

## TURNOVER IN THE SALES FORCE: A COMPARISON OF HUNTERS AND FARMERS

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Turnover among the sales force is a significant problem for most companies. In this study, 675 respondents from eight firms were interviewed as they exited hunter or farmer sales positions. Data analysis confirms that hunters were asked to leave the firm at significantly higher rates than farmers. Conversely, farmer salespersons cited lack of advancement, work conditions, and a desire to return to school as principal reasons for leaving. When turnover reasons were analyzed based upon demographic factors, additional differences for exiting the sales position were identified. Overall, voluntary reasons cited by salespersons for leaving their current sales job included: poor work environment, inadequate management, pay issues, and lack of advancement opportunities. To reduce sales force turnover sales managers are offered recommendations that improve leadership and managerial practices.

### INTRODUCTION

Turnover of sales personnel is expensive for firms in the marketplace due to selection costs, lost revenue from open positions, and constraints on establishing and maintaining long-term relationships with buyers (Branham 2005). The amount and severity of sales turnover varies by company and industry. For example, in 2006, one study reported a 14 percent turnover rate for salespeople in the biotech and pharmaceutical industries (Anonymous 2007). While the reported rate of sales force turnover in the biotech and pharmaceutical industry may appear to be modest, the cost of replacing even this

portion of the sales force will cost millions of dollars. More importantly, salesperson turnover can damage existing buyer-seller relationships (DeConinck and Johnson 2009).

As seen in Table 1, turnover can be categorized into either controlled/involuntary reasons wherein the firm's managers can control the impending personnel action, or uncontrolled/voluntary actions that are based upon the private plans of the salespersons and occur unexpectedly. Turnover can also be evaluated at three levels: the environment, the organization, and the individual (Krishnan 2009). All categorizations of salesperson turnover,

**Table 1: Controlled vs. Uncontrolled Turnover Variables**

Controlled/Involuntary	Uncontrolled / Voluntary
Promotion	Moving
Transfer	Marriage
Termination	Death
Territory changes	Quitting/Retiring
	Returning to college
	Changing careers
<i>Source: Tanner, Honeycutt, and Erffmeyer (2009).</i>	

including controlled/uncontrolled and voluntary/involuntary, are “fuzzy” (Allen 2008). For example, a firm cannot prevent an employee from returning to graduate school, but the organization can try to extend an outstanding salesperson’s tenure by offering tuition assistance and a future management track opportunity in an effort to retain that individual. This study focuses specifically on the voluntary reasons that sales team members separate from their employer.

Sales force turnover can also be positive (Allen 2008). That is, the loss of sales personnel is functional when higher performing salesperson replacements are hired and dysfunctional when a company must settle for lower-quality replacements. Sales managers improve the timing of turnover when it is controlled and the quality of the sales force when uncontrolled turnover results in functional hires. Therefore, it is important for firms to strategically manage the consequences of salesperson loss by minimizing both uncontrolled and dysfunctional turnover.

By understanding how the duties and perceptions of individual salespeople influence their decisions to remain with or leave the firm, sales managers can take concerted actions to reduce uncontrolled and dysfunctional turnover. The purpose of this study is to identify specific factors that contribute to uncontrolled or voluntary turnover of distinct categories of salespersons. While typical demographic variables like age, gender, experience, education, and race are useful for identifying individual differences, another potentially insightful comparison is the hunter-farmer duty classification schema. To address the goals of this study, we propose three research questions:

1. What are the primary reasons salespersons cite for leaving their current positions?
2. Do these reasons differ based upon demographic and hunter /farmer categories?
3. What actions do sales managers need to undertake to reduce turnover?

These study goals are accomplished by analyzing the responses obtained from the exit interviews of 675 salespersons that left eight U.S. firms.

For many sales firms today, there is an increased emphasis on recruiting and retaining high quality human resources with specific skill sets that match increasingly complex selling roles (Chally 2007). One way to categorize sales specialists is their role as hunters or farmers. Hunters seek out new sales opportunities while farmers cultivate and build upon existing relationships. Salespersons as a group possess characteristics from both categories, but most individuals gravitate to the one sales role they find most comfortable (Craig 2007). Studies have reported a positive link between matching talents and skills to the demands of the sales job (Anonymous 2009; Miller et al. 2005).

