Assessing Sales Talent for Front-Line and Management Roles

20 November 2013

Presented by

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#AssessingMgt
About The Sales Management Association

A global, cross-industry professional association for sales operations and sales management.
Focused in providing research, case studies, training, peer networking, and professional development to our membership.
Fostering a community of thought-leaders, service providers, academics, and practitioners.

Learn More: [www.salesmanagement.org](http://www.salesmanagement.org)
Today’s Panelists

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#AssessingMgt
Polling Question #1

How do you currently screen job candidates for your frontline sales positions?

a. Resume screen
b. Online presence
c. Interview(s)
d. Personality testing
e. Job simulations
f. Knowledge tests
Assessing Sales Talent for Front-Line and Management Roles

Sales Management Association
November 20, 2013

Steve Grossman
Miriam Nelson, Ph.D.

Prepared by Aon Hewitt Consulting
Performance Reward and Talent
Aon Hewitt’s Sales Performance Model

Understand Business Drivers
- Customer Insight and Segmentation
- Business Strengths
- Value Proposition
- Competitive Dynamics

Align the Sales Force
- Organization Design
- Talent Management
- Performance and Rewards

Realize Business Impact
- Creating a sales structure that is effective in meeting customer needs in an efficient manner…
- Ensuring the availability of the right talent for the right role at the right time…
- Maximizing the productivity of an engaged sales force to exceed business goals…
Our Selection & Assessment Expertise

- Legally-sound job-related tests, pre-screens, interviews, multi-media job previews, and simulations
- Developed and validated by our staff of Ph.D. I/O psychologists
- Fully tailored design and validation capability

Key Facts
- Over 10 million applicants tested annually
- Never lost a legal challenge
- Global implementations
- Customizable interface to support branding
- Instantaneous feedback to hiring managers

Significant ROI proven for our clients
- Increased sales performance ~$120,000,000 in sales per quarter
- 29%-57% more likely to receive perfect customer ratings scores
- Saved $9.6 M in selection and training costs
- 90% reduction in litigation rates
Addressing the Critical Questions Today....

- What value can assessment bring to your sales organization?
- What’s new in sales assessment?
- What’s involved in starting to do assessments?
- How do I choose which assessment(s) to use?
- Next practices in sales leadership
Let’s Place a Candidate Together

Our new sales job

- B:B
- Selling “big ticket” systems and service
- Focused on high growth customer segment
- Supported by applications and service teams
Meet Rudy
Meet Rudy

- Sold chewing gum for ten years
- Stock broker for last ten years
- Masters in mechanical engineering and thermodynamics
- Coaches lacrosse at the Y
- Writes poetry on weekends inspired by her two Labradors
Meet Rudy
And, of Course, You Have 85 Other Applicants
Would You Hire Rudy?

1. Yes
2. No
3. Not sure
Key Trends in Sales Today …

- “What got us here won’t be good enough”
- “We need a different talent pool”
- “We need more high performers”
- “We need a new segmentation model”

Transforming … restructuring … optimizing
- Specialization of roles
- Using new channels
- Changing culture
- Repositioning for growth
What Else Would You Like to Know About Your Candidates?

“Can do”

“Know how”

“Like to do”

“Will do”
What is Assessment?

Assessment = TALENT MEASUREMENT

Methods used to evaluate the degree to which an individual has what’s required for success on the job.

- “Can do”
- “Know how”
- “Like to do”
- “Will do”
What if You Could Predict Your Candidates’ Success With Precision?
What if You Could Predict Your Candidates’ Success With Precision?
What if You Could Shorten the Time It Takes to Get a New Hire Productive?

Breakeven Point
Net Contribution = 0

Value Created

Value Consumed

Months after Entry

The First 90 Days, Watkins, 2003
What if You Could Predict Candidates’ Future Sales Performance?

Applicant Profile® Professional Sales Test

Average Dollars Sold Per Month

- Bottom 1/3: $123,780
- Top 1/3: $189,460

$189,460
$123,780
$80,000
$100,000
$120,000
$140,000
$160,000
$180,000
$200,000

Bar graph showing the average dollars sold per month for applicants in the bottom 1/3 and top 1/3.
What if You Could Pick a Host of Effective Candidates Who Would Stay Longer?

Retention as a Function of Low (Bottom 25%) and High (Top 75%) Assessment Scores

- Top 75% of Assessment Scorers
- Bottom 25% Assessment Scorers

20%
What if You Could Get a Scorecard Report on Your Candidates?

<table>
<thead>
<tr>
<th>Name</th>
<th>Leadership</th>
<th>Strategy &amp; Innovation</th>
<th>Customer Focus</th>
<th>Teamwork</th>
<th>Empathy</th>
<th>Analysis</th>
<th>Communication</th>
<th>Decision Making</th>
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<th>Team Leadership</th>
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Talent Assessment Gives You More Precision

- Structured Interviews
- Simulations and role plays
- Technical Knowledge Tests
- Reasoning Skills Tests
- Job Situations Tests

- Technical knowledge test
- Mini training
- Certification exams
- Situational judgment and technical interviews

- Personality tests
- Structured Interviews

- "Can do":
- "Know how":
- "Like to do":
- "Will do":

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What’s New in Talent Assessment

- Mobile Device Delivery
- Media Rich Assessments
- Gamification
- Computer Adaptive
- Simulations
- Naturalistic Web Behavior
Mobile Device Delivery
Computer Adaptive Testing

Enhanced Security.
Unique string of items from large pool, millions of permutations

