

7 Habits of Highly Effective Sales Recruiters

Best Practices for Attracting Top Sales Talent

John Hoskins, Level Five Selling

It is now clear: Your sales force, and the way you recruit and manage it, is your best hope for thriving in the “new normal” economy! At Level Five Selling we have a bold vision statement: **Imagine a world where every sales force is above quota.**

Even during these uncertain economic times, we believe it’s a realistic point of view — especially to those sales leaders who apply certain best practices when attracting and retaining the best sales talent.

Following every business downturn, companies realize they need to grow the top line to survive. When CFO Magazine asked subscribers in June 2011, “Which job functions are most needed at your company right now?”, the sales function tied for first place along with skilled professionals (electricians/plumbers). Manpower’s 2011 Talent Shortage Survey showed that sales professionals were the second-most difficult skills to find. Clearly, the high beam headlights are now turned on sales leadership to increase sales and save the day.

TRUE OR FALSE?

The team that gets and nurtures the most “A” players wins.

But just look at the challenges those high beams reveal. A 2011 study by *CSO Insights* reported that 35% to 45% of sales reps fail to meet assigned sales targets. If you’re the head of sales, these results are a fast track to becoming an endangered species! It is estimated that of the nearly 15 million sales-related jobs in the U.S., 26% will turn over this year. That’s a 26% error rate — and nearly all of it, whether desirable or undesirable, is scrap and waste. Manufacturing, with their Six Sigma metrics, would find that intolerable. So should the sales function tolerate that? Maybe these metrics are just the tip of the iceberg.

Talent trumps all other levers

We asked dozens of frontline and senior executive sales leaders to suppose they had only one thing they could do to increase the odds of making quota. What would it be? The answer was unanimous: Finding and keeping the best sales talent wins the game. The team that gets and nurtures the most “A” players wins! End of sentence.

And most added a very strong exclamation point.

We don’t like to argue with success or experience, however, we also believe that the team who makes fewer unforced hiring errors wins the game. The Revenue Partner message is that you can be nearly 100% assured of building the best sales team and yielding those above-average revenue results if you apply a rigorous process to building and maintaining your sales talent pipelines using our **7 Habits**.

A 2011 study by CSO *Insights* reported that 35% to 45% of sales reps fail to meet assigned sales targets.

Habit 1: ABR — Always be recruiting!

Our overarching premise is a simple one and something sales leaders have always instinctively known. It is the context in which the **7 Habits** are executed.

To explain it, we’ve borrowed from David Mamet’s 1984 Pulitzer Prize and Tony Award-winning play, *Glengarry Glen Ross*. In the movie version, Alec Baldwin plays sales leader Blake who chides his team with the mantra, “ABC: Always Be Closing.”

We offer sales leaders a similar notion, but ours is, “**ABR: Always Be Recruiting.**”

I first learned this lesson while at Xerox, in the Chicago branch. A fellow sales manager had made a superstar hire in Minneapolis, and I remember asking him, Where did you find that guy? Was he from an external recruiter, our own HR group, an advertisement in the Wall Street Journal? “Nope. Found him in a hotel lobby standing in line to check in.” What? You must be joking! He smiled. “Nope. I know one when I see one, so I asked him what he did and he told me. I told him what we did and we exchanged cards. That was more than a year ago. I’ve been nursing him along all this time. He finally got dissatisfied with his current job and today he’s my Numero Uno.”

+ Habit-Forming Action Step

The lesson learned for me was that I had to think of recruiting like a good salesperson thinks of prospecting. You always have to keep your ear to the ground and be looking for the next hire.

With that and our other 6 habits, you will keep the talent bench strong and not suffer the consequences of unexpected turnover. Here are more of our suggestions for frontline sales managers and sales recruiters for attracting, retaining, and managing the best sales talent around.

Habit 2: ABR — Engage and partner with your sales recruiters

Many sales leaders have told us that their relationship with internal and external sales recruiters was strained. Why? Sales managers complain of a trickle of candidates, many of whom are not qualified and therefore a waste their interviewing time.

Sales recruiters we've spoken with are likewise dissatisfied with the responsiveness of sales managers. The managers postpone interviews, don't communicate promptly when a good prospect appears on the radar, and can't articulate exactly what they're looking for in a top performer. Scheduled interviews are changed with little warning. And most managers prepare for interviews with about as much rigor as they prepare for lunch: "Hand me the resume, let's get started."

