

PRICING RECRUITMENT

A Leadership Guide To Hiring The Best Candidates for Pricing & Revenue Team Positions:

- *Pricing Analyst*
- *Pricing / Revenue Managers*
- *Commercial Managers*
- *Head of Pricing /*
- *Head of Yield & Revenue Management*

Taylor
Wells 



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Intro

Dear executive

Hiring candidates for pricing and revenue management roles isn't easy because – even though we are bombarded with CVs, applications and LinkedIn profiles for our job openings – most applicants turn out to be completely unsuitable for the role and pricing team.

From finding good candidates, reading through countless CVs, and investing lots of time and effort interviewing and reference checking, how do you really know you've found the best person for the job? Someone that can do the job you need them to do and work well with you, the team and other stakeholders in the business.

You start by reading this Pricing Recruitment guide. In this fact-filled booklet, you'll discover how to avoid obstacles to quality pricing hires, six common mistakes to hiring pricing professionals and answers to frequently asked questions.

We wrote this guide to help you better understand recruitment for pricing and revenue management teams. Now, with this information, you can hire the absolute best candidates for all your pricing roles.



If you have any questions about recruitment, talent evaluation or setting up a new pricing team reach out to us.

You're invited to call us at (+61) 02 91994523 or at team@taylorwells.com.au. We've dedicated our business to educating on pricing and talent strategy, we'll be happy to help you.

Yours sincerely,
Joanna Wells
Director Taylor Wells Pty. Ltd.



4 common hiring obstacles!



About Taylor Wells Pty Ltd.

Taylor Wells is a pricing talent advisory firm based in Sydney, York Street CBD. We are Pricing People Specialists.

We work with CEOs and executives from leading FT500, ASX and Private Equity firms across Australia, the EU and USA.

Since 2010, our sole purpose and dedication has been helping CEOs and executives achieve world class pricing as they make changes to their business models, operations, teams and culture.

For businesses, we guarantee we'll find you the absolute best candidates for your business and commercial requirements. This includes: evidence and proof that our candidates have the right mix of skills, style and capabilities to accelerate margin expansion and earnings growth in your business and industry.

For managers and analysts looking for pricing roles, we'll guarantee highly relevant learning experiences and advice during the recruitment process that'll help you really understand the role, business strategy and culture.

- To view our jobs go to: taylorwells.com.au/pricing-manager-jobs-sydney-melbourne-brisbane/
- To join our talent network register at: taylorwells.com.au/pricingjobsaustralia/
- To download essential pricing resources go to: taylorwells.com.au/resources-downloads/

#1: FAKE CVs

An increasing number of people are gaming the system and lying on their CVs to get interviews for jobs - especially candidates that don't have the required experiences, skills or capability to do the job in the first place.

#2: UNRELIABLE INTERVIEW RESPONSES

Due to self perception bias, it can be difficult for candidates to accurately evaluate their own strengths and weaknesses for pricing roles – and even harder still for candidates to disclose them at a job interview.

3#: EVOLVING SKILLS AND DISCIPLINE

The majority of pricing roles are changing as quickly as technology improves and commercial requirements change – which in many instances is as soon as 6 months after the role has been filled.

4#: THE EXPERIENCE MYTH

Hiring based on past experience and job title is no longer a reliable way to measure individual pricing capability and best-fit for new pricing roles because pricing skills and competencies are changing rapidly.

5#: BADLY WRITTEN JOB DESCRIPTIONS

Pricing jobs that are narrowly defined with a tight focus on technical skills have been shown to drive good candidates away because they are too prescriptive.

6 common misconceptions

MISCONCEPTION #1: “HR should be able to fill pricing roles themselves.”

Due to limited talent pipelines and screening tools for relatively new disciplines like pricing and revenue management, many recruiters are left with little choice but to compromise on talent and recruitment efficiency measures such as Time-to-Hire and Quality-of-Hire:

Gartner research shows, for example, that it now takes organisations 26 days longer on average to fill professional roles compared to 10 years ago.

Taylor Wells research shows that it takes organisations on average 68 days to recruit junior pricing analyst roles and between 90 to 220 days to recruit a head of pricing role.

MISCONCEPTION #3: “Our brand will attract lots of good candidates to our pricing team.”

Not necessarily. At the current time in Australia, even big brands are finding it very difficult to find and keep hold of high calibre people for their pricing roles.

We are seeing a marked increase in the number of pricing managers and analysts switching between companies and jobs for more pay, more benefits and clearly defined career development opportunities.

We are also seeing recruiters under more pressure than ever before as they compete for a small pool of pricing specialists skilled at navigating sophisticated price optimisation software to drive digital and pricing transformations.

“Talent churn was becoming a serious problem for us – all our best people were leaving and we didn’t have the option to offer them more money to stay.”

HR Business Partner Retail.



Only 1 in 134 applicants have what it takes to be successful in a pricing analyst role

A general manager of pricing & commercial strategy from a major ASX listed Energies business recently told us:

“I joined the function not fully realising the extent of the skills gaps in my pricing and commercial teams. The team has been pulled together from all areas of the business from sales support to admin co-ordinators and finance.

