

AN INNOVATIVE SOLUTION FOR IMPROVING SALES PROFESSIONAL PERFORMANCE



What is Warner Development's Selling Skills Assessment?

The pharmaceutical industry and how it sells its products to healthcare providers and patients is in the middle of significant change. Whether this change is due to legislative reform, changes in access to healthcare providers, feedback from healthcare providers, or the negative image/brand of "Big Pharma", the bottom line is, the change is under way. We have seen pharmaceutical companies make changes in branding/marketing, sales process, and sales structure/roles (e.g., Pfizer's recent announcement of major cuts in its sales force). This shift from the Commercial Sales Model of the past to the desired Trusted Partner Sales Model will require major investments by the pharma sales organizations.

While the sales force restructuring and "lay-offs" make headlines, the real change and most difficult change exists at the behavioral level of the sales professional. Essentially, pharmaceutical sales professionals are being asked to radically change how they sell their products to healthcare providers. This requires a new sales approach, new sales knowledge, skills, abilities, and behaviors. So, sales organizations and their training functions have been thrust into this major industry change with the task of transforming the skills and behaviors of an entire sales force.

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What We Do...

Warner Development is the only company of its kind that teams with pharmaceutical sales organizations to redefine impact in the field. Developing pharmaceutical sales leaders means providing pharmaceutical sales representatives and management with strategies to impact the marketplace.

Our unique specialization provides sales representatives and managers the strategies they need to command a marketplace with increased sales and market share.

Healthcare is continually evolving, adopting new processes that work and leaving antiquated methodologies behind. The role of Warner Development's programs is to not just help your organization keep pace, but to help you identify change and position sales representatives and managers for optimum growth.



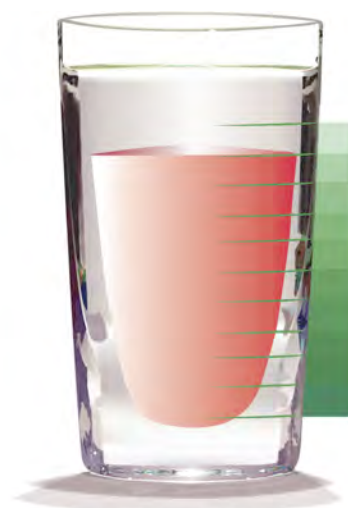
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Focus for:	PAST Commercial Model	PRESENT Trusted Partner Model
Messaging	Brand Promotion →	Best Patient Care
Process	Efficiency & Activity Level →	Delivering Value to the Whole Account
Structure & Roles	Maximize Brand Impressions →	Account Value Management
Leading Indicators	Activity, Share of Voice →	Quality & Character of Sales Professional Interaction
Competency Emphasis	<ul style="list-style-type: none"> Relationship Building Product Knowledge Core Selling Skills Managed Care Expertise →	<ul style="list-style-type: none"> Evidence Based Selling™ Consultative Selling Disease State/Patient Knowledge Account Management

Warner Development's Selling Skills Assessment™ is a new product that has been created to help meet the needs of our clients as they manage this organizational transformation. To change skills and behaviors at the individual sales professional level, sales functions must be able to assess current skills/behaviors within the context of the desired skills/behaviors. Leveraging a well-proven approach for individual competency assessment (i.e., multi-rater surveys), Warner Development has created such a process. The multi-rater survey allows an individual sales professional to gain behavior-level feedback from multiple stakeholders, including healthcare providers.

Warner Development's Selling Skills Assessment™ has two primary objectives: 1) individual sales professional development and performance improvement, and 2) systemic training needs assessment. To accomplish the first objective, the process provides an individual sales professional with a report that summarizes strengths and developmental needs. It also provides suggestions for development and a robust action planning process. The second goal is accomplished by aggregating the results of individual sales professionals. A thorough analysis of the data provides an overall sales force assessment of strengths and weaknesses, as well as recommendations for improvement. It is even possible to statistically link sales professional skills/behaviors to desired outcomes (e.g., script writing). This process allows a sales organization to determine exactly which skills/behaviors have the largest impact on the desired business outcome. Ultimately, the systemic needs analysis will build a "blueprint" for sales organizations to manage the current industry changes in an effort to gain a competitive advantage.



