



SALES PERFORMANCE
INTERNATIONAL

AN SPI WHITE PAPER
SALES TALENT
ASSESSMENT

ACQUIRING & DEVELOPING TOP SALES TALENT

The Role Sales Talent Plays in Achieving Sales Goals

BUSINESS TRANSFORMATIONS

DRIVE

SALES TRANSFORMATIONS

Heraclitus, the Greek Philosopher, said that “the only constant is change.” Successful organizations are constantly changing, whether they initiate it or their market and customers demand it. Mergers, acquisitions, and new product offerings are just a few of the shifts a company will likely experience in its lifetime. These changes can lead to new business models, new sales strategies, and a retooled sales organization.

For the past 25 years, Sales Performance International (SPI) has supported hundreds of global corporations as they’ve successfully transformed their sales organizations to support their business transformations. A foundational component of our approach has been to help them acquire, develop and retain top sales talent. This practice line of our business is called Sales Talent Optimization Solutions and it’s comprised of four solution steps [FIGURE 1].

- STEP 1: Define what “good” looks like
- STEP 2: Assess existing talent based on “good”
- STEP 3: Align talent hiring with “good”
- STEP 4: Track development progress toward “good”

This white paper explains each of these phases and how SPI helps organizations achieve their business and sales transformation goals through improved sales talent.

