THE SALES MANAGEMENT ESSENTIALS VOLUME 5 HIRING AND RETAINING SALES PEOPLE WHO CAN SELL

BY SUE BARRETT



salessentials

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INTRODUCTION

Every organisation needs to take responsibility for creating, nurturing and refreshing the sales force that's best for their aims. Managers and leaders must identify the type of sales person that will benefit their market, and use that template when recruiting and coaching staff.

Easier said than done, right? There's no doubt that the sales world is vastly more complex than it used to be even 10 years ago. Markets are constantly shifting in nature, the relationships between employee and company are forever evolving, and the prevalence of the internet in our everyday lives has forever altered the interactions between recruiters and candidates.

But making sure you hire the best person for the job, and then encouraging that person in their role with the right coaching, needn't be a daunting affair. There are many things to get right - but get them right, and you'll have secured a long-term investment in your business.

It's vital to identify your best performers and leverage their talents. Similarly, know who your underperformers are - you can turn them into successful sales people with customised techniques.

Analyse your company culture. This will help in the processes of job matching and working out cultural fit of potential employees. Infact, there are numerous tools at your disposal when hunting for the right candidates - psychometric assessments are a powerful example.

The material in this book aims to help you learn how to hire and retain proactive, energetic, successful sales winners - and aid you in understanding that you are part of an enterprising, progressive industry that is changing the world for the better.

Remember: everybody lives by selling something. We hope you enjoy this book.

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CREATE YOUR IDEAL SALES FORCE BLUEPRINT

Now is the time to rethink your sales strategy and your sales force. Design the sales force your business needs and you'll get great results.

The key to this is all in the thinking and planning that happens before the execution.

To help you start your thinking and planning, here are two case studies from our work files where the businesses got it right.

Case study 1: Transform your current sales team into a new sales team

"The sales culture transformation and competency project we worked on with you has been such a great success for our team. The culture is now fantastic and the morale of the sales team is very good. We aimed for the culture we wanted and got it. People have settled into their roles and are working out fantastically.

"It was the planning and thinking behind it that made it work. The competency work has, without a doubt, made a difference. The sales competencies are 'gold'; we refer to them all the time and the sales people are using them to develop themselves and have clearer, more accountable performance reviews. The competencies helped our team realise how responsible they need to be in their roles."

This quote comes from the sales director of a business Barrett has worked with for many years. They had maintained the same sales force structure over 15 years, and a stable sales force to go with it. This team and structure had worked very well, but the market began to change and the business and its sales people needed to adapt and evolve to ensure they were current, fit and productive.

The sales director realised she needed to develop a new strategy, incorporating a new sales culture and team to deliver it. However, she didn't want to get rid of the current sales team. They were good operators with great industry knowledge and experience. She knew it would be foolish to start from scratch with a new team and she didn't want to create confusion or unnecessary unrest or anxiety in her existing team.

Her concerns rested around getting buy-in from the team regarding the new strategy and, in particular, their need to adjust their roles. Despite not wanting to lose people, she was prepared to do so if necessary.

What did she do?

She developed her sales strategy and then presented her strategy to the sales team, inviting feedback and explaining why they all needed to move in this direction using a well-researched, evidenced-based approach. The team knew what was happening in the market place, so it came as no surprise to them that they needed to shift.

- To get the real shift happening, she engaged her team in the development of the new sales roles by working on a job design process
- Out of this process, she developed the right sales behavioural competencies and ideal role/person specification matched to sales strategy, product and customer base



- Sales behavioural competencies were then linked to the sales team performance management reviews and were used in coaching, recruitment and succession planning processes
- Sales behavioural competencies were mapped to measurable sales metrics
- These sales behavioural competencies were used as pivotal reference points in all future work.

Case study 2: Design the sales team you want from scratch

The divisional manager of a large corporate came to us, saying they didn't want to hire people from their industry as they didn't think they were competitive in the current market. They wanted to refresh the gene pool, and bring in fit sales people who were not tarnished by the industry mindset. They knew that in this over-commoditised market place, their sales people were their competitive edge.

They were on the right track, but didn't know where and how to start.

Here is what we did together to discover elite sales performers:

- Reviewed sales strategy, path to market, and products being sold
- Developed the right sales behavioural competencies and ideal role/person specifications matched to sales strategy, product, and customer base
- Built a structured sales recruitment process and kit
- Targeted industries the new breed of sales people could come from and went to market to find them
- Built and implemented the right sales induction training program matched to sales strategy, sales competencies, product, and customer base
- Had the new sales team present their go-to-market action plan to senior management before they went to market
- Implemented a sales management support system
- · Followed up with infield training and coaching
- Mapped and measured sales metrics.

The results were stunning from a sales initiative perspective. The new breed of elite sales performers achieved a sales closing ratio of 4:3 within two months against an industry average of 3:1, and sold the annual sales budget within five months.

Feedback from the sales people was that this was the best sales recruitment and sales induction process they had ever been through. They felt confident, proud, and capable to really deliver.



By designing your ideal sales force blueprint, you can achieve the following in your business:

- Change your culture to the one you desire
- Design and recruit your ideal sales force
- Refresh your thinking, ideas, actions and results
- Develop career paths and succession planning
- Create clearer, more accountable performance reviews
- Provide a framework for identifying high-performing sales people
- Profile the core sales capabilities and competencies for sales managers for use in recruitment, performance management, training, coaching and succession planning.

Do not underestimate the value of taking time to think and plan; ultimately, it could make you a lot more money.



CREATING FUTURE SALES SUPERSTARS

How many of us entered our sales careers with our eyes wide open, fully aware of what it was going to take to be an effective sales person? How many of us were ably resourced with the tools, processes, plans and support essential to our success?

For most, if not all of us, our initiation into sales was fairly raw, with little or none of the above luxuries. Does the analogy "sink or swim" resonate with anyone?

All of this makes the story I am about to share quite unique and refreshing. Recently, some rather clever and far-sighted managers gave some very fortunate young people the opportunity to get a glimpse into the world of selling.

Here is their story.

Two senior managers from one company, both whom I have known and worked with for many years, had the presence of mind and foresight to think ahead and tap into the desire of some of their younger staff to advance their careers.

Their business is in the industrial equipment market where they sell new machinery and spare parts, and offer servicing and rentals. They advertised for a new service sales person and received, among others, applications from several of their internal service technicians.

The senior managers took these applications very seriously. However, they could not appoint any of their internal applicants because these people didn't possess the necessary experience and had little idea about what it takes to be an effective sales person. Thinking about the future of their business, staff retention and the desire of these young people to advance their careers, the senior managers took it upon themselves to give these driven and ambitious staff the opportunity to really understand what selling is all about – so that they could one day go in into a sales role with their eyes wide open.

This is where Barrett came in. In discussion with the managers, we developed a oneday session where these young participants explored topics like:

- Why sales matters
- The changing face of customers and what they really want
- Ethics in selling
- Missed and lost opportunities
- · Critical success factors, and key qualities of 21st century sales performers
- An Olympics Game our sales fitness and simulation exercise which tests peoples' natural sales capabilities and gives them real-time feedback
- A sales essentials overview:
 - Five-step sales planning process
 - Four-step sales prospecting process
 - Seven-step sales communication process



• Skills they could apply right away to build a path to becoming a sales performer.

As part of the session, we pointed out that even if applicants were not currently in a sales role, there were still numerous, valuable things they could take from the session and apply immediately in their current roles.

We provided skills, knowledge and insight that would (and did) serve them, their customers and the company immediately, as well as lay a foundation for when the time comes for them to step into a sales role.

These skills included:

- Understanding, communicating and modelling the vision, key message and promise, values and customer service ethic of the business
- Knowing how to make effective phone calls to clients, and being clear about the purpose of their calls
- Recognising different communication styles, and learning how not to confuse "different" with "difficult"
- · Knowing how to ask questions to clarify and verify their understanding.

What was most impressive about the participants was their prolific note taking, questioning and genuine interest in really getting a handle on what it takes to be a great sales person. For me it was one of the most enjoyable and inspiring days I have had in a long time. There is nothing like working with people who really want to be there and learn to the best of their ability.

All the people I have shared this story with have expressed the same wish - that they might have had the chance to experience such a session before they became a sales person.



LEARN FROM YOUR BEST SALES PERFORMERS

How do we get the rest of our sales team learning from our top performers? Should we get our top sales performer in front of our sales team to teach them how to be more effective?

Well, that all depends on:

- How intimately that top sales performer understands the reasons why they sell well
- Whether they can articulate what they do in a step-by-step process
- Whether they can teach others in a simple and meaningful way
- Whether they actually want to teach others.

The reality is that most top sales performers are unaware of what makes them good, which in turn makes it quite hard for them to transfer and teach what they know to others.

So how do we capture their talent, knowledge, skill and wisdom for further use?

Job Design

One way of teaching our sales people to emulate our best performers is to first profile these sales superstars using a **Job Design process**. This will map their core capabilities and competencies.

In this manner, we make explicit the behaviours expected for effective performance in any role, and these behaviours can be easily observed in selection, development planning and performance assessment contexts.