SELLING SKILLS ASSESSMENT.™

How Do Multi-Rater Surveys Improve Sales Performance?

If developed and executed properly, multi-rater surveys provide an organization with a valid and reliable assessment of employee behaviors and skills. Understanding employee behaviors and skills (i.e., the antecedents to important outcomes) gives organizations the necessary information to diagnose and develop practical training and development interventions to enhance the behaviors and skills of its sales force, which ultimately leads to improved business outcomes (e.g., sales). Multi-rater surveys have several advantages over other assessment methods that make them ideal for this purpose.

Some of the advantages of multi-rater surveys are:

ACCURACY – Most organizations rely on individual managers to assess and evaluate the capabilities of its employees. Multi-rater assessments can be more accurate for several reasons. First, gathering multiple ratings and perspectives are more accurate than a single manager's point of view. Second, ratings from different perspectives (self, manager, peers, customers, etc.) provide a more complete picture of the employee's behaviors and skills than just one perspective. Finally, the anonymity typically assured to raters results in more honest feedback and accurate ratings.

FACE-VALIDITY – Research and anecdotal evidence consistently shows that multi-rater feedback is more accepted by participants than manager evaluations alone. For this reason, multi-rater feedback is more likely to lead to developmental activities that are specifically aligned to identified developmental opportunities. The importance of the employee's motivation to address specific developmental opportunities cannot be underestimated.

RICHER INSIGHTS – Providing feedback from multiple perspectives not only improves accuracy and acceptance, it also provides participants with valuable insight into how their performance is perceived by different groups of stakeholders. Not only do people behave differently when interacting with different stakeholders, but it is also true that the same behaviors can be perceived differently. Understanding these differences across stakeholders can be very insightful to employees. These insights provide valuable information for changing behaviors and improving perceptions of important stakeholder groups.

OPEN COMMUNICATION – Another benefit of multi-rater surveys is that they can open up communications about performance because the process involves giving and receiving feedback from all directions in the organization. This sharing of performance feedback eventually becomes part of the organizational culture and provides participants the opportunity to talk openly about performance with their managers and other key stakeholders (e.g., healthcare providers).

DEMONSTRATES THE ORGANIZATION'S COMMITMENT TO PERFORMANCE – Multi-rater surveys, especially when they involve customers, reinforce the organization's values and commitment to performance. The simple involvement of customers/healthcare providers in the development process communicates to them that their feedback is valued. Furthermore, their participation in the development process will encourage open and candid dialogues between the sales professional and their customers that likely would not have occurred without the multi-rater process. This will not only improve the individual sales professional's relationship with his/her customers, but it will also improve the chances that a customer/healthcare provider will perceive the organization as a trusted partner.

PRACTICAL AND COST-EFFECTIVE – Multi-rater surveys provide practical and actionable feedback to individual sales professionals. Furthermore, they provide invaluable systemic-level diagnostic information to sales organizations. The aggregated results provide macro-level assessments of selling skills that can be easily translated into actionable interventions for sales training functions. Finally, the cost per participant is extremely low considering the individual and systemic level applications.

What are the Steps of the Process?



1. DEFINE OBJECTIVES. The first step in the process is to clearly define the objectives of the assessment process. This step informs the design of the process and survey development. To help accomplish this objective, Warner Development facilitates a two-hour workshop with key stakeholders. In addition to addressing the questions below, this process helps build stakeholder buy-in and adoption:

- Which groups/sales professionals will participate in the process and when?
- What are the primary objectives of the process (e.g., individual sales professional assessment, training needs assessment)?
- How will reports be delivered and feedback facilitated?
- What competencies/behaviors will be assessed? Will an existing organization competency model be integrated with Warner Development's Sales Professional Competency Model™?
- What role will the managers of the participants play?
- How will raters be selected (e.g., sales professional selection with manager approval)?
- How will the overall process be communicated?
- Who will manage the process?

