

# Predicting Sales Manager Performance:

2014



THE SCIENCE OF PERSONALITY

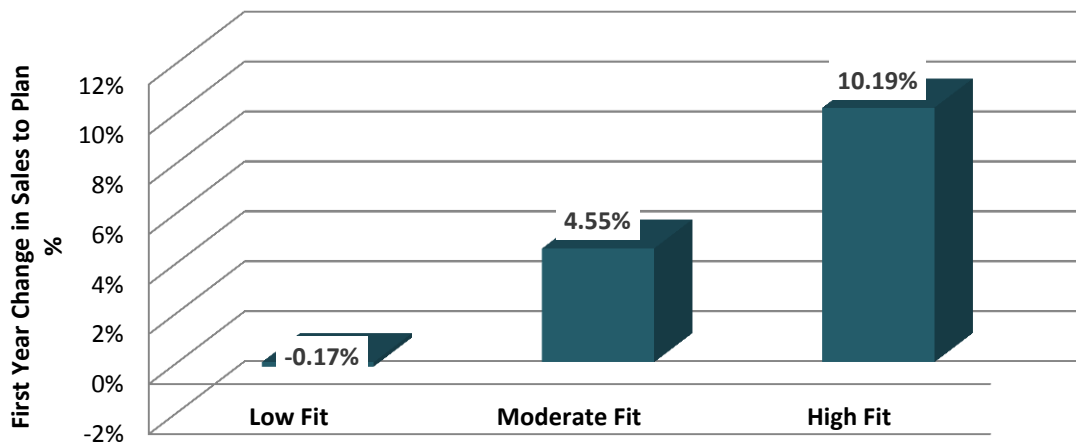
In 2011, Hogan partnered with a nation-wide food retailer to establish a long-term research plan for developing and validating personality-based screening guidelines for their Sales Managers. We first conducted a Validity Generalization study, to identify HPI and HDS scales most predictive of Sales Manager performance. Based on the research findings, Hogan developed a profile to select candidates into the Sales Manager role who were more likely to be higher performers. The company began using this profile to screen in applicants who are stress tolerant and resilient despite setbacks, competitive and focused on achieving sales targets, build and maintain relationships with others, and are practical and sensible decision-makers.

Although the company received fit recommendations based on this profile, they continued to hire low fit, moderate fit, and high fit applicants for over two years. This gave us the opportunity to examine differences between all three groups based on our initial recommendations and to determine if we could improve the profile using key sales metrics collected during this time.

To examine how the profile is working, we conducted Return on Investment (ROI) analyses. Results demonstrated:

- After being on the job for one year, high fit Sales Managers increased the percent of projected sales met by 10%, compared to 6% for moderate fits and 0% for low fits (see Figure 1).
- Over their first year, high fits consistently had more new customers and buying customers per day than moderate and low fits.

**Figure 1: Average Change in Percent of Planned Sales Met Over First Year**



We explored alternate Sales Manager profiles to maximize prediction of sales metrics. Based on the results, we recommended the continued use of this profile for Sales Manager selection.