

E-book

Newsletter #4

Is Your Sales Rep Moonlighting?



Counting down my 10 most popular newsletters, here is #4.

A complete library of my newsletters can be found here on my website.

Introduction

Whether a sales rep works remotely or out of the corporate office, whether I meet them in person or via video conferencing, I always get this uneasy feeling when I think one of them might not be above board. I don't want this to happen, it just does.

Within a week or two, the sales or company leader starts discussing this particular salesperson with me. They say the rep:

- Cannot be reached between 11am and 2pm during the week
- Never logs on to the CRM before 11am
- Puts no notes in the CRM after 3pm
- Takes a combative and defensive stance when questioned further
- Has a ready answer when asked about their availability
- Always just hits quota

The list goes on and on. I've been at this a lot of years. When I suggest the rep likely has a second job, I get told unequivocally this cannot be the case. This person would never do that. Who was I to suggest such a thing? Some really personal and critical remarks have been leveled at me. It's uncomfortable, but I carry on – and bide my time.

After a cooling-off period, I provide these leaders with tips on how to handle the situation -- then say nothing more about it. Between a month and six weeks later, they inform me in a tight, tense voice that the person no longer works for the company. Sometimes they discuss why, other times they don't share.

A few days after the rep's termination occurs, my relationship with the company leader improves substantially. There's a new level of respect – on both sides – and my advice gets taken more seriously.

Company and sales leaders – if you employ what I call a "mystery rep," don't look the other way. Conduct some research. Look at the facts. Take action. Move on. These reps exploit you, your good will, and the company.

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Enjoy the eBook!

Suzanne



Newsletter

A reader writes, "My company hired a sales representative for a territory far from headquarters. Shortly thereafter, I started to get the uneasy feeling she had two jobs. Sometimes, she missed our weekly staff conference calls. Other times, she was unreachable during certain hours of the day, or days of the week. She was achieving her sales goals, but not by much.

"A few weeks ago, she resigned. I would like to hire a rep for that territory again. How do I protect against an employee holding a second job?"

Reps like this are salaried employees with your company. They should be singularly focused on your customers as well as developing extensive product knowledge over time.

Technology allows most every company to place reps in territories all over the world. With this ability comes risk, such as not knowing where they are, or what they're doing with all of their time. Sometimes, these reps have another job.

David Sawyer, an expert with over 35 years in the private security industry and President of Safer Places, Inc., a background screening firm, offers the following advice:

Employment Contracts

Act preemptively. Your employment contract should clearly prohibit sales representatives from working a second job in sales.

Background Check

Require a background check as part of the hiring process. The release form most new hires sign gives permission for this check as long as they remain an employee. (This varies state-by-state.)



Credit Reports

Ask your background screening company to run a credit report. Often, employers are listed near the top of this document.

Database Search

Many background screening firms outsource their employment verification to companies such as The Work Number (www.theworknumber.com). A search of this database may show title and dates of employment. If the dates are current, you'll know they have a second job.

The IRS

This agency is an excellent source for verifying salary and employers. However, they require a special release form to be signed for each search. Include this in your initial background check. Then, consider making it a policy to run an annual background check and include the IRS search every year.

Private Investigators

"I list this last," says David, "as it is the most expensive option. Investigators charge by the hour. If you're acting on a hunch, it could take quite a while keeping your employee under surveillance before you'll become satisfied that your hunch may be unfounded."

Final Thoughts

Clients with remote sales forces often worry about the sales reps having two jobs. I suggest adding specifics to the employment contract including:

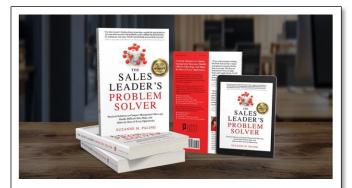
- Starting / ending times of the workday
- Availability to be reached during the workday
- Dates / times of staff meetings
- Dates / times of quarterly or annual offsite sales meetings
- Lead times for taking vacation / personal days

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Most remote reps have considerable respect for their employers and work hard at their jobs. Only a small number "work the system." Don't let those few inhibit you from hiring a remote rep. Just make sure you have the safety net in place to help if you suspect the rep isn't on the up and up.

Additional Resources



The Sales Leader's Problem Solver

Chapter 7: The Mysterious Remote Salesperson

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