## LITERATURE REVIEW

A critical issue facing sales organizations is how to retain productive employees. For example, the Bureau of Labor Statistics reported that approximately 24 percent of all U.S. workers left their jobs in 2006. For sales organizations, the level of turnover of new personnel in industries like insurance can surpass 100 percent a year (Tanner, Honeycutt, and Erffmeyer 2009). Reducing turnover is an important managerial practice since it is expensive, impacts organizational performance, and becomes increasingly difficult to manage (Allen 2008).

The loss of sales personnel is costly in terms of time, money, and related resources. For example, turnover costs include separation costs (severance pay or separation allowance),

recruiting and selection costs, training costs, and excess personnel costs (hiring a replacement before the salesperson leaves). Also, firms bear opportunity costs (OC) that include: differential skills, higher resources for incoming salespersons, vacant territory OC, customers who depart with the salesperson, and organizational OC (Darmon 2008). This means that direct replacement costs can run as high as 60 percent of a salesperson's yearly salary and total costs can approach 200 percent (Cascio 2006). That said, not all salesperson turnover is "bad." Therefore, sales managers must determine whether low or high performers are leaving the firm since low performers are more easily replaceable than sales stars that are in high demand.

With regard to organizational performance, there is a link between turnover rates and organizational success. That is, reducing turnover increases sales growth, improves workplace morale, and increases firm profitability and market value (Batt 2002; Huselid 1995). Since these relationships become more significant when high quality, productive salespersons leave the firm, sales managers must consider implementing strategies aimed at the category of employees leaving the firm (Allen 2008).

A third impact of sales force turnover is that retaining high quality salespersons will likely become more difficult in the future. For example, Best Practices, LLC reports that smaller biotech and pharmaceutical firms are offering attractive compensation packages to lure quality salespersons from larger pharmaceutical companies. Biotech and pharmaceutical firms also report their intention to expand the size of their sales forces, indicating an increased demand for quality salespersons. These trends suggest that turnover will result in "sizable cost and

productivity issues" (Anonymous 2007). Other experts agree that there is a looming shortage of qualified sales personnel with the pertinent skills essential to succeed in the 21<sup>st</sup> century (Collison 2005). This shortage will be exacerbated by such demographic shifts as the retirement of aging baby boomers and generational differences in attitudes toward work and careers. Firms that begin to address their turnover issues earlier will put their organizations at a competitive advantage in the marketplace (Allen 2008).

Salespersons leave their current positions for myriad reasons (Wotruba, Brodie, and Stanworth 2005). However, when sales managers understand why salespersons leave a firm, it is then possible to alter employee actions. Salespersons stay with an organization as long as the rewards (satisfactory pay and work conditions) and developmental opportunities offered equal or exceed the contributions of time and effort required by the firm. Stated directly, when salespersons attitudes are predominantly negative, they leave (Brown and Peterson 1993). This means that turnover is an extremely complex process that includes key salesperson attitudes toward factors like compensation (Darmon 2008), job satisfaction (Jaramillo et al. 2009), and work environment (Allen 2008).

### **Compensation**

Sales managers believe that salespersons are motivated by the opportunity to earn high salaries (Tanner and Dudley 2003). In one study, more than 90 percent of salespersons who left their position were dissatisfied with their job performance outcomes regarding compensation (Darmon 2008). In another investigation, 85 percent of salespersons saw base salary and benefits as "very" or "somewhat" influential on their sales performance, while their employers believed that commissioned salary was the

primary motivator (Laff 2009). Factors that impact salesperson perceptions of compensation include: market and industry forces, organizational culture, the firm's business strategy, and the compensation program strategy. For example, in certain industries higher salaries are paid to salespersons with specific education and experience. That is, rewards and compensation vary depending upon whether the firm's strategy calls for aggressive growth (hunters) or account maintenance (farmers) (Tanner, Honeycutt, and Erffmeyer 2009).

Because job expectations and duties differ, compensation criteria for hunters and farmers should also vary. For example, hunter salespersons are expected to aggressively grow the account base and their reward structure should be based upon results criteria like number of sales closed and number of new accounts opened. Conversely, compensation for farmer salespersons should be linked to the ability to grow sales in current accounts, buyer satisfaction ratings, and number of lost accounts (Tanner, Honeycutt, and Erffmeyer 2009). Different duties and responsibilities should result in disparate stated reasons for leaving a sales position.