Sadly, many organisations use generic capability or competency definitions for profiling, development and succession planning of their people - if they use anything at all. However, Barrett's research has revealed that these generic competency definitions are often too vague and not relevant to specialised roles such as sales.

A Job Design process can provide specific behavioural criteria for all levels of sales and service roles. Once mapped, these criteria can be implemented into recruitment kits, performance management systems, coaching, succession planning and induction processes.

Video role modelling

Another way of harnessing the skills of top performers is to record them performing true-to-life role plays where they can demonstrate their capabilities across the sales spectrum.

This works most effectively when you have a sales process that can be followed and the sales people you want to teach can see the process in action.



If you then combine this with capabilities developed from the Job Design process, those sales people you want to teach can see the behavioural markers being applied for themselves.

And besides, positioned properly, this form of recording results in great kudos for the top sales performer involved. It can be an aspirational target for sales people to aim for. If you are fortunate to have a team large enough to have several top performers, record them all on video and make these recordings available to your team.

Modelling good sales capability is like learning to dance. We watch the dance moves performed by an experienced dancer while listening to the rhythm, and then we try it out for ourselves and practise, practise, practise.

Making clear and explicit the behaviours you expect to be applied in a sales role is key. Linking them to a clear sales process and giving people examples of others who can model and apply the desired behaviours and processes helps people learn more effectively.



ONE SALES PERSON CAN'T DO IT ALL

I find it somewhat frustrating when people make simplistic claims and statements about sales people, like: "Super sales performers are all risk takers who are oblivious to rejection and failure."

Statements like this are simply not true and trivialise the complex world of selling. Such claims box people into pigeonholes, and disregard the need for proper analysis and insight.

There is a large body of research that shows there are different types of sales people for different types of clients, products, and markets. Just because a sales person may be excellent in one market may not mean they are well suited for another.

Take call centres, for instance. If the type of sale is simple and transactional, putting in people who like complex problem solving and variety would be a very bad decision. Boredom and repetition, among other factors, could see people like this leave sooner than intended or create havoc while in the position.

Many people do not understand the intricacies of selling and tend to take a one-typedoes-it-all approach when selecting and developing sales people, often leaving them frustrated and angry – and failing to achieve the sales performance they desire.

When one assumes that an organisation can have one sales force with no differentiation, there are often negative consequences:

- Individuals don't work together well
- · Sales opportunities seem to slip away
- · Individuals can't seem to get the job done

The assumption that every sales person can be all things to every customer is flawed.

This assumption paints all customers and sales people as a commodity, or one interchangeable part.

For example, if a sales person is unable to secure a sale with a customer, the organisation may overlook the valid conclusion that the sales person has not met the needs of the customer.

Instead, the organisation might view the customer as a commodity or an opportunity that has been lost, and hope that the sales person is able to secure another sale with a different customer.

This blinkered approach does not work when you have a diverse product range or a varied pool of customers. Each customer has unique needs, operates within a unique organisation, and needs to know different information from the sales person. Therefore it is necessary to link the sales person's style of working to the needs of the customer, your market and your products.

Too little work is done in this area, and yet it is one of the most critical areas you need to consider for business success.



The book **The Quadrant Solution by Howard Stevens and Jeff Cox** describes a sales model based upon a quadrant, which is used to evaluate an organisation and its products on its *complexity* and the expected *customer experience*.

Complexity

When a customer is making a complex purchase, with customised offerings, the seller needs to do a lot of hand-holding during the purchase and delivery. That would be a high touch sale (involving a longer, more secure relationship with seller).

If it is a simple purchase and the customer can handle the purchase on their own, this would be a low touch sale (where the customer is confident in handling the purchase, involving a short or temporary relationship).

Customer experience

When a customer needs a high degree of technical support during and after the purchase, it is known as a high tech sale. If the customer has the experience and knowledge to handle the technical components of the sale on their own, it is a low tech sale.

In their book, Stevens and Cox describe four sales styles that link into the quadrant model. These are *consultative selling*, *relationship selling*, *display selling*, and *super closer selling*.

Consultative selling

Sales people who adopt a consultative selling style enjoy being the trusted consultant to their customers. They like a degree of complexity in their work, and are comfortable interacting with high-level managers.

They are analytical, ambitious, educated, professional, self-confident and wellorganised. They are able to work with customers who need technical support and a long-standing relationship (high tech, high touch).

Relationship selling

Sales people who adopt a relationship selling style enjoy building and fostering relationships with customers. They have a strong work ethic and enjoy a hands-on approach when interacting with others.

They are warm and personable and are sensitive to problems that the customer may be having. Relationship sales people are not technically oriented, and focus on the relationship aspect of a sale (low tech, high touch).

Display selling

Sales people who adopt a display selling style are comfortable promoting or displaying a product to the customer in the most effective way. They ensure that their approach is easy, convenient and simple for everyone to understand.

They prefer to work with customers on a transactional basis, and are not inclined to provide technical or long-term relationship support (low tech, low touch).



Super closer selling

Sales people who adopt a super closer selling style are progressive and determined in their approach. They are extroverted, energetic and competitive in their style. They are visionary, entrepreneurial and are often viewed as experts in their field. They tend to get customers excited about the possibilities of a product/service, and their primary focus is on closing the sale.

The super closer sales person is generally moving too fast onto the next prospect to maintain a long-term relationship with the client, but will provide them with the technical support to secure the sale (high tech, low touch).

Excellent sales people can generally sell many things, but not usually everything - and even if they could, some selling environments would not suit them in the long term.

Our sales forces should be organised so that the natural selling style of the sales person complements the kind of product or service that they are selling, and fits in with the customer's market. By determining a sales person's natural tendency, we can ensure that this is linked to the customer's unique needs.

Let's move away from limiting sales stereotypes and open ourselves up to diversity.



ARE YOU A SALES PIONEER?

The sales pioneer is emerging to help us all map a pathway to the future. Unafraid to ask the hard questions, uncover new opportunities and challenge the precepts and ideas of their clients and companies alike, the contemporary sales pioneer is not afraid to stand up and be counted.

What does it mean to be a sales pioneer? It means you work in healthy and dynamic collaboration with clients – including procurement, internal teams and allied suppliers. You are an educator, teaching clients how to improve their businesses. You refuse to be bullied or tyrannised by prevailing views and attitudes. You are the first to enter new territories, open up new vistas, challenge traditional ways of thinking and take us all to better places where we can benefit.

Sales pioneers sell insight and results, doing this through education, creativity and collaboration and working with clients to deliver tangible results. They create a planned approach for change. This requires patience, the ability to deal with ambiguity and complexity, and excellent listening, questioning and reflecting skills.

How do you manage a sales pioneer? A domineering approach will not work here. Nor will a weak, uninspiring one. Sales pioneers thrive on curiosity, creativity, continuous learning and having a clear purpose to anchor their talents. Give them a compelling vision, a clear message, and the tools to go out and create business for you. Above all, give them your trust. Trust them to help you map your pathway forward to the future, just as they can do for your clients.

How do you create a sales pioneer?

Most likely, true sales pioneers are born with these enviable talents and probably never quite fitted the traditional, transactional sales culture. However, this doesn't mean less entrepreneurial sales people can't develop some of the same skills and attributes.

Training is critical. Your people are key to successful business; developing their business and commercial acumen is really worthwhile given the more complex business landscape we find ourselves in.

Knowing how your offering works in concert with your client's overall business is what sales pioneers are really good at, so teach knowledge and awareness to people - they'll better understand clients and be able to work with them as business professionals, not just product sales people.

The right sales training and coaching for your people, coupled with the right work environment, gives you the recipe for a team of sales pioneers. Nurture an "open" working environment, encourage curiosity and ideas and don't shy away from questions being asked. Don't tell a sales pioneer what to think: show them how to think. Demonstrate possibilities, options and choices, and show them how to create and achieve results.

Sales pioneers will fundamentally change your business and your clients' businesses for the better.



MONEY AND MOTIVATION

Are you paying your sales people enough to enable them to focus on selling, and not worry about the contents of their next payslip? If sales people are constantly concerned about when - or how much - they are going to get paid, how can they sell to the best of their ability?

For many years, sales people were frequently required to live hand-to-mouth making sales and waiting for their commission or bonus to supplement their living income. Often the commission or bonus came in monthly or quarterly bursts.

This still happens today.

However, this system provides no guarantee of what kind of money a sales person will make each month. It can lead to arguments and struggles with companies as to what a sales person should or could be paid.

Earning a decent income for their efforts is never far from sales people's minds, and if times are tough it is usually the only thing on their minds. Obviously, this obsessive focus on income can lead to all sorts of issues, not all positive.

Imagine that you are a sales person who in a good year earns anywhere from \$80,000 to \$130,000 gross. Imagine, too, that you are paid a low basic salary (let's say around \$40,000 a year) and the rest of your income comes from commissions or bonuses from selling.

Your salary structure means your company recovers what it paid you as a basic salary out of the total amount you earn each year.

Like all of us, you have costs to account for, such as mortgages, family commitments, car repayments, and day-to-day living expenses. Over time you forge a lifestyle that brings in around \$150,000 per annum – which is a combination of yours and your partner's part-time salary.

You know that you have to work hard to sustain your lifestyle. And you do.

