

ARE SALES PEOPLE MADE OR BORN? IS HIRING OR TRAINING MORE IMPORTANT?

Those of us who manage sales people realize that although we can teach sales people product, customer and competitive knowledge and can even improve their sales skills, we cannot teach sales people empathy, confidence, persistence, drive and enthusiasm or the ability to accept rejection. As a sales management professional, how can we use this realization to improve sales force performance?

The most important task of any sales manager is recruitment. No matter how good you are at training, motivation, leadership, forecasting and performance management, all that applied to mediocre sales people, only produces mediocre results. The cost of hiring and retaining a mediocre sales person or replacing this sales person exceeds one year's compensation for that person. This includes the out of pocket and overhead expenses of hiring, training and direct compensation plus lost opportunity costs with customers.

In the July-August 2006 Harvard Business Review, David Mayer and Herbert M. Greenberg wrote an article and published data on the relationship between a sales person's success and his/her ability to not only empathize with customers but also overcome a customer's hesitation to buy. The latter relates to ego drive and overcoming the fear of rejection along with proper use of sales skills. If we assume there is a relationship, what recruitment tools can we use to predict a sales person's customer empathy, ego drive and comfort with rejection.

A sales person's job is not to sell products or services, but to satisfy personal and corporate needs of customers. To do that a sales person must use probing questions to discover those needs, but also show understanding and empathy toward those needs. Without empathy you cannot do partnership or consultative selling. The best sales people are flexible in their approach to customers. This type of empathy creates warmth with customers. We buy from experts and friends. He or she understands and cares about me and my company. The right interviewing techniques, reference checking and testing can measure empathy and ego drive. Herbert M Greenberg, one the authors of the HBR article is President and CEO of Caliper Management, a Princeton, NJ human resource testing firm.

The second characteristic the HBR article mentions is the successful sales person's ability to overcome a customer's hesitation to buy. We might say such a sales person has a high need to achieve, a need to conquer, a lot of drive or ego. Such sales people want to make a sale, want to beat last year's figures not just for the compensation, but because of their need to excel. Continual improvement and the ability to persuade are important to their self-image. The ability to overcome objections and not to fear rejection becomes important characteristics. The ability to properly blend empathy and drive can only be found in a small percentage of sales people. When empathy becomes sympathy the drive to close diminishes. Again through proper sourcing, interviewing, reference checking and testing, you can accurately predict ego drive and the need to achieve.

Think about sales people you have made major purchases from. You felt comfortable with them, you trusted them because of their empathy. They asked you the right probing questions and showed interest in you or your firm. They told you about features and benefits, but never lost focus on moving the sales process to the next step.

When recruiting sales people or evaluating your present sales force, how can you determine who uses empathy in selling and who has a high need to achieve, ego drive? Certainly past success in sales speaks to this issue. Has the sales person increased their results and compensation each year? Have they advanced in terms of territories or corporate employer? However, because of market dynamics or territory size or age, some people have not been given an equal opportunity to succeed.

Various aspects of the screening process, interviewing, reference checking and testing also give us ample opportunity to measure empathy and ego drive. To start with, be sure that empathy and ego drive appear on your firm's sales person candidate profile under characteristics.

In interviewing candidates challenge their ability to successfully sell your products/services. Question how their background qualifies them for a sales position at your firm. Simulate an actual sales situation by throwing some rejection at them. You might say "I admire your experience, but I am not sure how it qualifies you for the sales position we are interviewing for". Then go into a strategic silence and see what happens. Measure the candidates' ego drive and persistence by their follow up to the interview. Ask them to call you next Tuesday at 9:45 to discuss the next step in the hiring process, but make yourself difficult to reach. See how many times he/she calls. On the second interview ask the candidate to sell you his/her previous product/service and look for his/her ability to establish rapport and empathy, overcome objections, establish needs, present features and drive toward a close.

As a candidate for the open position, does the sales person empathize with you, present his/her benefits, and always try to move the hiring process to the next step? Does the candidate consider the job offer as a challenge? Does the candidate exude confidence and enthusiasm which can be signs of ego drive?

Ask the candidate to do a role play or a case study where empathy and ego drive must be used. Always initially screen candidates with a phone interview. Do they establish rapport and empathy over the phone? Do they ask for an in-person interview?

During the in-person interview ask them open ended probing questions concerning empathy and ego drive. For example, how would the candidate describe empathy and ego drive in a sales person and describe how they use it? The answers are revealing and will surprise you. You might ask the candidate who he/she had trouble selling and why, and what they did about it?

In checking references from past managers, inject some questions concerning the candidates' drive and customer empathy. You might ask did the candidate show a high need for challenge and achievement, by continually improving results, opening new accounts, increasing customer share? In checking references with past customers you might ask did the candidate help the customer solve his/ her corporate needs/problems, show interest in them and their business, increase his/ her firms' share of the customer's business.

And of course look for aptitude and skills tests, like Caliper, that measure and comment on a candidate's ability to empathize and need to succeed. Before using the tests as a hiring filter, have your present sales force take it. Do your best performers score differently than the "not so best"? Only have the final two or three candidates take the test. Don't use the tests to select a candidate, but do use the tests to see if the candidate you selected scored high enough on empathy and drive.

Hiring is a process, one step logically follows another. For a more complete look at the hiring process refer to one of my recent McGraw-Hill books: "Sales Management Demystified" or "Sales Management, The McGraw-Hill Executive MBA Series". Also for a more complete look at the entire sales management process consider attending my University Of Chicago Graduate School Of Business Executive Education Course, The Fundamental of Effective Sales Management.

Next month we will look at another sales management topic. Stay tuned in.

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