



Talent Selection. People Development.

Optimizing the Sales Gene: Selecting and Developing Top-Performing Salespeople

Executive Summary

Experience and learned capabilities are most frequently the basis for selecting and developing a sales force. While these are important, most organizations lack the ability to identify and leverage a critical ingredient for success: innate talent. This factor holds the key to establishing a sales team that performs at its highest potential.

Natural, innate sales ability—the sales gene—cannot easily be trained, but it makes a dramatic difference in performance when combined with knowledge and skills. Innate ability applies not only to sales in general but also to specific sales situations, making some individuals naturally more successful in one sales environment than another. Sales organizations capitalize on sales genetics by using assessments to measure innate talent and applying the results to the sales team selection and development process.

Many organizations have realized a long-term, ongoing positive impact on the bottom line from the strategic use of assessments. There is a tangible return on investment (ROI) from the combination of improved sales results and reduced attrition. Intangible results take the form of increased training efficiencies, time savings, improved morale and more.

As the experts on sales assessments and sales talent, **Assess Systems'** organizational psychologists have decades of experience studying the sales personality. With sales assessments taken by more than a half million salespeople, **Assess Systems** knows what differentiates talent in a sales environment and how to help a sales organization thrive. **Assess Systems** applies leading-edge technology, off-the-shelf or customized assessment tools and expert consulting to empower organizations to leverage sales genetics across any sales environment.

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Overview

Hiring top performers and maximizing sales force productivity is the goal of every sales organization—and this goal is well within reach. However, the path to success is elusive and difficult to chart for organizations lacking insight into hidden, natural abilities a job candidate or existing employee needs to succeed. Critical for selecting and developing a winning sales team, such insight has sales genetics at its root.

This white paper describes challenges sales organizations face when seeking to maximize their potential and explains how strategically applied sales genetics can boost results. The paper also covers the advantages of using assessments for selection and development and the impact of **Assess Systems'** longstanding sales expertise on an organization's use of sales talent.

Struggling to Maximize Sales Capabilities

Today, many sales organizations do not realize their full profitability potential because they lack essential insight into their sales team's innate abilities. Those in sales leadership positions are often stymied by questions such as the following:

- How do I find a sales star like the one who just left?
- Why did my new hire interview so well and yet disappoint me with poor results?
- Why does it take so long for new salespeople to begin producing?
- Why is closing so difficult for many salespeople?
- Why are some people prone to repeated downfalls in a certain area, and why can't I help them eliminate their bad habits?
- The person who was a \$3 million producer for a previous employer is not doing so well here. Why?
- How could that former sales star become such a poor sales manager?

Sales leadership is held accountable for results and is pressured to achieve immediate, short-term numbers. Yet this focus can eclipse an important truth: The most successful salespeople are both born and made—born with natural talent and made through training and experience. Even if leadership has this understanding, usually there is no way to measure inborn, natural sales capabilities as they apply to different sales situations. As a result, hiring processes fail to identify high-potential individuals, and training and development efforts are not as efficient or effective as they could be.

Research suggests that no amount of knowledge, training, encouragement, time and experience can bring a person without natural sales talent to the same level as someone with character traits for sales success. In a 16-month longitudinal study of retail sales associates, individuals who scored high on a job-fit assessment consistently outperformed those with poor scores, month after month. As shown in Figure 1, the ones assessed as poor fits never caught up.



Figure 1: Individuals having inherent traits for success in sales consistently outperform those without natural talent, and the performance gap is not closed by training or experience over time.

This study demonstrates that it takes both nature and nurture—innate sales ability combined with effective sales training—to achieve sales success. Unfortunately, the typical sales organization has expertise in the latter, but a blind spot for the former.

Discovering the Sales Gene, Hidden Ingredient for Optimizing Talent

Understanding and leveraging the sales gene concept is critical for removing the blind spot and opening the door to an optimized sales force. The sales gene—that group of innate, natural characteristics displayed by individuals with a knack for sales—differentiates talent in a sales environment from other types of talent.

Instead of focusing solely on successful sales outcomes (Figure 2, bottom), sales leadership can drive results more effectively by emphasizing the particular competencies that lead to those outcomes. To best build those competencies, however, it is first necessary to establish the right combination of innate and learned capabilities the particular sales situation requires (Figure 2, top).



Figure 2: Effective sales outcomes ultimately result from a combination of both innate talent and learned capabilities.

