Article: Measure Twice, Hire Once, Sell Even More: Understanding the Role of Assessments in Sales Management (and Why You Need to Assess New Sales Reps)

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Hiring a new sales rep?

Most companies still rely heavily on inferences ("*His recommendations didn't turn up any red flag*"), assumptions ("*She's made quota in most of her years*"), and emotion ("*I had a good feeling about her during our interview*") when determining the potential fit for their quota-carriers.

Indeed, only a quarter of companies use assessment tools to match sellers' skills to the roles they are to occupy. Those who take such a data-driven approach, however, end up in much stronger positions.

Aberdeen's recent research around sales education, *Once is Not Enough: Why Sales Training Reinforcement is a Must-Have* (May 2015), included an opportunity for the 260 survey respondents to indicate whether they "Use assessment / measurement tools to match sales personnel to the most appropriate selling role (hunter, farmer, inside, etc.)." Their responses indicated that 42% of Best-in-Class companies, 27% of Industry Average firms, and 15% of Laggards deploy such solutions, firmly validating a correlation between high-end sales performance results and the use of assessments.

So, how are elite firms leveraging their sales talent management tools more effectively than under-performers?

Assessment Deployments = Quota Strength

Let's start the analysis by segmenting those companies which reported existing sales assessment deployments from those with no such solution in place. As we see in Figure 1, all three current, quota-oriented sales metrics that Aberdeen collects showcase achievements that would make any SVP of Sales happy.

Naturally, this should not be taken to mean that double-digit improvements in all of these sales KPIs will immediately accrue for end-user organizations upon buying an assessment solution. At the same time, Aberdeen's HCM research does reveal a number of corporate performance improvements directly associated with pre-hire assessments. Furthermore, a causal relationship can be inferred when we consider those who use assessments in the broader context of those Best-in-Class firms that more aggressively adopt and deploy specific business competencies and additional technologies.

Best Practices: How Do I Lay a Strong Foundation for My Assessment Tool?

In Figure 2, we look at three distinct process capabilities that organizations often utilize to complement their sales learning, assessment, and coaching technology solutions.

1. Best-in-Class firms are 14% more likely than under-performers (57% vs. 50%) to indicate to Aberdeen that "tribal knowledge" is formally collected and shared.

B2B selling traditionally saw individual contributors as reticent to share with one another, often exhibiting a *"Stay away from my territory!"* attitude and holding "the perfect pitch" close to their vest. Millennial-aged sales people are far more comfortable sharing and trading knowledge. They embrace social media and user-generated content to learn from friends, peers, competitors, and strangers with equally open minds.

In the context of using sales assessment tools to better match potential sales reps to selling roles, adopters have the chance to profile their external and internal applicants more thoroughly with regard to their likelihood to consume and share tribal wisdom. A candidate scoring low on a "plays well with others" assessment element, for example, may be better suited for an independent field role, as opposed to an inside sales role where she will be sitting in the traditional "bullpen" beside peers. Or, frankly, they may not be a good fit at all. It all depends on whether the organization has embraced the lessons of *Enterprise Social Collaboration: Best Practices for the Connected Sales Team* (January 2014), and promotes communal knowledge transfer.

2. 54% of the Best-in-Class indicate that "Sales competency gaps are used to determine the specific sales training to be offered / required," compared with 43% and 35% among Industry Average and Laggard firms, respectively.

If one-size-fits-all sales training is unlikely to be successful within an enterprise – and the data indicates this is so – then utilizing assessment tools to pre-position a variety of training tracks makes sense.

For example, many companies hire regular "classes" of sellers, bringing multiple new reps in for communal training every month or quarter. What if some of those reps have more industry experience than others, or certain individuals have sold to the target persona in previous positions? Why train them all identically? Assessment users are 81% more likely than non-adopters (58% vs. 32%) to understand this, and they create persona- or expertise-based curricula accordingly.

3. Sales training reinforcement research reveals that Best-in-Class firms are far less likely than others to take a one-and-done approach to sales education.

Best-in-Class firms use mobile, social, and cloud-based approaches to training, providing continuous, "snackable" content and even gamified options in an effort to help reps maintain and grow their knowledge and skills.

Since only a portion of a company's reps are usually considered "A Players," it follows that an ongoing assessment, for training purposes, of even experienced staffers makes sense. Forty-two percent (42%) of the Best-in-Class, compared with 35% of under-performers, make this leap toward a fully integrated cadence of sales training.

This is supported by Aberdeen's HCM Learning research. Here we see that Best-in-Class firms are 67% more likely than other companies to maintain dedicated learning programs for specific groups across the employee lifecycle. They understand every group requires different training. An even higher rate – 50% of assessment users – do the same, implying a strong degree of follow-through. They don't just buy the solutions; they deploy them at multiple touch-points of a sales employee's lifecycle.

What Other Competencies Should I Consider?

The above processes speak to prudent business capabilities that companies should have in place *before* investing in a sales assessment solution. Beyond these, Aberdeen also seeks to discover how Best-in-Class companies manage their people, and select performance metrics, to best support the typically high expectations that accompany a strategic technology purchase. A selection of such capabilities is summarized below, in Figure 3.

Surprisingly, only 62% of survey respondents indicate to Aberdeen that they have **defined competencies for each sales role** within their enterprise. This number rises to 78% among the Best-in-Class, who both recognize the obvious differences in the skill sets necessary to succeed in various selling positions – inside, outside, hunter, farmer, channel, etc. – and are able to address these differences.

One of the inherent difficulties in recruiting and interviewing sales professionals is that their ability to sell (and spin) themselves is quite highly refined by nature. Assessment deployments can help offset this elevated ability to, say, pitch a square peg as ideal for a round hole, whereby a candidate might be able to land an ill-fitting sales position through sheer willpower, rather than based on legitimate fit.

An even wider adoption gap is seen when it comes to **formally measuring individual and team competencies** among staffers after they have been trained and on-boarded into full-quota mode.

While most sales leaders tend to focus on a single metric when evaluating their team members' success – attainment of individual quota – Aberdeen's Sales Performance Management research showcases how Best-in-Class organizations more holistically manage, motivate, evaluate, and compensate sales professionals in order to better leverage their contributions. It's entirely possible that a strong performer, typically left alone because she usually hits her number, could produce even better results if her manager were aware of specific skill deficiencies.

Similarly, under-performers are often told to simply work harder, make more calls, set more appointments, and so on. But, how often does their manager "ride along" to ascertain whether this traditional "quantity" recommendation is more of a "quality" problem? Nearly three-quarters (74%) of assessment adopters formalize this level of analysis and action, while fewer than half of non-users (44%) realize its benefits.

Finally, I believe that everyone who works for the enterprise occupies a selling role, at least indirectly, and ought to prioritize support of the sales team in everything they do.

Sixty percent (60%) of Best-in-Class firms **invite non-sales employees to sales training** because they support this value proposition, while the percentage drops to 53% among Industry Average firms and 42% of Laggard organizations.

This does not imply that accountants, engineers, copywriters, or recruiters should strap on a territory and a sales quota. Nevertheless, these folks should be cognizant of what their enterprise does to generate revenue (from whence, after all, they draw their paycheck).

Assessment users gain the added benefit of understanding which non-sales personnel can best add overall corporate value when they understand the language of sales. In customer-facing roles such as marketing or service, the opportunities for up- and cross-selling abound; with this competency in place, industry leaders can capitalize on them.