### **Job Satisfaction**

Job satisfaction is linked to sales force turnover (Roberts and Chonko 1996). That is, dissatisfied salespersons are less motivated, are lower performers, and are more likely to look elsewhere for a satisfying position (Darmon 2008). Not surprisingly, the likelihood of leaving the organization is directly related to how satisfied a salesperson is with his or her job. When job satisfaction is low, this state of being initiates the process of withdrawing from the current position (Allen 2008). The higher quality the interactions are between the sales

manager and the salesperson, the higher the level of job satisfaction. In one study, 24 percent of respondents reported that "poor" supervision was the major reason for leaving their firm (Zarandona and Camuso 1985). "Poor management," which included complaints about incompetent, unprofessional, and uncaring managers was also the number one issue mentioned by former employees (Branham 2005). In addition, the role of the sales manager is extremely important in retaining female salespersons (Russ and McNeilly 1995). Lastly, sales management decisions directly or indirectly affect sales force turnover and reflect sales management efficiency (Brashear, Manolis, and Brooks 2005).

The level of interaction with the sales manager typically varies for hunters and farmers. Hunters, who are expected to work more independently and are rewarded for finding and closing new sales opportunities, prefer to work independently and expect less managerial oversight from their sales manager. Conversely, farmers who closely manage buyer relationships must consistently interact with their sales manager to resolve the inevitable glitches and coordination problems that arise in day-to-day business (Sweet 2006).

### **Work Environment**

Salespeople's work environments encompass a wide range of forces that impact their physical, mental, and emotional well-being and negatively impact their ability to succeed in the job. For example, failure to support the salesperson in their work environment (long commute times, conflicts related to child, spouse or parent care, and hostile work conditions) creates job stress and negatively impacts job satisfaction. The effects of these forces vary by salesperson characteristics. Less experienced sales reps are

more likely to be sensitive to and display concern about role stress than more experienced counterparts (Johnston et al. 1989). One reason is that new sales reps make career choices based upon potential income and advancement expectations while older sales reps have met their initial expectations for pay and advancement (Russ and McNeilly 1995). Within the work environment, women typically place greater importance on social relationships than men (McNeilly and Goldsmith 1991). Therefore, a number of aspects can ameliorate work environment irritants.

One aspect is role clarity. Role clarity is best described as understanding the sales job to the degree that a salesperson invests time in activities that result in higher payoff. Role clarity is maximized through proper training and, perhaps more importantly, through clear and accurate instructions from the sales manager. In one study 65 percent of salespersons evaluated sales training as being “extremely” or “very” important to sales success (Reinfeld 2005). Too often, salespersons receive unclear instructions from their manager (Evans 2008) and managers have been criticized for not providing appropriate employee feedback (Branham 2005). Because of today’s dramatically changing technological work environment, salespersons are less likely to understand their role in the firm (Fournier 1999).

Another aspect is organizational support which refers to the level of backing a salesperson receives from his or her firm. Said differently, is the internal support for the customer and boundary spanning role played by the salesperson properly aligned? If a salesperson believes the employer’s efforts are customer-centric, then there is higher probability of success. Conversely, when an organization is culturally misaligned, organizational conflict or

“entropy” occurs and there is less likelihood the salesperson receives the necessary support to reach his or her goals (Tanner, Honeycutt, and Erffmeyer 2009). Farmers require more organizational support in their efforts to build a positive relationship with their buyer base and resolve issues that arise. Hunters have a clearer job expectation—opening new accounts. Once new accounts are opened, the servicing of the accounts is turned over to farmers who must continually work with buyers to keep them satisfied and to grow sales at the account (Sweet 2006).

## METHODOLOGY

### Sample

The sample consisted of 675 salespeople from eight companies that represented financial service, manufacturing, insurance, distribution, and business-to-business service industries. Data collection of this convenience sample was completed in 2008, prior to the current economic downturn. Sample job titles included: Sales Representative, Branch Manager, Money Manager, Client Care Representative, Client Care Administrator, Regional Sales Manager, Account Manager, Account Executive, and Agent. In-depth reviews of job descriptions and job analysis data were conducted to distinguish whether sales roles should be classified as new business development (hunter) or account management/strategic account management (farmer). These decisions were made by the two professional interviewers based upon a review of duties, tasks, and job expectations rather than relying on job titles, due to the fact that position responsibilities for similar job titles vary considerably from company to company. Of the 675 respondents, 59 percent were women and 83 percent were Caucasians. Respondent ages ranged from 18 to 48 years with a mean of 33.56

and a median of 31 years; 27 percent (185) of participants were classified as hunters and 73 percent (490) as farmers.

