

Sales Industry Overview

Emerging Hiring Trends to
Keep Your Company Relevant



SALESDRIVE^{LLC}

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Introduction

The landscape of sales is evolving to keep up with the times. Practices in B2B sales have been altered more dramatically, incited by advances in telecommunication and internet resources. The 2008 recession acted as a catalystⁱ, forcing businesses to focus on streamlining the costs of their salespeople. B2B sales infrastructure and manpower has been traditionally more expensive for companies to maintain than B2C sales.

Hiring effective sales talent can be more challenging than hiring for other roles, especially due to the impact sales can have on the company's overall well-being. In fact, a study in 2007 found that 63% of companies do not have an effective or reliable set of processes for finding and signing qualified candidatesⁱⁱ.

Sales organizations are becoming more segmented as their clients' companies diversify their portfolios. Fewer young candidates are applying for careers in sales, while older generations are retiring later or returning to the workforce.

In light of these challenges, sales organizations have responded in kind. There are many new trends emerging when it comes to hiring and retaining top sales talent. The key is to recognize when you are swimming against the current, so you can turn around and go the other way.

Top Sales Hiring Trends in 2018

A good understanding of the current trends throughout the sales industry can shed valuable insight on outdated techniques you may be using, new hiring practices to consider and important practices that your competitors are likely using (that you should be using too).

To quote Marshall Goldsmith, “what got you here won’t get you there.” It is time to take a hard look at your current sales hiring practices and evaluate how to update them with the changing times.

Consider how the following current sales trends can influence your hiring decisions:

Commission is Out

Many businesses have begun recruiting salary-based salespeople. Some companies even take it a step further by announcing to their customer base that they have eliminated commissioned sales reps.

This change is in response to a stereotype that portrays commissioned employees as self-interested and profit-oriented. Many companies report that commission makes some clients incredibly suspicious of add-on sales, cold calls and even the value of the product or service they are selling.

A common saying in sales used to be “whatever the market will bear.” This implies that every sale should be pushed to whatever limit the customer will allow. While maximizing sales might increase profits in the short-term, ultimately your clients will leave if they feel they have been had.

Furthermore, with the widespread use of the internet and smartphones, many customers today do a little research before making a purchase. They often do a little digging about the sales company itself and may even find reviews or job listings that will inform them as to how your sales team is compensated. If the salesperson in question is paid by salary, clients are often more likely to let down their guard.

Making the decision to oust commission may depend on the number of veterans in your sales team. Many seasoned sales professionals may feel that eliminating commission caps their pay. Never drive out your current talent if the team works but you may find success in working out a salary program that is an attractive incentive to make the compensation switch.



No Experience New Hires

The goal of acquiring new talent is to find people who are both intelligent enough to hit the ground running while digesting new product knowledge and are emotionally open enough to connect with clients. Less than 20% of salespeople have that overlap. Attracting experienced salespeople who harbor both traits is even more challenging, because they are typically the top performers in their environment and are treated well.

This is why companies are turning to outside hires to solve this problem. The pool of potential candidates is much larger, and competitors are less likely to focus on the same candidates.

Even more telling is that businesses are beginning to focus hiring efforts on those with the emotional capacity to connect as opposed to critical thinking skills. Figure 1 shows data collected by the CEB Sales Leadership Council, where hiring managers would classify more than 75% of their sales employees as displaying moderate to high emotional intelligenceⁱⁱⁱ.

