



flow sales®: Personalmanagement

Project report

Sales Audit with Jobfidence® as a part of the repositioning of the Sales Organization at Steigenberger Hotels AG

Werner Morfeld, flow consulting gmbh

flow consulting gmbh advised Steigenberger Hotels AG in the period 2004 -2005 on the repositioning of the sales organisation. For this purpose, a sales audit was developed in which all sales employees were involved.

Claus-Dieter Jandel, General Manager, was responsible for the project at Steigenberger Hotels AG. Werner Morfeld and Dieter Kannenberg took over the project management of flow consulting gmbh.

Even though the project was already several years ago, there is still a good insight into the application of a psychometric instrument (Jobfidence®) in the context of an audit. In addition, the description of how we at flow consulting tackle projects of this kind becomes clear.

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Grounds and Goal Setting

For more than seven centuries, the name Steigenberger has been representative of European hotelier quality. Albert Steigenberger founded the family-owned enterprise in 1930 when he took over the hotel "Europäischer Hof" in Baden-Baden. Today (2006) the corporate is made up of 80 hotels, 52 of those ranging four- and five-star Steigenberger brand hotels and resorts as well as 28 middle class category hotels trading under the InterCityHotel brand.

In the year 2004 the Steigenberger Hotel Group decided to adapt their sales orientation to the changed customer requirements. Due to increasing fusions and co-operations, amongst other things, the consumer behaviour now operates at a more international level. Over and above this, professional travel management departments draw up blanket agreements and contracts. The clients objective is to generate cost effectiveness and obtain flexible solutions from the providers on the hotel market.

In answer to the rising expectations, the Steigenberger Hotel Group committed a project group to analyse the strengths of the marketing organization, to develop adequate solutions and measures and to implement these.

The first step in 2004 was the integration of the sales representatives into the local business level. The central marketing offices were dispersed and the sales representatives delegated to the respective hotels and business sectors (Holiday Homes, City Hotels and InterCity Hotels). This condensed the competencies of the individual sales representative to the specific location of the hotels enabling regional knowledge of the customers and local markets to become interwoven with the knowledge and strengths of the respective hotel, which in turn allows for better and faster perception and fulfilment of customer needs.

The second step was yet to come: the implementation of global key account managers in a new global sales department. Apart from the knowledge of the local markets, there was a need to optimize the focus mentality to the requirements of international customers. In general, these operate within international and cross company blanket agreements. These key account managers are to be allocated to specific customer sectors. This allows the key account manager to become acquainted with the particular needs of individual group of customers i.e. Auto-motive, Banking, Pharmaceutical etc. and develop detailed customer knowledge, promoting a more efficient and targeted acquisition of large customers.

Defining Development Fields and Talent Scouting

The project group decided to conduct a sales audit, which would enable the development of the sales representatives performance in meeting the new requirements and scout the right talents for the yet to be established global sales department. It is not easy to find qualified hotel market sales personnel in the current recruitment market. Over and above this, current employees were to be given the chance to fill these positions. The Steigenberger Hotels AG highly values the promotion and development of their own personnel. Whenever an employee performs well and proves to have potential for advanced roles, he is given the chance to develop himself within the concern. This positive attitude and motivation also transfers to the guests and customers.

Sales Audit with Assessment Center?

flow consulting assisted the project group on the question of the Is-Analysis. The first idea was to deploy the sales audit with the help of an assessment centre. The following opposition was to be considered:

- Putting 120 people through an assessment centre within a few months would be extremely time consuming.
- If managers from within the organization were to be used as observers, they would barely be able cope with their managerial duties in the organization.
- If on the other hand, the assessment centre were dealt with by external consultants, the costs would soon exceed the budget set for the project by far.
- Over and above this, scientific research proves that only well laid out assessment centres conducted by specially trained observers, as well as tasks tailored to match the work of the individual participant will provide reasonably valid results (see Schuler, Psychological personnel selection, Göttingen 1996). To construct such an AC would yet again tie up a lot of resources.

In summary, time was limited, the budget could not be strained, and the management resources not exhausted. Based on this, flow consulting suggested to deploy the sales audit using a tried, professional psychometric technique; Jobfidence®.