Enhanced Applicant Convenience
Shorter assessments

Self-Sustaining
Item content regularly refreshed by calibrating new items with live candidates, reduces the need for costly development of multiple forms

Greater Accuracy
Tests tailored to candidates, allowing for accurate estimates at all knowledge, skill, or ability levels

1. Item Selection & Administration
2. Score Item & Estimate

Stop

Yes

4. Compute Final Score
5. Verification Testing

No
Mobile + Adaptive
ADEPT-15 (Adaptive Employee Personality Test)

- By the numbers…
  - 50+ years of personality, leadership, and psychometric research
  - 15 personality traits critical to successful workplace performance
  - 1,484 unique statements combine to form 232,575 unique forced-choice item pairs
  - 30 minutes to complete 100 items
- Most advanced adaptive personality test available
- Multi-dimensional forced-choice format significantly limits social desirability and attempts to “game” the test
Digital Interviewing

Question 5 of 10

Tell us about a time when it was particularly challenging for you and your coworkers to meet a deadline.

You have 30 seconds to prepare your answer and 3 minutes to answer the question.
Our Preferences Reveal Our Personalities

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<th>Scales</th>
<th>Percentiles</th>
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<td>RECOGNITION</td>
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LOW  | AVERAGE | HIGH

100 Years of Solitude  | To Kill a Mockingbird  | Catch-22
Broken Embraces  | The Edge of Heaven  | Elegy
Amores perros  | Pulp Fiction  | Bursíl Oficial
Vicky Cristina Barcelona  | City of God  | One Flew Over the Cuckoos Nest
Polling Question: Which of the following statements are TRUE?

a. Assessments are easy to fake
b. Tests can be validated by putting the top 20 and bottom 20 performers through the test and seeing how they do
c. Assessments typically scare candidates away
d. “Our assessment is valid,” means it is OK for you to use it
e. All personality assessments are pretty much the same
What assessments do you use?

“Can do”

“Know how”

“Will do”

“Like to do”
## Assessment Matrix - Illustration

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<tr>
<th>Factor/Competency Evaluated</th>
<th>Assessment Tool</th>
<th>Cognitive</th>
<th>Personality</th>
<th>Multi-rater 360</th>
<th>Interview</th>
<th>Business Case/Simulation</th>
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<td>Thinks critically</td>
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<td>X</td>
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<tr>
<td>Assumes accountability for business growth</td>
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<td>Generates value for customers</td>
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<td>Displays sound judgment</td>
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<td>Displays business acumen</td>
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<td>Collaborates with others</td>
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<td>Inspires trust</td>
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The Selection Funnel

- Job Application
- Initial Screen
- Assessment
- Interview
- Offer, Background & Drug Test
Process for Implementing Assessments

Aon Hewitt’s Recommended Approach

- Design
  - Identify Skills
  - Review Company Fit
  - Identify tools and/or create content

- Validation
  - Use subject matter expertise
  - Give test to incumbents or candidates
  - Analyze results
  - Technical documentation

- Implementation
  - Administer for all new hires

- Analytics & Update
  - Refine Scoring
  - Update Items
  - Tailor Reporting Detail

- Continuous ROI Improvement
  - Link to Business Outcomes
Key Elements in Best-Practice Assessment

High Powered Hiring

- Measurable ROI
- Linked to Strategy
- Based on Job Analysis
- Efficient
- Accurate (Valid)
- Palatable To Candidates
- Supported by Users
- Legally Compliant

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Now, who would you hire?

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<th>Jake</th>
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<tr>
<td>Assumes accountability for business growth</td>
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<td>Generates value for customers</td>
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<td>Displays sound judgment</td>
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<td>Persuasive</td>
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<td>Displays business acumen</td>
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<td>Collaborates with others</td>
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<td>Inspires trust</td>
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<td><strong>Summary</strong></td>
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Next Practices in Sales Leadership?

“Can do”

“Know how”

“Will do”

“Like to do”
Traditional First Level Manager

- Super Seller/Closer
- Manage expenses
- Paperwork/reports/meetings
High Performing First Level Manager Focus

- Engage, energize the team
- Optimize turnover
- Assign the right resource to each customer relationship
- Develop the right capabilities
- Leverage enablers and tools

How do you identify people who will be great at this?
Sales Force Engagement and the Sales Manager…

Drivers of Sales Force Engagement

How do you identify people in your sales organization who are great at engagement and coaching?
Emerging Research: Build Engaging Leaders

The Engaging Leader

- Doing
- Believing
- Experiencing
Emerging Research: Build Engaging Leaders

The Engaging Leader

Critical Experiences
- Willingly took on tough assignments
- Successfully navigated through ambiguity
- Stretched and learned
- Have seen the impact
Guiding Beliefs

- I am driven by (________)
- Leadership is a responsibility
- Followers are equals
- Relationships, emotions, honesty and trust are important
- People are capable of amazing things
- Calm, structure and empathy are needed in the face of ambiguity
- Life is a journey and full of learning experiences

Critical Experiences

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Emerging Research: Build Engaging Leaders

**The Engaging Leader**

**Guiding Beliefs**
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**Displayed Behaviors**
- Find your Purpose
- Step up
- Stabilize
- Energize
- Connect
- Be Real
- Serve
- Grow

**Critical Experiences**
- Willingly took on tough assignments
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How will You Orbit the Giant Hairball in 2014 ...

Orbiting the Giant Hairball
A Corporate Fool’s Guide to Surviving with Grace
By Gordon MacKenzie
Questions and Discussion

Did we run out of time before we got to your question? Presenters can follow-up with you via email. Feel free to submit more questions if you’d like an offline response.
Thank You.