# IDENTIFY TOP PERFORMERS BEFORE YOU HIRE

There is no sugarcoating it: underperforming employees are a major drain on your business. This drain costs every organization far more than initially thought when you add up the impact of tangibles (salary, expenses, and training) and the intangibles of lost business, impact on company brand/reputation, loss of current customers, loss of future customers, impact on morale of co-workers, and the costs involved with releasing and replacing them. When added up, it's easy to see how the average cost of an underperformer is at least 2.5x the salary of that employee.

You can't afford hire under-performers, nor make significant training investment in those who will not meet your expectations. However, if you were able to predict who is most likely to perform in a role (before you hire them), how might that affect your hiring strategy, the performance of your team, and the success of your company over time?



A recent case study with one of our clients is guaranteed to provide insight into how you could hire and manage your sales team going forward.

**THE SCENARIO:**

This study was conducted with a crop inputs company that has a team of over 50 representatives throughout the Midwest. Each of these sales people have various backgrounds and levels of experience, with all of them currently spending the bulk of their time calling directly on producers. This particular organization is less than 5 years old, so each employee is highly focused and incentivized on developing brand recognition and growth, as there is not enough base business in most markets to justify an emphasis on maintenance.

**THE ANALYSIS:**

The organization made a decision to evaluate the top 20% and bottom 20% of its sales group in order to understand the differences in performance. To accomplish this, they evaluated and compared each representative in the areas of: experience, customer loyalty, past performance record (prior to working for this company), previous work experiences, education, industry knowledge, and several more components. Unfortunately, the result of this evaluation was inconclusive. In one situation, a proven sales rep with strong customer loyalty and success was struggling to perform. By comparison, a less experienced recent grad with minimal technical experience and no customer following was meeting or exceeding sales performance measurements. This begs the question, how could this be?

Like most inputs companies, this organization prefers to hire the "seasoned veteran" with a proven track record and customer following. They assumed the market experience and customers base would reduce the onboarding time, and expedite their success. But their study proved that theory to be false.

**THE REST OF THE STORY:**

It was at this point the organization realized there was one additional element that needed to be evaluated, and it had nothing to do with items a manager can easily identify with a resume, references, or even an interview.

Within the last 18 months, the company evaluated their sales group with a behavioral assessment tool. This assessment benchmarked their sales group dynamics and helped each manager understand how to communicate with member of their team. Even though this tool also identified the traits to look for in an ideal employee, they continued to focus on the characteristics of past performance, product knowledge, and customer following to make their final hiring decisions. With the two groups of employees in hand, they went back to this data and made an amazing discovery. The current high performing and low performing individuals were clearly grouped together. Had this company used their behavioral assessment tool as part of their hiring/decision making process, they could have prevented hundreds of thousands of dollars in hiring mistakes.

**PREDICTING SUCCESS: THE FACTORS SEPARATING THE TOP 20% FROM THE BOTTOM 20%**

**Fig. 1 – Strongest Traits**
83.3% of Performers have Extroversion* as the highest trait, with remaining 16.7% Dominance**

High Extroversion 83.3%
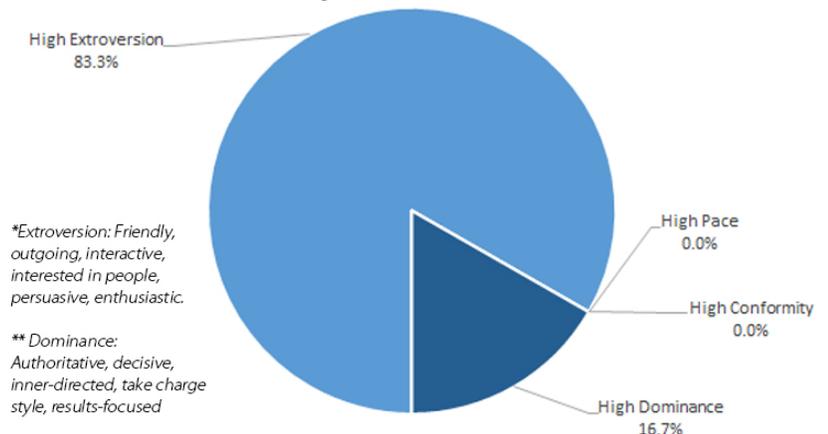
*Extroversion: Friendly, outgoing, interactive, interested in people, persuasive, enthusiastic.