### **Instrument**

Exit interviews are useful sources of information for firms that are trying to reduce turnover (Allen 2008). Each respondent participated in a personal exit interview that was conducted via phone by two highly trained and experienced interviewers from The HR Chally Group. Both interviewers possess over a decade of field interview experience. Survey instruments contained a core set of questions for each organization that asked respondents to cite why they had left their sales position. The qualitative, open-ended question used in this research read: "Please state the main reason for leaving your current position." Each respondent was then asked if there were any additional reasons for leaving. In the event an individual provided multiple reasons, standardized follow-up questions were employed to clarify the primary

reason for leaving the current sales position. In the majority of cases, only a primary reason was stated. Secondary and tertiary responses are included only in cases where respondents strongly believed multiple issues impacted their decision to leave the firm.

Interviewers determined categories and coded responses for each salesperson from the exit interview. In the rare case where there was any doubt with regard to coding a response, it was placed into an "other/undecided" category. The categories presented in Table 2 represent the core areas of turnover cited by salespeople.

Finally, gender, race, and age demographic variables were gathered and analyzed from each respondent.

## **FINDINGS**

### **Hunter vs. Farmer Comparisons**

Using SPSS version 17.0, independent-samples t-tests were run to assess whether there were

**Table 2 : Definitions of Reasons Cited for Leaving Sales Job**

<b>Advancement – Lack of opportunity for growth into senior or supervisory role or has an opportunity to move into a different role.</b>
<b>Asked to Leave – Termination due to not meeting goals or poor performance.</b>
<b>Career Change – A move into a position outside of sales or to use education/background in a more appropriate manner.</b>
<b>Commute Time – Excessive or unacceptable commute time</b>
<b>Ineffective Management – Perceived low quality or difficult supervisor or executive committee.</b>
<b>Job Elimination – Position eliminated due to restructuring, reduction in force, or other reasons.</b>
<b>Long Hours – Reported routine workweek that exceeded 40 hours in length.</b>
<b>Lack of Recognition – Lack of recognition for consistently performing quality work.</b>
<b>Pay Issues – Not earning industry standards or opting for higher earnings opportunity at new job.</b>
<b>Personal Issues- Cited varied reasons such as health, family, or preferred not to provide specifics.</b>
<b>Poor Job Fit – Lack of cultural fit with firm or poor match with job role.</b>
<b>Return to School – Return to complete or pursue higher educational degree.</b>
<b>Working Conditions – Lack of physical comfort, work environment, or lack of resources.</b>
<b>Workload – Volume of work was overwhelming.</b>

**Table 3: Hunter vs. Farmer--Reasons Cited for Leaving**

Reasoning For Leaving	Hunter	n=185	Farmer	n=490	p
Advancement	6	3%	75	15%	0.000
Asked to Leave	59	32%	104	21%	0.004
Career Change	13	7%	29	6%	0.595
Commute Time	2	1%	23	5%	0.027
Ineffective Management	28	15%	72	15%	0.886
Job Elimination	6	3%	24	5%	0.352
Long Hours	0	0%	31	6%	0.000
Lack of Recognition	2	1%	20	4%	0.050
Pay Issues	39	21%	81	17%	0.168
Personal Issues	10	5%	43	9%	0.147
Poor Job Fit	15	8%	37	8%	0.809
Return to School	1	<1%	20	4%	0.018
Working Conditions	8	4%	43	9%	0.051
Workload	9	5%	40	8%	0.141

differences between hunters and farmers with regard to reasons cited for leaving. As seen in Table 3, the majority of the 675 salespersons interviewed reported they were leaving their current position due to being fired, pay issues, or ineffective management. Looking more closely at the reasons supplied by hunter (n=185) and farmer (n=490) salespersons for leaving their respective firms, it is apparent that their turnover is attributable to different reasons. That is, hunters were asked to leave their current positions at significantly higher rates (32% versus 21%,  $p = 0.004$ ) than were farmers. Also, fewer hunters (3% versus 15%,  $p = 0.000$ ) claimed they were leaving their current sales position for advancement or a better opportunity.