Unfortunately, many sales leaders and their recruiting partners also cling to an "abundance" recruiting mindset and process. Even though there's a scarcity of supply, they believe there are plenty of rock-star salespeople out there, "So we'll look for them when we need them." (Remember Habit 1? Always Be Recruiting!) All these issues speak to a lack of precision in both expectations and recruiting processes.

+ Habit-Forming Action Step

Add more communication, attention, and precision where it's needed in your internal processes and you'll turn your recruiting efforts around. Your HR staff can't help unless you routinely reach out to collaborate with them. If you don't talk to your HR support team at least once a week, you are underusing a resource that can lead to your success. Get involved in establishing mutual service-level agreements (SLAs) with your recruiters so you can hold them accountable and they can hold you accountable for results.

Habit 3: Inspect what you expect

You've heard it a million times: If you can't or don't measure it, you can't manage it. Recruiting — unlike call activity, forecast updates, or expense reports — isn't something due on Friday at 5 o'clock. In the best situations, it's examined at least quarterly. In the worst, not until turnover forces the issue.

According to *Hire Right*, 80% of all resumes are misleading.

The lesson here is like the Fram oil-filter ad slogan: "You can pay me now or you can pay me later." Sales managers often ignore a daily recruiting routine because "I don't need to. I have all my territories filled." Sales leaders make this assumption at their own peril. Turnover happens when you least expect it and generally when you are least prepared for it. When you inspect what you expect, you know what the sales talent pipeline looks like and you don't get caught off guard when your best rep walks in your office with a smile — and resigns.

+ Habit-Forming Action Step

Set up weekly or monthly recruiting pipeline reviews that use probabilities to determine where you are in your sales process and where the candidate is in their buying process. Good players have options, and you need to consider recruiting a half-buy, half-sell process.

Habit 4: Embed "just in case" accountability

Just in time (JIT) may be a best practice for lean manufacturing inventory and financial metrics, but it's a "worst" practice for recruiting. Just in case (JIC) is the better mindset.

In fact, sales talent management is the one place in a business where a JIC inventory process means dollars and makes sense. You don't carry the inventory of "candidates-in-waiting" on your balance sheet like raw materials. They are intangible assets, a more contemporary measurement of an organization's health much like recruiting brand and employee engagement.

Consider the manufacturing function that controls costs and quality with elaborate supply chain management processes, and employs sophisticated logistics methods to make sure materials arrive on the line “just in time.” But sales superstars are not commodities. They don’t show up on your doorstep when you have an open territory. You have to apply Habit 1 (Always be recruiting) to find those A players. And you’d better have a “just in case” contingency plan in your mind.

+ Habit-Forming Action Step

We recommend that you require sales managers to report quarterly on the probability of turnover for every sales rep in their district. We also suggest they list a minimum of two names and phone numbers of backup candidates they would call tomorrow if a rep were to turn over unexpectedly. (And reps do that!)

JIC accountability works. It gives you a sense of urgency. It keeps you from losing valuable effective sales months, another metric for which sales managers should be responsible. Unfilled territories don’t save money — they cost money. That’s a lesson you have to learn only once to adopt the JIC habit.

Habit 5: Define “what good looks like” using objective, scientific success predictors

We see it all the time: Recruiting strategies have no destination in mind and tactics are all over the subjective map. That’s no way to run a railroad — or a sales organization.

Whether starting up a sales force, growing one, or replacing turnover, you need a recruiting plan. It starts with a very clear picture of what a good sales performer looks like. Yet, even that clear description is only one part of the prescription for a healthy talent pipeline.

For example, a popular study of more than 1,000 sales superstars from 70 companies showed that these high-achievers believed the top three characteristics required for good salesmanship were

1. Strong objection-answering skills
2. Good grooming
3. Conservative dress (especially black shoes)

However, a study of the weakest performers at these companies revealed that these same three characteristics were also their most common traits. Obviously, this isn’t the way to recruit a sales star.

In reality, few criteria for selection is better than many, and one or two factors typically account for more than 80% of a salesperson’s ability to succeed in a specific role. Say you have a laundry list of competencies that you check off to make your decisions, and you check all but a few. If those few you don’t check off are the true DNA that leads to success . . . you will have made an unforced hiring error. Ouch!

You need more than opinion to measure success.