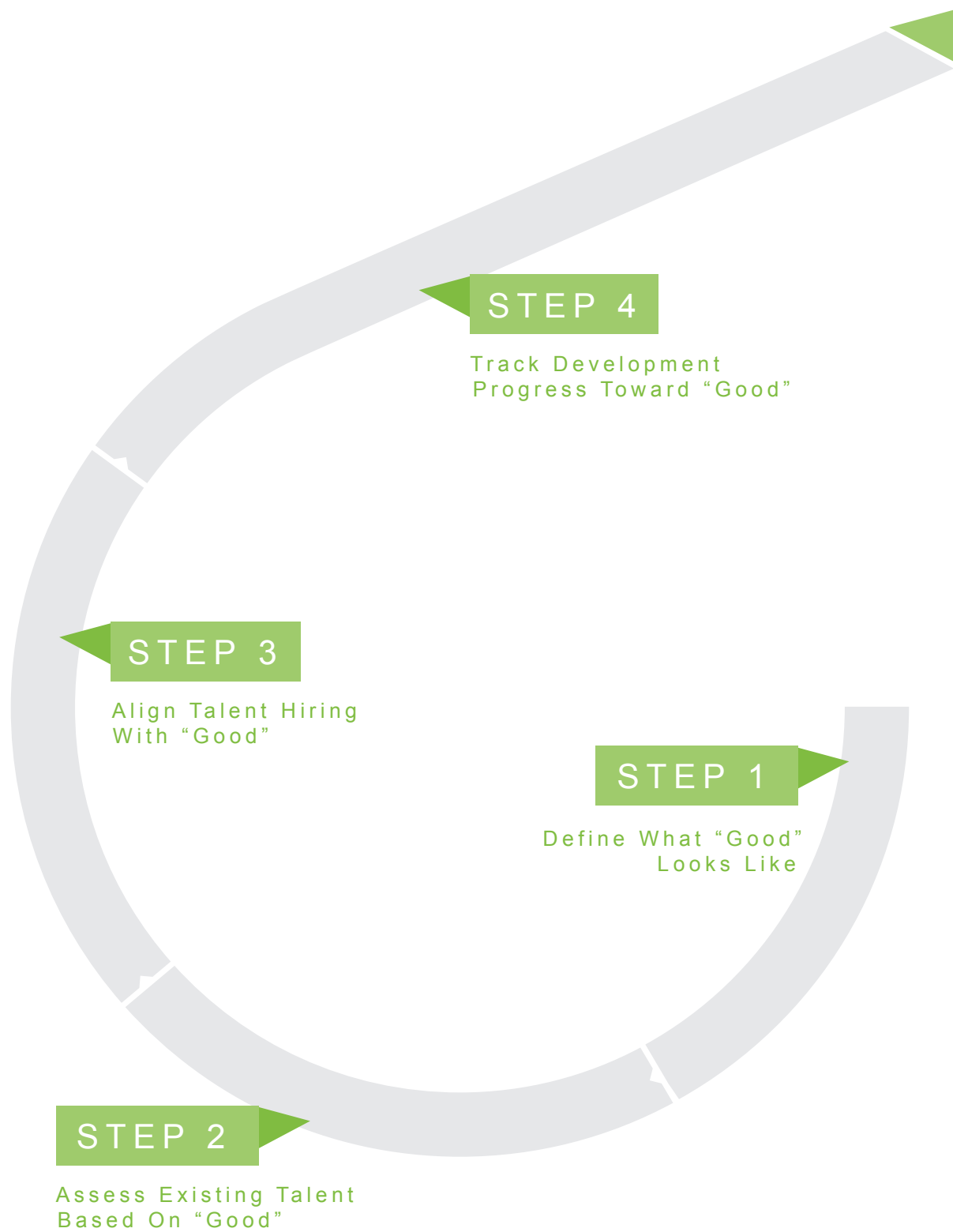


FIGURE 1



WHY IS IT

IMPORTANT

TO LINK

COMPETENCIES

TO SUCCESS

METRICS?

63% of Best-in-class companies increased revenue per employee.

(Source: Aberdeen Group)

STEP 1

DEFINE WHAT “GOOD” LOOKS LIKE

According to Aberdeen Group’s 2012 study “Train, Coach, Reinforce”, 71% of companies have defined competencies for each sales role. These competency models identify the knowledge, skills and abilities considered necessary for individuals to be successful in their roles. Essentially, a competency model defines what “good” looks like. Traditional competency models [FIGURE 2] commonly include three (3) components:

1. **COMPETENCIES:** Knowledge, skills and abilities
2. **PROFICIENCY LEVELS:** Varying degrees of development and achievement
3. **MANAGEMENT PROCESS:** Traceable process step validated by inspection

However, these models have a fundamental flaw—they don’t help managers identify a successful outcome. SPI’s Solution Selling® 2.0 Competency Model [FIGURE 2] addresses this flaw in other competency models by linking Observable Behaviors to Management Inspection Processes and tools (CRM) and Success Metrics.

Why is it important to link competencies to success metrics? According to another Aberdeen Group study, “Competency Management,” (*The Link Between Talent Management and Optimum Business Results*) companies that make this link reported higher revenue per employee:

- **BEST-IN-CLASS:** 63% increased revenue-per-employee
- **AVERAGE:** 35% increased revenue per-employee (13% decreased)
- **LAGGARD:** 0% increased revenue-per-employee (10% decreased)

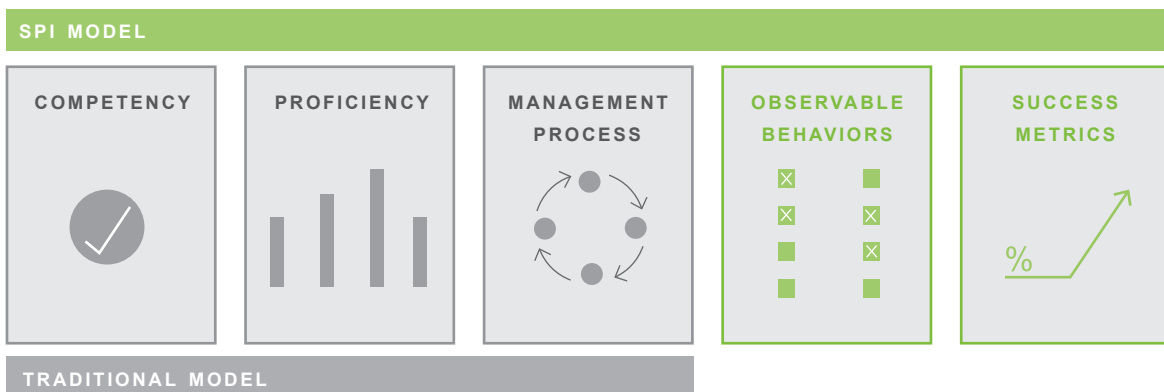


FIGURE 2



STEP 2

ASSESS EXISTING TALENT BASED ON “GOOD”

With “good” defined, organizations can now assess their current sales team to identify competencies that need to be improved in order to support the sales transformation. Questions that Chief Sales Officers and Chief Human Resource Officers commonly ask include the following:

WHAT
VALUE DOES
ASSESSING
THE EXISTING
SALES TEAM
PROVIDE?

- What are the team’s strengths and weaknesses?
- Who’s in the right role today, and who isn’t?
- How many new hires will be needed?
- Who could be a future sales leader?
- What training and development does the team need to improve the likelihood of achieving our sales goals?

The process to answer these questions and more is a standard Gap Analysis [FIGURE 3]—define the future state, assess the team to understand the current state, and analyze the results to identify any gaps and outline the steps to close those gaps.

