

How to

Avoid hiring the wrong BDM or Sales Person

Essential information for anyone recruiting a Sales or Business Development Manager

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Ever been sold to by a candidate in an interview only to be disappointed with the person once they started in the job? Sales people are skilled at selling themselves; this however doesn't always correlate to sales success in the job.



To avoid making a costly hiring mistake, during the interview it is essential to tap into how the sales person will **actually** perform in your specific role.

There are two key areas that must first be thought through when hiring a Business Development Manager or sales person.

1. Sales success is a combination of what someone does and how they do it. In HR speak this means, their skills and experience and their behavioural competences. Before you start to interview, be clear about what you are looking for in your new hire. Define the skills and experience required i.e. what they need to bring to the role and do in the role, then be very clear on which competencies are important i.e. how they need to perform in the role. Unless you know what you are looking for, it's very easy to be impressed by someone who sells themselves to you and make the mistake of hiring someone who impresses but actually can't deliver what you need.

2. Know what sales success looks like in your organisation and culture, so you can assess if the interviewees past success is transferrable to your specific role and organisation. Don't be fooled, just because someone was successful in one role and environment doesn't necessarily mean they will be successful in yours!

The following questions are designed to help identify those people that are more likely to be successful and to help you understand the context of their previous success.

1. **Why did you apply for this job?**

Purpose of the question – to assess their motivation, and knowledge of the company and role. You want to see if they have researched the job/ organisation/ you as the hiring manager / your competitors etc. You can assess how much effort they were prepared to put in. This is likely to be indicative of the effort they would put into the job. You also want to see if their motivation is for career progression and stretch or more of the same / a less stressful role etc. Again this indicates motivation and effort. Top sales people don't want a new role for more of the same!

2. **Describe the work environment or culture where you were most successful and happy.**

Purpose – to see if what motivates them is what your organisation provides. This is likely to highlight if they like team work or to work autonomously, if they enjoy direct sales or account development if they like to be tightly managed or not. If the culture or environment they enjoy is not what you offer, they are less likely to be enthused in the role. Some highly



successful account managers have been huge failures when asked to build new business and visa versa.

3. In your last role, how would you rate yourself as a BDM or Sales person? Compare this in terms of achieving your sales objectives?

Purpose – see what they think of their own achievements. Are they full of hot air, honest or too modest? It's important to probe deeply here. How did they compare with others? Do they just talk about clients but not revenue or profit? If they didn't meet their sales targets, did they accept ownership, or blame others or the market? Probe to see if they did anything to achieve the result above and beyond what others might have done, or if they didn't. Top sales people know their results, if they can't tell you; this is likely to be indicative of their ability.

4. What remuneration structure do you prefer and why?

Purpose – motivated and competent sales people are comfortable with having an 'at risk' component to their salary package. Often top sales people are prepared to back themselves, by having a base plus a high commission component or bonus. Many see this as motivational. Less talented or competent BDM's or sales people often prefer a higher base and smaller commission. This means if they fail to reach targets it is less of a problem financially for them, but not for you!



5. Tell me how you developed sales in your last / current role. Were you proud of this or disappointed and why?

Purpose – The answer to this question will tell you if the manner in which they developed business is the same or different to that expected in your role. For example; they may have been given leads to follow up, they may have been given clients to maintain, they may have identified a new market from scratch or they may have been given a new product to sell into a cold market. You need to assess if their situation is similar to yours.

The second follow up question provides more insight into their achievement orientation.

6. Tell me when you felt saddened or demotivated in your role, what caused this and what did you do as a result?

A BDM or sales role is never plain sailing. The role is full of ups and downs, its how people react to obstacles and set backs that is important to their success. Tenacity and resilience are key traits for a successful sales person. This question will help identify what it takes to throw the person off course and how they reacted to this. It will give you an insight into how little or much it takes to knock them.



7. **Don't think about this at all, success for this question is speed. Tell me three things you love to do in your role. Then ask Tell me three things you like to do least in your role.**

Purpose – When under pressure we don't have time to think about the politically correct answer or the prepared interview answer, we often just say what's top of mind. This type of answer is often more honest of our real likes and dislikes. As an example, if the person says they dislike cold calling, and your role requires a significant amount of cold calling, then no matter how impressive they look and sound, they are unlikely to be successful in your role. People put their energy where their interests lie. If the person loved connecting on social media, then that's where they will put their effort. If that's not what you want for your role, there is likely to be a disconnect.

8. **Tell me what you have been most proud of at work in the last few years.**

- Purpose – to assess if they are a good fit for the role. You can assess if they are proud of the achievements that you also think are noteworthy. Some sales people focus on the thrill of the hunt for new clients, others on dealing with a difficult client, others on nurturing and developing others. It's important there is a correlation to your needs in the role.



