GrowthPlay's

Chally Assessment ™

BUSINESS OUTCOMES REPORT

Gr␣wthPlay.

ADVANTUS
The art and science of sales excellence

RETURN ON INVESTMENT

For more than 45 years, clients have been using the Chally Assessment™ to inform talent management decisions. The independent research firm, Aberdeen Group, conducted a survey examining 531 organizations' sales effectiveness. Their research found that companies utilizing the Chally Assessment system achieve higher sales quota attainment and higher average customer renewal rates. Overall, survey participants who were customers had significantly higher ratings than those using other methods. Similar results were found with CSO Insights' Sales Performance Optimization study (2009). An overview of their results is provided below.

In addition to the external studies by Aberdeen Group and CSO Insights, return on Investment (ROI) analyses have been conducted for a variety of clients to examine the impact that using the Chally Assessment has on business outcomes. We worked closely with key stakeholders within client companies to determine the business outcomes that are of most importance to them. Our researchers then conducted sophisticated statistical analyses to evaluate the link between these outcomes (e.g., increased quota attainment, reductions in turnover, increases in productivity) and the Chally Assessment recommendations.

The following pages highlight key findings from a series of ROI studies conducted for our U.S. and global clients between 2007 and 2018.
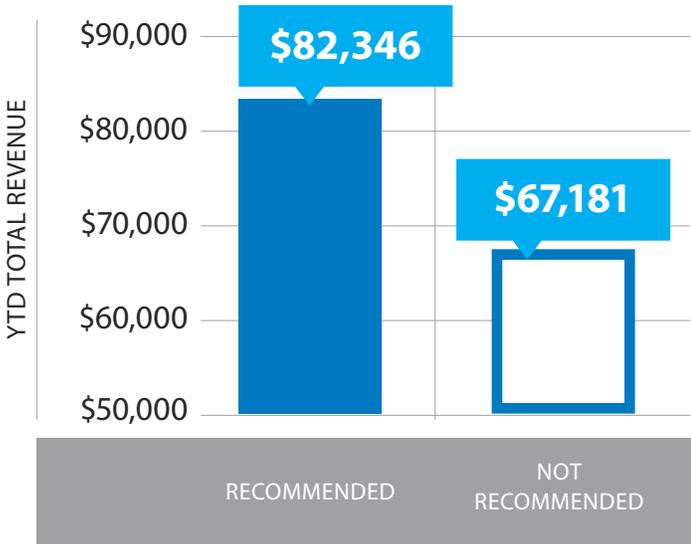
SALES PERFORMANCE OPTIMIZATION STUDY
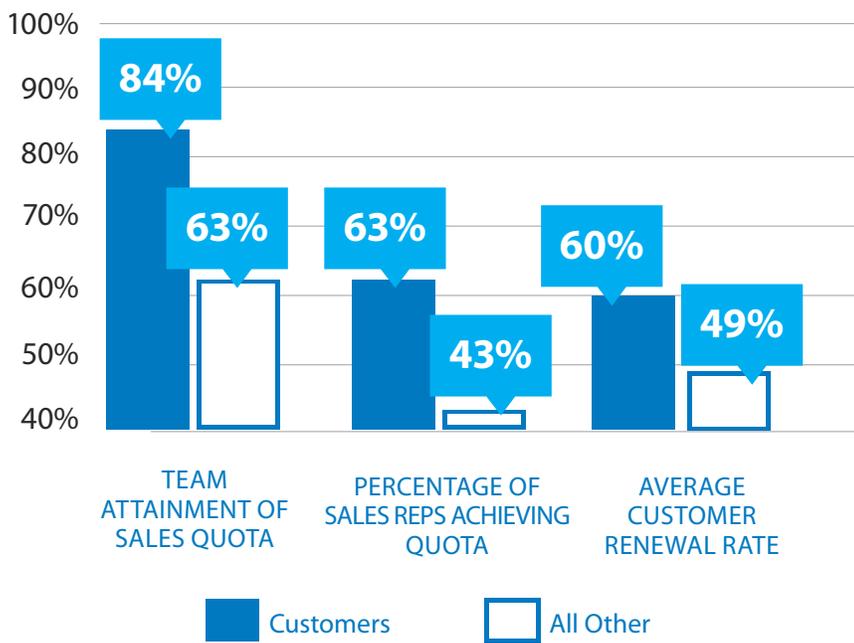
This report provides concrete evidence directly connecting the Chally Assessment to business results.

