

Attract, Deploy & Retain the Right Sales Talent Through Partnerships

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Follow these five steps to maintain the right salesforce.

When the vice president of sales wants to attract new sales talent, many HR business partners ask: “How many, at what level, in which roles and by when?” Is this the right response? It’s entirely appropriate — provided the sales organization and the HR business partner are on the same page regarding exactly what type of sales talent is needed to reach the company’s customers and prospects.

Unfortunately, this is rarely the case. More typically, there is a lack of clarity and shared understanding on the type of talent needed. Failing to specify role requirements creates a

high probability of hiring sales resources that are not the right fit. Missed quotas inevitably follow, triggering a process referred to as the talent treadmill, a self-perpetuating cycle of recruitment and turnover defined by lots of time and effort but no real forward progress.

Quick fixes to boost sales performance typically over-promise and under-deliver. Changes to sales compensation or broad-based sales training may be absolutely necessary and valuable but only when they are implemented in the context of a clear sales strategy and a determination of the right types of sales and

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game plan and the right people to execute it.” HR business partners can learn a lot and enhance their credibility when they invest time to understand sales strategy, customers and prospects. Bruce Jacobson, executive vice president of sales at Crown Imports, said,

sales support roles needed to drive growth and profitability. Unfortunately, the level of analysis and discussion required is often short-circuited or incomplete.

So, what can we do about this problem? Here are specific steps that human resources can take with sales to improve effectiveness in attracting, deploying and retaining the right sales talent.

Step 1 Understand Sales Strategy Before Making Assumptions About Talent Requirements

When it comes to building a sales organization that can execute the company’s strategy, the question boils down to: What’s the right number and type of sales and sales support needed to address customers

and prospects? Answering this question requires clarity about the size of the market potential. That data should guide the level of resource investment; what sales directors call the sales coverage model — how many people, in which roles and where they are located.

Crown Imports LLC in Chicago imports and distributes America’s No. 1 imported beer, Corona Extra. Bill Hackett, president of Crown Imports, stresses the importance of strategy execution. “The right strategy is important but it’s imperative that we have the right processes and structure to get the job done. That is why we work hard at hiring the best talent in the market. We need people who are focused on winning every day. Success in this business is all about having the right

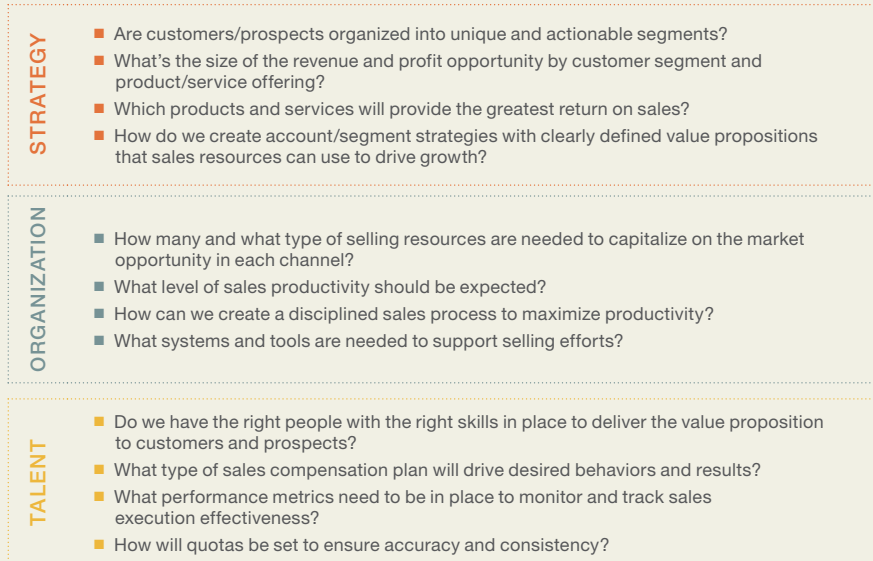
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A deep understanding of the company’s products and services is a prerequisite to figuring out the type of talent needed, where to source it, attract it and how to acquire it. Market conditions like geography, territory size, market maturity and economic climate are other variables to consider when aligning sales resources with strategy. When sales leaders and human resources fail to have these conversations, the results lead to missed expectations, at best. Sales believes that “HR just doesn’t get our business.” Human resources ends up feeling that “Sales isn’t

