

Commit to It!

Invest in Compensation and Training for Best Results

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For sales to succeed, team members must be armed with the right focus, messages, tools and motivation. To that end, Carolyn Merriman, President, Corporate Health Group, East Greenwich, RI, offers the following tips on compensating and training sales staff:

Compensation

1 Align the compensation plan to reflect the goals.

If growth in key services or for targeted physicians is the goal, specify that. Make sure you can track and report on activities and results, and then reward individuals or the team for achieving desired results. Variable or incentive, compensation plans that offer bonuses in addition to base pay are the norm for sales staff in other industries, but are used by less than half of healthcare organizations with a sales function.

2 Avoid disconnects.

Ensure that operational or service line goals and productivity management requirements are aligned with those set for sales and retention team members. It doesn't help to grow business if a department can't handle the referral or isn't staffed properly. Likewise, a salesperson assigned to deliver growth and results should not be "selling" to loyal physicians who are already sending you all of their referrals.

3 Make the rewards relevant to their world.

Build performance measures into the employee's current annual performance metrics and payout. If you're rewarding sales staff, it may be important to measure sales activity and results and pay out bonuses or incentives on a quarterly basis so that the reward is more closely tied to the time frame of effort.

Training

1 Have a training plan.

Develop an orientation and training plan with options for customization to match a person's skills, job experience, and gaps. Training supports retention of seasoned sales staff ensuring the continuity of customer relationships and aids staff in selling the customer on more or expanded services or increased loyalty and satisfaction.

2 Customize to the organization.

For both internal and external hires, customize orientation to ensure that the new team member understands the organization and services from the customer's perspective. Cover products and services, how they work and are delivered, and how issues or concerns will be addressed within the area. Once orientation is completed, provide a formal classroom training program, with the curriculum customized to the organization and its products and customer types. If an outside training firm is used, make sure the trainers understand not only healthcare, but your environment, culture and selling goals as well.

3 Set the tone and approach.

Teach staff about the strategy, rationale, and end goal for working with customers and what the salesperson's style or approach should be in the relationship. Review the relationship-building process, techniques for getting appointments and learning customer needs, and appropriate communication and follow-up for customers. Include tools and techniques to ensure effective relationship management, scripting examples for client scenarios at each step of the relationship cycle and role-playing and practice sessions so participants can personalize material and messages to match their own individual style and approach.

4 Training never ends.

People need review observations, feedback, and new ideas. Add skill development sessions to regular meetings so staff can practice, discuss real-life scenarios, and develop problem-solving approaches and messages. Conduct field observations to help teams periodically re-visit their efforts and messages to ensure consistency and depth.

If you currently offer variable (incentive) compensation, what percentage of base compensation can the sales staff potentially earn annually?

Incentive	Response
Up to 5%	9%
6-10%	39%
11-15%	14%
16-20%	14%
21-30%	17%
31% or more	8%

Source: National Survey of Healthcare Providers. Conducted by Strategic Health Care Marketing and Corporate Health Group, November 2005.



Carolyn Merriman, FRSA, President, Corporate Health Group,
www.corporatehealthgroup.com, 1-888-334-2500