You are making contact with lots of prospects and clients, but the market is tight and sales are hard to come by. As a dedicated sales person you are performing well, but the spectre of a tight market is playing on your mind – it's distracting.

So, if your partner lost their part-time job and you became the sole bread winner in your family, money is likely to be extremely tight. Now imagine how you feel, not knowing what will be in your next pay cheque!

This is a common scenario for many sales people.

Think about what those sales people are focused on – is their mind in a healthy zone of reasonable certainty, where they can think clearly and make sound decisions? Or have they reverted to flight, fight or freeze mode, where they are becoming fearful about their future, worried about their income and fretting over how to pay their bills?



Ideally, mature, self-aware, straight-thinking people govern their thoughts in a positive manner. But this is hard to put into practice, and many people fall prey to stress and worry.

In this scenario, they can inadvertently start to prioritise their own interests over those of their customers. There is the possibility that they may start to engineer sales in their favour - perhaps cutting corners or not being as thorough as they normally would. It's survival instinct in play!

A major inhibitor to achieving long-term success in anything, including sales performance, is being in a distressed state. It reduces one's ability to bounce back from adversity, make effective decisions or self-manage.

The resulting negative behaviour then contributes to the prevalence of poor sales results.

When we live a life under constant distress we are unable to engage the frontal cortex of our brain, because our emotional energy levels are drained away and the unconscious part of our brain runs the show. We live on "auto pilot".

If that part of the brain concerned with basic drives, emotions and short-term memory - the hippocampus - is damaged through such prolonged stress, we can become even more negative in our view of issues and events.

With selling becoming more complex, demanding that we make more effective use of cognitive (reasoning) skills, one of the best moves organisations can make is take earnings off the table as an issue. This doesn't mean doing away with bonuses or commissions. It means moving the earning base from a low level (on average 40% fixed and 60% by way of bonuses and commissions) to a more stable 90% base salary with incentives to top that off.

What research shows is that for simple, routine tasks – which aren't very interesting and don't demand much creative thinking – rewards can provide a small motivational booster, without harmful side effects. If you want people to (for instance) stack boxes more quickly, offer a bonus to those who stack the most in the shortest time and to the standard you want.

As long as the task is simple and mechanical, bonuses work to lift performance.

However, if the task or situation involves even rudimentary cognitive skill - where one has to come up with ideas or solutions, possibilities or plans - then a larger reward leads to poorer performance.

Translating this to sales, simple transactional sales that are taking place via the internet leave most sales people out of the equation. The rest of the sales spectrum - complex and most B2B or B2C selling - requires sales people to deal with solutions, consultation, problem solving and prevention, creativity and collaboration.

All of these tasks require cognition.



Research highlighted in **Daniel Pink's book** *Drive: The Surprising Truth About Motivation* outlines this research in detail. His book highlights what scientists have known for some time now:

"The more prominent salary, perks, and benefits are in someone's work life, the more they can inhibit creativity and unravel performance. As Edward Deci explained when organisations use rewards like money to motivate staff, 'that's when they're most demotivating'.

"The better strategy is to get compensation right - and then get it out of sight. Effective organisations compensate people in amounts and in ways that allow individuals to mostly forget about compensation and instead focus on the work itself."

I know this may be heresy to some sales people, teams and sales leaders, because for so long big commissions and bonuses have gone hand in hand with sales. But with transactional selling migrating to the internet, leaving most sales people out of the equation, the remainder of the selling sphere now demands the need to deal with complex solutions, consultation, problem solving and prevention, creativity and collaboration. All of these tasks require cognition. Our brains need to work, think, sort stuff out, create options, and so on.

Another key finding from Pink's book that throws cold water on the money motivator is that most people are not motivated by money at all. You need to take money off the table so it's not an upfront issue, pay the right amount from the beginning, and focus on fostering and developing the following ideals in your people:

- · Autonomy the desire to direct their own lives
- · Mastery the urge to get better and better at something that matters
- Purpose the yearning to do what they do in the service of something larger than themselves.

What does this mean for sales teams? Well, it all depends on what you sell, how you sell it, how you run your sales business and what you want your sales people to do. If you are in simple transactional sales where your sales people do not really need to think in any complex way, then maybe you can continue with your current bonus or commission scheme. If your sales culture is more complex or is more of a lead team approach, then you may need to rethink the way you reward people.

Here is the bottom line. If sales people are living in fear, worrying about their next payslip, they cannot think effectively, nor solve problems, which means they are unlikely to do a good job.

And while money is important, not everyone - even many sales people - are motivated solely by the dollar. If we want high-functioning, high-performing sales people, we need to take the worry factor out of remuneration.

Sure, performance measures must be in place, and there is no suggestion that freeloaders should be tolerated. Instead, allow your sales people to be great at what they are paid to do, and that is to target customers, find solutions for their needs, and make a profit for the organisation.



THE BENEFITS OF JOB MATCHING

How many of your sales people are thinking about a career move right now? How many of them have come back from a holiday break wondering if they are in the right role or company?

Sales people are one of the highest "at risk" groups in terms of turnover (an average of 26% compared to the national average of 14%). Some industries have sales staff turnover in the 70-80% range, such as high-churn call centres.

Some of the reasons sales people hand in their notice is because:

- They have not achieved the success they had hoped for and have not attained their financial goals
- Their capabilities did not match those demanded by the job
- They are not getting adequate support by way of clear goals and direction, product training and/or sales management support
- They suffer discontent; what was promised by the company was not the reality they came to know
- They are burnt out through not having enough holidays (especially true for high performers)
- Poor leadership and poorly executed strategy have left them feeling disengaged and frustrated
- They do not feel suited to a sales career.

High sales staff turnover is a costly problem. Having sales staff on a company conveyor belt can lead to poor customer perceptions, poor service and the erosion of your brand. This can further impair your recruitment of good staff.

So how do you reduce high sales staff turnover?

One effective way is to improve job match. Job match is about clearly understanding what the job requires and what type of person best lines up with a certain role, then aligning the job and the person as closely as possible. This means avoiding putting "just anyone" into the role.

A study by *Harvard Business Review* showed how job match significantly affects staff turnover in sales teams. The study looked at traditional high turnover industries as well as low turnover industries. It compared sales staff turnover when job match was used and when it was not used.

Here are the findings:

High turnover industry (sample size: 13,102)

People with job match:

- Who quit or were fired after 6 months = 24%
- Who quit or were fired after 14 months = 28%



People without job match:

- Who quit or were fired after 6 months = 46%
- Who quit or were fired after 14 months = 57%

Low turnover industry (sample size: 5941)

People with job match:

- Who quit or were fired after 6 months = 5%
- Who quit or were fired after 14 months = 8%

People without job match:

- Who quit or were fired after 6 months = 25%
- Who quit or were fired after 14 months = 34%

You can see quite clearly that using job match has a significant impact on sales staff turnover. Job match also affects job satisfaction and engagement, which can account for up to a 23% difference in productivity.

Besides job matching, what else can you do to ensure healthy sales staff retention?

- Effective induction with clear goals, milestones and performance expectations supported by ongoing training and coaching
- Sales management support, including regular coaching
- · A supportive environment that encourages teamwork and a lead team approach
- A fair performance pay system
- Effective self-management training
- Encouragement of healthy life and work practices to negate burnout.

Sales is a particularly challenging career. In no other profession are mistakes or a lack of aptitude punished so mercilessly as in sales. A deal is either concluded or not - there is no such thing as partial success.

Select wisely and help your people lead healthy sales careers. This way you may reduce unnecessary sales staff turnover, nurture a more robust sales business and attract much happier sales people.



DON'T RISK LOSING YOUR TOP PERFORMERS

There they are every day, bringing in the deals. They're always prospecting, meeting clients, networking, making suggestions about how to do things better, and they never discount unnecessarily.

Best of all, your clients are happy. They're happy with your offering, happy with your service, and happy with the sales support they get. Your business is profitable.

Sounds magnificent, doesn't it? Your top sales performers require very little work. They self manage, are resilient and a breeze to work with. They're low maintenance and are not temperamental. You couldn't be happier, right?

Yes, we would love all our sales people to be self-motivated, self-disciplined, engaging people who care as much about our businesses as we do while bringing in fantastic, sustainable sales results.

The temptation is to leave them alone and think "don't fix what isn't broken". Many business leaders and sales managers take this approach. However, it's precisely the wrong way to handle top sales performers. Let's look at how much it might cost you to keep a top sales performer versus how much you would lose if they left your business.

Research continues to show that top sales performers love to learn and grow. The money is important, obviously, but it is not an overriding factor. Instead, they seek out opportunities to advance their skills, knowledge and mindset on a regular basis - they want to be the best. They strive for mastery. The number one quality distinguishing top sales performers from their colleagues is their desire to engage in self-appraisal and continuous learning.

Here is what you are likely to see top sales performers doing on a regular basis, besides selling:

- Asking for feedback on their own performance and the degree to which they have met client expectations
- Collaborating with colleagues and not putting competitiveness in the way of business success
- · Recognising and acting on the need for continuous self-learning and development
- Appraising their own performance and competencies and initiating development activities without having to be prompted.