Figure 1 | Sales Growth Value Chain



Source: Axiom Consulting Partners



clear about what they really need.” Figure 1 provides questions that can help human resources explore what’s needed to drive growth. These questions can also add real value if sales leadership is new to the business or hasn’t addressed them yet in a comprehensive or systematic manner.

Step 2 Understand the Type of Sales Roles Required and How They Will Work Together

Not all sales roles are equal. Account management, often referred to as farming, focuses on growing a fixed or assigned account. In contrast, new account acquisition, or hunting, involves prospecting, targeting and acquiring new customers.

In ongoing research at Chally Group Worldwide, nearly 500,000 sales professionals have been researched across 14 specialized sales roles. The results are compelling: A top producer (measured in revenue produced) in one type of sales role may not be equally successful in all sales roles. In 2011, 900 sales organizations were investigated to showcase the profiles of the top 20 percent of those in hunting roles, compared with the characteristics, skills and traits needed in other selling roles. The research reveals that there is a real difference between what it takes to be a good hunter versus a farmer. Only 30.1 percent of hunters in the study were likely to perform as an account manager with some success,

and only 7.3 percent of those same hunters were likely to excel as a more senior strategic account manager.

It is also important to understand how various sales roles and sales support resources will interact with each other during the course of a sale. Lack of clarity about how roles interact (e.g., inside sales and account management) and the division of labor across the typical steps in a sales process are major sources of productivity dilution. This level of clarity is important when sourcing and recruiting candidates and explaining to them how they fit into the sales organization. Figure 2 is an illustrative sales process map that can be very helpful in clarifying how sales resources will work together. It can also help sales leaders identify gaps in

