

Beverly Jones is managing director of Objective Assessment, which specialises in sales-specific online evaluations and pre-hiring tools. She is an expert on sales performance issues, having spent 25 years developing and hiring salespeople across three continents, including recruiting entire teams for some Top 100 companies. Contact Beverly on 02 9025 3986, email bjones@objectiveassessment.com.au or visit www.objectiveassessment.com.au

BACK TO THE FUTURE FOR SALES MANAGEMENT

Beverly Jones explains how new profiling software is allowing companies to effectively 'x-ray' candidates and existing sales teams to maximise sales growth.

In 2005 Australian businesses are finding it harder to recruit and retain sales talent than at any other time in the past 30 years. For businesses such as marketing agencies and their clients, whose growth depends on high calibre sales teams, this shortage may have a significant impact on the way they identify and develop sales talent. Given the vagaries of available talent, forward-focused companies are taking stock of their existing sales force by turning to powerful new assessment tools that effectively x-ray their sales organisation and deliver a blueprint for development to fuel sales growth.

SALES – THE SKILLS SHORTAGE THAT DIDN'T MAKE THE HEADLINES.

The challenge of sales recruitment and retention for Australian businesses is highlighted in a national quarterly survey from The Executive Connection (TEC), an organisation with a membership of 800 chief executives in Australia. TEC's first-quarter 2005 report revealed that although one-third of those surveyed foresaw worsening economic conditions in the next year, 74 percent predicted increased sales revenue. Yet the CEOs ranked sales and marketing people, those they need to help attain the projected sales growth, as the second hardest personnel to recruit and retain.

Several factors conspired to create today's problem. Back in the 1970s, sales was considered a solid career choice with excellent prospects for climbing the corporate ladder to the top job. By the mid-1980s, a business degree was the new passport to senior management and sales continued to fall from favour in the 1990s as companies failed to develop a career path to retain talent. Consequently, salespeople jump ship or opt for a role in marketing with better perceived chances of advancement.

In 2005 there is still no degree course in sales and, in more than 25 years of working in evaluating and developing people, I've rarely come across a career counsellor who suggested a sales career to an aspiring business graduate.

Further compounding the lack of sales talent is that, as a consequence of fewer talented people entering sales, there are fewer outstanding performers for junior salespeople to emulate. In fact, statistics gathered by the Objective Management Group in Massachusetts, US – whose tools

assessed over 200,000 salespeople between 1994 and 2005 across the US, Canada and Australia – reveal only 26 percent of salespeople surveyed could be considered good to great. In short, around three-quarters of salespeople, the study authors concluded, rated as average to weak.

X-RAY YOUR ENTIRE SALES OPERATION.

Given the shortage of available talent, employers are taking a hard look at their incumbent sales team. In an employee driven market your best salespeople can be more easily enticed away. Meeting their career and financial expectations is less costly than losing them in the long-term. Traditionally, evaluating the sales organisation was the province of external consultants; however, the process was costly and slow.

New tools for analysing an organisation's sales operation are now emerging that take advantage of today's online environment to deliver fast, cost-effective analysis of the enterprise's sales strengths. Key among these is the online assessment that profiles an organisation's entire sales force, sales processes and systems, measuring individual and team findings against what it takes to be successful in sales in your business. It will also pinpoint opportunities for development.

This tool, which is increasingly gaining traction in the Australian market, removes the subjectivity of the manual process, while making analysis more affordable and very fast. How to choose the right tool for your company? While you can 'Google up' any number of options, the key is to choose one that can be tailored to your product and customer profile. Beyond that, other tips on the top 10 check-list include assessing the tool's capacity to pinpoint common weaknesses in the sales team and development opportunities linked to the findings.

TOP 10 CHECKLIST – SELECTING THE BEST SALES ORGANISATION ASSESSMENT.

1. Are sales managers included in the assessment?
2. Is the assessment linked to your product and customer profile?
3. Does it examine the state of your sales pipeline?
4. Will it identify the capability of the team to support your strategies?
5. Will it uncover common weaknesses in the team?

5. Can it identify who on the team should be performing better?
7. Does it recommend changes to your systems and processes?
8. Will it check on your hiring criteria?
9. Most importantly, is it objective, compliant, affordable and fast?

CASE STUDY SNAPSHOT: DEXION LIMITED.

Dexion Limited, which delivers world-class storage systems for retail giants Coles Myer and Bunnings, gained powerful new intelligence on its sales organisation by putting its entire national sales team through an online sales force evaluation.