These activities are often done without the support of management. Top performers create their own self-development journeys and go outside to get the coaching, mentoring and nourishment they need. However, businesses are putting themselves at a huge disadvantage if this expenditure remains one-sided.

Why? Because money isn't enough. We might think that all we need to do is throw more cash at top sales performers. Sure, they deserve to earn top dollar - but it's more than that.



We need to take an interest in their overall development. We must provide them with opportunities to further develop their knowledge, skills and mindset. These opportunities can include working with us on the business, adopting a mentoring or coaching role in the sales team, working on special projects, developing new markets or becoming the business' key spokesperson. We can position our top performers as champions of an important aspect of our business, or simply give them one-on-one time with us or a nominated coach who takes a particular interest in their development.

A small investment of your time and attention to develop your sales superstars will be far outweighed by their contribution to your business.

I hear many stories from top sales performers who just up and leave organisations because they feel they've been taken for granted. Here is just one testimony from a top sales performer who have left the company they worked for because their requests for development were ignored:

"I wasn't listened to. No interest was taken in me and my development. I had no respect as a professional business person. Management didn't care about my professional development and dismissed me as only being 'a salesperson' because I did not have a business degree.

"They were only interested in me because I could bring in the deals. I tried to explain that it wasn't only about the money and that I wanted more challenges to help the business grow. I had great ideas and wanted to step up. Instead they just told me to keep on selling and stay in my box. I felt ignored and taken for granted.

"I became tired, bored, and disillusioned with management and so I left. They went into free fall when I resigned, and since leaving the business they keep coming back to me offering more money. They just don't get it, do they?'

The cost of losing a top sales performer is enormous, and it's not until they are gone that most businesses realise their mistake. Are you at risk of losing someone who is vital to your business?

Before it's too late, ask your top sales people:

- What do they want by way of personal and professional development?
- Where would they like to take their careers?
- How would they like to contribute to the business?
- What ideas do they have about how the business could improve?

Nourish these people with ongoing development and show them that you genuinely care about their contribution to and growth in your business – not just every now and then, but continuously. If you make this a priority, you will retain these top sales people and benefit.

Make it a priority to do something to support them and let them know you really value and appreciate their contribution.



WHEN DO YOU APPOINT A SALES MANAGER?

For many start ups and small businesses, having a full-time sales manager in place is not always a viable option.

But having someone on board who can fulfil the basic function of a sales manager should be on your to-do list as a business owner, regardless of the size or scope of your outfit.

You're going to need somebody who can pay attention to your sales activities and results, develop your sales strategy and plan, know who to target, map your metrics, and keep your team motivated and committed.

Making sure these activities feature as part of your regular business practices - your way of doing business - means that when it comes time to appoint a sales manager you have the foundation of a sales management function in place.

So when is the right time to appoint a sales manager? How many sales people do you need to amass before you can afford a sales manager? Do you need your sales manager to sell as well?

These are some of the critical questions facing many SMEs.

In reality, the sales management role should be the second most powerful one in a business, behind the CEO. The role has considerable power to make or break a business.

Effective sales managers lead the charge for sales growth directly via a sales team. They make important decisions about customer acquisition, growth and retention, entry into new markets and the viability of a sales force.

The appointment of a sales manager is one of the most important decisions you will make in shoring up your business. Getting it wrong can be catastrophic. So here are some guidelines to help you with your sales management employment plan:

Step 1: Begin with the end in mind

What do you want to see happen to your business in the next five (plus) years? How do you visualise it happening?

By beginning with the end in mind you can then work backwards and plan your business progression, taking into account your revenue and profit projections, then plan your sales force around these guidelines, including the appointment of a sales manager.



Step 2: Create a transition plan

As your business grows, you need to plan for growth in your sales team. Sooner or later you will need someone performing the role of sales manager in a formal manner.

You can use the following breakpoint system as a guide:

- If you have two or more sales people, you will need someone taking the lead on the sales management function on a part-time basis
- If you have four of more sales people, you are likely to need a full-time sales manager who can also sell into and manage key accounts
- If you have eight or more sales people, you will need a full-time sales manager whose sole function is to be a sales manager
- If you have more than 10 sales people, you need more than one sales manager.

A word of advice: don't leave it too late. Usually people appoint a sales manager out of desperation after they have attempted to do everything themselves. Don't let that be you.



DITCH THE 600LB SALES GORILLA

For many years there's been a particular breed of sales person strutting the hallways and boardrooms of businesses - the 600lb sales gorilla, or alpha sales superstar. Often revered for achieving top-of-the-league-ladder sales results, yet feared by many for their aggressive, manipulative, egocentric antics, countless CEOs and managers have allowed these sales prima donnas to remain in their teams. But at what cost to their business?

Too scared to confront them about their behaviour for fear of losing their sales contribution, many managers have simply suffered in the presence of these bullies. In my many years of working with sales teams and sales managers I have met my fair share of sales gorillas and their distressed managers and teams. Here's what I have observed:

- They have the ear of the managing director/CEO who thinks they can do no wrong
- They won't let the business anywhere near their customers
- · They tell tall tales about their legendary sales conquests
- They refuse to be coached, counselled or trained
- They are demanding, always complaining about the lack of resources and taking up the time of countless people to do their bidding, leaving the other sales people to fend for themselves
- They often exhibit bad behaviour, and may be heard swearing or making inappropriate comments to their colleagues or other staff who are often too fearful to report them (see the first point)
- They can engage in questionable sales tactics, yet claim that they are pristine and operate with the utmost of integrity
- They claim to know a lot of people and be very well connected
- They use actual or implied intimidation to get their way with internal team members
- They use charm and manipulation to get their way with key stakeholders
- · They act with righteous indignation if you question anything about them
- They don't think they need to comply with company policies, so often refuse to complete paperwork or keep up-to-date CRMs if they think it's a "waste of time".

You only have to watch the movie *Glengarry Glen Ross* to see the archetypal sales gorilla. This type of sales culture was revered by a number of industry sectors in the 70s and 80s, including real estate, car sales, and stockbroking. Watching the movie will undoubtedly make you squirm, but many sales teams used to operate this way, and some even use the film as a template for their techniques today.



The sad truth generally is that these sales gorillas have often never been pulled into line. Their outstanding sales results have somehow bought them immunity from behaving in a civil manner.

The smell of the money they can bring in has condoned behaviour that has often outweighed the need to act ethically and uphold team values and respectful behaviour. Sales gorillas are the direct result of poor quality leadership, lack of clear standards and bad decision making.

What most businesses do not know is that these sales gorillas, for all their socalled success, actually fall well behind the real sales superstars in terms of achieving sustainable results. These real sales superstars are open-minded, curious, collaborative, team-oriented, and aim for partnerships on every level.

They're humble too - a direct contradiction to the behaviour of the sales gorillas.

Are you currently letting fear hold you and your team hostage by allowing a sales gorilla to persist? What would happen if you got rid of the sales gorilla? How would the rest of your team respond when they left? What would happen to sales and clients?

In my experience, when the sales gorilla finally departs, there is an initial sense of shock which quickly gives way to relief and the opportunity for the sales team to really pull together and prosper. The biggest fear of losing the sales gorilla's power and client base doesn't eventuate in the vast majority of cases.

In fact, often the clients are happy the sales gorilla has departed, and they can look forward to a more open and prosperous relationship with the company.

I am not suggesting that most leaders intentionally hire these sales gorillas. However, without clear codes of conduct or values and a proper understanding of what you want by way of good sales performance, you cannot hire or develop the right sales people to do the right things in the right sales culture

In his book, *The No Asshole Rule*, **Robert Sutton** writes about bosses behaving badly. Its central theme - don't hire jerks - has become public policy in many companies around the world. I would suggest we think clearly about what kinds of personalities we want in our sales teams and take a leaf out of this book.

Ditch the gorilla.



THE SALES NARCISSIST

Stop trying to impress me. It's a real turn-off. I can make up my own mind about whether I like you, trust you or believe you. You don't have to make up my mind for me.

Despite this, you continue to dominate my space and convince me of your merits. My logical brain shows me a well-presented, confident individual; yet my intuition, my gut, is telling me to be wary of you because I've seen people like you before and the result usually isn't very nice.

If you haven't worked it out yet, it's everything you pride yourself on. It's the charm you exude, the cut of your suit, your answer for every question, your smooth talking and your sustained eye contact and set smile. It's even your instant warmth and sincerity, your penchant for storytelling, your endless advice (even if I don't ask for it), the way you dominate conversation instead of listening, and your endless promises.

The thing is, all you do is leave me feeling that only you matter and I'm just a pawn in your game of seduction, control, and self delusion!

So stop it. I'm not buying it anymore. You're too dangerous. Get out now.

Say hello (or rather goodbye) to the master charmers – the sales narcissists, who schmooze their way into your world, gaining your trust only to rip you off and leave you worse for wear. These individuals give sales a bad name, and one sales narcissist can make a bad impression despite 20 good guys leaving a positive one.

A degree of narcissism is common in many people. It becomes pathological when the narcissist lacks normal empathy and uses others ruthlessly to their own ends.

Like all narcissists, the sales narcissist is a master manipulator.