Conversely, farmers attributed poor work environment as the reason they were leaving their sales position. That is, significantly more farmers reported commute time ( $p = 0.027$ ), long work hours ( $p = 0.000$ ), and lack of recognition ( $p = 0.050$ ) as principal reasons for departing their sales position. Farmer salespersons were also more likely to leave the

sales firm to return to school ( $p = 0.018$ ).

An approximately equal proportion from each group attributed leaving their respective firms because of poor management, pay issues, poor job fit, job elimination, and the desire to change careers. When the responses of only non-terminated salespersons exiting their firm were examined, pay issues showed significant differences with 34% of hunters citing pay versus 22% of farmers ( $p = 0.011$ ). For those salespersons leaving voluntarily, pay was cited as the number one issue for both hunters (21%) and farmers (17%). Consistent with previous studies (Branham 2005), ineffective management remained a primary reason for departure, ranked second among hunters (15%) and tied for second among farmers with lack of advancement (15%).

### Gender Comparisons

Significant turnover differences existed between men and women as seen in Table 4. That is, men were asked to leave at a significantly higher rate than women (29% for men versus 21% for

**Table 4: Reasons Cited for Leaving by Gender**

Reasoning For Leaving	Male	n=274	Female	n=398	p
Advancement	33	12%	47	12%	0.926
Asked to Leave	80	29%	83	21%	0.013
Career Change	17	6%	25	6%	0.968
Commute Time	7	2%	18	4%	0.185
Ineffective Management	44	16%	56	14%	0.477
Job Elimination	12	4%	18	4%	0.930
Long Hours	8	3%	23	6%	0.083
Lack of Recognition	7	2%	15	4%	0.385
Pay Issues	53	19%	67	17%	0.404
Personal Issues	10	4%	43	11%	0.001
Poor Job Fit	26	9%	26	6%	0.159
Return to School	2	1%	18	4%	0.004
Working Conditions	8	3%	43	11%	0.001
Workload	10	4%	39	10%	0.003

women;  $p = 0.013$ ). Females, on the other hand, cited personal issues ( $p = 0.001$ ), a desire to return to school ( $p = 0.004$ ), working conditions ( $p = 0.001$ ), and workload ( $p = 0.003$ ) at significantly higher levels than did male salespersons. Previous research has shown that women are more likely to leave work because of family or relationship issues (Allen 2008). When the responses of only non-terminated salespersons were examined, poor job fit (17% for men versus 9% for women;  $p = 0.012$ ) and pay issues (31% for men versus 21% for women;  $p = 0.020$ ) were significant by gender.

### Age Comparisons

As presented in Table 5, differences were also identified when the data were analyzed by age. For example, younger salespersons leaving the firm saw opportunity for advancement ( $p = .000$ ), were returning to school ( $p = .000$ ), or were seeking positions with shorter workdays ( $p = .039$ ). Older sales reps responded at a higher rate that their positions were being eliminated ( $p = .007$ ) and they also cited long work hours ( $p =$

0.039). Experienced sales rep satisfaction can depend upon the nature of work itself (Russ and McNeilly 1995). For non-terminated employees, older salespeople were more likely to cite workload as a significant factor ( $p = .041$ ).

### Racial Comparisons

When the responses of Caucasian and non-Caucasian salespersons were compared, only one significant difference was salient. Caucasian salespersons reported significantly higher rates of pay issues (19% vs. 10%;  $p = 0.013$ ) than did non-Caucasian salespersons. When comparing only non-terminated salespersons lack of recognition (6% for Caucasians versus 0% for non-Caucasians;  $p = 0.043$ ) and pay issues (27% for Caucasians versus 12% for non-Caucasians;  $p = 0.010$ ) were significant.