Graham Eastick, Dexion's executive GM – key accounts, explains, "The result is an exact assessment of each person on the team, against the same criteria. The report uncovered common weaknesses amongst the team that hadn't been pinpointed in any previous test and that would've remained hidden... all areas for improvement for our salespeople."

He adds, "Individuals received their own report outlining their particular strengths and weaknesses and identifying their potential for growth." From a macro perspective, Eastick comments, "It's given us a framework to address our long-term training expenditure, and we're now able to benchmark sales performance at a national level."

ADDING NEW BLOOD TO YOUR SALES TEAM.

All companies need to plan for adding new blood to the sales effort. Whatever your business, it's vital to hire correctly. There are obvious costs associated with any mis-hire, but in sales the greatest hidden costs include aggravation of an existing customer and loss of potential new business to the tune of potentially millions of dollars.

So how do you track down the sales superstars your business needs when you're feeling the pressure from competition, have bullish sales targets to meet and the interview is the salesperson's stage?

WHAT PSYCHOLOGICAL, PERSONALITY, BEHAVIOUR AND APTITUDE TESTS WON'T TELL YOU.

A factor in the rise of online pre-hiring tools is their ability to free executives from the lengthy and confusing process of trying to make an assessment – based on résumés and traditional screening tests – of the right hire.

Screening tests are widely used with 42 percent of CEOs (TEC survey 2005 Q1) reporting they are part of their company's hiring process. I've reviewed and worked with countless permutations of psychological, personality, behaviour and aptitude tests and all deliver useful information.

Depending on the test, they will tell you how balanced a candidate is, their ability to build relationships, whether they will comply with your procedures and policies, or their theoretical knowledge.

What they won't tell you is whether the person in front of you will sell your product or service in any economic climate, against any amount of competition. Herein lies a potential danger when HR is managing the initial screening for sales and relies heavily on a candidate's past experience and traditional tests, resulting in sales talent falling through the cracks.

RADICAL CHANGE AHEAD – REVERSING THE SALES SELECTION PROCESS.

I predict that within the next five years you will see few companies relying on résumés or conducting initial screening interviews to select salespeople.

Today's employers are going online for smarter recruiting and testing tools. Companies were moving towards expert online systems in 2000, but with the dotcom fallout confidence waned. These online tests eliminate many time-consuming steps in the recruitment process, including wading through the résumés and initial interviews of those applicants unsuitable for the job in question.

The most effective screening tools for sales are those that have been developed specifically for, rather than adapted to, sales. To screen candidates accurately, the tool should be customisable to your unique product and market profile. The key here is that you, the employer, provide the specific product and market profile, which is then added to the backdrop of sales competencies and a set of elements considered crucial to sales success. The result is an online test tailored precisely to the job you seek to fill.

Candidates typically do the test in 20 to 30 minutes and results are emailed to you within minutes of test completion. Only those candidates identified as having what it takes to sell your product or service progress to an interview.

The best tests go as far as making a hiring recommendation with a full explanation of the candidate's strengths that support selling, their learned skills, the hidden weaknesses that could neutralise their strengths, their self-limiting beliefs, compatibility with your organisation's profile in specific areas and whether or not the individual will benefit from training. All before you've even read a résumé or been subjected to their inimitable charm.

If the primary benefit of online testing lies in reducing the risk inherent in hiring, secondary factors include legal compliance. This process is objective and adheres to EEO requirements, whereas companies may be exposing themselves to legal liability with more subjective hiring procedures. If your sales force is spread across several states it also enables you to establish a uniform approach to hiring.

CASE STUDY SNAPSHOT: FORTYTWO INTERNATIONAL.

One company embracing the online approach to hiring is Sydney-based email marketing specialist FortyTwo International, a steadily growing organisation that looks for 'hunter' type salespeople. Lee Hawksley, sales and marketing director for FortyTwo, says, "I tend to recruit people with far too much reliance on gut feel. Salespeople are excellent performers in interview situations, but the Express Screen pre-hiring tool we now use cuts through any performance and you get the real answer."

Hawksley adds, "It uncovers belief systems people hold that are difficult to get to in a traditional interview situation... and allows us to get to the real heart of issues very quickly in the interview process."

All online tests are not created equal, Lee cautions. "We looked at basic online tests, but what really appealed to us was an online test backed by the personal service of an expert to help us interpret the results... much more useful than a report that's just a load of words from a website."

GOOD NEWS FOR SALES PROFESSIONALS?

Should sales professionals be worried about the arrival of these tools in the Australian market? No. It's a two-way street and as much as companies need to identify and keep the right sales talent, salespeople want to land the right job with development opportunities to fulfil their career aspirations, potentially re-opening the gates to senior management. ■