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# THREE STRATEGIES TO MOTIVATE YOUR SALES TEAM TO TAKE OWNERSHIP

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In my previous article, "Think Like an Entrepreneur," I outlined the benefits that result when salespeople think and act like owners of the business they represent. One of my readers commented that "it is easier said than done to get salespeople (or employees in general) to act like owners." I completely agree with my reader; however, my reply was that I know it's not easy, but it is still the goal. As I continued to reflect on his comment, I thought about what can be done to reach such a goal.

Why is it so important to have a salesperson think like they own the company? Because without that mentality, an individual may become nothing more than a paycheck collector - never achieving real success.

So, what is the answer? Here are three strategies to consider:

1. Align Interests
2. Increase Financial Transparency
3. Use Moral Suasion

First, if a company wants their sales team to perform like owners, they must make sure that the monetary incentives are aligned with the interests of their salespeople.

I recently reviewed the speech, "The Psychology of Human Misjudgment" by Charlie Munger, (Warren Buffet's partner at Berkshire Hathaway) which was delivered to Harvard Business School in 1995. In that speech, Charlie tells of an example of properly aligned incentives. It was the case of Federal Express. As you know, their original model involved funneling all packages through one central location in Memphis, Tennessee every day. Yes, every package from everywhere in the United States arrived at the Federal Express central location and was re-routed to the final delivery destination. When they first implemented this model, it was failing because they could not get the packages in their central terminal moved from one place to another fast enough to meet their overnight deadlines. An innovative employee proposed the idea that instead of paying the package pickers by the hour, FedEx should pay per package picked and moved. Suddenly, the pickers hit the timelines, and the packages were re-routed on time to meet overnight delivery deadlines, and FedEx has experienced ongoing success.

What is the main take away from the FedEx narrative and how does this apply to our subject?

It is the power of properly aligned incentives. Regardless of the industry or what is being sold, aligning interests is a must in any sales organization. Someone within the business needs to analyze all aspects of the sales process and see what incentives will keep the sales team not only engaged but focused on achieving the desired results. The compensation package must be perfected until the right combination of financial motivation is created to accomplish the most productivity.



The second way to get your sales team take ownership is to share financial information. The more your salespeople thoroughly understand the balance sheet and income statement of the business, the more they are going to think and act like owners. This cannot be a cursory review or a one-time occurrence. Owners or managers must take time on a regular basis to review the most recent financial information of the business with the salesperson. Interestingly, I have had conversations with salespeople throughout the years, and very few of them had ever seen or were familiar with the financials of the business they represent. How can anyone think like an owner if he does not understand how his company makes money? He can't. However, if the salesperson understands his or her role in generating the income that funds the company and creates profits for the owners, it will have a profound change in their thinking. In most cases, it will contribute to them taking ownership, when otherwise they may not have.

The third approach to help a sales team think like an owner is to employ moral suasion, if possible. The absolute power of this approach should never be underestimated. Moral suasion can be defined as having a moral or altruistic reason to do a job. Some industries lend themselves to this approach more than others. If someone sells yachts or exotic sports cars, it is next to impossible to have a moral reason to motivate a salesperson to sell these products. However, if you sell life insurance to protect families, it is much easier. Another example would be someone who sells equipment for firefighters or paramedics to use when saving lives.

A striking example of an employee performing a job for moral reasons under outrageously difficult circumstances can be taken from the annals of history. Like the previous example on incentives, it does not involve sales, but it shows how far an employee would go to complete their job for moral reasons when no other reason would keep them motivated. During the construction of the Panama Canal in the late 1800s, one of the lead engineers was Jules Dingler, from Paris, France. He suffered the highest personal losses to do his job. According to historical records, Dingler relocated his family to Panama so they could be together as he headed up the construction efforts on the canal. Soon, yellow fever struck his family. First, his daughter, Louise, died in January 1884, followed by his son, Jules, and shortly after that his son-in-law. Why did Dingler continue to work on the Panama Canal? It appears one of the reasons was pride of country. He did not want to let his fellow countrymen down, and he was concerned about damaging the reputation of his countrymen as leading engineers in the world. The ordeal of Dingler was not over. His wife contracted yellow fever and died in January 1885. He finally returned to Paris after the death of his wife. This extreme example shows the power of moral suasion, especially if the moral reasons are genuine and to Dingler his motives were legitimate. You can see the power of moral suasion, and if appropriate, it makes sense to use it as motivation with your sales team.

Help your sales team to take ownership by 1) aligning monetary incentives, 2) explaining their role as it relates to the financial health of the business, and 3) by providing moral reasons to serve your customers. Don't give up on the goal of having your sales team think and act like owners. When your sales team adopts this mental attitude, they will find innovative ways to get the job done.