Identifying the Core Sales Athlete



Studies support the common-sense notion that there is in fact a “core sales athlete.” Just like certain people have a natural athletic ability that makes them good at almost any sport, certain individuals are naturally better salespeople—and it is possible to define and describe the traits they share. Specialized psychological assessments of top sales performers consistently reveal characteristics such as high levels of assertiveness and resilience, accompanied by a preference for a rapid work pace.

The ability to identify, hire and develop individuals with the knack for sales gives an organization a head start for optimizing its sales force. However, the core athlete who excels at football might not be as good at baseball. The same is true for the sales game.

Putting the Right Salespeople in the Right Sales Game

Although core “sales athleticism” is a critical ingredient for every sales force, there is no universal sales athlete who is equally as effective in every sales situation. This is because the innate characteristics required for sales success vary according to factors such as type of sale, sales environment, product and customer.

The following examples illustrate some of these variations:

- An aggressive interpersonal style is an asset in a small transactional sale, but a liability in large, consultative sales situations that hinge on building ongoing business relationships with key contacts.
- A high degree of self-reliance is essential for success in unstructured sales situations, yet when it comes to systematic sales processes, those who are less independent do better.
- A salesperson might automatically have more success selling products that are more (or less) complex, or more (or less) abstract.
- Some individuals have a knack for handling certain types of customers better than others.

To maximize the profitability of a sales team, it is important to further classify those with the sales gene into groups based on what innate characteristics are best suited to a given sales situation. As demonstrated in Figure 3, this can impact the bottom line dramatically.

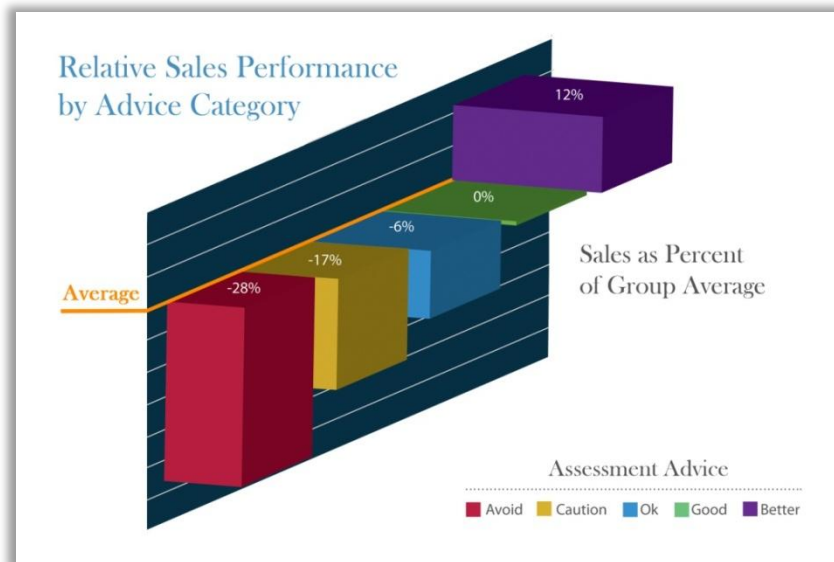


Figure 3: This study of a face-to-face, transactional sales role categorized salespeople based on assessment results. Reps with the best scores sold 12 percent above average, and those who fell into the “good” category were on par. Scoring at the low end of the scale, reps poorly suited for the role sold 28 percent below average.

To achieve maximum results from assessments, an assessment vendor should have the capability to customize and fine-tune its tools for specific types of sales and sales environments.

It is a common error for sales organizations to rely on the kind of assessments that use a one-size-fits-all approach, thereby identifying innate sales talent at only a single, general level. This practice inevitably restricts productivity and profitability, because individual salespeople are not always participating in those games they are best at winning. In addition, when salespeople are doing what they do best, job satisfaction and

employee retention increase. Therefore, to achieve maximum results from assessments, an assessment vendor should have the capability to customize and fine-tune its tools for specific types of sales and sales environments.

Outlining Critical Competencies

Every organization has unique business processes, positioning and sales scenarios. Therefore, it is important to determine the critical competencies that drive the desired sales outcomes as shown earlier in Figure 2.

Competency modeling is the process of defining the primary characteristics and capabilities required for success at a given job level. As discussed, a person's ability to demonstrate a competency comes from a combination of innate and learned capabilities. Therefore, competency models provide the unifying foundation for talent management, including selection, development and performance management. A good assessment vendor can provide valuable assistance by quickly establishing a solid, practical competency model for a sales team in any industry. This is the roadmap to success.