What is Jobfidence®

Jobfidence® is a psychological measurement procedure for personnel selection and development. This technique has been on the market since 1966 and is subject to ongoing scientific research. Every second year the technique is submitted to extensive revision (see Sarges, Wottawa, Handbook for Eco-Psychological Test Procedures, Lengerich 2001). The scientific quality criteria of Jobfidence® all rank in the highest scores. The key measurement criteria for reliability according to Cronbach Alpha for example rate between $r=0.79$ and 0.86 ($N = 14.710, 16$. Revision August 2002).

Jobfidence® aims at the six performance criteria of which it has been scientifically proven, that can be measured accurately, are biographically stable and are particularly decisive for Leadership and Sales functions.

Two intelligence and four behavioural performance criteria are captured:

Adaptive Intelligence

The mastery of common numerical and verbal abilities – vital in all areas where adaptability, knowledge gain and / or communication play a key role: Leadership tasks in Purchasing, Administration, Sales, Marketing etc.

Analytical Intelligence

The ability of analytical and combinational thinking as a structured processing capacity is measured – especially needed when complex and multi-dimensional issues are to be dealt with: planning tasks, the development of new strategies, abstract problem solving.

Flexibility

The readiness to adjust personal habits and prejudice in decision-making situations is measured. Are preferred known solutions selected or does the person search until new methods and as-yet-untried possibilities are found? Adherence to the familiar or quick change can have both positive and negative effects. This is why it is essential to know exactly the requirements of the target position.

Motivation to perform

The individual motivational factors which activates the willingness to perform are measured. Does the priority lie on a concrete, short-term attainable result or is the interest first and foremost on a satisfying work-process? Both motivational patterns can be successful – depending on requirements of the activity.

Stress Stability

This measures the extent of work and conflict-solving ability in contact and leadership related stress situation. Can the participant maintain his ability to to perform under psychosocial pressure

and at the same time react appropriately to conflicts? The measurement reveals the individual tendencies which may or may not be favourable, depending on the respective professional work situation.

Persistence in pursuing goals

The individual response tendency when confronted with unexpected difficulties which hinder goal-achievement is measured. Does the person adhere his once set goals when circumstances have altered or does he tend towards making (premature) compromises and give up his goals relatively easily? Depending on the professional requests, one or the other tendency can be an advantage or a risks.

Jobfidence® is efficient in application. Up to 20 people can be taken through the process within a day, including immediate and detailed explanation of the process in a 4-Eyes-Feedback-Session. Most participants approach a sales-audit reluctantly and with the question: "What should I expect?" This tension is not prolonged unnecessarily; the first feedback is given the same day, hence improving the acceptance of the procedure.

The Positions-Skyline®

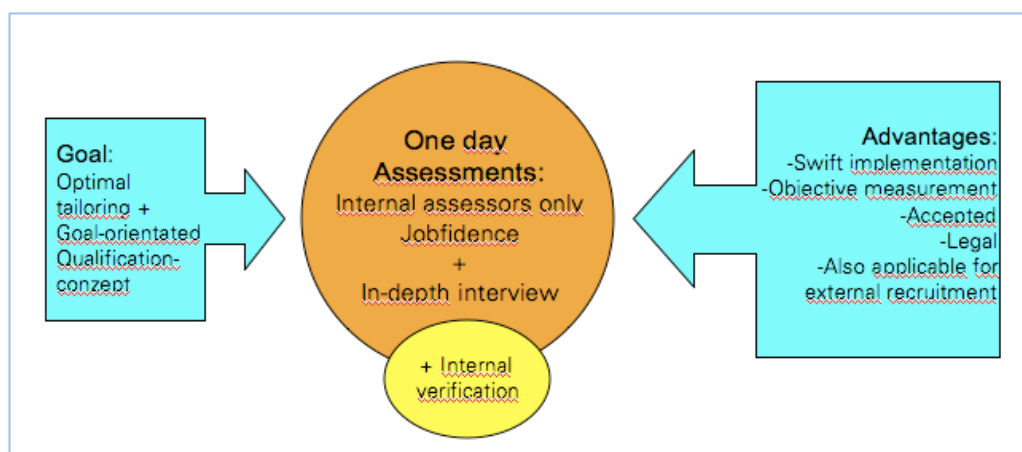
Before advice can be given, based on the Jobfidence® results, a Requirement-Profile must be determined. What are the functions of a sales representative at the Steigenberger Hotel Group? To determine this, those responsible for the project group undertook a workshop day laying out the exact job profile in the form of a Positions-Skyline®. As some of the sales positions differ quite clear, 4 different Positions-Skylines were mapped out:

- Director of Sales
- Sales Manager
- Global Sales Key Account Manager
- Sales Support

Preparing the Sales Audit

After thorough consideration, the Steigenberger Hotel Group decided to opt for the Sales Audit with Jobfidence®. On the one hand this was to be supplemented with an information survey by the respective sales managers and on the other hand by an in-depth interview to verify the central competence fields.

Graph 1: Sales Audit with Jobfidence



Three measures were co-decisive for the audit:

a) Information survey for developmental needs

Normally, the direct manager is acquainted with the developmental needs of the individual sales representative as he is the first to see the work and results of the sales representative in his team. A survey was conducted to find out the developmental needs from the managers perspective. The side effect of this was that now, every manager was obliged to contemplate the procedure. Hence the survey served to strengthen communication concerning the purpose and process of the procedure as well as strengthening the involvement of the managers.

b) Developing the in-depth interview

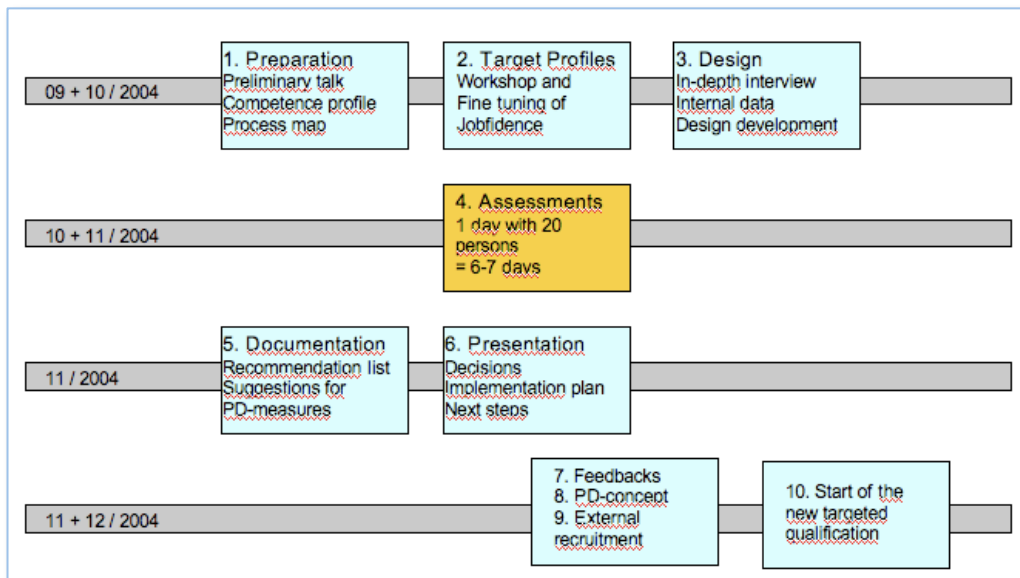
In addition to the Jobfidence® process an in-depth interview lasting approximately 1,5 hours was to be conducted with each participant. In the course of Jobfidence® assessment related stress usually sets in. The participants are sitting in front of a computer and must answer several questions within a set time-frame without having the option of bringing in or describing own experiences. This is precisely what they can do in the interview. Here the individuals' sales experience is brought to the foreground. Additionally, non-directional interviewing can capture further competencies; in this case communication competence, sales competence and self-organizational ability. The consultant

can also at this point answer open questions and provide the Jobfidence® feedback. The criteria and leading questions for the in-depth interview were compiled during the preparation phase.

c) Information-Event

To ensure the integration of the employees it was vital to hold an informative event for all affected parties, in the form of a sales manager conference. The re-organization of the sales areas was presented, the goals made clear and the next steps were discussed. Several questions arose from the sales-audit: i.e. requests for feedback on the results or consequences of the audit. Besides same-day direct feedback, the manager is to give extensive feedback on the results of the sales-audit in the course of the following weeks; covering to-date job performance and the development measures that are to follow. This allows for the results of the procedure, targeted personnel development measures, to be discussed within the context of the routine managerial duty.