Besides the clues I listed in my introduction, the list of behaviours below will give you some clues that a sales narcissist may be in your midst. A word of caution: just one point alone does not make for a sales narcissist. However, if you can pick five or more behaviours from the list below for one individual, my advice is to keep your hand on your wallet and your eye on the sales narcissist while you back up to the door and get out!

1. Self-absorbed and attention-seeking

- They require excessive attention, admiration and rewards from others
- Listen for the constant use of "I", "me" and "my" when they talk
- They get impatient and restless when the topic of discussion is about someone else, and not about them
- They tend to use melodramatic righteous indignation to over-assert their character, credibility, values, and integrity
- They insist on being the centre of attention
- · They are outgoing and excel at marketing themselves
- They are highly materialistic.



2. Deception and rule breaking

- They feel that the rules at work don't apply to them, often lying to get what they want
- · They will always cheat whenever they think they can get away with it
- They are inappropriately calm and poised even when they are caught in a lie; and when caught in a lie they explain it as a "harmless misunderstanding"
- There is often a history of concealed legal problems and financial "misunderstandings"
- They use self-delusion to justify unethical behaviour: "You'd do the same thing if you were in my position"
- They deal with dubious ethical issues by qualifying them with phrases like, "It's just how you look at it" or "Everybody else does it"
- They can use verbal ambiguity as a manipulative technique they say a lot but with no substance.

3. Arrogance and superiority

- They see themselves as perfect, and project to dump shame onto others
- If they feel deflated they may come across as arrogant, displaying a sense of superiority by diminishing, debasing, minimising or degrading somebody else
- They possess an unfailing belief in their superiority over others
- Their behaviours are tailored to appear psychologically open, strong, caring, and resilient
- They claim to have expertise in an unrealistic, impossible number of fields.

4. Sense of entitlement and aggression

- They hold a sense of entitlement, and unreasonable expectations of favourable treatment because they consider themselves special
- Failure to comply is considered an attack on their superiority, and the perpetrator is considered an "awkward" or "difficult" person
- They are given to frustration, anger and irrationality when they do not get what they want.

5. Deflection and exploitation

- They expect others to do the day-to-day chores as they feel too important to waste their time on common things
- If you share a workload with them, expect to do the lion's share yourself
- They love to delegate work or projects and interfere by micro-managing. If it goes well, they take the credit; if it goes badly, they blame the person they delegated it to.



- They exploit others without regard for their feelings or interests. Often the other is in a subservient position where resistance would be difficult or even impossible.
- There is strategic use of actual (or implied) intimidation to get their way
- They cause arguments for effect, not fact: arguing for the sake of arguing. They will cause an argument just to protect themselves from a perceived ego threat.
- They rely on words like "integrity", "openness," and "trust" to deflect requests for proof of their character, eg, "Don't you trust me?"
- They have expert knowledge of the tools and techniques used by other manipulators.

6. Lack of empathy or remorse

- Their lack of empathy colours everything they do. They may say, "How are you?" when you meet, but they are working from memory. They are not interested in how you really are.
- Their sense of self-importance and lack of empathy means that they will often interrupt the conversations of others.

7. Lack of insight and self-awareness

- They very rarely talk about their inner life, for example their memories and dreams
- They have difficulty showing genuine emotion, so they tend to fake it
- They do not recognise that they have boundaries and that others are separate and are not extensions of themselves. They see others as only there to meet their needs.
- They seem to have few long-term or deep relationships
- They consider interpersonal influences like charm and endearment to be more important than skill-based competencies.

Good sales people hate being stereotyped as charming, manipulative rogues, which is why many are reluctant to call themselves "sales people". This is sad, really, especially when there are so many people who have the potential to be fantastic in sales careers.

What happened to authenticity? The very quality we look for in our best relationships? I suggest that the "less is more" approach works best; downplaying your capabilities and emphasising your genuine desire to understand another person; remembering the three questions: "Do you see me? Do you hear me? Does what I say matter to you?"

It does take skill to put someone at ease and help them to feel comfortable, genuinely opening up to you with the confidence that you have their interests at heart. Keep it simple and to the point. Show authentic interest by stating your intentions upfront, ask questions and actively listen. By verifying what you have heard you will impress more people more often by these specific actions than trotting out a charmfest.

It's up to the good sales people to demonstrate these behaviours, overshadow the sales narcissists and give sales the honest name it deserves.



TESTING TIMES RECRUITING SALES PEOPLE

The use of psychometric assessments in sales recruitment is commonplace nowadays.

My business has psychometrically assessed 40,000 plus people in sales, business development and leadership roles using a variety of purpose-built models. This has provided us with valuable insight into what assessments work best in sales recruitment. Over the years we have been exposed to many test publishers promoting their various assessments, claiming various levels of success.

We are constantly scanning for new tools. And we have discovered that there is no one single assessment that can measure everything you want to know about a sales person.

Some test publishers have made this claim, but upon investigation we have found that they have often compiled several different assessments (measuring different areas of skill) into one offering. In doing so, they reduce the number of items measuring each area, limiting the laser effect you need in sales recruitment.

Sales recruitment is truly challenging. It is fraught with ambiguities because of the very nature of having to assess soft skills, such as attitudes and actual versus perceived capabilities. Given this complexity, as a sales recruiter it may be beneficial to partner with a qualified and experienced organisation for support when utilising assessments.

There is not one quick fix to getting this right. To assist you in your sales recruitment process, let's look at three important questions when it comes to adopting psychometric assessments:

- 1. Why use assessments?
- 2. What assessments should you use?
- 3. When should you use assessments?

Why use assessments?

While you don't have to use assessments when recruiting, when implemented in conjunction with a robust sales recruitment process, they can add real value to your decision making. The problem arises when assessments are used in place of a multipronged recruitment approach.

Recruitment, especially sales recruitment, can be very time consuming, and there is a tendency for people to take short cuts and replace key steps in the process with a "quick" psychometric assessment to base any hiring decision upon.

This "assessment only" approach is not how psychometric assessments are designed to be applied (reputable test publishers will always tell you this). This approach is not best practice; it does not give you all the answers you require, and could get you into trouble with recruitment and anti- discriminatory laws.

In fact, best practice states that assessments should account for no more than 20% of your decision-making process in recruitment, especially sales.

The other main issue that arises out of the assessment only approach is that the assessment itself can wear the blame if the sales person doesn't work out.



Psychometric assessments are best used to back up and cross reference the data you have gathered via other means. Depending upon which assessments you use, they can corroborate what you have already surmised, and give you additional information to further investigate areas of concerns.

Psychometric assessments should complement a multi-pronged sales recruitment process, rather than form the recruitment process in entirety.

What assessments should you use?

I have seen everything from a *Cleo* magazine quiz, numerology, astrology, and simplistic quadrant models through to purpose-built psychometric assessments used in sales recruitment!

There are thousands of so-called psychometric assessments out there, many claiming to test for sales effectiveness and predict sales performance. So what should you use?

First of all, it depends on what you want to measure. There is a variety of purpose-built assessments which are designed to address the following important questions about a candidate:

- Will they sell?
- Why will they sell?
- How do they sell?
- How well can they sell?

In our work, we use a range of assessments which have been created to measure different areas, including:

- Personality
- Motives and values
- Prospecting fitness; sales hesitation and call reluctance
- Leadership potential
- Cognitive abilities
- Coping strategies under pressure
- Emotional resilience and emotional intelligence (EI).

Depending on the level and complexity of the sales role in question, you should match the psychometric assessment to the required competencies and areas of capability.

When should you use assessments?

As an assessment should not be used as the sole determinant of a candidate's suitability for a role, it is often advised to use one after the first interview, but prior to the second interview and reference checking stage. This is recommended so that the assessment results can be used to verify and check gathered candidate information, with the results incorporated into interview questions and reference checks.



While there are some assessments you can use prior to the first interview, or even at the resume submission point, the decision to assess earlier is often based on costs to the business. Obviously, it would be wonderful to be able to test everyone who applies, but this would not be economically viable or recommended in most recruitment situations.

Use the insight gained through assessments for the second interview questions and reference checks.

Conclusion

Whether you currently use assessments or are considering incorporating them, the important point to take into account is that providing structure and using a multi-pronged approach are the two techniques most likely to help improve the reliability of your sales recruitment process and placements.



MAKING THE MOST OF PSYCHOMETRIC REPORTS

Many of us recoil when we see the words "psychometric assessment". Some managers view them as tedious questionnaires. And even if you have been brave enough to use assessments, many people do not know how to get the most out of them.

Often, the assessment process is seen as an isolated event, with the final report being put on the shelf or in a drawer, out of sight and out of mind.

The fault does not lie with the recipients of these assessments; it is usually down to the accepted "report and feedback" model which has been around for years. The sad thing is that many people are not given the opportunity to explore the rich veins of personal information, insight and awareness that assessments can provide.

There are many different types of psychometric assessments that can be used for both selection and development. They are usually designed by psychologists and provide additional information that helps the employer to form an overall profile of candidates or employees.

This profile can be used to predict how someone will function in their workplace, or highlight areas for development and potential job preferences.

Assessments should be meaningful for the employer and the employee. In order to make the most of any assessment, you need to link the information to something purposeful: links to key goals and objectives, role profile, business culture, and so on.