9. **What do you think would differentiate a top performer from an average performer in this role? Get the response then ask. If we asked your last / current boss to compare you against this, what would they say? Get the response then say Are you ok if we ask your boss this question as part of the reference check process?**

- Purpose – to see if the candidate really understands what is required in the role to be successful. Then to assess if they are prepared to have their comparison of their ability validated. Top performers are OK with this, average performers are more uncomfortable and try and wiggle out of the direct reference check question.

Other options

10. **Role plays**



Another strategy to help determine suitability for your job is to role play with the candidates being interviewed. Behaviour speaks much louder than words!

A confronting strategy is to stop the interview and say to the interviewee. "I'm not sure you are the right person for this role", then assess their response. How they respond is likely to be an indication of how they will handle objections in the role. They may react by trying to understand what you are looking for and then selling themselves into the role or they may simply say "ok well that's your choice, I'm sorry you



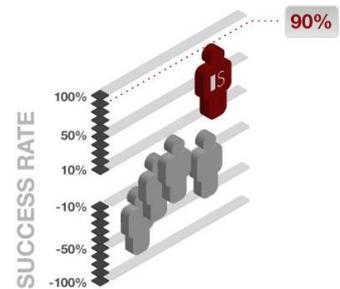
feel that way” in which case you know they give in too easily. Alternatively you could provide a sales situation and role play the sale with them. This will assess their sales skill and ability to think on their feet under pressure.

11. Solve Problems

You could ask the interviewee to solve a real or hypothetical problem to gauge their reaction. – “ We have this challenge / problem, what would you suggest we do?” This gives you insight into their thinking ability and problem solving competence.

12. Testing

There are a couple of assessments we would recommend to significantly reduce the risk of getting it wrong. One on-line assessment in particular can tell you with a high level of accuracy if your potential new employee is motivated to be in a sales role, if they are likely to be able to cold call, ask for referrals, and contact high level decision makers with a view to selling to them. On the other hand, the assessment will also tell you if your potential new hire is likely to avoid making sales by over preparing, if they will give in too easily and if they don't set high goals for themselves and so are happy with average performance results.



Summary

The more clarity you have around, what you are looking for and why this is important, the easier it is to assess people against this criteria in the interview process. Recruitment is not an exact science, however the more objective measures you put in the process, the more likely you are to make a better hiring decision. The combination of probing behavioural interview questions, role plays and testing reduces the risk of getting it wrong significantly.

Let’s think how much a poor sales hire can actually cost. Once we understand this in financial terms it makes the decision to invest in the correct interview and assessment process a whole lot easier!

Example

Let’s assume you are paying your new BDM a Salary of \$100,000. The following workflow assumes you advertise and get an adequate response from the internet, which we know is unlikely however it still makes the point. We also assume you have the processes in place to recognise an incorrect hire and take action within the 3 month probation period.

Recruitment process	Activity	Time	Cost
Recruitment decisions	Discussions with HR and the Sales Director to make a new hire	1 hour	HR salary/HR \$70 Sales Director \$140
Advertising	Write advert & place on line	HR 1 hour	\$70 cost of advert \$150



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Shortlisting	Assessing shortlist and advert response	HR 4 hours	\$280
Scheduling Interviews	Organising interview	HR 2 hours	\$140
First round Interviews	Interviews for 4 candidates	HR 4 hours of interview plus 15 mins per person writing notes	5 hours@ \$70=\$350
Second round interviews	Interviews 2 shortlisted candidates	HR & Sales Director 2 hours plus one hour discussion	3@ \$70=\$210 3@ \$140 = \$420
Reference checks	HR	HR one hour	\$70
Admin	Make offer, schedule start date and letters of offer, organise induction etc.	HR two hours Admin one hour	2@ \$70= \$140 1@ \$35=\$35
Probation	Person starts, induction, training and introduction to clients	BDM 3 months= 40 hours x 12 weeks= 480 @ \$50/HR	\$24,000
Training	Sales Director	4 hours @ \$140	\$560
Training	Admin & others	6 hours @ \$70	\$420
Performance management discussion	Sales Director & HR discuss performance in probation period	3 hours each	3@ \$70=\$210 3@ \$140= \$420
Performance conversation with BDM	Sales Director, HR Manager, BDM	2 hours each conservatively	2@ \$70=\$140 2@ \$140=\$280 2@ \$50=\$100

In the above example, the **total cost of making the wrong hiring choice** and recognising this within the 3 month probation period is **\$29,205**.

Once you have recognised this you then have to go through the whole hiring process again to find the replacement. These figures do not take into account sales opportunity loss, loss of good will or morale that goes hand in hand with an incorrect sales hire.

These figures alone clearly demonstrate why the investment in thorough recruitment and assessment processes are important, especially when it comes to BDM's or Sales people.

If you feel your hiring processes could benefit from a review, Selection Partners can help you create job descriptions and success profiles, provide interview training for your managers and provide sales tests for your shortlists. Alternatively, you could simply outsource the recruitment process to us. We can significantly reduce the risk of you making poor hiring decisions and improve your skill in getting it right.

For more information contact June or Toby on 03 8566 8600 or email june@selectionpartners.com.au.

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