Outsourcing Your Small Business’s Sales Efforts

Here is an interesting question that I got from a small business CEO recently. “I really need to grow my business this next year, but I am not a good sales person because I have tried and tried to do it myself and it isn’t working. What can I do? Is this something that I could outsource?”

If you’re not a natural born salesperson and aren’t confident in your ability to become one effective enough to grow your small business, you might consider outsourcing your company’s sales efforts but consider the pros and cons.

According to Steve Koenig, a SCORE mentor with expertise in sales management, “Without a strong sales effort your business is not likely to succeed. You can have the best product or service available, but if people do not know about it or cannot easily find and obtain it, the value is limited. Selling is a process and requires more than just putting up a web site. It is the sale that makes your business viable.”

There are advantages and disadvantages to outsourcing sales initiatives, so give it careful thought before putting your business’s sales function in the hands of someone outside of your company.

Some of the potential pros of outsourcing your sales to experienced, skilled sales professionals include:

- **Cost-effectiveness.**
  Because subcontractors aren’t on your payroll, you’ll have more flexibility in expanding and contracting sales activities to accommodate seasonal highs and lows. In addition, you won’t have the expense of paying payroll taxes (or certain benefits) like you would with hiring an employee.

- **Expertise in countering resistance.**
  Skilled sales subcontractors will have experience in dealing with hesitation from leads. With familiarity of the nuances of managing resistance, they know how to keep the lines of communication open rather than pushing back too hard and scaring off prospects.
• **Shortened sales cycles.**
Seasoned sales professionals will know what it takes to close a sale. They’ll feel comfortable with the sales process and are typically adept at working through it efficiently to secure commitment from prospects.

**On the flip side, outsourcing sales has these potential cons:**

• **Lack of familiarity with your brand’s persona.**
Subcontractors may not be in tune with the core values and culture of your small business. Therefore, they may not intuitively be effective at authentically representing your brand.

• **Confidentiality risks.**
Any time you make someone from outside of your company privy to confidential or proprietary information, you put your business at some risk of having your ideas or plans getting out to your competition. It’s important to consider securing agreements to protect your company.

• **Less control over relationship building.**
When you outsource contacting prospects and nurturing relationships, customers may feel more loyalty and a stronger connection with the subcontractor than they do with your brand. If at some point you part ways with the subcontractor, you may find it challenging to step in to maintain relationships with the prospects and clients the subcontractor has built rapport with.

“A great salesperson knows when to ‘ask for the order’ and stop talking. Some people are just not inclined to sell, while others can sell almost anything,” explains Koenig. “If you can afford it, put a great sales team on your payroll. If you can’t afford it, use outsourcing. But be careful in crafting outsourcing agreements, and follow through with rewarding your agents.”

Now having said all that as a direct answer to this CEOs question, I want to help this CEO with a bigger picture look at the issues. Because, when you’re running a business it’s easy to make excuses for NOT doing things and convince yourself that you are doing all that needs to be done. But such excuses may be the very thing holding you back. If you want to do more than just get by you’ll need to stop avoiding action and start taking it.
I will relate what I learned from Daniel Kehrer, Founder & Managing Director of BizBest Media Corp. (He is a nationally-known, award-winning expert on small and local business, start-ups, content marketing, entrepreneurship and social media, with an MBA from UCLA/Anderson.) Daniel relates an example from an entrepreneur who created and built two highly successful businesses including Direct Mail Express, which now employs over 400 people. He quotes this CEO as saying “Simply hoping that sales will improve is the wimp’s approach. You can’t wait for all conditions to be perfect because they never will be. You have to take action at some point.”

Here are some top inaction-excuses that Kehrer summarizes:

**Excuse #1: The timing isn’t right.** People who constantly succumb to this excuse are “prisoners of hope.” They’re always waiting for something else to happen before “pulling the trigger” and end up never acting. Millions of would-be entrepreneurs, for example, are waiting for just the right conditions – funding, free time, a better economy. And all the time they’re waiting, opportunities are passing them by.

**Excuse #2: We tried that already.** Small business owners most often utter these words in relation to marketing. Maybe they spent a bundle on a TV commercial once and it didn’t work. Or an online deal offering resulted in a loss. But marketing is far from certain and often difficult for small companies to predict. Without proactive, long-term and consistent marketing, businesses die.

**Excuse #3: If only I had [fill in the blank].** For business owners and especially startups, there are always a million “if-only-I-hads.” And often they involve technology. But if you examine the situation closely, you might find there’s another way.

**Excuse #4: I’m still working on a plan.** There’s nothing wrong with planning. You need to be prepared. But endless planning that replaces the reality of execution results in stagnation. Your “perfect plan” might prevent you from failing, but it will also stop you from succeeding if it’s never put into place.

**Excuse #5: It’s a good idea but things are different now.** This kind of thinking often results in “moving the target” because you lack certainty or perhaps just the motivation to move ahead. You have a plan and are ready to act, but pull back and reassess for one reason or another. Moving the target changes the objective, goal or focus of your business and thus delays plan execution, innovation or change. And every time you move the target, you have to prepare all over again.
**Excuse #6: I’ll get to it – eventually.** If you immerse yourself in busywork in order to avoid true priorities, your business will suffer.

**Excuse #7: I’m in a defensive posture.** The hardest risks for cash-strapped business owners to take are often financial. Many choose to cut costs and “do more with less” when what they really need to do is hire new talent, invest more heavily in marketing, upgrade technology or something else.

**Excuse #8: Nothing’s broken, why fit it?** When nothing is going wrong, it’s easy to tell yourself things are fine, the future is rosy, and you don’t need to put yourself out there to improve. But that’s a good way to get left behind. Customers don’t always leave because they had a bad experience with your company. They may simply have had a better one elsewhere.

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