There are no real thinkers in the team or pricing skills and knowledge. It is difficult to compete with our competitors’ pricing strategies and analytics. We are always one-step behind company (X) – our major competitor.”



Optimise the search criteria to redefine and expand the available talent pools

6 common misconceptions about pricing recruitment

MISCONCEPTION #4: “LinkedIn is a great place to find people for roles.”

The whole design and set up of LinkedIn is heavily biased towards a person's: appearance, name, ethnicity and educational background – variables proven to trigger discrimination and overlook real talent.

Experimental economists and psychologists have tested LinkedIn on multiple types of demographic backgrounds and countries. They find LinkedIn profiles and CVs with none white sounding names applying for jobs in Anglo Saxon countries, need to seen 40-70% more than people with Anglo Saxon sounding names to get the same level of call back for interview.

Women also get a harder time getting call backs from businesses in male dominated industries and the reverse is also true.

MISCONCEPTION #5: “Let’s get our regular recruitment agency to help us recruit these pricing roles if we have any difficult.”

Many recruiters and agencies will brag about the size of their candidate database and how they have access to millions of people. However, the reality is that most recruiters don't have any relationships with the pricing community – they have a cold list of names. They don't know who the best people in pricing are because they haven't invested the time to find out. They haven't nurtured any real relationships and rely on cold calling candidates and clients with spurious offers to generate leads and candidates quickly so they get their monthly commission on time.

MISCONCEPTION #6: “Why do we need to hire anyone at all. We'll get Grace from finance to do pricing, she's good with numbers.”

Not only are staff working to full capacity as it is; pricing and revenue management is a full time role and a unique functional discipline. Contrary to what many people think, pricing and revenue management is very different from accountancy, financial reporting or even marketing.

Pricing has also moved a long way from simple cost plus pricing or mark up and mark down tactics. In fact, current pricing and revenue management practices and teams now take an expansive approach to pricing covering areas such as: value based pricing, value engineering, price elasticity modelling and dynamic pricing.

Our research finds that many people from finance and commercial management struggle with advanced pricing concepts and new ways of thinking about value and price – and tend to underperform in pricing roles when they switch over from pure finance roles.



“If I'd of known the types of challenges involved in pricing, I'd never of applied. I don't think I can stay in this job for much longer...”

- Pricing analyst, B2B.

Understand prospective candidates' decision-making process, and act as a career coach

5 FAQs

Value versus price

We are not going to dress it up – recruiting is one of those necessary evils in life like paying your taxes.

The smart decision is to know some simple facts and optimise your recruiting process so you avoid bad hires and any long term pricing team issues.

Minimising any impact to your teams and business operations is vital. Thus high quality recruitment support will ensure:

- Minimal disruption to business continuity
- High quality candidates for all roles
- Higher candidate & employee engagement
- More informed decisions
- Higher staff retention
- Legal protection
- Peace of mind

Cheapest in the long run

Optimising your recruiting process will be the cheapest option in the long run for your business – offering you greater precision and protection every time you recruit a pricing role.

There should be no hidden extras or fees and prices should be fair and justified.

We have covered what to avoid and common misconceptions but what frequently asked questions should you have answered before you launch your next pricing hire?

QUESTION #1: What is typical pricing team salary structure?

Average salaries for pricing roles are as follows:

- Junior pricing analyst (2-3 years experience) 90K - \$110K
- Pricing analyst (3-5 years experience) \$105K-\$120K
- Senior Pricing Analyst/ Junior Pricing Lead (5-8 years experience) \$125K-\$150K
- Senior Pricing Manager (8 years+) \$150K – \$220K
- Pricing Director / Head of Pricing (10 years+) \$230K – \$380K

(Average base salary only; bonus and super not included; salaries vary between industry)

QUESTION #2: How many pricing analysts do I need on my team?

Rule of thumb, for every \$100M revenue under management, you'll need 1 pricing analyst. If you have good IT and data systems in place already, the number of analysts you'll need decreases. For a \$800M business with limited IT and data analytics support, then, you'd be looking at hiring: 1 senior pricing manager, 1 senior pricing analyst, 2 pricing analysts and 1 junior analyst.

Question #3: Who should the pricing manager report to?

- In B2C the Head of Pricing reports through to GM of Merchandise or Executive General Manager Marketing
- In B2B, the Senior Pricing Manager tends to report to GM Marketing, but also Sales and Finance
- In leading businesses in the US, EU and UK, the price management function is a management function in its own right reporting to the C-Level

Question #4: What does a pricing team do?

- A typical team charter can be summarised as follows:
- Strategy – planning, price analysis & modelling, policy
- Support – decision support, price structures, processes
- Operations – systems & tools, price administration, data management

Question #5: What are some risks to success?

- Under resourcing the pricing team
- Hiring spreadsheet technicians with limited team or management skills
- Positioning the pricing team in the wrong area of the business





Joanna Wells

Director

BA / MA

University of Cambridge

MSC Manchester Business School

“My passion is building world class pricing teams because **they can generate 5X- 10X more profit than any other team** when they are set up correctly.