Reaping the ROI From Sales Genetics

By selecting people naturally suited for their sales roles and helping them hone their potential, a sales organization can realize ongoing, long-term profitability increases. The return on investment (ROI) from strategically applying sales genetics comes from cost savings, improved sales results and lower attrition.

Numerous companies have seen dramatic differences like the following:

- Sales professionals for a business-to-business (B2B) technology services firm sold double that of their peers who lacked the sales gene, resulting in a \$50,000 monthly sales increase for each representative.

- Booked revenue increased by 20 percent and agent turnover dropped from 40 to 4 percent for an international resort timeshare company.
- Sales revenue from airline reservation agents increased from 7 to 9 percent, yielding \$210 to \$230 million more in sales each year.
- Mortgage loan officers with the best sales potential brought in more than twice the sales of those with the least potential, averaging greater than \$16 million more per officer.
- After a convenience store implemented the results of a job-fit assessment, a turnover reduction in its sales associates saved the organization \$1.5 million each year.
- Retail sales associates demonstrated a 7-percent improvement, resulting in an average sales increase of \$10,000 per associate per year.

Selecting for Innate Sales Ability

Clearly, innate talent plus experience equals performance. Because natural ability cannot be trained into an individual, forward-thinking sales organizations do two things when it comes to talent acquisition. First, they identify the innate traits that drive success in their particular sales environment. Second, they select people with the right natural talent.

Specifying the Desired Innate Characteristics

When establishing the sales genetics—or combination of innate characteristics—needed for new hires, a sales organization can benefit greatly from competency modeling (see *Outlining Critical Competencies*). A practical model will use an appropriate level of detail to specify the unique talent requirements for success in the organization's sales situations.

Competency modeling plays an important role in customizing assessments that identify individuals with high potential for a specific sales game. The organization can then tailor a selection system and assessment tools to pinpoint those with the right kinds of talent and filter out those who are lacking.

Hiring for What's Difficult or Impossible to Train

Most sales organizations implement a rigorous training program for new hires so they can learn the company's products, customers, positioning, sales techniques and so on. The primary focus, therefore, is hiring people with the desired innate characteristics, because these cannot easily be learned (see Figure 4).

A candidate selection process should take training and experience into account to a certain degree. For example, familiarity with a particular type of customer or product could be important. Some organizations might need an individual who can hit the ground running with a core base of

industry knowledge, while others may prefer that their new hires have little or no training because undesirable sales habits will have to be unlearned. A properly designed selection process measures knowledge and experience but weights them according to their importance.

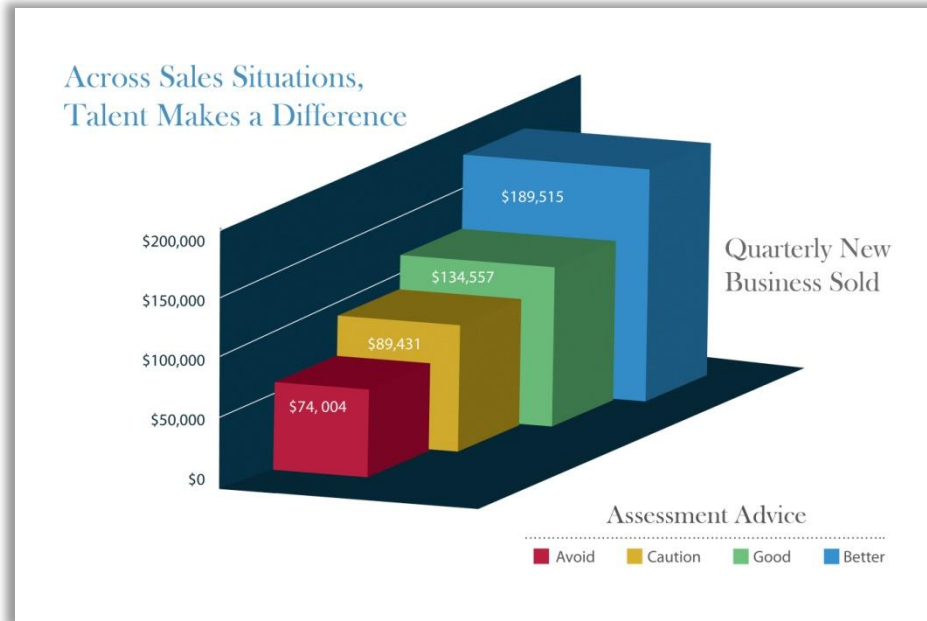


Figure 4: Insurance agents who were recommended by an assessment had innate abilities that were difficult to train. Compared to the agents whom the assessment suggested avoiding, the recommended agents brought in more than twice the new business.

