

CPI® Assessments Enable Transportation Company to Identify Sales Hires with High Potential

Two Profiles for Two Types of Positions Help Predict Productivity and Job Satisfaction



CASE STUDY AT A GLANCE

CUSTOMER OVERVIEW

One of the largest transportation logistics companies in North America provides integrated, multimodal transportation services and solutions to customers throughout the U.S., Canada, and Mexico, including many *Fortune* 500 companies.

CHALLENGE

When the business experienced a rapid growth spurt, the company's human resources and training staff were tasked with hiring and developing some 200 additional salespeople. The key was to identify candidates with the best prospects of success, both to drive revenues and to reduce sales force turnover.

SOLUTION

Having used CPP's CPI 260® assessment as a coaching tool with some other employees, the company asked CPP to use the CPI 260 instrument to develop personality and competency profiles that would help identify the best candidates for the types of sales positions they were hiring for.

RESULTS

CPP's CPI™ Performance Suite has enabled the company to identify more than 100 high-potential candidates for its fast-growing internal sales force, with more on the way. Because they have the personal attributes and attitudes they need to make the most of the skills training they receive, the new hires are reaching high levels of performance and productivity faster and with lower turnover than past "generations" of new salespeople.

As one of the largest firms in the transportation industry, the organization employs some 16,750 workers, including more than 12,000 drivers, and contracts for services with an additional 900 independent truckers. Keeping that many trucks hauling profitable loads requires a significant sales effort.

But not all sales jobs are the same, and different kinds of salespeople do best in different kinds of sales roles. Putting the right people into the right roles was the organization's goal when they turned to CPP for help in identifying high-potential candidates for more than 200 new sales positions.

THE CHALLENGES OF RAPID GROWTH

The company as a whole had experienced plenty of growth since the 1980s, but the company's internal sales group redefined the concept when its business volume grew 253% in just 10 months between fall 2007 and midsummer 2008. Supporting that sudden and rapid growth spurt was a challenge for the company's HR and training and development departments, especially when it came to selecting the sales force.

"Transport services is a sales-intensive operation," explains the company's director of training and development. "To keep up with the recent rapid expansion of our internal sales volume, we found that we needed to add, on average, 12 new salespeople each month."



The people development people.

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As the company geared up to hire for those positions, the director and his colleagues encountered two discouraging trends. Productivity in the internal sales group, as measured by revenue per salesperson, was lagging. At the same time turnover was up, which only exacerbated the hiring challenge.

“We realized we needed to do a better job with our selection process,” the director says. “We needed a more structured, consistent process for interviewing, evaluating, and identifying candidates who would be both good at the job and happy doing it.”

TWO PROFILES FOR SALES SUCCESS

One key to success in transport services is to “fill every load”—that is, to match shippers’ requirements, whether for full or partial loads, with carriers’ available capacity in order to ensure that thousands of trucks on local, regional, and long-haul routes deliver maximum value to all.

It’s a dynamic, fast-paced business involving hundreds of transactions every day, requiring a lot of real-time networking and coordinating on the part of the sales force. It also requires two distinct kinds of selling approaches—and two kinds of salespeople to do them.

What the organization calls a “transportation sales coordinator” has to be good at prospecting for new customers and winning their business—the traditional outgoing and proactive sales professional. The other type, a “carrier sales coordinator,” has to be good at maintaining and nurturing relationships with established customers—the more service-oriented sales professional who values and enjoys longstanding relationships.

The director of training and development and his counterparts in HR needed to put the right salespeople into the right sales roles and wanted to use an assessment-based hiring tool to help in the process.

THE INSTRUMENT OF CHOICE: THE CPI 260® TOOL

“We had already had some very positive results using CPP’s CPI 260® instrument as a coaching tool for some employees in other areas,” the director recalls. “So we asked CPP if they could help us with this new challenge.”