My mission is to maximise teambuilding and recruitment processes for pricing and commercial management functions to help commercial leaders accelerate company growth and profit plans on time and without the usual pain of change.”

Joanna Wells is the founder and director of Taylor Wells, a talent advisory and recruitment firm that advises Fortune 500, private Equity and ASX Listed companies in organisation design, talent strategy and recruiting for the revenue, pricing and commercial management functions within a business.

With over 10 year’s consulting experience and several years’ experience practicing advanced pricing and revenue management across B2B and B2C markets in Australia, Joanna’s sole focus and specialisation is building world class pricing teams.

She has profiled thousands of business executives, including over 1000 pricing professionals in Australia and globally and is regularly called on to share insights and expertise with senior executives and multi-national corporations.

ACHIEVE HIGH PERFORMANCE TEAMS & CULTURE

Over the past 9 years,’ Joanna has studied talent and performance in the specialised field of pricing and revenue management to address and answer the following questions:

- How can we integrate a pricing team within the business without disrupting or unsettling the sales and marketing teams?
- Why are some pricing executives better at getting results than others?
- Why do we need a dedicated pricing resource in the business when we have been doing it ourselves for so many years?
- What is the role of pricing in our business? Can a pricing team really help us boost revenue and grow profitability, if so how?

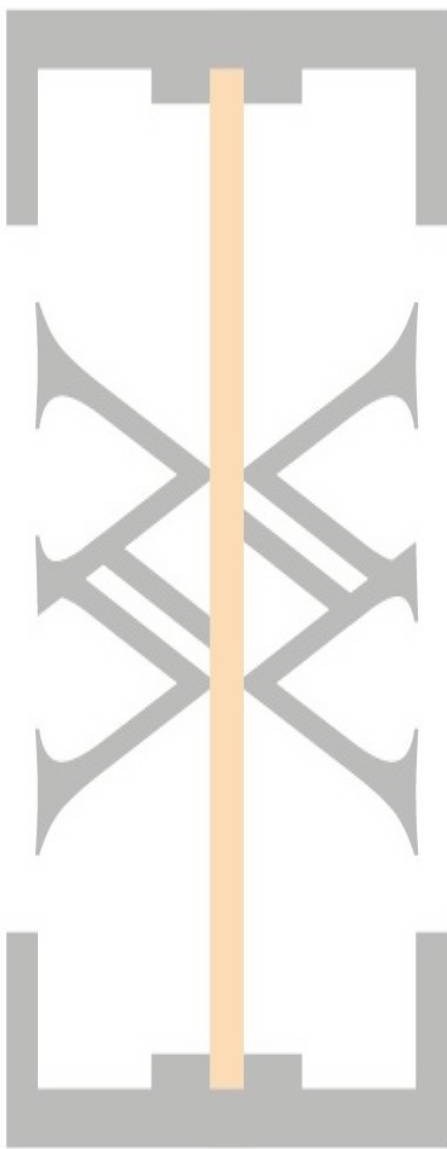
Our experience and research shows that building a pricing team does not have to be onerous, disruptive or unsettling for the sales and marketing teams.

How you set up and recruit specialist pricing teams is a key determinant of how fast you can accelerate earnings growth. With the right pricing team strategy and implementation, incremental earnings gains can begin to occur in less than 12 weeks. After 6-12 months, the team is often able to find additional earnings gains as they identify more complex and previously unrealised revenue and margin opportunities.

FIND THE RIGHT PEOPLE FOR PRICING & REVENUE MANAGEMENT ROLES

Taylor Wells is a pricing and talent advisory firm that has developed the Teambuilder360 assessment platform to help B2B and B2C business set up, optimise and recruit high performing pricing teams. Our business was started after identifying weaknesses in the traditional agency recruitment model.

Our purpose is to support management and our HR partners to eliminate the risk of bad hires and underperformance. Our workshops and diagnostics ensure pricing or commercial teams are deeply engaged with the sales and marketing teams to achieve greater levels of margin and earnings growth. We have developed our own digital platform to identify and evaluate talent and we partner with subject matter experts to help us integrate pricing functions within businesses.



When you've recruited pricing, revenue and commercial roles – "regretted hiring decisions" and team underperformance are the last thing you want to deal with. Taylor Wells advisory firm helps you to eliminate the risk of bad hires by offering you a shortlist of highly qualified pricing candidates with proven skills and experience.

We've developed an optimised recruiting process to find and identify high calibre candidates for all your pricing roles in the shortest time possible:

"We're constantly collecting information from multichannel selection to evaluate candidates and teams across relative industries. We have a qualified network of pricing professionals. We have dedicated over 10 years of research into understanding and defining key characteristics of high performance pricing and commercial teams at all roles and levels. We are happy to bring a high value and lower cost option to the recruitment market."

– Joanna Wells, founder and director of Taylor Wells Talent advisory and recruitment firm.

You can book all your recruitment services with our recruitment team or discuss our talent advisory services with our talent advisors.

Check out all your options at taylorwells.com.au



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