I have taken my fair share of assessments. I was most fortunate to have my first experience with psychometric assessments when I was 16 years old. My parents had the foresight to provide this opportunity to help me understand my potential and career preferences.

I recently stumbled across this report which provided feedback on my aptitudes and abilities, personality style, personal preferences, and motives and values. Many years later the information contained within it still rings true - but I did notice that there was no action plan, specific guidelines, or suggestions included in the assessment.

So the report remained simply that: a report that had been slowly gathering dust.

In 1988, I had a very different experience when I completed another assessment focusing on my sales attitudes, behaviours, and fears. When I received this report it was accompanied by a development programme and plan; a life- and career-changing moment for me. Finally, something I could action and use to make fundamental changes!

I will always remember that experience as it greatly influenced my career path and helped me get where I am today. Of course, at that moment, I didn't realise that I would become an experienced and knowledgeable user of that very sales assessment.

Assessments can support you in making better choices and decisions with your career, life, and business. Making the link from selection to development is where assessments can really come into their own, too.



Some examples of how you might be able to gain the most out of assessments include:

- Creating personal action and development plans
- Supporting managers with coaching guides and resources
- Finding the right people with matched behavioural interview guides and questions
- Team profiling and benchmarking of top performers
- Motives and values mapping
- Training recommendations and workshops
- Re-testing sales fitness to get before and after shots.



ASSESSMENTS ARE ONE PART OF THE PROCESS

In the recruitment process, it's paramount you adopt well researched, well built, validated assessments constructed by professional psychometricians because, like diagnostic tools used in medicine and other scientific arenas, good assessments are calibrated to measure specific aspects of an individual. However, like most instruments, they are not perfect.

Infact, the perfect sales assessment tool probably does not exist. Trying to measure all the aspects we want to know about sales people and leaders with one assessment device is an unrealistic expectation.

However, what we do know is that the latest research into modern sales assessments is showing subtle differences between:

- Influence and negotiation
- Impact and credibility
- Initiation and social leverage
- Resilience and self-belief.

We are now seeing more purpose-built sales assessment tools that are designed to measures key qualities such as:

- Creating compelling relationships measuring the preferences the individual has when working with clients and developing relationships
- Perceptive reasoning measuring how the individual processes information and makes judgments relating to client issues and solutions
- Channelled energy measuring the motivators and levers which drive the individual to succeed
- Contact initiation measuring the emotional response to prospecting and the amount of initiative, energy and drive devoted to proactive prospecting as well as the amount of energy spent in coping with inhibiting influences, such as fear,

Effectively predicting sales success is critical to any business' success, and using well designed, rigorous psychometric assessments as part of a sales selection process can really boost your chances of finding and retaining the right sales people for your business. However, many people look to psychometric assessments as the panacea, the quick fix, the one source of information that will give them the answer to the question, "how can I tell if this person will sell and make me lots of money?"

To get the most value out of psychometric assessments when applied to your sales selection process, you might like to consider these important points:

 Use them as part of a selection process. Psychometric assessments should be used in concert with other validated selection tools such as structured behavioural interviews, competency-based simulation exercises and structured reference checks where findings can be cross referenced against core criteria that have been established as relevant to the job and culture in question.



- As stated before, psychometric assessments should account for no more than 20% of your decision-making criteria. They can never be 100% predictive of performance and if anyone claims an assessment, by itself, can have predictive ability over 60%, they are not being truthful. Sadly, many people rely on overly simplistic grid-type assessments that are not predictive of sales success nor purpose-built for sales recruitment.
- Use recruitment-grade psychometric assessments that have been created to measure specific qualities, abilities or attributes. Quality assessment tools will inform you of the following:
 - Relevance: make sure the assessment is designed for use in selection for a "normal" (rather than clinical) population, is calibrated to the appropriate level (such as management, supervisory, entry level), and has occupational context
 - Practicality: make sure the test/questionnaire is easy to administer, undertake and score. Check what facilities and equipment are required to complete the assessment and how quickly reports can be generated.
 - Technical quality: technical information is typically presented in a test manual, and thus the absence of a test manual should raise some doubts. In terms of technical properties, you need to consider reliability, validity and norm groups (these are common technical terms used in psychometrics). All genuine assessments will provide this data. Wading through statistical information can be dry and confusing for some people. If that includes you, seek the assistance of a psychologist or other person familiar with the correct use of psychometrics. If you decide to ignore technical evidence because it all seems too hard, it could be at your peril.
- What do you wish to measure? You are unlikely to get all the information you need from one assessment. There are a variety of assessments you can use in isolation or in combination and you need to select the ones that will determine what you need to evaluate for your role. For example:
 - Cognitive abilities verbal and numerical reasoning, conceptual reasoning, critical thinking, mechanical reasoning
 - Personality everyday preferences, personal and learning styles, self management, team orientation, ambition
 - Motives and values what makes people happy at work, what drives them, what makes them unhappy
 - Coping and derailing behaviours learned behaviours and attitudes that can adversely affect sales and leadership performance when under pressure or operating from fear or frustration.



Cost will inevitably be a consideration. In an ideal world you would test everyone with every relevant assessment, but that is not realistic for most businesses. If you have simple screening tools which you use in conjunction with resume and telephone screening, this can be useful as long as they are measuring the right areas for your role and business. However, these simple tools, while cheap, are not usually robust enough to give you the real detail you need to make informed decisions. Most businesses reserve the more stringent psychometric assessment process until after they have developed a short list of candidates who have been through the initial screening parameters and a thorough behavioural interview. By doing this you can manage your costs well. A number of our clients use assessments as a mandatory part of their selection processes and incorporate this information across all the findings. This saves them time and money in the long run. Balance the cost of including psychometric tools in your recruitment process against the cost of one or more poor selection decisions. Which bill would you rather pay?

Getting it right when it comes to hiring your sales team is critical. A successful sales person will not only enable your organisation to ride out economic uncertainty, but will ensure you are ready to seize the opportunities that come to the surface during recovery.

As your sales teams are the primary interface between your organisation and your clients, it's only when you get that interface right that you will achieve true competitive advantage. Using a robust psychometric assessment process as part of your selection strategy can really assist you.



THE COST OF POOR SALES SELECTION

Have you ever done the mathematics on how much sales recruitment costs you, especially when you get it wrong?

If you are like most managers, chances are you haven't. So let's consider the costs, overt and covert, involved in sales recruitment.

If you don't know it already, sales recruitment is one of the toughest assignments around. I know this first hand, as I was in this role for over eight years with a leading consultancy and recruitment company. During this time, I interviewed about 8000 sales people face-to-face in the technical, industrial, medical, and scientific industries.

My time in sales recruitment provided a fascinating social study on what makes a great sales performer. Upon reflection, it was a catalyst for my research into illuminating and defining the elusive qualities that make for highly successful sales people and the development of IP, specifically in the Australian sales competency space.

It also led me to map out and demystify the sales recruitment process by putting in place a structure to follow. This structure placed control back into the hands of the managers who were responsible for recruiting sales people for their businesses. It also made me plainly aware of the costs involved.

The problem is that, for most managers or business owners, sales recruitment happens sporadically, and too many managers still use unstructured recruitment practices that are the least predictive of sales performance. Most are just winging it, relying on a gut feeling, and never getting enough experience to give them something to fall back on when they need it.

It's recruitment by hope; recruitment by chance.

Taking this ad hoc approach adds to the cost of sales recruitment, because even if you get it right, you don't know why you got it right. It's difficult to repeat the process.

It's also important to calculate the cost of getting it wrong. You should do this so that when you look at your sales recruitment process, you can make sure your actions will give you a better return on investment and that you hire the right sales people.

Any action we do has a cost associated with it, whether it's money, energy, time whatever. Let's look at this in stark terms:

Case study: A sales person who earns a base of \$60,000 per annum plus extras stays with a company for 3 months and doesn't work out.

Overt financial costs (based on a conservative estimate)

- Advertising and recruitment agency costs = \$10,000 plus
- Candidate travel costs (if applicable) = \$500
- Induction training costs = \$5000 (in-house and/or formal/external training)
- Salary and benefit costs = \$15,000 plus super, work cover, etc
- Additional costs (car/car allowance, phone, travel, etc) = \$3000



- Severance pay (2 weeks' notice) = \$1600
- Manager's time to recruit 40hrs @ \$60/hr (\$100K salary) = \$2400
- Administration costs: \$2000
- Sales lost due to poor performance (2.5 times salary is the average) = \$37,500
- Estimation of overt cost total for 3-4 months = \$67,000

Then add:

Covert financial costs

- Potential litigation costs = ?
- Lost sales opportunities due to vacant territory = ?
- Manager's coaching time = ?
- Team morale = ?
- Customer loyalty = ?
- Impact on reputation = ?

The math clearly shows that getting sales recruitment wrong is very costly. I suggest you do an audit and check out where you have made the most of your actions and where you may need to tighten up.



WHO'S IN CHARGE OF SALES RECRUITMENT?

How much is a good sales person worth to you? How much is a good hiring manager worth to you?