Building on the time-tested validity and reliability of the *California Psychological Inventory*™ (CPI™) assessment, the CPI

260 tool uses 260 carefully selected items to identify people’s thoughts, preferences, attitudes and behavioral tendencies. In technical terms, it identifies 29 different personality characteristics on three vector scales—interpersonal approach, intrapersonal values, and level of satisfaction (more than two dozen folk scales in four broad areas), dealing with others, self-management, motivations and thinking style, and personal characteristics—and six work-related measures. In more concrete terms, the CPI 260 tool yields practical, down-to-earth insights that can make both selection and development more efficient and more productive.

To help the company with its sales force hiring challenge, the first task was to develop personality and competency profiles for the two different positions. That task fell to CPP research scientist Michael Anderson, PhD.

CORRELATING PROFILES WITH SUCCESS

To get a sense of what is involved in each of the two jobs and what personal characteristics and competencies are required for success in each one, Dr. Anderson administered an online standardized job analysis tool to several high-performing incumbent salespeople and their supervisors. “Two types of performance indicators were used to identify high-performing incumbents,” he explains: “their sales and revenue records as an objective index, and subjective performance appraisals from their supervisors.”

The job analysis results combined with the job validity study allowed Dr. Anderson to identify which scales of the CPI 260 instrument would be most valuable for assessing candidates and picking those with high potential for each position.

To validate his findings, he administered the CPI 260 assessment to a wide sample of incumbents in both jobs to identify the CPI 260 scales that distinguished high performers. Focusing on the scales the validity information determined were most important, Dr. Anderson’s analysis of the results enabled him to divide the incumbents into three groups: those who displayed a good, a moderate, and a low fit with the defined profiles for success. Finally, he compared the average revenues and overall contributions of the three groups.

The numbers told the story. For example, the average overall contribution of incumbent carrier sales coordinators who were a moderate fit was 217% greater than the contributions of low fit individuals; and the average contribution of incumbents in the good fit category was 80% higher than those in the

moderate fit group. Among transportation sales coordinators, the average contribution of moderate fit incumbents was 114% greater than low fit individuals, and the average for high fit individuals was 144% greater still.

PUTTING THE CPI 260® INSTRUMENT TO WORK

Once validated, the CPI 260 assessment was incorporated into the screening and interviewing process for the company's internal sales force candidates.

"As before, our human resources staff prescreens candidates for the basic skills and experience needed for the positions," says the director. "But now, those who pass that basic litmus test are asked to complete the CPI 260 assessment."

We've seen substantial reduction in turnover since we implemented our use of the CPI 260," he says. "It's helped us identify not just good, high-potential salespeople, but happy ones, too.

Consistent with best practices, the CPI 260 instrument is not used exclusively to assess candidates' performance and potential, nor as a make-or-break tool. Whether the assessment identifies them as good, moderate, or low fit individuals for either of the two positions, all candidates go on to interviews with hiring managers, who have the same discretion and authority they have always had at the company.

But now the HR department uses CPP's developmental feedback tool to prepare a summary of the CPI 260 results for hiring

managers to use in the interviewing process. As a result, interviews are more consistent, structured, and informative—and more likely to result in the hiring of achievers and contributors.

100 IMPRESSIVE NEW HIRES—AND COUNTING

So far, the "new" selection process for internal salespeople at the organization has brought on board more than 100 new hires—and they are receiving "rave" reviews from other employees.

"I've heard it on all sides—people here are very impressed with these new hires," says the director. "They walk in the door with the attitudes and competencies they need to succeed as sales coordinators. That maximizes the value of the training and development they receive once they're here, and it shortens their path to high productivity."

Now plans are underway to expand the company's use of the CPI 260 instrument to another sales organization at the organization, and there's talk of extending the use of assessment results to training and development work at various levels of the company.

In the meantime, the task of growing a high-performing internal sales force continues, with 96 new positions slated to be filled over the next eight months. Thankfully, the director doesn't expect the challenge of finding replacement hires to add substantially to that burden.

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