

Recruit the Right Talent  
To Increase Sales Effectiveness



**ManpowerGroup™**  
**Solutions**  
Recruitment Process Outsourcing



## Executive Summary

The most successful sales professionals are often promoted to leadership positions, only to falter or fail. That is because selling and sales management require different skill sets and competencies for success. To recruit effectively – whether that is identifying talent internally or sourcing externally – organisations need to accurately pinpoint the qualities of a productive representative or sales leader so that success can be defined in advance and accurately predicted.

In addition to recognising leadership potential in existing sales representatives and identifying new talent, developing the potential of existing team members requires arming individuals with tools and training as they move into management roles. Organisations that recruit right-fit candidates and provide leadership training can create a high-performance sales organisation by building bench strength and helping talented sales professionals develop the necessary skills to become effective leaders.

## The Critical Connection

Recruiting qualified sales representatives and sales leaders is an ongoing challenge for most organisations. Sales representatives consistently top Manpower's "hardest to fill jobs" list, an annual survey of 35,000 employers across 36 countries.<sup>1</sup> Additionally, the latest Sales Performance Optimisation survey from CSO Insights indicates a 28 percent voluntary and involuntary sales representative turnover rate in 2009.<sup>2</sup>

One reason sales departments experience such high turnover is because organisations are not placing the right people into the right jobs. Another is the loss of talent due to promotions. A recent survey of 265 HR executives revealed 51 percent of sales executives were likely to have scaled the corporate ladder into the C-suite.<sup>3</sup> Manpower's clients report similar findings, indicating 50 percent of sales leadership positions are filled internally.

Organisations also need to maintain the right balance between the number of direct reports and leadership. A 2010 study from the Sales Executive Council determined eight direct reports is the optimal span of control.<sup>4</sup> Deviating too far from that ratio may impede managers from devoting enough time to meaningful coaching. To maximise their employee investment, organisations that promote their best sales people need to ensure they have a talent pipeline to fill open positions and they need to ensure the success of their managers.

Turnover, either voluntary or through layoffs or promotions, can be costly – both directly and indirectly – to the business. With turnover in the sales organisation, the cost of missed opportunities runs high; no one is calling on prospective customers while positions sit open.

A strong sales team is essential to the survival of the business. That is why even during a recession, companies continue to recruit representatives. After all, they are responsible for bringing in revenue for the company. Many organisations seek to hire top salespeople who, from day one, can open doors and close sales with minimal guidance and training.

To be of service to their customers, sales representatives need to demonstrate inquisitiveness to determine prospects' underlying needs and motivations for buying, expertise on the company's offerings and market trends, and command of the issues customers are facing. They also need to harness excitement around marketing campaign activities to influence customers to try new products.

Because many sales representatives work remotely from their manager, keeping these representatives engaged and motivated while retaining the organisation's culture is a key challenge for many organisations. A strong sales leader can be the defining factor behind a team that understands its role and is committed to driving above quota results.

Sales representatives  
consistently top  
Manpower's  
"hardest to fill jobs"

Establishing a profile of success helps to eliminate unqualified candidates early in the hiring or promotion process

However, many companies make the mistake of promoting sales superstars into leadership positions. The result is that these organisations lose their best salespeople and fail to gain qualified leaders. Selecting a sales manager based strictly on his or her sales ability is a potentially fatal error. The ability to sell requires a different skill set than the ability to recruit, hire, train, manage, motivate and coach a sales team. Moreover, the competencies required for success differ based on a company's industry, corporate culture, customer type and market environment.

How do organisations define what makes someone a successful sales representative or sales leader in their company? How do they develop those competencies within their current sales force? By understanding the diverse requirements for each role, and putting programmes in place to develop management skills, organisations can recruit effectively, accelerate leadership readiness and build the bench strength necessary for a high-performance sales organisation.

## Establishing a Profile for Success

To smooth the transition from superstar salesperson to effective sales manager, organisations need to clearly define the competencies and qualities required for the role and company culture. Does your organisation require specialised technical knowledge? Do representatives need prior experience? Have they participated in leadership development and training initiatives or have they managed others? By establishing a profile of success, organisations can then hire against it and consistently find those qualities in candidates. Establishing a profile of success also helps to eliminate unqualified candidates early in the hiring or promotion process so recruiters and managers spend time interviewing only best-fit candidates.

Whether the organisation is seeking to fill the sales force with multiple entry-level hires or recruit an experienced sales manager, both behavioral and technique-based competencies need to be assessed to determine organisational fit, and fit with the organisation's sales methodology.

Tools like the DISC assessment and Myers-Briggs indicator are often used to profile potential sales employees and to field-assess how best to communicate with prospects. However, many organisations merely "test and note." That is, they profile a potential employee without further analysing the results to see how he or she might be most effective given the organizational culture. Proper assessment means uncovering both existing and potential behavioural competencies in applicants.

