**Four Ways to Handle Your Rogue Wholesalers**

by Dan Sondhelm

You have a great story, slow sales, and wholesalers running rogue. Yes, rogue. You are frustrated. Their production doesn’t justify your investment in their compensation and requests such as exhibiting at conferences and technology they don’t use. You don’t know how they spend their time or who they spoke to this month. Ugh!

Instead of secretly hoping one takes another job, consider four strategies that may motivate them to succeed and assume greater accountability for their results.

**1. Create Opportunities to Add Value**

Most wholesalers dislike making cold calls as much as advisors dislike answering them. [Research shows](https://www.advisorperspectives.com/articles/2016/03/29/evolution-or-extinction-the-future-of-mutual-fund-wholesalers) that advisors want wholesalers to act as proxies for fund managers or deliver other information of value. Pure sales calls are not welcome.

Your firm’s marketing team can enhance the value of wholesalers by arming them with content marketing tools. Instead of sending offers of market commentaries, white papers, or webinar or conference call invitations from your firm’s corporate email address, empower your wholesalers to send these offers directly to their advisor clients.

The marketing team (with compliance approval, of course) can create the standardized email content and templates that a wholesaler can personalize for each recipient and send from their own email address. They can personally fulfill each request, which can lead to opportunities for follow up conversations that might not otherwise be possible.

**2. Make More Effective Use of Your CRM System**

I’m always surprised at how many firms with hundreds of millions of dollars in assets don’t use a Customer Relationship Management (CRM) system like SalesForce or Insightly, especially since some programs like HubSpot are free.

CRM systems are not just glorified contact lists. When used properly, a CRM system can track the progress of every prospect through the sales cycle, from the day they enter the pipeline to the moment they become a client. CRM tools can also track frequency, types of engagement (email, phone call, site visit) and the results of each prospect and client contact.

Of course, a CRM is most effective when salespeople use it effectively and management uses reports for decision making. Invest in customization, training and enforcement of use - especially for management.

**3. Emphasize the Importance of Accounts as Well as Assets**

Many firms judge a wholesaler’s success and bonuses solely by whether he or she meets a specific annual asset inflow target. But some wholesalers may achieve this target early by winning a single large high-net-worth or institutional account and then coasting for the rest of the year.

A better way is to establish both asset flow and new investor account opening targets for each wholesaler. This helps alleviate the temptation to focus on a small number of large-asset prospects, and actually provide the benefits of “account diversification” for the firm. A firm with a large number of client accounts with relatively equal levels of assets is less likely to face liquidity and trading risk should one investor choose to close an account compared to a firm with relatively few larger-sized accounts.

**4. Hire or Outsource an Experienced Sales Manager**

In many emerging asset management firms, wholesalers report directly to the CEO who is often the CIO and portfolio manager. But many of these top executives don’t have experience managing and motivating salespeople, setting sales targets, and holding them accountable for results. After all, they are busy managing money and enjoy it more.

Hiring or outsourcing an experienced sales manager or coach will put the responsibility of revenue inflow targets squarely on their shoulders.

A sales manager or coach will set individual and team lead-generation, prospect-conversion and inflow targets. He or she can evaluate each wholesaler’s strengths and development needs and provide coaching and mentoring. The manager can make adjustments to territories, segments to target, and compensation. The manager can also determine whether a wholesaler’s failure to achieve his or her goals are due to institutional or market factors or a lack of skill or motivation, and, if need be, fire under-performers.

**Sales Tools for Growing Assets Under Management**

Wholesalers may have the toughest job in an asset management firm. Facing pressure from management to produce and resistance from intermediaries and institutions, they need more than the fickle promise of commissions to motivate them. But if you arm sales with tools that will enable them to open doors and the motivations of a manager who understands what it’s like to work in the trenches, you can replace a “can’t win” attitude with one that “will succeed.”

***For more information on these and other sales-boosting strategies, contact Dan Sondhelm at 703-597-3863.***