The financial and personal impact of the hiring manager in any organisation is enormous. They decide who can and cannot be hired. The attitudes, preferences and prejudices of the person responsible for recruitment will affect the quality of the people hired, even if that person is not the direct line manager of the new recruit.

There is a direct financial impact on any business when it comes to hiring new sales staff.

Sales managers are directly accountable for the success or otherwise of the sales people they manage - their own performance is critically judged by the performance of their team, and sales managers live or die, career-wise, by how well their sales people succeed.

So who is in charge of the selection criteria and recruitment decisions of your sales people?

Realistically, it should be the people who are actually leading the sales team - the sales managers. Many sales managers intuitively know what they want and need; however, I often see two issues arise which can dramatically affect the quality of the sales recruitment decisions made by sales managers:

- 1. Many sales managers do not know how to clearly articulate and define the qualities they need in terms that can be assessed and measured objectively
- Many sales managers are not well trained in effective, structured recruitment practices, and often rely on gut feelings, resumes, unstructured references and the "personality" of the candidate, which are the least predictive indicators of sales performance.

This leaves managers vulnerable to poor hiring decisions and means that recruitment processes and decisions are often left to those people who are not directly responsible for managing the sales team.

If sales managers are not well equipped to lead a hiring decision, or cannot clearly express what they need, those people who are in charge of recruitment need to be held directly accountable for the performance of the sales people they select.

Cost without accountability leads to

- Hiring people who do not produce or stay
- The failure to hire people who would have produced and stayed.

To impact positively on the successful recruitment of sales people, I recommend that non-line management recruiters do one or more of the following:

 Relinquish control of sales assessment, selection and staffing if they do not wish to be accountable and allow their sales managers to be trained in effective recruitment practices so they can best manage the process



- Accompany sales people on prospecting activities and sales calls for at least 14 days per year to better appreciate what happens in the role
- Share results accountability for sales revenue by participating in a base salary plus commission incentive, measured on the performance of the sales force they have recommended.

Simply put, the right thing to do is to train up your sales managers in how to properly define, assess and select the right sales people for their teams and business, and give them control over the sales recruitment process. Then they can be held truly accountable for their team and their results.

In sales you hire results, not potential.



GETTING RECRUITMENT RIGHT

Your small business is growing and diversifying. You've experimented with bringing in an inexperienced sales person (who did not work out). You realise you need a more experienced, direct sales person, but you don't know where to go or what to look for.

All you know is you need a sales person who is able to prospect for, and win, new business opportunities on a consistent basis. But you are not really able to detail anything else.

You know your recruitment approach is haphazard at best. And what's worse, it's costing you big time.

You are not alone. Many SMEs still find it very difficult to recruit effective sales people. And it's not all due to the tight candidate market.

Here are some of the issues I see plaguing businesses when it comes to having poor sales recruitment outcomes:

Issue 1: You do not know what type of approach or person you need to deliver your sales strategy.

Has your strategy and/or market place changed recently? If so, how do you need to sell now? Not all sales roles are the same. Be clear about what type of sales approach you need to make your business successful.

Do you need:

- An expert who brings new products, ideas or concepts to market, against an organiser working in an established market place?
- A sales person who can develop long-term viable business relationships with clients or a person who can get around to many people in your customer market and make quick one-off sales?
- An account manager who maintains accounts or someone who can develop new business with new or existing accounts?
- A sales person who can sell expensive quality products or services, or a person who can sell commodities or cheaper, price-sensitive items?

Issue 2: You do not really know how to clearly define, articulate and compare what qualities you want in a good sales person.

What skills, knowledge, attitudes and behaviours do your sales people need to demonstrate to be competitive and successful in your market place?

For instance, latest research now reveals that high-performing sales people also display high levels of emotional intelligence (EI). Know what sales competencies you need.



Issue 3: You do not have a logical, structured recruitment process to objectively assess, compare and select candidates.

Providing structure is probably the one technique most likely to help in improving the reliability of a selection method or process. Use a structured recruitment process that allows you to compare and contrast applicants in a more disciplined and consistent manner.

Standardise all selection activities. Then rank the criteria: are they essential, desirable or nice to have? And select in that order.

Research shows that the average increase in output from using a structured, multiassessment selection approach (structured behavioural competency interviews, relevant psychometric assessments, simulation exercises, structure references, etc) is approximately 2.5 times greater in sales jobs than in low-complexity, non-sales jobs

Issue 4: You do not use an integrated recruitment strategy to find good sales people.

How do you find the "right" sales people for your business and how do prospective sales candidates find out about your business?

In today's market you need a combination of "push and pull" contact strategies for finding the right candidates for your business. Advertising alone is not likely to yield the candidates you seek. You are always recruiting sales people, even if you do not have a vacancy.

Issue 5: You do not screen your recruiters for "best practice", nor do you brief them properly.

It is a very costly exercise to get recruitment wrong and many people do not have the time to do it themselves.

However, many are equally sceptical about the real value of using recruitment consultants. It is as difficult to find a good recruiter as it is to find a good sales person. If you are going to use a recruiter, ask them what processes they use to source and select candidates.

By giving the recruitment consultant a clear job and person specification and competency profile, you will be able to clearly articulate what you need and what the recruiter needs to deliver.

Being in control of your recruitment process is incredibly important. Putting in the work on getting it right upfront and then sticking to a plan really pays off.



TURNING UNDERPERFORMERS INTO WINNERS

Underperforming sales people plague sales managers and organisations in every industry sector. Over the decades, business leaders have adopted an assortment of tactics to combat and address this issue, with most showing little in return.

Some large businesses have a policy to let go of the bottom 10-20% of sales performers each year and replenish with new sales blood. Other organisations are too slow to address the real issues affecting poor sales performance, generally tolerating incompetence. Neither strategy is useful, leaving people operating in a climate of fear or mediocrity.

However, the majority of sales managers do try their best to improve underperformers' results. There are occasional miracles, but also much heartache, and this isn't due to the underperformers – it's mostly that the sales managers simply aren't equipped for the job.

How do you turn around underperformers and create a healthy sales force without neglecting the other sales people who also deserve your attention?

Many of us want to find the potential in others and give them a go at excelling. Is this wishful thinking on our part? Possibly. But hiring doesn't have room for wishful thinking. We need to hire for results, not potential.

The preventative path to eliminating underperformers from becoming an issue begins with your sales strategy, which determines the type of sales force that best suits your business, your markets and your customers. A well developed sales strategy helps properly define the type of sales people you need: consultative sales people, new business development managers, account managers, internal sales people or a blend of all. Rather than indulging in wishful thinking, you need to be discerning about the qualities and competencies you should recruit to. What knowledge, skill and mindset are you hunting for to fulfil the requirements of various sales roles? Hiring people to these standards is a preventative approach to the issue of underperformance.

Put in place a structured induction program which educates and trains your sales people in the following:

- Sales processes: sales planning, prospecting, sales communication, account management
- Knowledge: company story, product, pricing, customers and markets, competitors, message and marketing plans, business acumen
- Operations: technology, CRM, OH&S, distribution
- Culture: vision, purpose, company values, code of conduct, customer service ethic
- Goals: company, team and individual goals.



Following a good induction program (which should usually be conducted over a period of 2-6 weeks), sales people will perform much better if they then get regular coaching support out in the field (tactical or deal-based sales coaching) and in more formal settings where strategic coaching (with a longer-term focus) can take place.

This must be supplemented with relevant training in core areas, as well as purposeful sales meetings and planning sessions.

Sadly, many sales people receive no induction or follow-up coaching and training. Instead, they are often thrown in the deep end expected to sell from day one, trying to learn as they go by watching what other people do and working it out for themselves. No wonder we end up with pool of underperformers struggling to stay afloat.

If sales people don't receive a proper induction to the business and its sales approach, how can one expect to turn underperformers into sales winners? It all begins with us - the sales managers, leaders and business owners. Have we set up the right environment? Do we:

- Encourage open, constructive communication between ourselves and our employees?
- Provide feedback on how people are doing on the job?
- Allow for mutual understanding (between manager and employee) of each employee's job responsibilities and performance expectations?
- Facilitate identification of individual capabilities, strengths and areas for development?
- Identify factors negatively affecting employee performance (eg, work environment, job design, organisational policies and practices, personal issues, external factors, etc) so that action can be taken to alleviate them?
- Use a structured and documented process that encourages objective evaluation and fair treatment?
- Assist in the achievement of strategic goals?
- Provide a consistent way of setting goals, monitoring performance and formally reviewing performance?
- · Create an environment for self-managing for proactive individuals?

No individual will be motivated to perform to a high standard if they are not supported and encouraged. This performance depends on a number of factors. Of greatest significance, however, are those factors that can be incorporated into the equation:

Performance = Capability + Role Clarity

Role clarity includes providing clear guidelines regarding responsibilities and targets to be sure a sales person can be held accountable.

Capability can tie into intelligence, preferences and cultural fit. It is important to understand your team member's preferences and values and how they may be similar or dissimilar to yours and the organisation's.



Experts believe that at least 50 per cent of performance problems in business occur because of a lack of feedback. Managers simply don't make the time to talk and listen to their people and find out how they are going. Sales people will not see a need to alter their performance if it is never spoken about because it will be deemed as acceptable by their manager or company. They are not mind readers. We have to give them feedback and check in with them.