** Dominance: Authoritative, decisive, inner-directed, take charge style, results-focused

High Pace 0.0%

High Conformity 0.0%

High Dominance 16.7%

**Fig. 2 - Energy Style –**
How they start, sustain and complete tasks.

Thrust, 100.0%

Ste-Nacity, 0.0%

Allegiance, 0.0%

Within the top performing group of this company, 100% are high in traits related to dominance or extroversion **Fig. 1**., and are characterized as "Persuasive Sellers" or "Direct Seller" types. These are fluent communicators, with hard charging spirit, relish innovation and/or fast paced work environments, and tend to be impatient for results. Furthermore, 100% of this group also had a style that was eager to take charge, initiate, command, launch high energy, drive, and rise up to challenges **Fig 2**.

However, in the underperforming group, 80% of this group are high in traits related to pace **Fig 3**. They were characterized on their profiles as "Dependable/Productive" or "Cautious/Requires Proof". A style that seeks stability in their work, enjoys routines, risk averse/requires predicable environments, appreciates rules, and needs accuracy. 100% of this group also had a style that was characterized as supportive, loyal to completion of tasks, steady, and having a supportive/customer servant demeanor **Fig 4**.

**Fig. 3- PACE**
80% of underperformers have Pace*** as highest

High Pace, 80.0%

High Dominance, 0.0%

High Conformity, 0.0%

High Extroversion, 20.0%

*\*\*\*Pace: Steady, unhurried, persistent, cooperative, pleasant, able to take what comes and make the best out of it.*
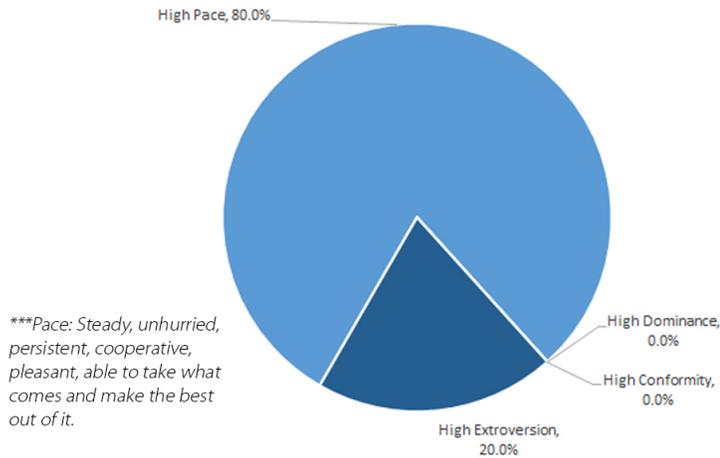
**Fig. 4 - Energy Style** –
How they start, sustain and complete tasks.trait



Allegiance, 100.0%

Thrust, 0.0%

Ste-Nacity, 0.0%
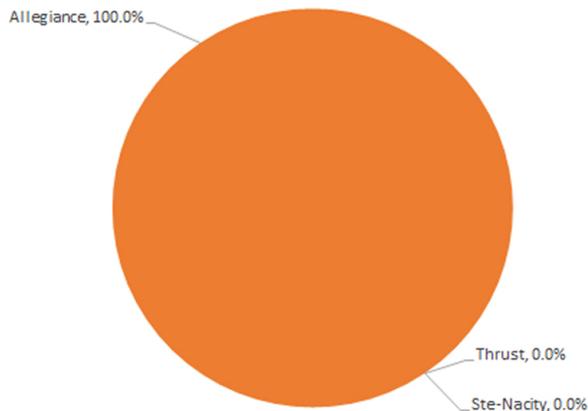
**CONCLUSION:**

It needs to be noted that the style required for success in this case study is specific to this company's sales strategy and the conditions in their market. The profile that works for them, may not be the best for you. The style required for a territory that requires a consultative approach, would be different than an ideal style for a market that needs a business approach, or even a difference based on how much an individual is allowed to be creative in their role vs. follow a specific protocol. The key is to match the behaviors to the needs of the specific position, and not just a generalization of culture or sales approach across the organization.

Additionally, in fairness to the "non-performing" group, they are not bad employees. They are victims of "hiring by resume." These folks were hired based on past experience (their resume) with the assumption they could easily repeat their performance with a different company and culture. Unfortunately, they were not matched to the right job, and would likely perform at a higher level if hired by a company or role that needs their characteristics.

The challenge of the organization in this case study is unfortunately very common throughout the ag industry. Hiring decisions based on past performance are a gamble with a low rate of success. Profit is lost each day by organizations that try to determine if the performance of an individual can be improved, without understanding if their style is even capable for the sales approach your organization requires.

The impact an underperforming employee can have on your organization gives little room for error in your hiring and personnel management decisions. Integrating an analysis tool into your recruitment and hiring process will not only improve your hiring success, but will affect the success of your entire organization as a result.

**WANT TO LEARN MORE?**

A basic candidate analysis costs less than an interview over a meal, yet has the ability to assist you in identifying those who have the ability to be highly profitable versus those that may cost your organization hundreds of thousands of dollars in salary and lost revenue.

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