2. DEFINE COMPETENCIES. During the two-hour facilitated workshop, key stakeholders will review existing sales professional competency models and job descriptions. Prior to the workshop, Warner Development consultants will review existing models and make content recommendations based Warner Development's Sales Professional Competency Model™.

Warner's Sales Professional Competencies

- Product/Disease-State Expertise
- Account Management
- Basic Selling Skills
- Consultative Selling Skills
- Reimbursement Expertise
- Relationship Building
- Evidence-Based Selling™
- Managed-Care Expertise

This cross-walk of models ensures that the most critical behaviors, knowledge, and skills are assessed in the survey development stage. This ensures that items measuring competencies such as product expertise, disease-state

knowledge, account management, consultative selling, Evidence-Based Selling™, and core selling skills are appropriately represented in the survey. Stakeholders will have final approval of the survey content. It should be noted that when healthcare providers/customers are included in the process, no more than 25 items should be included in the survey. Therefore, selecting the most important items that are aligned with organizational strategies/priorities is critical to the success of the survey design process.

3. DEVELOP TOOL & PRE-LAUNCH PROCESS. Using the input gathered in the design workshop, Warner Development's consultants will create the on-line survey. The survey will include the closed-ended items, open-ended items, basic demographic questions (e.g., rater group), and instructions for completing the survey. The tool is then distributed to appropriate stakeholders for final review and approval.

It is also important to provide sufficient communications to key stakeholders in advance of the survey launch. Communications will reduce participant anxiety, clearly state the purpose of the process, align the initiative with organizational strategy, improve the response rate, clearly outline project timing, and increase accountability for development. Communications will be delivered through multiple channels, including team meetings and e-mail distribution. Warner Development provides communication templates and tools (e.g., sample e-mails from a senior leader, talking points for managers) to facilitate the process. Furthermore, Warner Development will provide a 30-minute webinar session for participants and managers prior to survey launch. This session will communicate the objectives of the process, familiarize participants with the survey process and tool, and train participants on effective rater selection and communication to raters.

4. LAUNCH & ADMINISTER SURVEY. Following the pre-launch training for participants and managers, Warner Development will distribute the launch e-mail and survey link to all participants. Participants are given a specific deadline for selecting raters and providing rater e-mail addresses, followed by an approval deadline for managers (assuming this step in the process is utilized). Automatic reminders are delivered prior to the appropriate deadlines.

When healthcare providers are included in the rater selection process, it is very important for sales professionals to personally ask selected healthcare providers to participate prior to Warner launching the survey administration. Warner Development provides talking points and guidance to participants during the pre-launch training to facilitate this process. At survey launch, Warner Development will e-mail invitations to all raters. Again, when healthcare providers are invited to participate, it is important to keep the survey short and communicate that only 10 minutes are required to complete a survey.

Tips for Increasing Healthcare Provider Responses

1. Sales professionals should personally invite healthcare providers to provide feedback, communicating the following:
 - Emphasize the organization's continuous efforts to improve customer service, meet healthcare providers' and patients' needs, and gather healthcare provider feedback and input
 - That the organization and the sales professional value his/her input
 - That His/her feedback will be used to improve the sales professional's performance, as well as guide organizational development at a macro-level
 - Confirm the contact information of the healthcare provider
2. It is also helpful to offer an incentive or prize drawing for completed surveys. In some instances a small gift can be offered for all completed surveys (e.g., Starbucks gift card). Often small gifts are just as effective as large ones.
3. After the survey process is completed, sales professionals should provide the healthcare provider with a summary of the developmental feedback received and the developmental activities planned to address the feedback. This also provides a second opportunity to thank the healthcare provider for his/her feedback and begin an open dialogue about the healthcare provider's needs and how the sales professional can better meet those needs.

