Hiring the Right Sales People

March 1, 2019  2:00 to 3:00 PM EST

Session Presenter
J. Michael Marks
www.ircg.com
In Case We Don’t Know Each Other

Indian River Consulting Group has been providing business advisory services for over 30 years

- The focus has always been on market access which aligns investments with real market growth opportunities
- Client revenue size from $2 M to $40+ B, private and public, with distributors at 45%, manufacturers at 35% and others at 20%
- Each of our projects are bespoke and conducted within an NDA
- We go way back with many PTDA members
- The coolest stuff we have done we can’t talk about

My name is Mike Marks and I am the Managing Partner

- Co-founder of the firm, NAW Institute Research Fellow, Graduate adjunct faculty at Texas A&M (past) and Purdue’s UID (current)
- I have been with PTDA-UID since the very beginning
- I currently hold SCCA & PCA road racing competition licenses, have a Medicare card, two granddaughters, and enjoy competitive shooting, fine tequila, & cigars
Guiding Principles in Recruiting Sales Representatives

Remember that the candidate is also evaluating you and the quality of the open position, so put on a good show, but never lie.

Candidates generally join firms for money and leave because of a bad boss.

*Sales people will also leave if they can’t win in the marketplace with your firm’s value proposition.*

The best indication of future performance is often past performance.

“*A Players*” are loyal to their co-workers, rarely the firm, unless they are baby boomers.

[https://www.peaksalesrecruiting.com/](https://www.peaksalesrecruiting.com/)
Sourcing Candidates

Recruiting is what you do before an opening exists and hiring is what you do after the opening exists

Social media, web-based job sites

College, VoTech school job fairs, your own employees (referral compensation after 90 days)

Your customers and suppliers (great referrals, but rare)

Contingent search firms and retained search firms (usually too expensive)

The famous 5 X 8 Index card…

Names of top field, inside, and counter sales reps at my competitors
### The Evolving Transition Of The Generalist Sales Rep Category

<table>
<thead>
<tr>
<th>Category Role</th>
<th>FAM</th>
<th>IAM</th>
<th>ISR- Inbound</th>
<th>CSR</th>
<th>Technical Specialist</th>
<th>Telesales Outbound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field Account Manager</td>
<td>Inside Account Manager</td>
<td>Inside Sales Rep</td>
<td>Customer/Counter Service Rep</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IAM</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Typical Titles</td>
<td>SAM, AM, TM, FSR, OSR</td>
<td>AM, IAM, Segment AM</td>
<td>ISR, CSR</td>
<td>CSR</td>
<td>Many</td>
<td>TMR, TSR</td>
</tr>
<tr>
<td>Primary SOS*</td>
<td>Business solutions and Relationship</td>
<td>Technical and transactional</td>
<td>Transactional</td>
<td>Technical</td>
<td>Awareness</td>
<td></td>
</tr>
<tr>
<td>Customer assignment</td>
<td>Yes, by dirt</td>
<td>Yes, by dirt or segment</td>
<td>Yes, by dirt or segment</td>
<td>No</td>
<td>Periodically, by need or project</td>
<td>None but working off a call list</td>
</tr>
</tbody>
</table>

* Service Outputs Supplied to your customers—what they value
A Sidebar on Old School Sales Forces

When hiring from competition the interview needs to be off site

*Hiring from competition is no longer a proven or best practice*

When discussing compensation, and you want to match or improve their compensation, ask them to bring a W-2 (or T-4 if Canadian) to the interview and never start with HR staff as screeners.

When negotiating guarantees have them connect two dots on a graph and the guarantee adjusts to their results versus their commitment to you.

Money motivates membership so a signing bonus is often a valuable tool but it must amortize over a time period, usually $\frac{1}{24}$ every month for 2 years.
How Can You Be Sure That You Hire the Right Person?

_The reality test is that in twelve months you know you got the right person_

The most reliable techniques statistically, in descending order, are:

1. Simulations
   
   _5 X 8 Index cards with a series of real situations; “What would you do?”_

2. Reference checks
   
   _Applicant sets up, advice on how to manage, who else did you work with?_

3. Personality profile testing
   
   _There are many available, contact PTDA for recommendations_

4. The actual interview itself
From Colleen Stanley

Three big ideas to help your recruiting of sales representatives

1. If you don’t have a playbook, you have a self-directed old school distributor sales force

   *What is the situation and what should the rep do?*
   *Do they know your value proposition?*

2. Sales IQ questions around: Brand; Business Development; Deal Size; and Level of Contact

3. Sales EQ questions around: Self Awareness; Delayed Gratification; Self Actualization; Self Regard (feedback)

You must know your company’s answers first
From LinkedIn Talent Solutions

Interviewing for Soft Skills - Adaptability

**Question #1:** Tell me about a time when you were asked to do something you had never done before. How did you react? What did you learn?

**Question #2:** Can you describe a situation in which you embraced a new system, process, technology, or idea at work, even though the change was a major departure from the old way of doing things?

**Question #3:** Recall a time when you were assigned a task that you considered outside your job description? How did you handle the situation? What was the outcome?

Interviewing for Soft Skills - Culture Fit

Question #4: What are the 3 things that are most important to you in a job?

Question #5: What’s the most interesting thing about you that’s not on your resume?

Question #6: What would make you choose our company over others?

Interviewing for Soft Skills - Growth Potential

**Question #7:** Recall a time from your work experience when your manager or supervisor was unavailable when a problem arose. How did you handle that situation? With whom did you consult?

**Question #8:** Can you describe a time that you volunteered to expand your knowledge at work, as opposed to being directed to do so?

**Question #9:** What would motivate you to make a move from your current role?

*That employee’s salary to replace her.*

That means that hiring people who have the potential to grow with your company not only saves you the pain of replacing them, but also saves you money.

The STAR Technique

These are the four critical questions to help you gain insight into your candidate when they start describing their background and experience.

**Situation:** Please tell me a bit more about that situation to help me understand it better.

**Task:** What were you trying to accomplish or get done in this situation?

**Action:** What actions did you take to accomplish your task and how did you choose them?

**Result:** What was the result after you resolved the situation?
A Few Strategic Questions To Play At the A Level

How do you make your employment experience attractive?

Do you have a 90 day onboarding plan for the new rep?

Are there going to be any internal equity issues with other sales reps (there are no secrets on compensation)?

Have you scheduled a series of real performance reviews to provide useful feedback so they end up doing what you want them to do?

Have you set up a mechanism to get feedback from the new rep on what your company needs to change or improve?
The Best Way To Keep A Secret

So Where Do You Go To Learn More? Google & Amazon

How to interview:

https://www.google.com/search?q=good+interview+questions+to+hire+sales+reps&oq=good+interview+questions+to+hire+sales+reps&aqs=chrome..69i57.20223j0j8&sourceid=chrome&ie=UTF-8

How to be interviewed:

https://www.google.com/search?q=how+do+I+learn+how+to+be+interviewed+for+a+sales+position&oq=how+do+I+learn+how+to+be+interviewed+for+a+sales+position&aqs=chrome..69i57.19164j0j8&sourceid=chrome&ie=UTF-8
A Short Discussion

Does anyone have any questions or challenges that they would like to bring forward?