Using Insight Into Critical Capabilities to Grow Salespeople

Many organizations have thorough development programs that include motivational seminars, formal classroom training on sales approach and products, on-the-job training, one-on-one coaching and more. These are all important. However, a gap exists between these programs and strategically targeted development around innate or personal characteristics.

Assessments enhance training and development programs by providing valuable insight into areas that should be addressed. Such insight is unavailable by other means, and the result is faster progress and less time and money wasted on teaching what a person already knows.

Quickly Developing New Hires Based on Assessment Data

Smart companies extend the value of their selection assessments by repurposing them for new-hire onboarding and development. A quality assessment report vastly improves the onboarding process by providing information on a candidate's development needs. The organization can

address those needs immediately by creating a development plan that identifies specific areas where additional emphasis, training or adjustments are required.

Addressing Obstacles at the Root

Leadership might be aware of undesirable sales behaviors in existing employees, such as difficulty engaging the customer or building the customer relationship, problems understanding the customer's needs, or hesitating to close a deal at the critical moment. The behavior is obvious, but what is lacking is an understanding of the reason for the behavior. Hence the sales rep is constantly corrected during training or coaching, but the problem never goes away.

By identifying innate characteristics that hinder a person from displaying effective sales behaviors, assessments can direct development efforts to address root causes instead of merely correcting observable symptoms. For example, an individual might need to work on positive ways to display assertiveness or learn not to place too much importance on being liked by customers. Changes made at this level cover a range of behaviors and end the frustration between trainee and coach.

Assessments direct development efforts to address root causes instead of merely correcting observable symptoms.

Promoting Sales Stars to Managerial Roles: No Guarantee of Success

Sales genetics explain why the common practice of promoting the best salesperson to sales management sometimes results in struggling managers. The reason is that direct sales and sales management each require different competencies and innate capabilities.

Some characteristics that make very successful sales professionals could hold them back in management. For example, the aggressive, competitive, hard-driving star might find it difficult to foster others' growth and allow them to have the spotlight. Assessments can measure innate potential for both sales and sales management and can also identify from a pool of current salespeople those who are suited for a sales management role.

Developing a Sales Team as a Group

Instead of spending excessive amounts of time and money covering every possible area during training and development, sales organizations can multiply their efficiencies through group assessments and group development. For example, if the majority of those on a sales team have difficulty in one area, such as being overly aggressive, training can target that alone instead of covering things the team has already mastered.

Group development is essential when transitioning to a different sales approach. Changes in the competition, the economy, customers, products or tactics all warrant a change in approach or the development of a new strategy. Assessments reveal strong and weak areas for individual sales reps as well as the group as a whole, so the organization can recognize and address challenging areas at the group level proactively. Well targeted feedback and development facilitate smooth, easy transitions and make the sales force more agile when adjusting to change.

Leveraging **Assess Systems**' Expertise to Optimize the Sales Force

Without assistance, a sales organization cannot correctly identify and evaluate innate characteristics that are important and unique for the sales process—nor can the organization generate accurate, comprehensive reports and apply them to talent acquisition and development. In the absence of a strategic, accurate roadmap, any selection and development process is hindered from the start.

Assess Systems specializes in helping optimize an organization's sales force through critical activities such as the following:

- Creating competency models with the right level of detail to establish a clear roadmap for sales success
- Identifying candidates with the innate knack for sales early in the applicant-screening process
- Customizing and validating assessments for each particular sales game
- Supplying interview probes based on assessment results to explore a candidate's potential areas of concern
- Providing deep insight and direction for focused, efficient development efforts that address problems at their root
- Offering performance-development tools for feedback on individuals' progress

The scientist-practitioners at **Assess Systems** have a unique understanding of how to improve a sales organization, along with specialized assessment tools that uncover sales genetics and empower companies to fully leverage sales talent for increased profitability. **Assess Systems** has actively researched the sales personality since the mid-1980's and has conducted more than a half million sales assessments across a broad spectrum of industries.

Assess Systems' work with sales organizations started with one-on-one assessments of sales professionals by its organizational psychologists. This established a foundation for a deep understanding of the characteristics of top-performing sales representatives across various industries, leading to the construction and validation of a variety of assessment tools for hiring and growing sales talent. The assessments directly enhance sales performance by identifying and measuring the key success factors for sales organizations' specific sales environments.