Technique-based assessments, too often, come down to checking references and determining whether a sales or sales management candidate has met or exceeded goal on a consistent basis. While this is important, it is not a proper assessment of the methods an applicant may be called upon to use in the company's unique selling environment. The only way to inventory those techniques for the organisation is to have a structured sales and sales-management process.

A structured process and defined success profile enable sales managers to ask better interview questions and roll-play sales scenarios in order to ensure they are assessing candidates based on the organisations' needs. Candidate assessments also create a solid foundation for coaching during the on-boarding and ongoing development processes. Organisations can identify high potentials, understand where they need additional training and align their talents to that of the organisation over time.

## Different Cultures, Different Competencies

It is important to establish a competency model that reflects the attributes and skills of successful leaders as defined by the company culture. For example, the skills needed to succeed in retail sales differ from those needed to successfully sell a technology product.

In a retail environment, key skills include knowledge of customer service, security, the store's policies and procedures, and point-of-sale system operation. Some retail environments require depth of technical knowledge. For example, salespersons who sell automobiles need to be able to explain the features of various models, the manufacturers' specifications, the types of options and financing available, and the details of associated warranties.

The role of inside and outside sales representatives for wholesale and manufacturing, technical and scientific products also differs. Whether meeting with prospects in person or over the phone, promoting and selling a product can be extensive, taking up to several months or even years. In this scenario, technical knowledge, relationship building and solid communication skills are essential along with having the fortitude to drive sales to completion over an extended timeframe.

Most sales teams typically have a combination of representatives with sales styles that can be categorised as "hunters" or "farmers." A hunter is often described as a "hungry fighter" or someone with "fire in their belly." They are tenacious, aggressive, self-motivated and are energised by closing a deal. Farmers typically build and cultivate relationships and opportunities within existing accounts. One of the paradoxes of sales is that it takes hunters to get the accounts and farmers to maintain them. Organisations need to assess their internal needs and build bench strength accordingly to strike that balance.

In many environments, sales positions represent a significant opportunity for career development or promotion. Sales representatives who propel their territory or company to record-high earnings, routinely exceed sales quotas, increase the number of new accounts signed or achieve sales awards are often considered for promotion. While these accomplishments are noteworthy, they do not necessarily translate into top-notch managerial abilities such as coaching, training, conflict resolution and performance management.

### Sales Representative Skills and Competencies<sup>5</sup>

Assessing opportunities and generating leads

Qualifying accounts

Gathering the right level of account knowledge

Conducting an effective sales call

Writing proposals

Dealing with gate keepers and identifying decision makers

Closing the deal

Communicating internally

Managing territories

### **Sales Leader Skills and Competencies**

Ensure clients receive the highest level of sales and operational customer service

Successfully design, plan and execute sales strategies

Develop compensation and quota policies

Provide mentorship, guidance and development of the sales team

## The Path from Sales to Management

There is a perpetuating myth that good salespeople are born not made. Yet providing training and exposing representatives to people management and coaching opportunities can help them excel as leaders.

As noted earlier, research from Manpower indicates 50 percent of organisations search within their ranks for sales leaders. One reason is because promoting from within is less costly than recruiting externally, saving companies both recruiting and training costs. Rewarding employees with promotion opportunities also boosts employee morale, demonstrating that the organisation has a career path for representatives.

While in-house employees may have the advantage of fitting in with the corporate culture, without leadership training, top producers often end up mediocre managers. Effective sales leaders need to develop solid managerial skills such as articulating business priorities to the sales team, establishing sustainable processes in the sales continuum and knowing how to resolve conflicts, mentoring representatives, managing performance and ensuring sales targets are met.

While selling experience and familiarity with best practices is critical in succeeding at sales team management, effective managers need both hard and soft skills to become great leaders. It is also important to consider different motivating factors. Compensation methods vary significantly by role and by the type of firm and product sold. Most employers use a combination of salary and commissions or salary plus bonus for sales representatives. Commissions usually are based on the value of sales, whereas bonuses may depend on individual performance, on the performance of the sales team, or on the company's performance.

While sales representatives, in general, can be categorised as competitive and motivated by individual rewards, a leader's incentive is typically based on the performance of their team. This makes sales unique as few other departments have this direct line of sight into their ability to shape their compensation.

Sales leaders are energised by the team's success and opportunities for career advancement. To ensure that all staff are motivated to achieve their very best, leaders need to have the skills and experience to implement techniques that improve motivation, focus and performance of their team.