Graph 2: Process and implementation of the Sales-Audit



The Hotel Directors

In the course of the work, one thing became apparent: The integration and the commitment of the Hotel Directors are vital for the successful re-structuring of the sales-organization. Each individual Hotel Director has considerable influence on the performance of his sales-force and equally strong influence on the attitude and successful implementation of the scheduled changes. The project group had recognized this during the initiation of the process and reacted immediately: When the sales-audit had been conducted, all Hotel Directors were invited to half-day info-workshops. At these events, the background of Jobfidence, the general sales-audit results and the procedure of the feedback-sessions were outlined. The feedback-sessions were always to be conducted together with the Hotel Director, Sales Representative and the respective Regional Sales and Marketing Manager in order to ensure more transparency and depth in the sessions. A protocol was developed to provide a guideline in which the agreed measures, i.e. further qualifications or personnel development, were outlined.

The Results

The first thing to be mentioned is that the organization of the sales-audit within the Steigenberger Hotel Group worked exceedingly well. All 123 sales representatives (with the exception of two on sick leave) participated in the procedure according to plan.

The atmosphere prior to the sales-audit was tense, which showed the sincerity with which all of the participants approached the procedure. After the audits were through, a more relaxed positive tension was to be observed. The extensive inter-interviews conducted right after the Jobfidence-test with explanations and results also contributed to this.

As all sales representatives participated in the procedure, we were able to make general comments on the sales performance of the Steigenberger Hotel Group, compared to other sales teams in other branches. Amongst others, one result was that the Steigenberger Hotel Group possesses an unusual high number of talented sales people. With this kind of potential and specific developmental steps rapid success can be achieved opposed to extensive external search for new recruits.

The results were documented for each individual participant, including an individually tailored qualification recommendation. From this a targeted and individual personnel development concept was constructed.

For instance; small groups for specific learning subjects were arranged or coaching measures were agreed. The seminars for the sales area were specifically developed, in content as well as didactics, to the described needs. Over and above this, learn-projects were developed and individual promotional steps were discussed.

In addition the project-group discussed which participants were to be recommended for the new key account roles. Discussions were held and re-positioning performed.

First visible results

Where is the Steigenberger Hotel Group today? The repercussions of such a measure normally appear within two years. The organizational structure in the sales areas are adapted to the market, the potential in the sales representatives is asserted, individual development steps conducted, a new department is put in place. These are fundamental measures that target long term effect. Meanwhile the process becomes the standard for selection and development of the associates in the sales area.

In the first year initial results were already becoming visible; despite the general downward trend, the Steigenberger Hotel Group was able to prove itself through turnover and results on the market. Steigenberger improved its ranking from 2004 to 2005 from 5th to 4th place in the ranking of the top 50 hotels of the "Der Hotelier" magazine (Der Hotelier, No. 7/8/2006). Steigenberger customers were asked by the Hotel Directors, what had changed within the sales force. The answer was; they had noted a positive change in the service. Competitors of the Steigenberger Hotel Group had become aware of the sales-audit at Steigenberger and discussed it in small, informal meetings. Several were of the opinion that, with this project, the Steigenberger had set an innovative milestone within the hotel industry.

All external candidates and associates that apply for a position within the sales area are now submitted to the Jobfidence® assessment. The personnel development measures are continuously individualized and optimized at a high level. This ensures that the quality of the sales force is continuously developed at a high standard.

Conclusion

With the repositioning of the sales organization, the sales audit and the tailored development measures, the Steigenberger Hotel Group affected a major contribution to their competitiveness. The group undertook intensive evaluations of the experiences in after-action-reviews. The success factors of this project will be transferred to the implementation of further projects. The Steigenberger Hotel Group will stay in a continuous development process, that targets the future and will secure and expand their strength on the market.

Author



Werner Morfeld, Partner and Senior Consultant, flow consulting gmbh

Contact:

flow consulting gmbh
Spörckenstraße 89
D-29221 Celle
www.flow.de/en