

CUTTING EDGE SALES HIRING RESEARCH – SEF ANNOUNCEMENT

Executive Summary:

This research examines the performance implications of three key salesperson hiring heuristics. Specifically, the researchers find that it is ideal to hire:

- (1) Highly experienced individuals who have proven themselves in the field,
- (2) Inexperienced individuals that can be molded to the firm's culture, methods, etc., and
- (3) Inexperienced individuals who have participated in collegiate sales education programs and possess knowledge in a general sales method, yet are not colored by the context of their prior experience.

Results of the multi-firm, longitudinal analysis include:

- Newly hired salespeople with prior experience achieve high performance immediately upon starting the new position, but exhibit relatively flat performance growth over time.
- Traditional, inexperienced college graduates have low performance initially which steadily grows over time.
- Sales educated, but inexperienced, new hires start at the same low performance level as traditional college graduates, but grow at a much higher rate, eclipsing the performance of the highly experienced new hires within approximately 18 months, while continuing to grow thereafter.

Details:

Individuals are often confronted with difficult choices between two strong, competing options; Coke or Pepsi, Letterman or Leno, “great taste” or “less filling.” For sales managers, one difficult “either/or” choice revolves around whom to hire. That is, is it better for an organization to hire experienced salespeople, or “fresh recruits” straight out of collegiate sales programs? New research led by Willy Bolander at Florida State University, and forthcoming in the *Journal of Personal Selling and Sales Management*, provides much needed insight into this critical question.

The benefits of hiring experienced salespeople are clear. Armed with product knowledge, time and territory management skills, and the general know-how that comes with being a professional, experienced hires are expected to “ramp-up” more quickly than their inexperienced counterparts who arrive straight from college. And, indeed, this research finds just that. However, the story does not end there. While experienced hires ramp up quicker, their performance tends to flatten over time, meaning that while they start out performing ok, they tend not to improve very much. Contrast that with what the research team found in regards to inexperienced hires from collegiate sales programs. While these individuals start off at a lower level of performance—after all, they have to learn those finer points of being a professional salesperson—their performance takes off and significantly eclipses that of experienced hires, generally around 18 months post hire. In short, for organizations looking for sustained, long-term success, it pays to hire collegiately trained, inexperienced salespeople.

The reason behind this finding is due to the nature of collegiate sales training. While much of a firm's training for new hires generally centers on product knowledge, collegiate sales training typically focuses on the sales process itself, with product knowledge being of secondary importance. Thus, when hired, collegiately trained salespeople possess the flexible and adaptable "mental models" needed to sell anything from warehousing equipment to athletic wear. This helps them avoid the "baggage" of sub-optimal selling practices that experienced hires often bring with from their previous employers, which could limit these experienced hires' long-term effectiveness.

But the findings don't end there. While the results of this research suggest that it pays, over the long-run, to hire collegiately educated salespeople, there are certain coaching behaviors that sales managers can manifest which have differential impact on experienced salespeople and collegiately educated hires. For example, experienced hires often don't benefit from direct, corrective feedback—viewing it as a blow to their ego—and instead look to the sales manager for positive, role modeling behaviors. For their part, collegiately educated new hires respond well to direct, corrective feedback—negative stereotypes about "entitled Millennials" aside—because they have been accustomed to receiving it from their sales professors for the previous 4 years!

Sales managers often face tough decisions, and the results of this research suggest that hiring choices are nuanced, and optimal decisions might need to account for factors such as expected turnover and other firm-specific needs. However, one thing is clear. If sales organizations want to achieve long-lasting success, they need to start looking toward collegiate sales programs to fill their talent pipelines.

Further reading:

Bolander, Willy, Cinthia B. Saturnino, Alexis M. Allen, Bryan Hochstein, and Riley Dugan.

"Whom to hire and how to coach them: a longitudinal analysis of newly hired salesperson performance." *Journal of Personal Selling & Sales Management* (2019): 1-17.

<https://doi.org/10.1080/08853134.2019.1654391>