DEFINE THE FUTURE STATE

Defining the future state of sales requires understanding and capturing the following information:

- Business goals
- Go-to-market model
- Marketing-sales linkage
- Functional sales roles (and what “good” looks like for each role)
- Sales processes
- Channel partner strategies
- Enabling technologies
- Sales compensation models

It identifies competency gaps that would inhibit the organization from achieving its sales goals.



STEP 2 [CONTINUED]

ASSESS EXISTING TALENT BASED ON “GOOD”

ASSESS TO UNDERSTAND CURRENT STATE

Today, organizations use assessment tools to help them understand the current knowledge of their team, and predict who will drive performance in the future. While there are many different types of assessments, there are four (4) key pieces of information that need to be considered:

1. **POTENTIAL:** innate traits and behaviors (sales “DNA”) specific to the role
2. **KNOWLEDGE:** understanding of the competencies necessary for the role
3. **APPLICATION:** an individual’s ability to apply their knowledge
4. **PERFORMANCE:** historical performance

IDENTIFY GAPS AND STEPS TO CLOSE

Now that both the future and current states have been identified, any gaps that would inhibit the organization from achieving the goals of the future state can be identified. Finally, and most importantly, the actions to remediate those gaps must be identified.



FIGURE 3



SUBJECTIVE
INFORMATION
VERSUS
OBJECTIVE
DATA?

Instead of relying on subjective information, companies should leverage objective statistically-proven data for hiring.

STEP 3

ALIGN TALENT HIRING WITH “GOOD”

Just as “good” was used to assess the current team, “good” also serves as the standard for sales talent acquisition strategies. Too often, a company’s hiring process relies heavily on subjective information with little to no objective data. Rather, this process should leverage objective statistically-proven data to identify individuals who meet the “good” quality standard—or demonstrate the potential to become “good”—with subjective information as support for the final decision. Objectivity should be incorporated into four (4) key stages of the hiring process—Initial Interview, Candidate Validation, Demonstration, and Onboarding [FIGURE 4].

STAGE 1: CANDIDATE SCREEN / INITIAL INTERVIEW

Initial interviews typically ask questions about the candidate’s experience (resume or CV), past roles/ titles, representative customers, products sold and accomplishments. However, with Monster.com reporting that >50% of people lie on their resumes, it’s difficult to make an informed decision regarding which candidates should continue on in the hiring process.

To help address this issue, it’s recommended that organizations use role-specific interview guides to objectively score a candidate against traits and competencies identified as “good.”

STAGE 2: CANDIDATE VALIDATION

Candidate Validation utilizes assessment tools to objectively measure those candidates who possess the traits and competencies the organization has identified as “good.” The two (2) key pieces of information for Candidate Validation are as follows:

1. **POTENTIAL:** innate traits and behaviors (sales “DNA”) specific to the role
2. **KNOWLEDGE:** understanding of the competencies necessary for the role

STAGE 3: PERFORMANCE DEMONSTRATION

Demonstration is the step where a candidate has the opportunity to actually do what they say they can do. This is called an Observable Behavior Interview and it begins with “setup” of a real-world selling scenario. Once oriented, the candidate then executes their role in the scenario. Based on the requirements of the functional sales role, a model of what “good” looks like is provided to the interviewers—typically the hiring manager or a team of people—so they can objectively score the candidate against “good.”



STEP 3 [CONTINUED] ALIGN TALENT HIRING WITH “GOOD”

STAGE 4: ON-BOARDING

With objective data, the organization is better equipped to make an informed decision as to which candidate to extend an offer. For an individual that accepts an offer, the knowledge gaps identified in the Candidate Validation stage provide a clear definition of the training and development needed to position the new hire for success in their role.

