

# Take Haier as an Example to Analyze the Reasons for Turnover of Sales Staff

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## Abstract

The staff is the core guarantee of the sustainable development and profit of the enterprise, sales is the crucial link in the process of enterprise operation. But in recent years, the turnover rate of sales staff has always been high, which has become a major disease affecting the development of enterprises. How to reduce the turnover rate of sales staff to the maximum extent has become a major problem that enterprise managers must face and solve. In this paper, through the analysis of Haier's sales personnel loss situation, the enterprise sales personnel loss reasons are analyzed and summarized, found that compared with the traditional factors such as compensation, development prospect, enterprise culture has more and more influence on the sales staff turnover rate, based on this, advances several Suggestions, in order to help out of the sales staff to the enterprise loss trouble.

## Keywords

Turnover of Sales Staff; Haier; Cause Analysis.

## 1. Introduction

China's economy has gradually developed from the domestic market to the international market, and enterprise reform and transformation has become an inevitable trend of development. Under the influence of this environmental factor, the turnover of enterprise personnel and the share of social resources are changing. At present, the supply and demand of China's talent labor market is in an unbalanced state for a long time. A large number of labor force cannot stick to fixed positions for a long time due to various reasons, and the turnover of enterprise personnel is on the rise. Survey data show that more than half of China's enterprises have serious staff turnover, among which the turnover rate of ordinary staff is 20.3%, management staff is 34.2%, sales staff is 24.3%, administrative staff and financial staff are 10.2% and 10%. These personnel turnover rate far exceeds the normal range of the market, has become an important problem hindering the normal development of China's enterprises.[1] Among them, sales staff as a direct contact with customers, its loss will bring greater loss than the general enterprise staff loss, enterprise operation and development caused a great negative impact.

According to the survey, the direct loss of a sales talent will be four times their monthly salary.[2] The loss of a large number of sales personnel will not only lead to an increase in the cost of re-recruitment and training, but also cause instability, business fluctuations, leakage of trade secrets, customer loss and other problems. Haier years attached great importance to sales staff, especially graduate sales staff training and quality enhancement, but understands from the market survey, Haier's sales staff turnover rate is high, how to keep enterprise's sales personnel and improve the enterprise core competitive ability is before Haier urgent and realistic subject, is also now a lot of enterprise human resources problem to be solved.

## 2. Haier Sales Staff Turnover Problem

Haier has won the recognition of the market and the respect of the industry with its high-quality products and quality. Its excellent corporate culture, standardized management and human resource management system represented by the talent concept of "Everyone is a talent, and horse racing does not judge a horse" have laid a solid foundation for technological innovation and service innovation of the enterprise. But Haier sales staff turnover rate is extremely high, the leaving reason for Haier's sales personnel, according to a survey of the three employees leaving reason was followed by "self ability can not get to play", "corporate culture makes employees have no sense of" and "lack of effective incentive mechanism, the results of the survey to a great extent illustrate compensation is no longer the first element of employee turnover, the influence of development prospect, culture, mechanism and other factors on employees' staying and leaving has gradually exceeded salary, and employees have changed from "working for survival" to "working for life".

**Table 1.** Ranking and classification of Haier sales staff dimission reasons

Ranking	Reason	Belongs to the category
1	Their ability is not used	Prospects for development
2	Corporate culture makes employees insecure	The enterprise culture
3	Lack of effective incentive mechanism	Enterprise system
4	The salary is lower than the industry average	In compensation
5	Pursue freedom and individuality	Personal factors
6	The corporate outlook is unclear	Prospects for development
7	No training opportunities	Prospects for development
8	Employees have no career planning	Personal factors
9	The job is unstable and there is no sense of security	Job content
10	Pay is generally lower than peers	In compensation
11	No room for advancement	Prospects for development
12	The enterprise does not pay attention to sales staff	The enterprise culture
13	The internal competition mechanism is not clear	Enterprise system
14	If you feel uncomfortable, leave	Personal factors
15	Corporate welfare is relatively low	In compensation

Prospects for development, enterprise culture and the system, salary, personal factors, the number of occurrences of 4, 4, 3, 3, respectively, in view of the company sales personnel is after 90 young people more, it shows that a new generation of young people more and more attention to personal development, corporate culture and fair, reasonable and effective system of enterprise, emphasis has even more than the salary. In addition, the new generation of young employees' pursuit of freedom, distinctive personality and arbitrary characteristics bring vitality to the enterprise, but also make the current turnover rate of sales staff of the enterprise much higher than the older generation of employees.

