

## Sourcing Strategies

### SALES STRATEGY ISSUE 2.1.2

In our last article we discussed the importance of documented roles & responsibilities. This is important for your existing sales staff, but it is critical in you preparing to hire new sales staff.

Once you determine what it is you're looking for you need to decide where to find them. There are two main methods with several subsets for a search:

### DIRECT VS INDIRECT SOURCING

**Direct Sourcing** – whereby you call or network into specific companies you know have solid sales people with the skills and abilities you need for your documented roles & responsibilities.

**Indirect Sourcing** – whereby you do a posting or advertisement that prospective candidates can respond.

Direct Sourcing, while time consuming, generally yields better candidates. These “passive” candidates are not looking, are generally successful and will come to you if they see your opportunity as a better fit in their career development.

Indirect Sourcing, while easier, generally yields weaker candidates and takes more time. These “active” candidates are generally looking because a) they are unemployed currently or b) see the proverbial “writing on the wall” and know they need to get “out of dodge” quickly – for whatever reasons. When doing indirect sourcing, it is critical that you use the proper screening tools so you can identify only the strong active candidates from the rest of the herd.

These are generalities obviously. Just because someone is an active candidate doesn't mean they are not a good candidate, nor does it mean you're necessarily hiring someone else's “baggage” or “problem.”

### Direct Sourcing Strategies

There are many ways to conduct direct sourcing:

- Use a professional recruiting firm
- Incentivize your existing staff to provide employee referrals
- Ask other business owners what sales reps from other companies call on them that they like and respect
- Attend functions that sales reps generally attend; chamber meetings, networking groups, associations etc... and network
- Conduct web research. Generally, the easiest people to find contact information on a website are sales people. Search out those respected sales organizations and see what you can find via the web
- Etc...

### Indirect Sourcing Strategies –

Newspaper advertisements are generally not used for professional sales postings. Sales people of today are typically using internet job boards. The trend is obvious when one looks at the decline in print advertising for things such as job postings.



Direct vs. Indirect Sourcing

## Direct vs. Indirect Sourcing Strategies

The internet has proven to be a tremendous asset in indirect sourcing. However, it has also proven to be expensive. Not expensive in terms of costs to post, rather, expensive in terms of time. There are millions of active candidate resumes online and many of them are “sales people.” When our firm does a posting for a specific type of sales person, we typically yield 300-500 resumes. That’s a lot of screening time! Generally out of those we will conduct phone interviews with approximately 30. Out of the 30 we will generally move 5 or so to a face to face. Out of those 5 we usually hire 1. Total “typical” time for 1 hire is about 80 to often times over 100 hours! Hence the reason you may want to consider using a professional recruiting firm!

### A word on Recruiting Firms

Like all professions, there are “good” recruiting firms and “not so good” recruiting firms. The benefits of using a professional recruiter are a) time savings, b) tapping into their network of top notch candidates, and guarantees that you don’t get when you do the search yourself!

A good recruiter will provide all of these, and perhaps more. A weak one will cost you time and provide inadequate candidates or candidate flow and cost you time. For this reason, it is important that you do not “cut costs” in this area. A solid professional recruiter will most often not work on contingency fee arrangements, will not accept anything lower than 20% annual pay of the position they are sourcing, and will not generally work in a non-exclusive scenario. If you find a firm that will, you could be sacrificing quality for a few dollars in savings and this will cost you more time and more money than doing it correctly in the first place. If you cannot make this financial commitment, consider alternative sourcing avenues.



### The Use of Professional Recruiting Firms



Whether you are conducting a search on active or passive candidates there are strategies to consider. The important take away from this article should be that you in fact have a strategy to source your candidates and that you don’t approach it in a haphazard or reactive way.

In our next article we’ll get deeper into the recruiting process and discuss processes and tools to help you execute your sourcing strategy!

Until then...

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