+ Habit-Forming Action Step

Defining your target hiring requirements means more than gathering people in a room to define top-performer competencies. In these meetings, the opinion voiced loudest often dominates. You need more than opinion to predict success. You need science in the mix to be objective about what you really are looking for versus using subjective criteria to pick a superstar.

Habit 6: Increase behavioral interviewing “at bats” with job aids and practice

When you examine how you recruit and manage sales talent, how many times are you “at bat?” Do you know — or care? You should. Malcolm Gladwell, in his bestselling *The Outliers*, suggests that 10,000 hours of effort is the point at which you approach mastery.

With sales recruiting, sales managers get rusty when they interview only infrequently. Behavioral interviewing training is standard fare in most sales management curricula. But if you interview candidates only a few times a year, you do get rusty.

Just like on a bad sales call, a rusty hiring manager tends to tell rather than ask. She doesn’t take enough time to plan the interview. She holds conversations versus interviews, and that leads to nothing more than a gut response to the candidate. It gets worse when you spend travel dollars and executive time to bring the finalist to headquarters for 4 or 5 interviews. The fact is, they really have only one interview — the exact same one, 4 or 5 times. This is a total waste and fraught with error rates, yet it happens every day. A few more interview at-bats might have avoided it all.

When you’re rusty and have to make decisions under the pressure to fill a quota-bearing territory (which you are likely covering in your spare time), a large duck could walk through your office and look like the perfect sales rep! Need I say it? This habit leads to unforced hiring errors. “Time to fill” is often stated as a metric to measure the effectiveness of recruiters. Unfortunately, it also leads to bad decisions due to a rush to judgment to hit a lagging indicator metric.

You should talk 20% of the time — and the candidate 80%.

+ Habit-Forming Action Step

Set an interview activity target just like you would set a sales call activity target. At a minimum, interview a new candidate either by phone or face to face once a week. Take time to prepare properly and use the same standard for evaluating the interview as you would a good sales call. You should talk 20% of the time and the candidate 80%. You will get better and better at “peeling the onion” and really learning how to conduct a good behavioral interview. Using a good behavioral interviewing guide to hold you to a process and taking notes are best disciplines.

Habit 7: Check the DNA before the resume

Resumes are candidates’ boldfaced attempts to reflect their best possible image to an employer. A resume is undeniably flawed input; studies have shown that most of them are riddled with half-truths (read: lies). The professional social site LinkedIn claims to have improved that percentage because its resumes are accessible online and can be questioned or verified publicly. But according to Hire Right, a firm that specializes in employee background checks:

- + 80% of all resumes are misleading
- + 29% state fraudulent degrees
- + 30% show altered employment dates
- + 40% have inflated salary claims
- + 30% have inaccurate job descriptions
- + 27% give falsified references

Okay, imagine a manufacturing plant quality inspector examining a component part using her eyes and perhaps her nose to assess the part's integrity. No way. Those inspectors measure specific tolerances and specs with scientific instruments to ensure the right selection. Their criteria are objective, not subjective. Or how about this? Would you want your physician to ask you a couple of questions, listen to your heartbeat, and then prescribe a treatment? Heck no. Physicians today rely on scientific blood work that speaks volumes, even revealing your DNA, susceptibility to certain diseases, and likely reaction to various drugs. Many will have the blood work done before your check-up to improve their interview with you. Or they may have a scan done to see inside your body and determine whether you're healthy.

Not only is a resume pile imperfect input to begin with, the time-consuming and mind-numbing resume-slinging process is done for the worst possible reasons. A resume might be tossed because of personal bias such as the font or bullets instead of paragraphs. The resume slinger might object to the school attended or lack of certain industry experience. On the other hand, a resume might be tossed in the "keep" pile simply because of participation in sports or community involvement. I even spoke to one sales executive who confided that he used astrological birth signs to determine work ethic. Yikes! True story. I can't make this stuff up.

The fact is resumes are the least reliable method of screening for quality.

+ Habit-Forming Action Step

Using unscientific data when selecting which resumes to choose (or using no data at all; most sales recruiters we talk to say their clients don't know specifically what they're looking for) leads quickly to false positives or indicators and markers that are totally subjective. Suddenly, that's your selection criteria. And for every good candidate you select, you may be losing an even better one.

The fact is resumes are the least reliable method of screening for quality. No wonder sales managers complain of not enough qualified candidates. To prove the point, just ask yourself, "Why did those hires that didn't work out have such great-looking resumes?" You can't judge a book by its cover, and yet sales recruiters do it day in and day out. We often hear their disillusioned refrain, "We hired them for what their resumes said they had done. Then we fired them for who they actually were."