	TEAM ATTAINMENT OF SALES QUOTA	PERCENTAGE OF SALES REPS ACHIEVING QUOTA	AVERAGE CUSTOMER RENEWAL RATE
Customers	84%	63%	60%
All Other	63%	43%	49%

TECHNOLOGY SOLUTIONS INDUSTRY

POSITION TYPE ACCOUNT EXECUTIVE

$82,346

$67,181

YTD TOTAL REVENUE

$90,000

$80,000

$70,000

$60,000

$50,000

RECOMMENDED

NOT
RECOMMENDED

BUSINESS CASE

A technology solutions provider was transitioning its sales force from selling products to selling solutions in order to be more competitive in the marketplace. Subsequently, a better understanding was needed of how its Account Executives differed in terms of selling style.

PROJECT GOALS

To develop a profile that accurately embodied the Account Executive role and statistically differentiated top performers from bottom performers. Additional goals included identifying critical areas for training and development and ways to improve market adaptability and customer satisfaction.

RESOLUTION

Developed a Gap Analysis of sales best practices which identified where Account Executives stood on various competencies and outlined key areas for improvement. Gap analyses also addressed how they could more effectively transition from a product selling orientation to a solutions selling orientation. Additionally, we created a custom-validated profile with a strong relationship with performance (r = .42). This correlation compares favorably to other tests that could have been used for selection. The profile was tested on the Chally archival database and demonstrated no adverse impact across age, gender, or race.

ACCOMPLISHED

Account Executives who were recommended on the Chally profile generated 23% more revenue than those who were not recommend-ed. These findings were prior to Account Executives achieving full ramp-up and are equivalent to $1.5 million in additional revenue.

RECOMMENDATIONS

Collect performance metrics on new hires and conduct a Return on Investment (ROI) analysis to demonstrate how the Chally Assessment has contributed to the company's bottom line.

NEXT STEPS

Consider utilizing Chally Assessment tools for developmental purposes. Conduct a Talent Audit to identify where sales talent might be most effectively placed to support organizational objectives. This will also enable the technology solutions provider to focus development discussions on specific characteristics relative to the job.
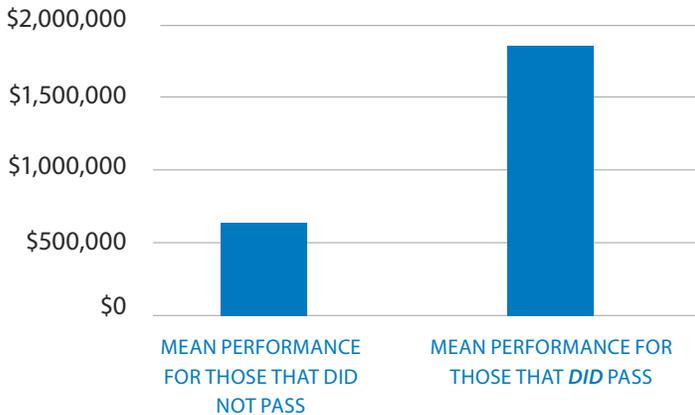
CURRENT

