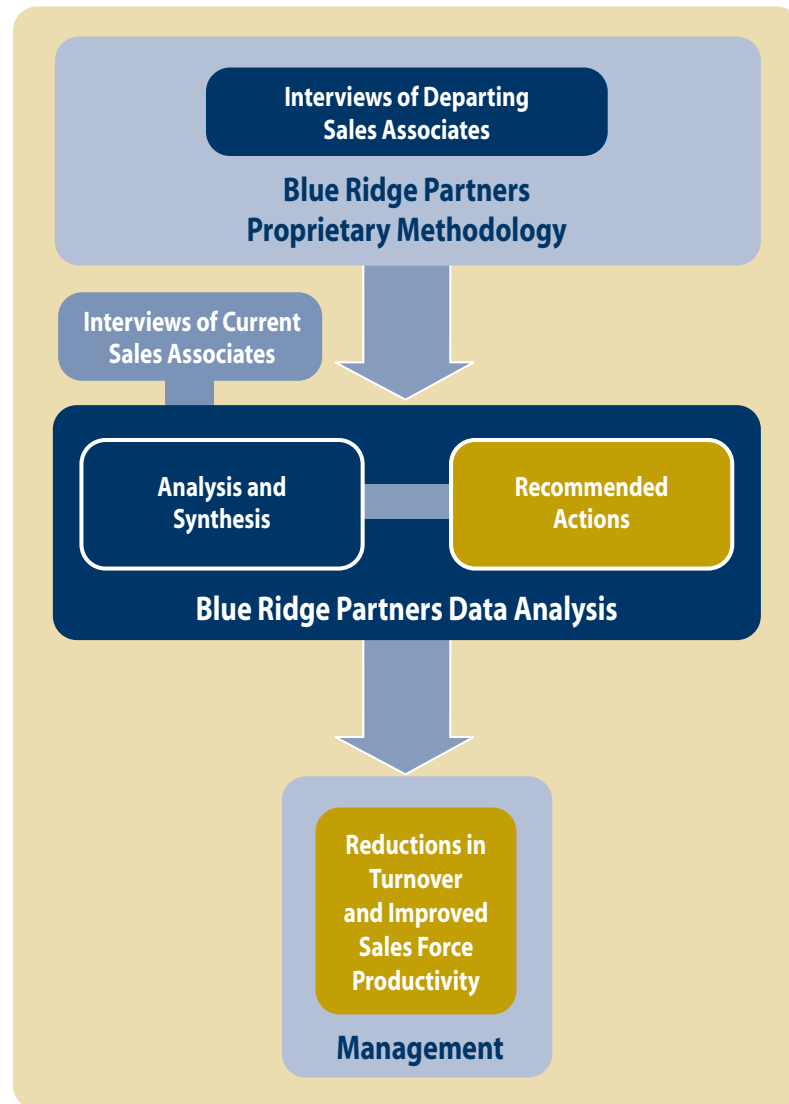
Lower turnover rates in the sales organization can improve revenue generation performance in several ways, including the following:

- Retaining sales experience, particularly high performing sales associates
- Reducing time spent on re-training new hires
- Retaining key customer relationships
- Preserving the prospects being nurtured by departing sales associates
- Retaining and sharing best practices

In addition to interviewing departing sales employees, we are sometimes asked to survey the existing sales force to compare to the findings from our exit interviews. The exit interviews give us insights into potential issues that allow us to ask sharper, more informed questions of the existing sales organization. The chart at right illustrates this process:

▶ WHAT'S THE SOLUTION?

Blue Ridge Partners has developed a proprietary approach for conducting exit interviews with sales associates. This approach has been applied successfully in hundreds of exit interviews. Blue Ridge Partners utilizes its third-party, independent status to collect candid information which allows greater insights and actionable feedback. With this information, a leadership team can take the necessary actions to reduce sales employee turnover and increase the productivity of your sales force. We have had significant impact on our clients and routinely cut sales force turnover in half.



HEADQUARTERS

1350 Beverly Road, Suite 115, McLean, Virginia 22101

INFORMATION

www.blueridgepartners.com • phone 703-448-1881