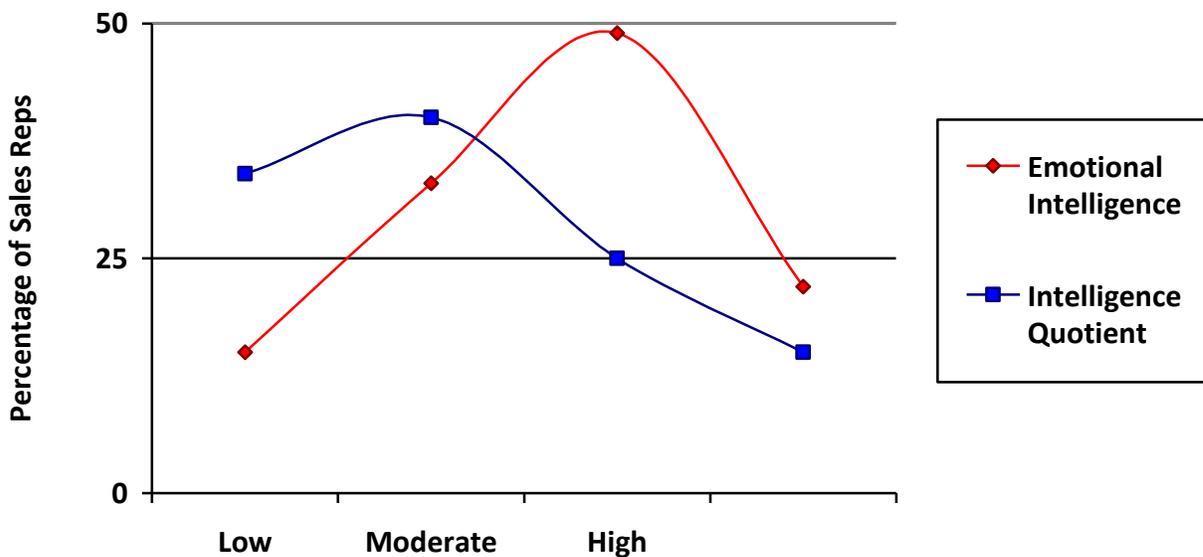


Figure 1. Comparison between emotional and intelligence quotient of sales reps.

Strong Technical Knowledge is Beginning to Matter (in some sectors)

One of the first things fresh sales reps learn is how to avoid overwhelming customers with product knowledge. However, selling electronics, 3D printers or advanced instrumentation is very different than selling real estate or cosmetics. Specifications matter far more in these fields, even in B2C transactions.

Especially in technological sales, product knowledge is becoming increasingly important^v. More and more software engineers and manufacturing gurus are being hand-picked to enter sales. As consumers get used to scoping specifications in expensive electronic devices, the general population is doing more research ahead of time. Search engines and aggregator sites have made this process much easier. Sales reps need to be at least as knowledgeable as consumers to gain their trust.



Sales Teams Are Expanding

Most industries, from logging to furniture to healthcare, are seeing an increase in their need for a more powerful sales force. While technology, analytics, data and telecommunications have improved the average salesperson's productivity over the past few years, the need for consumer interaction has increased, too.

CareerBuilder has announced that 30% of businesses^v across all industries and sectors have added new full-time sales positions, up from five years ago. This is also 6% higher than other types of jobs, making sales one of the fastest growing, most needed skills. More resumes are being accepted or reviewed from those without industry or sales experienced, proving companies are relying more on in-house training.



Heightened Emphasis on Education

With increased competition, education is going to matter more than before. Those with MBAs are far more likely to climb into supervisory and managerial roles than they may have in the past.

Candidates with special certifications, like real estate, finance and IT, are also finding a leg up, even when moving to unrelated industries. Managers often feel safer letting a new employee handle value propositions or develop a product launch kit, knowing they have proven in the past that they can handle and organize a plethora of technical data.



Industry Changes to B2B Sales

Even in sales between businesses, customers have increased their demands. Depending on the industry, globalization and online resources have made it easier to switch business loyalties. There is a need for increased savvy. Inexpensive and easy transactions have become expected. Further, the needs of each sale expand, sometimes even changing day by day.

Small businesses have far greater access to larger businesses. Twenty years ago companies needed external reps in company-issued cars to drive to remote locations and score new business. Now with specific landing pages, email and video conferences, the costs of maintaining traveling salespeople (who were unable to readily respond to immediate need) have often been slashed in favor of telecommunications and digital platforms.

B2B sales have three major challenges to surmount:

1. The need to develop adaptable, multi-sourced models that can handle any kind of transaction or cost as quickly as possible.
2. Participating in risk-sharing and service-level agreements to showcase company commitment to clients' needs. With the advent of online services, commodity traders can charge rates based on market indexes and throughputs instead of using daily rates.
3. Changing client needs are requiring effective salespeople who are deep-thinkers with powerful problem solving abilities. The increased complexity of modern B2B sales has ensured that simple one-size-fits-all templates are a thing of the past. To combat this change, many companies are layering their sales forces. The idea is to have your frontline salesmen handling all clients, and as the need arises, bring in the more specialized experts to handle specific questions and situations.

Conclusions

Very generally, trends in modern sales point to a preference for emotionally-open sales personalities working in a stable environment, readily available to meet client needs. While delivering good service and effectively meeting client needs are two important factors of successful sales, businesses must also focus their efforts on developing a hiring strategy that is consistent with modern industry trends.

Further, in the digital age it seems we are all craving more immediate attention to our business needs. It is increasingly important that companies are able to find sales representatives that understand buyer demands and find ways to make the most out of a potential connection. By finding a salesperson that can appeal to the personal value of a purchase, your company is almost twice as likely to land a sale as if he had appealed solely to the business value of a purchase.

About SalesDrive, LLC

SalesDrive is the world's only sales assessment organization exclusively dedicated to helping companies in virtually every sector select and hire Driven salespeople.

Our online sales assessment leverages 80+ years of research in the personality traits of high-performing salespeople and is now used by more than 800 companies.



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