### DISCUSSION

Voluntary sales force turnover remains a problem for sales managers in most industries. For example, in the print industry 20 percent of sales managers saw turnover as a worsening



**Table 5: Mean Age Comparisons for Reasons Cited for Leaving**

Reasoning For Leaving	Cited vs. Did Not Cite	Mean Age	Std. Dev.	n	F value	p
Advancement	Cited	34.1	11.02	73	4.25	0.000
	Did not cite	29.45	8.45	556		
Asked to Leave	Cited	33.34	11.24	157	0.31	0.756
	Did not cite	33.63	9.60	472		
Career Change	Cited	33.73	11.71	41	-0.11	0.916
	Did not cite	33.55	10.80	588		
Commute Time	Cited	34.88	12.38	24	-0.61	0.545
	Did not cite	33.51	10.79	605		
Ineffective Management	Cited	33.74	11.08	94	-0.18	0.858
	Did not cite	33.53	10.82	535		
Job Elimination	Cited	41.44	13.781	25	-2.94	0.007
	Did not cite	33.23	10.599	604		
Long Hours	Cited	29.65	9.86	31	2.07	0.039
	Did not cite	33.76	10.87	598		
Lack of Recognition	Cited	30.5	8.56	20	1.28	0.200
	Did not cite	33.66	10.91	609		
Pay Issues	Cited	32.39	10.32	107	1.22	0.222
	Did not cite	33.8	10.95	522		
Personal Issues	Cited	31.88	10.58	51	1.15	0.25
	Did not cite	33.71	10.87	578		
Poor Job Fit	Cited	32.77	10.24	48	0.52	0.601
	Did not cite	33.62	10.90	581		
Return to School	Cited	23.35	4.17	20	10.23	0.000
	Did not cite	33.89	10.84	609		
Working Conditions	Cited	32.1	10.86	48	0.97	0.334
	Did not cite	33.68	10.85	581		
Workload	Cited	36.06	9.97	45	-1.61	0.108
	Did not cite	33.37	10.90	584		

problem, while 50 percent believed that turnover would not change in the next five years (Reinfeld 2005).

In our study nearly three out of four interviewed salespersons (479 = 71%) cited voluntary reasons for leaving their current sales position. The most frequently cited reasons for exiting the firm were: pay issues (120), ineffective management (100), and lack of advancement

opportunity (80). All three reasons can be linked to organizational shortcomings that are addressable by the firm's managers. First, firms must make sure their pay is fair and that the sales staff is rewarded for reaching goals that benefit the company. Second, the firm must select, train, and assign effective managers to lead their sales teams (Dubinsky, Mehta, and Anderson 2001). Third, firms should identify and mentor

high performing salespersons who want to advance in the company. Otherwise top-performing salespersons will depart for higher pay, more control over their lives (Russ and McNeilly 1995), and more rewarding positions both inside and outside of sales.

In regard to individual perspectives, three out of four exit interview respondents were dissatisfied with their work situation. For example, 122 (18%) reported they were moving to a better or different job, 120 (18%) had issues with their pay, 100 (15%) were displeased with management, and at least 178 (26%) were dissatisfied with their work environment—commute time (25), long hours (31), lack of recognition (22), working conditions (51), and workload (49). Salespersons develop turnover intentions when they find their jobs overly stressful (Jaramillo et al. 2009). The reasons provided by departing salespersons offer a snapshot of individual perceptions of their work situation. One wonders, however, how aware the firms were of these perceptions and perhaps more importantly, if efforts were undertaken by their sales managers to ameliorate these negative perceptions.

### MANAGERIAL IMPLICATIONS

To properly manage voluntary turnover in a company, sales managers must understand why sales personnel decide to leave the firm. This study found that salespersons were exiting because they were dissatisfied with their pay, managers, work conditions, or ability to advance. These findings are important since sales managers “have the power and potential to influence the work environment” (Jaramillo et al. 2009, P. 358).

Once it is understood “why” sales members are voluntarily leaving the firm, sales managers can implement change to significantly reduce

voluntary and dysfunctional sales force turnover. Given the myriad reasons for leaving the firm reported by hunters-farmers, male-female, older-younger, Caucasian-non-Caucasian salespersons, it is evident that managers cannot manage the sales team in a standardized fashion (DeConinck and Johnson 2009). In regard to pay, sales managers should make sure their compensation programs are understood, achievable and fair, and equals or exceeds that of competing firms. This is especially important for high sales performers (Darmon 2008). To reduce complaints about supervisors, sales executives must monitor their sales managers’ performance to ensure that they are competent and that they work effectively with their sales team. If either is not the case then sales managers should be trained or replaced (Wellins, Cosentino, and Thomas 2004).