Use predictive assessments to avoid the pitfalls of relying on resumes and interviews alone in your decision-making. We suggest a 30/30/30/10 mix in your decision to hire: 30% assessment result, 30% background checks and references, 30% multiple interviews, and 10% gut feel

Summary

Check your **7 Habits** against those of highly effective sales recruiters:

+ Habit 1 - ABR: Always be recruiting

What percent of your overall time is spent recruiting top talent versus chasing deals and attending meetings?

+ Habit 2: Engage and partner with your sales recruiters

What mutual service-level agreements do you have to hold each other accountable for results?

+ Habit 3: Inspect what you expect

How often do you review your sales talent pipeline with your manager to measure progress?

+ **Habit 4: Embed “just in case” accountability**

Will the right players be there when you need them?

+ **Habit 5: Define “what good looks like” using objective, scientific success predictors**

Have you identified the few, critical competencies that distinguish good players from bad? (Think of the film *Moneyball*!)

+ **Habit 6: Increase behavioral interviewing “at bats” with job aids and practice**

Do you interview enough, prepare well, and use structured guides to avoid getting rusty?

+ **Habit 7: Check the DNA before the resume**

Do you apply science to verify your instincts and experience so you can reduce unforced hiring errors?

Build Bench Strength

By routinely applying these **7 Habits** as part of your recruiting process, you will build bench strength. Having a bench of qualified candidates is a great elixir for many sales ailments.

For example, when you ponder the reluctance of frontline sales managers to let people who aren't performing go, it is as though they believe “the devil you know” in a sales territory is better than “the devil you don't.” Or, as one sales leader told me, “I think in this case bad breath is better than no breath.” Really? Is that the best you can do? How about building your bench strength so you need not be reluctant to let poor performers go in the first place?

Admittedly, building a backup sometimes meets with questions or objections. At Xerox, we used to visit different districts where sales managers and reps alike would ask, “Why are you interviewing people in this territory today? Do you think I'm leaving? Are you planning to split my territory? Are you going to replace me?” I would always answer them directly and explain that, to me, chance is not a strategy. That sales team member could get hit by a bus tomorrow, “And if I don't have backup for you, I'm out of luck.” That usually prompted a healthy conversation about career aspirations, their happiness quotient (they call it “engagement” these days), and the probability that they might take another job if it were offered. All good conversations to have proactively before it's too late.

WHAT DO LOST EFFECTIVE SALES MONTHS* COST?

Want a real eye-opener? Calculate and track the overall impact of letting reps go without anybody to step into their position. Say your \$100 million business has 100 sales territories, each with a \$1 million sales quota. Assume 15% turnover. If you have no recruitment best practices in place — and if you're lucky — it will take you 3 months to fill each territory with a full-time rep and 6 more months to get them up to speed. So those 15 territories lose 9 effective sales months each, or 135 effective sales months total. At about \$83.3k per month, you must require another \$132k per rep from the remaining 85 reps to meet quota. Even if some repeat business flows in representing half the quota of each empty territory, you'll still need one additional effective sales month's revenue from every rep to make your bonus — not a formula for success.

* To calculate the value of an effective sales month, multiply the total number of FTE reps you have in territory times 12. Divide your full year quota (budget/revenue target) by that number. That indicates the average revenue per month, per rep you must achieve to make your sales goal.

When sales managers were probed about their pipeline during quarterly reviews, many would complain that it was hard to keep good candidates on ice. Although that's true, it's far better that you stay connected with that person over the long haul than to allow them to slip by — and away — when you aren't actively looking for someone. You wouldn't think of putting a customer prospect in your pipeline and not drip-feeding your frequent contact to keep them warm. The same applies to recruiting top talent. In fact, it's the best way to nurture passive candidates. Those salespeople may be happy now, but you never know what might change — a new comp plan gets announced, a new boss is appointed, there's a change of territory or accounts, an "impossible" new quota is assigned on top of a record year, etc. You want to be the first person they call the moment they consider their next career move.

A good recruiting strategy will serve any sales organization, large or small, well. It takes discipline, but in many respects the process and tactics are no different than managing a good sales pipeline. Make it as routine as your daily prospecting and opportunity management tasks, and you will reap valuable, long-term results from these habits. Happy hunting!