Figure 2 | Sales Process Map

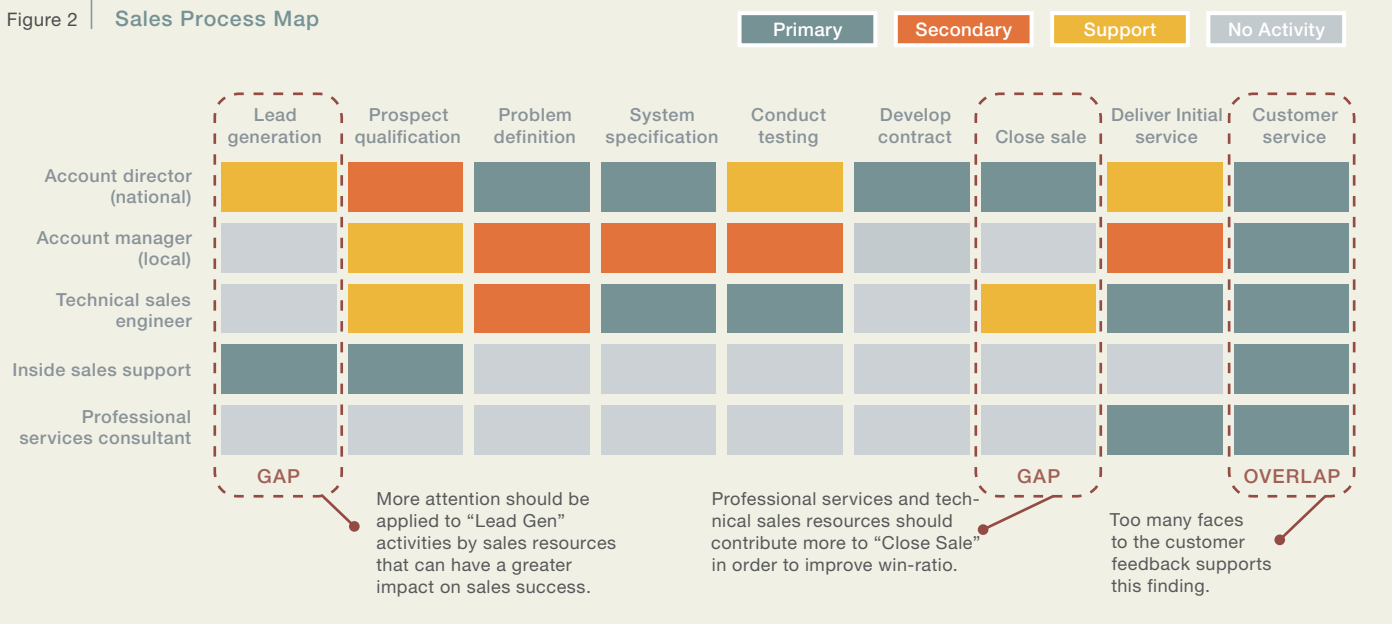
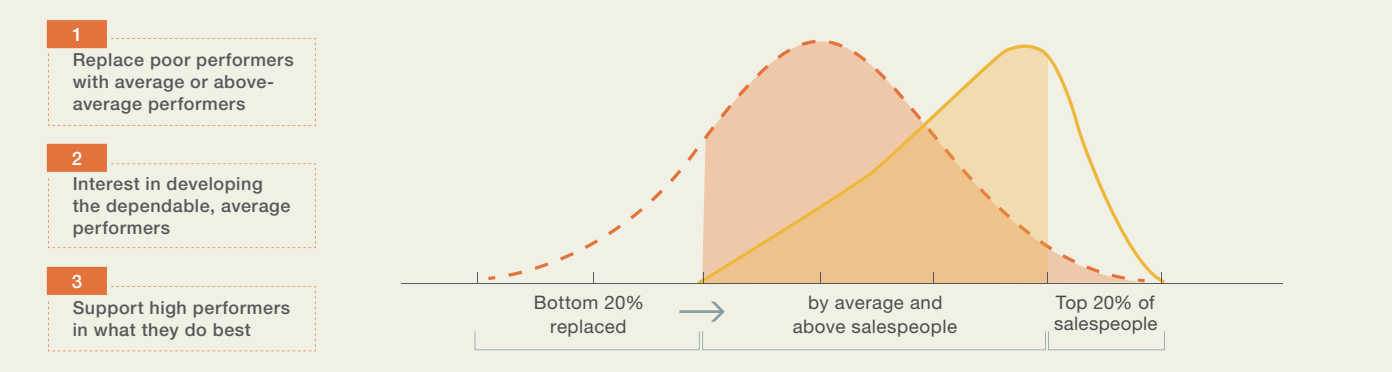


Figure 3 | Shifting the Sales Performance Curve



Even modest improvements in dependable performers' revenue generation can have a serious impact due to the fact that they represent the lion's share of the typical salesforce in most companies.

how resources are currently deployed. In Figure 2, not enough focus is being placed on lead generation. By contrast, too many resources are engaged in ongoing customer service — the last activity on the process map.

Step 3

Do More With What You Have: Deploy the Right People in the Right Roles

Don't overlook the opportunity to redeploy the people you have into roles for which they are better suited. Human resources can provide significant value by helping conduct a broad-based talent audit to evaluate whether the current salesforce is optimally deployed. Some people in hunting roles, for example, may be better suited for farming roles or for inside sales. A talent audit can help a new sales leader understand the talent he/she has inherited. Taking a single objective assessment online can score each individual sales resource in terms of their fit and potential for success across a full spectrum of sales roles. The results of an objective assessment can be used to aid immediate redeployment and longer-term career planning within the salesforce,

as well as identify salespeople who can benefit from coaching.

