

# How Often Should Companies Renew Their Policies and Procedures to Make Them Relevant in Today's Marketplace?

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There are two issues that have surfaced in recent years: 1) social networking and 2) frequent migration of distributors between companies. With social networking concerns, companies have had to decide on positive protocol for consultants who socialize through technology and the internet. In terms of the migration of consultants, companies have often found themselves constantly revisiting policy that both protect the livelihood of all its distributors while also protecting the interest of the company. These issues are constantly under review. Most companies continue to revisit

these issues multiple times.

Certainly, it's not a good idea to make frequent changes to a compensation plan because it undermines faith in the company. Companies should also try and limit the number of changes in basic agreements and also be able to justify any of the changes being made. Companies that claim to be partners with their consultants should walk the talk. They should be saying that their interests lie in protecting distributors and consumers, not just the company. They have a responsibility to protect the livelihoods of thousands, or millions, of consultants who depend on income from the company. This is important because when companies disassemble, consultants who have spent all of their time building sales organizations only to find them stolen or taken elsewhere, are deeply hurt.

In the direct selling industry, the word *change* can send a certain group of people into orbit. Companies that are making adjustments or enhancements to their policies and procedures or compensation plan must carefully communicate those changes to sellers, especially to the leadership of the company. Leaders need to be prepared to deliver messages and to have the messages palatable to the rest of the sales force.

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**Jeffrey Babener**  
On Assignment

On any given day you can catch [Jeffrey Babener](#) lecturing on Network Marketing at the University of Texas or the University of Illinois, addressing thousands of distributors in Los Angeles, Bangkok, Tokyo and Russia, or writing a new book on Network Marketing, an article for Entrepreneur Magazine or a chapter for a University textbook. Over two decades he has served as marketing and legal advisor to some of the world's largest direct selling companies, the likes of Avon, Nikken, Melaleuca, Discovery Toys, NuSkin, and he has provided counsel to the most successful telecom network marketing companies...Excel, ACN, World Connect, ITI, AOL Select and Network 2000. An active spokesperson for the industry, he has assisted in new legislation and served on the Lawyer's Council, Government Relations Committee and

Internet Task Force of the Direct Selling Association (DSA) as well as serving as General Counsel for the Multilevel Marketing International Association. He is an MLM attorney supplier member of the DSA and has served as legal counsel and MLM consultant on MLM law issues for many DSA companies.

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