TALENT QUADRANTS

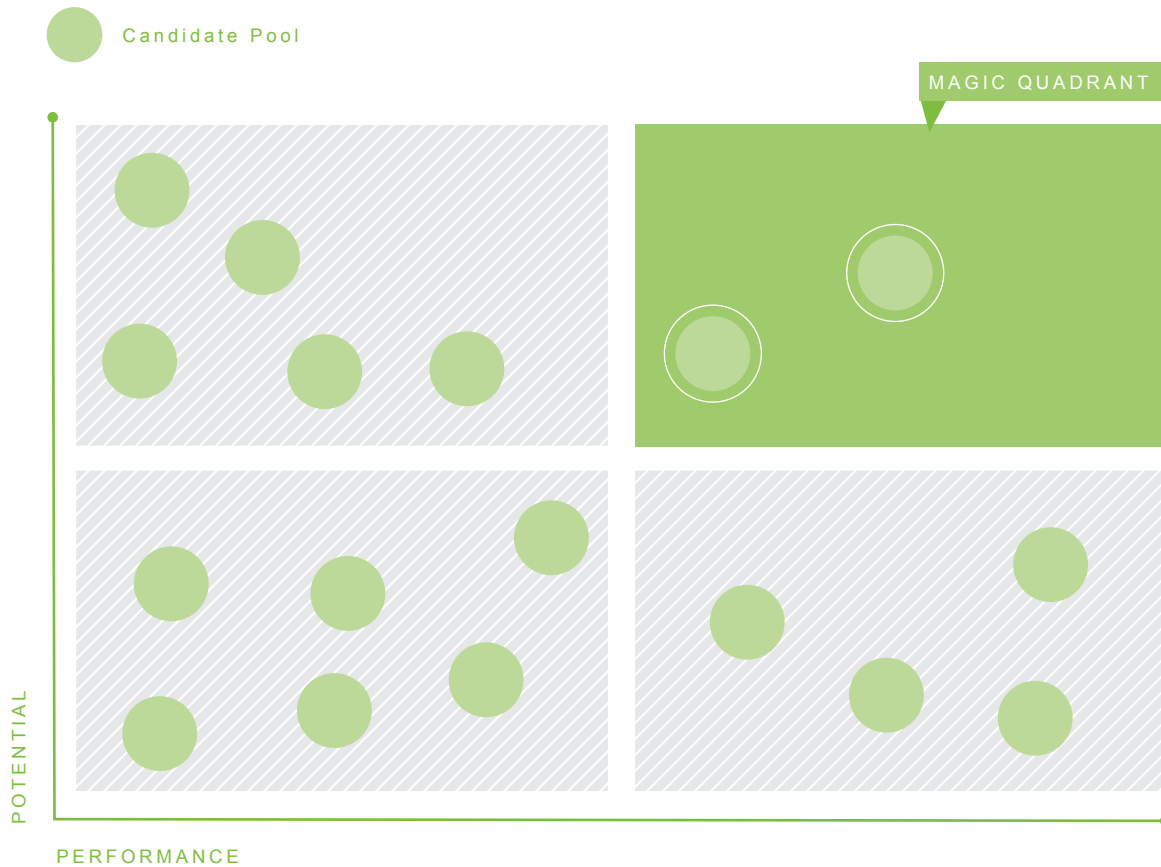


FIGURE 4



HOW DO
COMPANIES
ACHIEVE
BUSINESS
GOALS?

*By acquiring,
developing and
retaining top
sales talent.*

STEP 4 TRACK DEVELOPMENT PROGRESS TOWARD “GOOD”

The final piece of the puzzle to acquire and develop top sales talent is to assess development of the team and individuals as they progress toward “good.” With ongoing assessment data—knowledge, application, 360°, performance, etc.—the organization can provide the following value to the sales team:

- Development plan progress
- Development recommendations for an individual’s current role
- Development recommendations to support an individual’s career progression goals

CONCLUSION

Acquiring, developing and retaining top sales talent is paramount to organizations achieving their business goals. The first step is to define what “good” looks like for each sales role, and then apply that standard to development of the current sales talent as well as the processes for acquiring new talent. This data-driven approach optimizes sales training investments, reduces sales attrition, improves management effectiveness, increases efficiency of the sales team, reduces cost of sales, and significantly increases revenue and margin.

ABOUT THE AUTHOR

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Dave Christofaro is a senior leader in the Sales Transformation / Effectiveness industry with 25+ years of experience including practice leadership, management consulting, sales and sales leadership. In his current role, Mr. Christofaro is responsible for the practice leadership of SPI's Sales Talent Optimization business unit. His strategic focus includes product management and marketing, business development, solution consulting and driving client results.

Prior to SPI, Mr. Christofaro held leadership and executive roles in both sales and operations in the high technology industry with companies including Accenture, Mindblazer, eiStream, Core Technology Partners, and Mosaix. Mr. Christofaro is Solution Selling® certified in SPI's premier sales methodologies. He holds a B.S. in Computer Science from North Carolina State University.

ABOUT SPI

SALES PERFORMANCE INTERNATIONAL

Sales Performance International (SPI) is a global sales performance improvement firm dedicated to helping the world's leading corporations elevate their sales relationships and drive measurable, sustainable revenue growth, operational sales performance improvement and accelerated time-to results.

Founded in 1988, SPI has been the leader in helping global companies successfully transition from selling products to marketing and selling high-value solutions. With extensive sales performance expertise, deep industry knowledge, global resources and a proven track record, SPI collaborates with clients to deliver strategic, operational and tactical solutions.

SPI has assisted more than 1,000,000 sales and management professionals in more than 50 countries and 14 languages achieve higher levels of performance.

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