



SALES RECRUITING IN TODAY'S ECONOMY

Jobfox released its hiring report this past summer and listed Sales Representative as the most recession proof career. In a similar study conducted annually by Manpower Inc. reporting on the most difficult job to fill, sales representative topped the 2006 and 2007 list and slid to second place in 2008.

Do you know the actual cost of hiring a new sales professional? Do you know the cost of failing to replace a sales person who is not generating revenue? How long will you hang on to non-performing sales representatives? Do you believe it's better to keep a low performer than replace them?

Now that we have entered another economic downturn and companies are reducing expenses, it is important for the sales division to maximize its profitability. One of the best methods of reducing costs is to revisit your existing hiring practices.

In many organizations the task of recruiting sales people is given to the HR department or sub-contracted to outside recruiting firms and placement agencies. When times get tough and budgets get slashed this option may not be possible and sales management must once again take on this crucial role.

This is good news for sales professionals who can deliver revenue in a troubled economy but its bad news for companies that need to hire. In an economic downturn good sales people are less likely to change jobs. Better the devil you know so to speak. This trend will require companies to improve their recruiting methods with less money and fewer resources.

We all know the term broadcasting but today more than ever companies need to focus on narrowcasting when recruiting. When you place an ad in a newspaper do you know how many target readers you are going to reach and your response rate? Do you track the results with the same diligence as you would monitor an advertising campaign? The same applies to the mega job boards. Your job posting can get lost in with the hundreds, if not thousands, of competitive and non-competitive ads.

If you are in business to business sales, why would you spend money on a job posting that gets mixed in with hundreds of B2C, retail and MLM sales positions? The companies running the on line job boards or classified print ads consider sales as a single marketplace, where in actual fact combining B2B and B2C sales is in their best interest, not yours.

The same applies when you are hiring recruiters to find sales staff. Are they a firm of successful sales people who only provide niche business to business sales recruiting or is it a firm that hires people to sell you on their sales recruiting services? Many recruiting firms simply cull through the resumes listed on the main job boards, contact the candidates, conduct brief interviews and pass along the resume to their clients. You just spent 10 to 20 percent of the first year compensation package on someone searching through a resume database. Ouch!

The other option is for you to search the on line resume databases yourself. This can take hours and hours of wasted time to discover that no one matches your requirements. Recruiters and companies constantly complain about the lack of qualified potential candidates, the time it takes to pour through the out of date resumes that in some cases are over two years old, and the up front costs required to search these databases in the first place.

Given the time and investment required in these recruiting methods, it is a common mistake for management to "settle" on a less than qualified candidate just to fill an empty territory as quickly as possible. Or even worse, sales management will hang on to a non-performing sales person believing it is better to accept the "status quo" rather than trying to hire a new, more productive one. This lack of decisive action reinforces the wrong message to your sales team and creates more problems than it solves.



All too often you hear about companies with “churn” rates of 50 percent sales staff turnover. In some cases sales managers and HR departments report that 80 percent turnover of new sales reps is not only considered the norm, it is considered acceptable. A sales organization cannot be allowed to think that this will be tolerated, especially when we are facing tough economic times. When you add in the loss of sales opportunity, management time, training costs, damage to customer good-will and employee morale, you have created a huge negative impact on not only your organization, but also your customer base.

It is imperative that you examine your recruiting and hiring practices at the highest level. Successful companies conduct annual financial audits, inventory audits, employee reviews, IT audits and business planning updates but fail to address the one area where best practices are needed; the sales force. Reviews of sales performance verses quota are ongoing, so why is the recruiting process not being investigated and improved using the same analytics.

Here are some quick tips to help your sales organization improve its recruiting processes:

- Write your ad to attract sales talent. You are competing against all the other opportunities. Sales professionals need to know “what’s in it for them.” Save the company history for the annual report.
- Accurately define your job description with specific requirements & sales rep accountabilities. For example, do you need a hunter or a farmer? Will the sales person work from a home office or do they need to report to your office each morning? Is a base salary provided? Be clear and up front. Put the right information in your ad so that you are attracting a good fit and laying out expectations.
- Advertise where your target sales people gather. Narrowcasting on specialized sales job boards or trade journals is far more effective at attracting the right talent than broadcasting.
- Free job postings are available on-line, but you get what you pay for. By the time you place the ad, sort out the spam and junk resumes it will cost you more than doing it right the first time.
- Have your current sales reps recruiting for you. Networking provides the best opportunities.
- Always Be Recruiting: spend 10 minutes with every sales rep who approaches your company. You may find your next quota buster sales representative is already knocking on your door!
- Keep a virtual bench of sales resumes so you can fill open positions with the sales professionals you already have in your sales file.
- Pay your own employees a better finder's fee. You pay recruiters tens of thousands of dollars so why not pay more to your employees. It also builds company loyalty.
- If turnover is high, conduct an independent study to determine if there are internal and external problems that results in sales people leaving. The best way to reduce your hiring costs is to build a stable, profitable sales force and keep the quality sales talent you already have so you hire less often.

Our current economic climate is causing many companies who were formerly strong to restructure. The result is many very good sales professionals are currently looking for career changes. Now is a great time to act before they find a new position. Remember using standard recruiting techniques will result in hiring standard sales people. Aim Higher!

Robert J. Weese
B2B Sales Connections Inc.

Robert is a managing partner of B2B Sales Connections Inc. He has over 25 years of experience in B2B sales, and a proven track record of developing and supporting successful sales teams. B2B Sales Connections Inc. provides revenue-generating consulting services for business to business sales organizations looking to improve their revenues through improved hiring and training practices, including the operation of Canada’s premier career website for business to business sales professionals. Please visit www.b2bsalesconnections.com, or contact Robert directly at rjweese@b2bsalesconnections.com.