The technology solutions provider has filled many of the open Account Executive positions using the Chally custom profile. The company is no longer in the process of testing applicants.
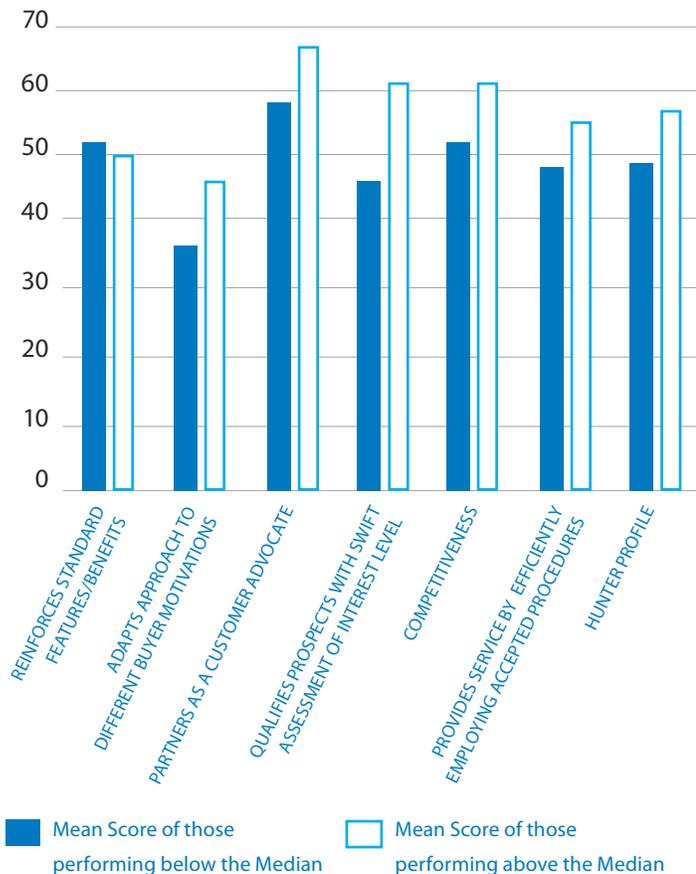
SOFTWARE INDUSTRY

PERFORMANCE IN DOLLARS

Bar chart with y-axis from $0 to $2,000,000.

- MEAN PERFORMANCE FOR THOSE THAT DID NOT PASS
- MEAN PERFORMANCE FOR THOSE THAT *DID* PASS

AVERAGE COMPETENCY SCORES

Categories:
- REINFORCES STANDARD FEATURES/BENEFITS
- ADAPTS APPROACH TO DIFFERENT BUYER MOTIVATIONS
- PARTNERS AS A CUSTOMER ADVOCATE
- QUALIFIES PROSPECTS WITH SWIFT ASSESSMENT OF INTEREST LEVEL
- COMPETITIVENESS
- PROVIDES SERVICE BY EFFICIENTLY EMPLOYING ACCEPTED PROCEDURES
- HUNTER PROFILE

■ Mean Score of those performing below the Median

□ Mean Score of those performing above the Median

BUSINESS CASE

A leading, world-class software firm was having issues with identifying and defining the roles within their organization. Further, they were having issues selecting for multiple different types of salespeople to fill these roles. They needed help with understanding whether or not the roles they considered their workforce to be in were correct and whether or not the people in those roles were being productive.

PROJECT GOALS

Determine the correct profiles for the roles within the organization, help the organization define those roles, and identify the competencies which do the best job of predicting success within those roles.