Global Imaging, a Xerox Co., demonstrates the importance of knowing its talent. "Assessing sales candidates for us is critical to ensure we understand the competencies and skill sets that the person likely has before we invest in them," said Wilson Vega, senior vice president with Global Imaging. "You cannot underestimate the importance of assessing, interviewing and placing people in the right seats, and then using those data to drive development and succession."

Fran Bird, HR director, Americas, at Orange Business Services, describes the importance of a data-driven approach to talent assessment. "We undertook a significant sales transformation in 2010 that looked at our strategy, organization design and talent. For the talent review we felt that it was very important to take an objective approach that not only looked at people's historical sales performance but also looked at their future potential. This allowed us to make appropriate decisions about the right people for various roles and also provided the added benefit of

providing insights on coaching and development needs."

Step 4

Focus on "Moving the Middle"

Sales organizations frequently spend too much time managing top and bottom performers at the expense of average performers. The authors' experience suggests that the greatest financial benefits are achieved by addressing all three in a way that "moves the middle."

A Chally Group study of 900 salesforces found that on average, top performers (20 percent of the salesforce) produce 52 percent of revenue, dependable performers (60 percent of salesforce) produce 45 percent and low performers (20 percent of the salesforce) produce only 3 percent.

A recent client engagement with a commercial insurance provider illustrates the value of segmenting the salesforce into low, dependable and top performers. The work revealed that, on average, low-performing reps produced \$150,000, compared to \$670,000 for average performers and \$2.3 million for their high-producing reps. Assuming a 100-person sales organization with a 20/60/20 distribution, replacing just half of the low performers with dependable ones would have resulted in a total revenue increase from \$89.2 million to \$94.4 million.

Providing some training and coaching to the average, dependable performers, along with a disciplined sales process, can quickly elevate performance. Even modest improvements in dependable performers' revenue generation can have a serious impact due to the fact that they represent the lion's share of the typical salesforce in most companies. So, while it might be exciting to think

"Just Find Me Good Salespeople Who Can Grow the Business"

"I have been doing this for more than 20 years. I know a good salesperson when I see one," said the senior vice president of sales at a Netherlands-based international food and beverage organization. But the senior vice president struggled for a response when asked, "A good salesperson for what, exactly?" | Different selling roles require different skills and competencies. Commercial airline pilots and helicopter tour pilots both fly, but require considerably different skills. While this leader was focused on growing the business, the question of how to do so was unclear. For example, if the company already had significant share in a saturated market it probably won't benefit by adding pure hunters since a saturated market implies few new target customers or prospects. In that case, a better strategy would be further penetration of existing accounts through improved account management.

about having more superstars, there's a significant opportunity to improve revenues and drive growth by moving the middle and raising the average performance of the salesforce by: (a) replacing low performers with average or above-average performers; (b) investing in and developing dependable and above-average performers; (c) supporting top performers.

Step 5

Clarify and Showcase the Employee Value Proposition

Salespeople want to be sold to. Be clear about how to sell them on working at your company. Clearly, compensation is an important motivator; we've had clients tell us that some of their best salespeople are "coin operated." In truth, this is an over simplification. Salespeople want clear account plans. They want to know how the company will help them win, the features and benefits

of what they're selling and the type of company they are working for. It's important to be compelling and differentiated in communicating your employee value proposition. Human resources and sales should partner to answer the questions: What's truly unique about working at this company? What can we showcase to attract and hire new salespeople and retain the existing salesforce?

Conclusion

Sales is the engine of growth for most businesses. Helping sales leaders attract, deploy and retain the right sales talent is therefore one of the most valuable services human resources can provide. There are always opportunities for human resources and sales leaders to improve how effectively they work together by leveraging each other's capabilities. Sales leaders can help human resources understand sales strategy, customers and products and

the type of selling resources needed. Human resources can help sales apply a similar level of discipline to talent management that the sales organization routinely applies to managing customers and prospects. **WF**

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