## 3. Analysis and Summary of Reasons for Turnover of Enterprise Sales Staff

Through the analysis of the reasons for the turnover of Haier's sales staff, the reasons for the turnover of sales staff in the enterprise are summarized as the following four aspects:

(1) Remuneration. Compensation is an important determinant factor. If managers lack the concept of "human resource market" and only pay attention to internal fairness when

determining compensation, instead of conducting cross-enterprise and cross-industry comparison and analysis, the compensation set is lower than the "prevailing" price of human resource market, it will lead to staff turnover. Especially those who have been in the enterprise to get a certain amount of practice exercise and promotion, "value" has increased sales "veteran" is more likely to lose.[2] In addition, the low salary will cause great psychological pressure for employees in the invisible comparison with their peers, prompting them to seek a job with a higher salary and increasing the turnover rate of sales staff. In addition, more and more enterprises attach importance to employee welfare, which has a great impact on the turnover rate of the new generation of young employees.

(2) Development opportunities. According to Maslow's hierarchy of needs theory, people will develop to a higher level after their most basic needs are satisfied. Therefore, after their basic salary needs are satisfied, they will have demands for other aspects of their work, such as promotion space and training opportunities.[3] If employees feel personal ability cannot get to play in the existing position, or concern on the development prospect of the company without a sense of security, or to their position in the company development foreground is not optimistic, in the short term can't see the development opportunity, these reasons are likely to lead to employee turnover, and its influence is gradually more than salary of staff turnover.

(3) Work pressure. In today's increasingly fierce market competition, many enterprises are under great pressure to survive, because if their products cannot be sold, they will face the danger of being eliminated by the market. So many enterprises to increase sales as an important index evaluation ability of sales staff, but if the inspection method is too harsh to under the weight of the assessment of sales staff lose their jobs, then under the greater the lure of material benefits, the loss of sales staff has become inevitable, even by a new generation of young people personality and family pressures, the influence of Even without the lure of a higher salary, leaving is highly likely.

(4) Corporate culture and team atmosphere. Whether the enterprise managers are fair, whether they lead by example, whether they are willing to cultivate subordinates, whether they can pass the corporate culture and core concepts to employees, whether the team is cohesive, whether they can let employees get a sense of belonging...These will have a direct impact on whether employees stay or leave. If the performance of the sales staff cannot be justly evaluated, pay and gain is not proportional, the enterprise cannot establish an effective incentive mechanism, failed to create a harmonious cultural environment, it is difficult to let the staff have a sense of belonging, in the long run, it will make the staff turnover rate greatly increased.[4]

#### **4. How to Retain Sales Staff**

As can be seen from Haier's case, the reasons for the loss of sales staff are various, so how to solve the problem must be made efforts from various sides.

(1) Establish a reasonable salary system. Compensation is related to the vital interests of employees, and the compensation system should be constructed and adjusted according to the changes of the market and the ability of employees. It should pay attention to both internal fairness and external fairness.[5] Therefore, the enterprise salary policy when they cannot, comparing with the same industry and other enterprises, sales staff appropriate communication, and provide attractive remuneration to sales staff, guarantee the reasonable proportion of fixed compensation and floating salary, through reasonable appraisal incentive mechanism to fully arouse the enthusiasm of the marketing personnel.

(2) Provide development space for employees. There is a saying that if a person cannot be promoted to a more challenging position, he will leave. Let the sales staff in the enterprise has a clear development direction, together with the enterprise growth and development, it is very important to reduce staff turnover, in addition, for the sales staff to provide comprehensive

training and good career planning, because it can improve the staff's personal qualities, knowledge base and skill levels, to ensure that the work efficiency and quality, to prepare for promotion, It can also enhance employees' sense of identity and belonging to the enterprise, and improve employees' loyalty.

(3) Focus on the construction of corporate culture. Enterprises should create a relaxed humanistic environment and regulate and supervise employees by establishing reasonable rules and regulations. Sales work itself is a very innovative work, to give sales staff a certain degree of freedom and power, encourage them to continue to innovate and take the initiative to assume responsibility, change the "no" management thought for "no meritless" enterprising concept, shape a suitable for the survival and growth of aggressive sales staff atmosphere.[6]

(4) Strengthen communication with employees. Enterprises should do a good job in humanized management. Most salespeople move from place to place, often under pressure from work and family, and lack someone to talk to. Therefore, enterprises cannot ignore sales personnel, to strengthen communication with sales personnel, understand their difficulties and difficulties, as far as possible to solve their worries. In addition, the sales staff fully respect and recognition, especially for the sales staff, results show, when the performance is low, need enterprise to understand and care more, this paper analyzes the reason of the bad performance, find out the method to solve the problem together, attaches great importance to the employees' Suggestions and comments, recognizing people for every bit of grades, let employees to mutual recognition between, Avoid shirking responsibility, which can be achieved to the greatest extent through communication, which can greatly reduce the turnover of sales staff due to excessive pressure.

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