RESOLUTION

We were able to identify and differentiate between three unique roles within the organization and create profiles which would help the organization select for those roles. For simplicity, only one of those profiles is reported here. The Hunter Profile had a statistically significant relationship with performance (r=.44, p<.01). Mean performance in sales dollars for those that were Not Recommended by the Chally Assessment for the Hunter Role was $614,197 while the mean performance in dollars for those that were Recommended was $1,896,923.
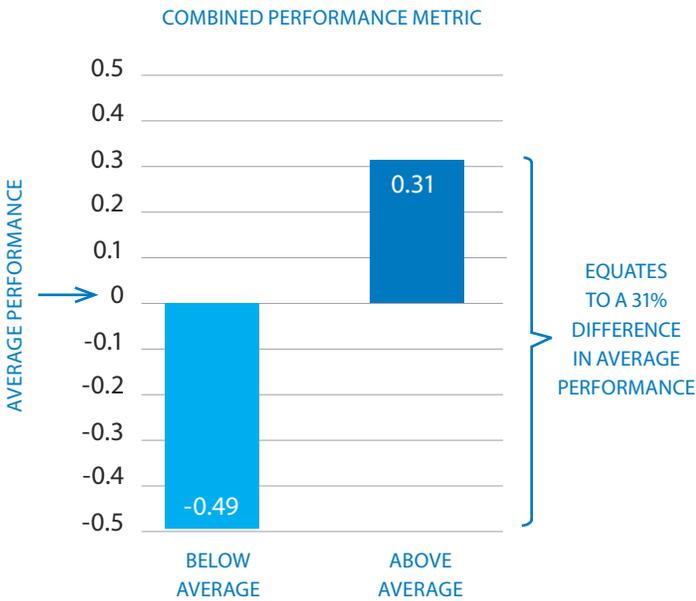
RECOMMENDATIONS

We recommended that we continue to monitor the performance of the individuals selected for each role and return after more people had been selected, placed into roles, developed, and then collect performance data on those selected using the newly identified profiles. By doing this, we will be able to demonstrate how leveraging the information gained via the Chally system can over time benefit an organization's bottom line.

BUSINESS SOLUTIONS INDUSTRY

COMBINED PERFORMANCE METRIC

AVERAGE PERFORMANCE

0.5	
0.4	
0.3	0.31
0.2	
0.1	
0	
-0.1	
-0.2	
-0.3	
-0.4	
-0.5	-0.49

BELOW AVERAGE   ABOVE AVERAGE

EQUATES TO A 31% DIFFERENCE IN AVERAGE PERFORMANCE

BUSINESS CASE

The organization is attempting to move beyond selling hardware and is attempting to move into whole organization business solutions. There was a need to find a better way to identify talent for a complex, high-level sales role.

PROJECT GOALS

Identify key competencies necessary for successful performance on the job and identify a selection tool which is strongly related to performance on the job.

RESOLUTION

Developed a single, highly predictive profile. Profile selected was shown to be related to a combined performance metric involving two years of percent of quota achieved and overall performance ratings (r=.54, p<.01). The combined metric suggested that the use of the Chally Assessment relates to a difference in performance between those recommended to be hired and those not recommended by the Chally Assessment to be approximately 31%.

RECOMMENDATIONS

Based on the success of the profile creation, it was suggested that collecting performance data from both individuals hired using the Chally Assessment and utilizing it to demonstrate the long-term benefits of utilizing the Chally Assessment.

CLASSIFICATION ACCURACY

Classification accuracy is the extent to which current incumbents are accurately classified as top and bottom performers. The dynamic nature of many of GrowthPlay's client companies and jobs can make conducting traditional ROI analyses infeasible or impractical. As such, GrowthPlay conducts classification accuracy analyses on clients' incumbent population to demonstrate the potential ROI of the custom-validated profiles.

Classification accuracy analyses are presented graphically throughout this report. The formula used to arrive at these figures is provided below.

PERFORMANCE LEVEL	RECOMMENDED	NOT RECOMMENDED
Outstanding	**25**	5
Exceeds Expectations	**15**	5
Achieves Expectations	**15**	15
Needs Improvement	5	**15**

55 (Above Average Performers) + **15** (Below Average Performers) = **70**
70 / 100 (Total) *100 = **70% Classification Accuracy Rate**

GrowthPlay accurately classifies top and bottom performers at an average rate of 70%. In other words, the Chally Assessment will accurately recommend above average performers and not recommend poor performers 70% of the time. This level of selection accuracy can have a significant impact on a client's bottom line. Simply replacing the bottom 20% of salespeople with average or above average salespeople will increase overall production by 10% or more. For the average sales force, this translates into millions of dollars in increased sales.

Bottom 20% replaced   by average and above salespeople   Top 20% of salespeople

$119.7 Million

$104 Million
= $223.7 Million Total Sales