Assess Systems' solutions are all supported by expert consulting that is not restricted by industry or type of sales. The company has created solutions for more than 16 different industries, including hospitality, high technology, transportation, healthcare, financial services, manufacturing and many others. All sales types benefit from leveraging **Assess Systems'** capabilities. Retail sales, call-center sales, transactional-type sales and consultative sales across numerous organizations have been improved and strengthened with **Assess Systems'** advanced technology, insight and expertise.

Three different sales assessment platforms are available, and each is fully customizable for a sales organization's unique selection and development needs:

- **Assess** for professional salespeople and sales managers
- **Salesmax** for consultative sales roles and professional salespeople (see Figure 5)
- **Select** for hourly, associate-level salespeople

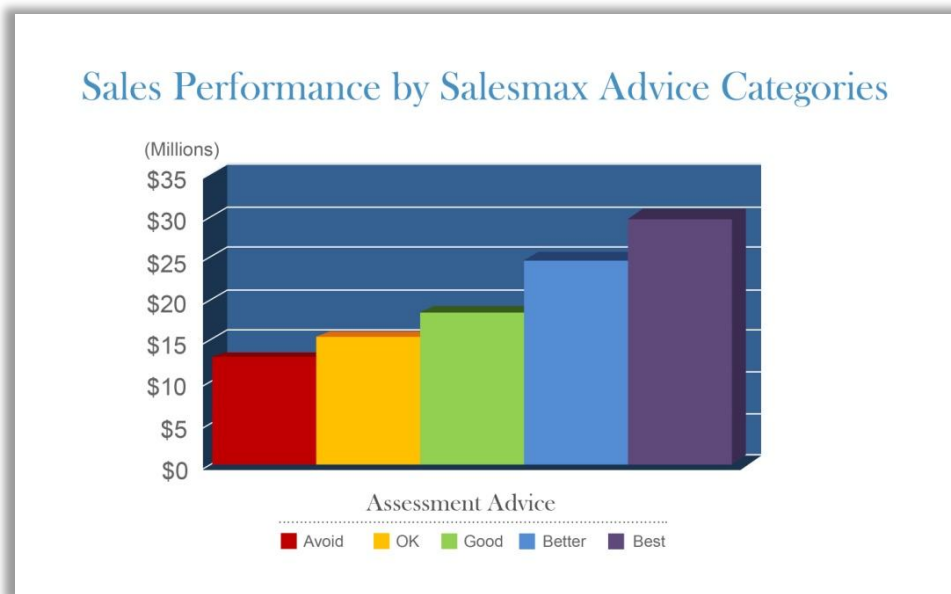


Figure 5: In a study of mortgage loan officers, those Salesmax identified as having the best sales potential sold more than twice those with the least sales potential—a difference of more than \$16 million per loan officer on the average.

Taking a New Approach to Sales Talent Management

Hiring and developing salespeople need not be a matter of guesswork, intuition or one-size-fits-all thinking. By implementing a logical, well planned process in conjunction with an understanding of the sales gene, any sales organization can win by hiring the specific types of talent it needs and effectively developing its sales force.

Assessments are critical to this process. They are the primary tool for identifying the degree to which an individual or group possesses the innate ability to succeed in sales and for designing development programs that effectively capitalize on strengths, improve weak areas and deliver rapid results.

As the experts on sales assessments and sales talent, **Assess Systems'** organizational psychologists have empowered many companies to dramatically improve the productivity of their sales force. Through the tactical use of assessments, organizations can now take the mystery out of sales genetics and instead leverage them to fully optimize sales talent.

About Assess Systems

Assess Systems is an innovative leader in assessment-based Talent Selection and People Development Solutions. With more than 25 years experience assessing millions of candidates, **Assess Systems** provides pre-employment testing and developmental assessments that enable organizations to select, develop and retain top talent. By coupling flexible Web-based tools with high-quality consulting services, clients receive best-in-class human resources (HR) solutions tailored to their unique needs. Solutions include competency modeling, entry-level pre-employment tests, competency-based professional and managerial assessments, 360 assessments, leadership development programs, executive coaching and succession planning. More than 2,000 organizations spanning 42 countries and 16 languages use **Assess Systems** solutions daily for talent management. Known for its strong expertise, user-friendly technology and exemplary service, **Assess Systems** seeks to create unexpected delight in every customer engagement. For additional information, please call 972.233.6055 or visit www.assess-systems.com.

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