Below is a list of questions that you can use to probe those team members who are not performing at their optimal level. This may assist you (and them) in uncovering what is lying at the source of their current level of effectiveness:

- How satisfied are you with your job and your role?
- Do you feel a sense of purpose in your job and/or in working for the company?
- Do you have belief in yourself and your ability?
- Are you experiencing any personal problems that may be impacting your current state of being?
- Are there any issues around your actual capability to perform any tasks incorporated in your role?
- What is your level of commitment to the company?
- Do you feel you have a lack of training?
- Are there enough processes for you to follow?
- Are you experiencing any relationship issues (either at work or in personal life)?
- Do you think that your job description and KRAs (key result areas) are appropriate and accurate enough to provide you with the guidance, direction and focus required for your role?
- Do you believe that you are receiving enough recognition and acknowledgement for your level of performance?
- Do you feel that you are receiving effective guidance and management?

By creating the right space for your team members to share what they are experiencing and probing with the right questions, you are creating the opportunity for both of you to uncover what lies at the source of any level of ineffectiveness.

You'll also be paving the way for an effective plan of action for the sales person's future development and improvement and, of course, for your business success.



THE IMPORTANCE OF CULTURAL FIT

Does this sound familiar? A good, maybe even great, sales person is recruited and hits the ground running, kicking sales goals in their new role. However, within a short space of time they have alienated their team, decided that the role is not for them, and left the organisation.

Why did this "great" salesperson not work out?

While there are many possible reasons, a major contributor to this experience is the cultural fit between the individual and the organisation. Cultural fit is the compatibility between an individual's and organisation's values, beliefs, attitudes and behaviours. It is often overlooked when making recruitment decisions, because organisations either do not know how to include it in the recruitment process, or do not see the importance of it.

Culture underpins what happens and what doesn't happen in your organisation. Culture is strongly related to group values, and in turn group values are heavily influenced by what organisations and leaders prefer and encourage. As such, cultures have the power to attract people or expel them, and assessing values affords powerful insights.

Values are beliefs about what is important or desirable. Extensive research has shown compelling reasons for matching people with organisational culture and how it adds bottom-line value:

- It is important that employees' values match those of the organisation in order to create a cohesive and supportive environment
- A close value match between an individual and an organisation means the individual experiences significantly greater job satisfaction
- Where the organisation's values and those of the individual align, employees stay longer and are more likely to adjust to the environment
- The most productive organisations are those where employees stay and enjoy the job.

So, how do you measure cultural fit?

While there many methods to gain insight into cultural fit, an effective way is through psychometric assessments, as mentioned previously, and consulting. There are psychometric assessments that provide insight into motives and values and identify the following key areas:

- The existing culture and values system
- Strengths and weaknesses within the organisation, including areas to leverage and gaps that may hinder future success
- Information about specific areas such as current potential for innovation and creativity, identifying individuals who naturally "have it" and how to leverage their talents, as well as how to encourage those who do not



• Information about the existing team to assist in recruiting new people into the business to ensure they fit.

Think about your organisational culture and what is promoted, encouraged and rewarded in the following areas:

- · Aesthetics attention to style, appearance, quality, work surroundings
- Affiliation collaboration and social interaction
- Altruism concern for the welfare and wellbeing of others and their environment
- Commerce business, money, and bottom-line focus
- Hedonism fun, entertainment, and an enjoyable workplace
- Power success, accomplishment, status, competition, and control
- · Recognition public recognition, approval, and praise
- Science data, knowledge, new and advanced technologies, and curiosity about how things work
- · Security certainty, predictability, order, and stability
- Tradition dedication to the status quo and old-fashioned virtues.

Now let's use these frameworks to reconsider the "great" sales person, and imagine that we had psychometrically assessed them and the organisational culture prior to the person starting.

The assessment revealed that the organisational culture promotes high levels of interaction and working closely with team members (affiliation), encourages concern for wellbeing (altruism) and rewards appearance and quality rather than substance (aesthetics). The assessment also revealed that our "great" sales person prefers a workplace that promotes a money-driven, bottom-line approach (commerce), encourages competition between team members and status (power) and rewards factual, data-driven performance (science).

Can you see any potential areas of conflict between the individual and the organisation?



VISITORS VS SALES PEOPLE

I see a lot of time wasted by sales staff aimlessly chatting with clients.

How often are you left with the feeling that your sales people are seeing clients, but beyond the "hello" and general chat, nothing of substance is happening? I call it the phenomenon of "professional visitation".

Often the cause can be isolated to a sales person's reticence to ask the hard questions. As they prefer to operate at a more superficial level, there is little chance the sales person will ever become involved in negotiating their way through customer demands and price issues.

Contact time with customers should always be productive. It is not just we sales people who are busy - so are our customers, and the last thing they want is an interruption to their day that does not yield results.

Have a look at these profile traits and ask yourself: are you employing professional visitors?

- Continual rounds of visits to clients they are comfortable doing business with
- Lengthy amounts of time spent establishing "rapport"
- Difficulty zeroing in on real customer problems rather than symptoms
- Inability to effectively negotiate the way around the price question
- Sticking to the "safe" but irrelevant topics
- Walking away with no advancement in the sales process
- Selling the same old products/services, rather than adding new ones
- Customers continually asking for more discount
- The customer controlling the sales process, not your representative.

Have you ever thought that if only half the effort was put into representing the company's interests as well as the customer's, there wouldn't be this constant battle to provide more discount, more often?

The professional visitor hesitates to get into the fray with customers as they are not comfortable being assertive. The cost to you becomes more volume at the expense of profit, a failure to see opportunities with customers, and longer than necessary decision cycles. Are these costs that you can continue to carry?

If you have any of these people on staff, you have a problem.



MASTERING THE JOB BOARD AD

As we've seen, in today's market you need a combination of "push and pull" contact strategies when finding the right candidates for your business. Advertising alone is not likely to yield the candidates you seek. When you decide to recruit externally, the following methods are available to select from:

- Advertising
- Recruitment agencies
- Executive search firms
- Viral marketing email campaigns
- University job boards
- · In-store advertising (the good old shop window)
- Family and friends
- Your own website
- Information seminars
- Search (direct contact)
- Networks
- Social media.

With the increasing popularity of online job boards and social media platforms, many people can DIY their own recruitment more easily and at much cheaper rates than ever before. These media are rapidly replacing the traditional newspaper advertising section.

But you have to know how to use them wisely. Putting up recruitment ads willy nilly isn't going to work. You really need to think about who you are writing the ad for, and in which areas your ideal candidates are likely to look. Content, placement and visibility are some of the key factors to consider when using the web as a recruitment tool.

Yet many people assess the credibility, usability and value of online job boards and social media channels by the volume of candidates they receive, without really assessing what those numbers mean. It's quality that counts, not volume. You certainly don't have the time to wade through an overstuffed email inbox brimming with barely relevant resumes. You want to attract good quality people that can do the job you've advertised, even if it means you only get two or three potential people to choose from.

Over the past years, we have been assisting a number of our clients with the recruitment of sales and service people and managers. We have helped a number of clients in various ways, from building and/or supplying them with end-to-end structured competency-based recruitment kits, to assisting with candidate screening and interview support.



As part of our support, we also advise clients on how to write an attractive candidate ad, and where to advertise on the main online job boards, as well as which categories to place the ad under. Some of our clients have placed their own ads on the big online job boards in the past and achieved very poor results. This was mainly due in part to the type of ad they wrote.

Here is what we found occurring with one particular client:

"With one large online job board, we could only get one selection area to place our ads in, and within a few minutes of getting posted, each job ad was not on the front page any more. The ads had slipped down the list due to the huge volume of ads they competed with. Within a day, each ad was so far down the list that most people couldn't be bothered looking past the first few pages. It's almost as if we needed SEO for job ads here!

"Then there are the responses; sadly the quality of applicants from this online job board has slipped markedly over the last year - too many people just send out applications and don't bother to read the ad. Don't get me wrong; there are occasionally a few good ones, but only a few.

"Now the other online job board we've used is producing quite a different result. Admittedly, we are paying a slightly higher fee per ad, but only slightly, and what we are getting is the following:

- Three job listing locations for the ad
- The ad is refreshed every week over 4 weeks; which means that the ad goes back up to the top of the page and appears as a new ad again every week for the life of the ad
- The overall quality of the candidates has been vastly superior, resulting in hires coming from this job board 90% of the time to date."

Get smart about using the online job board that's right for your business. If it means paying a bit more, it might just be worth it. Ask the sales people behind the job board about how their site really performs.

Quiz them about:

- Their demographics. Are their percentage of unique browsers international or local traffic hits? (You can easily inflate the value of an online job board site by including international hits.)
- The way they attract local candidates to their site
- What percentage of unique browsers are from your own country?
- What their real numbers mean.

If all you get is volume traffic talk with no real substance, then make sure you have other options available to you.



Barrett partners with its clients to improve their sales operations.

Partnering with Barrett you will be able to:

- Sell more effectively, at healthier margins with less risk of failure than you did before;
- Make informed decisions about who to employ, train and coach in order to produce an effective sales force with better, sustainable bottom line results.

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