



# ROLLING THE DICE

"Traditional interviewing methods are effective in finding qualified salespeople less than one out of five times. Yet ninety percent of all job hires are made by an interview."

By Ira Wolfe

**S**ales Help Wanted: Grow territory from scratch. New competitors enter market every day. Customers only care about price. Low margins, long hours. Call today.

You will likely never see this ad. But truth be known, this is the real story of most sales positions. Too bad...it doesn't have to be that way.

Hiring star employees who don't seem to work out seems to be commonplace in today's tight market. Several companies have figured out the game of hiring the right people for the right job. Most have not. You upped the ante for recruitment. You increased the base salary, added commissions and offered more benefits. And yet your salespeople become distracted and nonproductive and this year's entire sales quota is already in jeopardy.

The average return on investment for mis-hires earning less than \$100,000 per year is - 300 percent. Yes, that's right - a negative 300%. The bottom line suffers even more: the higher the base salary. For professional sales and managers receiving a base salary between \$100,000 and \$250,000, the return on investment is a staggering -565 percent. (Yes, that's a negative 565!) (Source: The Astronomical Costs of Mis-Hires, TopGrading, Bradford D. Smart, Ph.D.)

The need for a sustainable, competitive edge in today's market is a high performing sales force. With the blur between product lines and brand names having all but erased the customer loyalties, the single best differentiator is the sales force. Select the wrong representative of your company and you could end up ceding market share to the competition. Employers and managers must respond in a smart way, which may not be the same way it's always been done.

This being true, why do managers insist on using the job interview alone for job selection? It must be managers simply haven't figured out how to deal with the dearth of talent. Because according to Bill Bonstetter in *The Performance DNA™ System manual*, "Traditional interviewing methods are effective less than one out of five times. Yet ninety percent of all job hires are made by an interview."

In all fairness, as a result of a lack of time and lack of applicants, managers try to do the best they can with what they got. With pressure to grow sales, maintain market share, increase profits and satisfy customers, they make quick and intuitive decisions based on available information and subjective performance measures. Research, however, points clearly to underperformance by employees (in any job, not only sales) is the result of a fundamental mismatch between the skills and competencies required in the job and the person hired for the job. It is almost impossible to find someone with a

complete mix of relevant skills regardless of the selection tools you use, and the interview is incredibly ineffective when used as the only tool for predicting a candidate's mastery of the job.

A successful selection process seeks not only at the experience, product knowledge, and sales skills but the performance factors that separate the top performers from the average salesperson. Skills for successful sales will differ from product to product, industry to industry, region to region. The skills may differ for new products and mature products, new and old territories.

The purpose of the interview is to evaluate how well a job candidate can do the job, not how well he can interview. Most interviews and reference checks focus on what the candidate has accomplished. The interview and selection process should focus on how he/she accomplished the tasks or projects and did he/she accomplish it on his/her own.

The ultimate challenge managers confront then is learning how to accurately assess the talent of the individual, his or her fit with the organization and ultimately his or her willingness to share their talent with you. What makes some salespeople so good and what is this competence worth? In one study, the top 10 percent exceeded average performers by 320 percent! In another study, the top 10 percent of a sales force sold more than twice the average. Given the typical salary around \$42,000, the top performers sold about eighty-eight times their salary.

If the interview-only method is an ineffective way to hire top performers in today's tight labor market and competitive markets, how can you accurately measure performance competencies like motivation, decision-making skills, enthusiasm, persistence, customer service or frustration (rejection) tolerance with questions alone?

Identifying top performers begins with determining what hard (technical) and soft skills are needed to succeed. Job candidate are qualified for the job by identifying the tools that will help answer the following questions:

- Can the individual sell?
- How will the individual sell?
- Why will the individual sell?
- Will the individual sell for you?
- With what intensity will the individual sell?
- How effective and efficient is the individual?
- How much structure or independence does the individual require?
- How well does the individual deal with day-to-day stresses?
- Can they build a pipeline or generate repeat sales from existing customers?
- Do they sell the jigsaw pieces to the puzzle or the complete picture as the solution?

The interview is one crucial and vital tool. With the conversion of "testing" from paper and pencil tools requiring manual interpretation to real-time processing on the Internet, the inclusion of behavioral, motivational and skills testing for sales and management selection and development is a must-have competitive edge. The addition of behavioral and sales skill assessments dramatically improves the reliability of the interview process by accurately identifying how, why and how intense and effectively he or she will sell.

Three tools with a reliable track record are highly predictive at identifying top salespeople (and managers) for high growth, high tech and entrepreneurial companies or stagnant companies willing to make the changes to become competitive are *Managing for Success™ Sales Report*, *Personal Interests, Attitudes and Values™*, and the *Quality of Motivation™ Questionnaire*.

*Managing for Success Reports*, also available for managers, customer service, team-building, an time management, answer the following question: how will they approach problems, influence people, deal with the pace, and comply with procedures set by others.

The *Personal Interests, Attitudes and Values* measures how likely your product, service, company culture, and rewards programs will satisfy the salespeople for the short-term and the long haul. In other words, what internal rewards drive their behavior.

The third survey, *Quality of Motivation Questionnaire*, answers that ubiquitous question - the person motivated? How will he or she confront rejection? Will they persist or quit? Will they be motivated by the hunt for new customers or the maintenance of current ones? Will they share information, take risks, and put in the effort to be successful? The *Quality of Motivation* provides the manager insights into these, as well as the individual's effectiveness and efficiency, curious decision-making rate and frustration tolerance (task persistence).

People with the right behavioral style, attitude consistent with the culture, and motivation needs to thrive in the job and environment are more likely to get up to full-speed quicker, learn and be challenged, stay longer, make fewer errors, be more dependable and reliable, make better team player, and in short, provide a much better return on your payroll and training investment.

Using assessment tools is the smart way to recruit, retain and develop a high performing sales force.

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