## Putting Training Programmes in Place

Leaders who are not trained and given the opportunity to develop leadership skills are costly to the business. A poor management style can result in reduced employee morale, higher turnover and absenteeism and lower productivity. Good managers determine if people stay or go, which is also influenced by training and development. A positive manager is more likely to increase retention and, with proper coaching, have the skills to identify other potential leaders.

The typical time-to-fill for sales leaders is approximately 25 days.<sup>6</sup> While organisations may source leaders from direct competitors or via referrals, if these potential leaders do not mesh with the company culture they will not be effective in motivating a sales force to perform. A growing body of research suggests that up to 40 percent of externally hired executives fail within the first 18 months.<sup>7</sup> Knowing this, it is in the organisation's vested interest to identify and develop capable sales leaders from within the organisation. By identifying high potential leaders early in their careers, organisations can then offer training and build their bench strength.

Training should include establishing a strong foundation of understanding the company culture, its products, services and business practices; the marketplace; and basic skills and procedures. Leadership development programs should also include skill development in assessment, evaluation, motivation, coaching, problem solving and performance counselling. Organisations such as AT&T, Johnson & Johnson and Goodyear have publicized their formal leadership development programs to challenge sales representatives and prepare them for future leadership positions. Curriculum includes rotational programs that expose representatives to various lines of business and sales-related initiatives such as point-of-sale programmes or budget and data analysis. In other organisations, after proving success with field accounts, representatives may have the opportunity to own their sales territory and amass proficiency in implementing sales strategies and tactics.

## Future Leaders – Ready When You Need Them

It is no surprise that increasing sales effectiveness is one of the top three business priorities for nearly 50 percent of organisations, according to the Sales Performance Optimisation survey.<sup>2</sup> Utilising assessments, competency testing, and role-based and behavioral interviews can identify successful candidates and those who need additional coaching or mentoring.

Organisations that recruit right-fit candidates and accelerate leadership readiness through training and development can produce effective leaders and influence sales performance.

Putting greater focus on hiring right from the start and having training programmes that build management capabilities support a productive “promote from within” philosophy that ensures organisations do not lose their top performers. While a good sales producer does not always translate into a positive sales manager, recruiting effectively and having the right training and development programmes can improve skills, increase business acumen and improve leadership ability, resulting in improved sales performance for the organisation.

The typical time-to-fill for sales leaders is approximately 25 days

## Assessing Organisational Culture

To recruit effectively for your culture, you first need to understand it. What are the values, beliefs, assumptions, principles, and norms that define it? Is communication formal or informal? How does the company handle conflict? What is the leadership style? What is the company's attitude toward training and development?

Culture is expressed through the words and behaviors of each employee. Measuring employee perceptions and experiences can provide insight into workplace dynamics and the types of sales representatives or sales leaders most likely to experience success within the organisation. Traditionally, companies have focused on the candidate skills and experiences that are relevant to the job. Companies also need to consider a candidate's personality traits, work style and attitudes toward factors such as customer focus and teamwork.

Cultural fit cannot be developed – it must be present from the start. When interviewing candidates, prepare motivational and behavioural questions that focus on revealing cultural fit. For example, ask candidates to describe the ideal job and compare that to the competencies defined by the role to identify alignment or mismatch. A sales representative or sales leader who fits into the organisation and demonstrates the propensity to grow and develop will typically accumulate the technical knowledge and skills required for day-to-day execution and advancement.

The benefit of hiring for cultural fit is that organisations are more likely to hire employees that demonstrate better performance and productivity from the start. Because the level of cultural fit between a potential employee and an organisation is also a good determinant of hiring success, organisations that recruit for cultural fit can reduce recruiting expenses and make better hiring decisions.

## About the Author

**SARAH PEIKER** has more than 17 years of expertise in designing, implementing, and delivering recruiting solutions. She joined Manpower in April 2008 through the acquisition of CRI, a recruitment-process outsourcing company, where she led the CRI consulting business and managed large RPO accounts. She may be contacted via email at [sarah.peiker@manpowergroup.com](mailto:sarah.peiker@manpowergroup.com) or by visiting [manpowergroup.co.uk](http://manpowergroup.co.uk)

## References

- <sup>1</sup> Manpower, "Hardest-to-fill" jobs survey, 2009
- <sup>2</sup> CSO Insights, "Sales Performance Optimization: 2009 Survey Results and Analysis," 2009
- <sup>3</sup> Human Resource Executive, "Executive Turnover Survey," April 2009
- <sup>4</sup> Sales Executive Council, "2010 Sales Leadership Study"
- <sup>5</sup> Sales Process Mapping: Best Practices for Sales Management, Sales Management Association, July 2008
- <sup>6</sup> Manpower Business Solutions
- <sup>7</sup> Center for Creative Leadership, November 2006