Work conditions fall directly under the purview of sales managers; therefore, conversations and surveys can and should be used to identify potential work irritants that can be changed to improve the work environment. One way to reduce work irritants is to redesign the sales job. When work environment irritants cannot be corrected, the sales team deserves a well-reasoned explanation from the sales manager. Sales managers may be more successful if they move toward a servant leader role of acting to advance salesperson success (Jaramillo et al. 2009).

Sales managers must also understand what motivates their sales team members. For sales team members desiring to move up in the organization, the sales manager must identify individuals who would be a good fit for the current firm and provide them with mentoring to acquire the needed skills and career planning to reach their goals. Sales managers should be

particularly sensitive to mentoring highly qualified women and minorities (Krishnan 2009).

As stated earlier, sales managers must manage their sales team as individuals. That is, hunter and farmer salespersons perform different jobs and they are motivated and satisfied differently. If sales managers understand and are sensitive to these differences, such insight can heighten their awareness of potential problem areas and improve the retention of productive salespeople. Beyond the hunter-farmer dichotomy, it is also clear that reasons for exiting the firm vary depending upon actual salesperson characteristics. This research has no intent to stereotype, but rather points out that gender, age, and race appear to affect job satisfaction and motivation. The better sales managers understand the issues that are important to their salespersons and how these variables influence turnover, the easier it will be for firms to take actions to reduce voluntary turnover.

If sales managers are to reduce voluntary and dysfunctional turnover of their sales team members, they must take strong managerial actions. Listed below are six specific practices sales managers should consider:

Seeking training and development that makes them better managers. Effective managers are not born they are made. Few salespersons enter supervisory ranks fully prepared to manage a sales staff—thus, most sales managers need and should seek out further training and development opportunities that enhance their leadership and communication skills (Boe 2010; Dubinsky, Mehta, and Anderson 2001).

Ensuring that their sales team is properly trained so that salespersons fully understand their job and possess the skills that are needed to succeed. This is critical since sales training is positively

related to job satisfaction (Reinfeld 2005).

Understanding what motivates their sales team. Many firms believe that money is the principal motivator, but pay satisfaction is related to salesperson perceptions of equity with selected internal reference groups. To improve salesperson satisfaction with compensation, sales managers need objective and accurate information to discuss with salespersons (Roberts and Chonko 1996).

Establishing a clear career path. Approximately 54 percent of salespersons view sales as a “stepping stone” to other positions (Laff 2009). Sales managers can help sales personnel reach their goals “if” they understand their sales team members and help them establish a realistic path toward that goal (Boe 2010).

Redesigning the job or territory, with salesperson input, for efficiency and effectiveness. While it is not possible to have perfectly designed jobs or assignments, sales managers should regularly evaluate salesperson duties and balance them out to ensure equity among duties/responsibilities.

Remembering that people are a firm’s most important asset. Compensation is the reason many individuals enter sales, but it is not always the primary reason for leaving the organization.

Being aware that individual characteristics impact turnover. Reasons for leaving the firm vary by demographics such as age and gender; the more managers understand which job-related factors are likely most important for a given group, the more proactive they can be at managing satisfaction and, in turn, reducing voluntary turnover

By adopting the actions offered above, sales managers are more likely to retain their more productive sales staff. An important question asked by one writer is: do sales managers possess the will to make the needed changes to reduce

sales force turnover (Reinfeld 2005)? Certainly only time will tell. By proactively managing turnover, sales managers can retain the best salespersons, save time and money, and experience fewer personnel headaches. In summary, if sales managers want to reduce sales force turnover, they must effectively lead and manage their sales teams!

### LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

As with all research, there are limitations to this study. This paper reported reasons hunter and farmer salespersons gave for leaving their current position. Future studies should include a performance measure for each category of salesperson in order to determine reasons high performing salespersons left voluntarily. Such a measure would provide a better understanding of whether the turnover was functional or dysfunctional (Allen 2008). Second, to broaden the external validity of the study data should be gathered outside the four industries that comprised this investigation. Third, future studies should examine a more diverse group of salespersons. Finally, this study is one of the few that provides an insight into the stated reasons salespersons were leaving their current position. That said, future research should conduct a follow-up interview either three or six months later to determine if the stated reason for departing the sales position changed over time.

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