Survey reminders are sent periodically during the survey administration period. Instructions for completing the survey clearly outline how to use the rating scale and common types of rating bias (e.g., halo, leniency, severity, central tendency, etc.), as well as how to provide honest, constructive feedback. It is also important to assure confidentiality to raters and explain that ratings are aggregated so that individual responses cannot be identified.

5. DELIVER REPORTS & FEEDBACK. Individual reports are generated for each participant that provides detailed feedback to participants on their strengths and development needs. Reports provide scores for overall competencies (e.g., consultative selling, product/disease-state knowledge), as well as individual

behaviors, skills, and knowledge (e.g., the sales professional accurately answers questions about clinical study methodology). Rater group scores (e.g., healthcare providers) are listed separately when three or more ratings are received (except for the manager and self rating which is provided based on a single submission).

Prior to delivering reports to participants, Warner Development facilitates a training session on understanding the reports and building an effective development action plan. Action planning tools and development recommendations are provided to participants. The development recommendations are aligned and customized for each client to ensure that existing training resources are linked to specific competencies. The Selling Skills Assessment™ is most effective when the action plans are integrated into the organization's standard development process.

6. CONDUCT SYSTEMIC ANALYSIS. The final step of the process is for Warner Development consultants to conduct a systemic analysis utilizing the aggregated data set. Often times a linkage analysis, using structural equations modeling, can be conducted that links sales professional competencies to business outcomes (e.g., script writing). This analysis allows an organization to prioritize individual behaviors that contribute to the desired outcome. For example, an organization will be able to determine that improvement in the Evidence-Based Selling Skills™ of the sales professionals will have the single largest impact on increasing the number of prescriptions written by healthcare providers. This type of analysis can be very beneficial for sales organizations to prioritize training and development investments/interventions. The Warner Development consultants will present a to key stakeholders that includes an overview of sales force strengths and development opportunities, as well as recommendations for improvement.



What are the Common Barriers to Effectively Implementing the Process?

When considering whether or not to implement a multi-rater assessment process, a few common barriers typically arise within an organization. While these barriers are legitimate concerns for organizations, effective planning and a solid process can overcome these barriers and accomplish the goals of the process. A few of the common barriers and a means of addressing each are described below:

RATING BIAS – A common criticism of multi-rater surveys is the potential for rating bias. It is true that research has validated the existence of various types of rating bias (e.g., halo, leniency) in all sorts of survey methodologies, including multi-rater assessments. As such researchers and practitioners have developed specific tactics to reduce the influence of potential biases. These include:

- The explicit education of raters regarding potential biases
- The inclusion of a “n/a” response option when a specific behavior has not been observed
- Ensuring the confidentiality of raters
- Clearly communicating the intent and purpose of the process
- Focusing the process on development and not evaluation
- Emphasizing observable behaviors and skills (i.e., competencies) in the assessment process to make the process less subjective
- Manager approval of rater selection to decrease rater “sand-bagging”

These tactics greatly reduce the risk of rater bias. Furthermore, even when some bias exists, it does not substantially reduce the practical usefulness of the process. Individuals will still have relative strengths and weaknesses. Furthermore, utilizing an internal benchmark (i.e., how one sales professional performance compares to other sales professionals in the organization) for comparison also reduces the impact leniency bias when interpreting the data. Finally, statistical assessment of the survey results provides an empirical approach for determining the validity and reliability of any survey. As such, we recommend that a thorough psychometric assessment be conducted for any multi-rater survey.

EFFECTIVE FEEDBACK DELIVERING– Another common concern for key stakeholders is the ability of managers to use the assessment reports to deliver effective feedback to their sales professionals. The first step to overcome this barrier is for managers to attend Warner’s report interpretation and feedback workshop. Managers will be walked through the reports step by step and provided with the necessary tools to hold one on one

feedback meetings with their direct reports. Managers should give their direct reports a week or two to digest their reports before having a feedback meeting, although they cannot wait too long or momentum may be lost. Essentially, a strong process and tools accompanied with manager training will result in the effective delivery of feedback to participants.

EFFECTIVE DEVELOPMENT ACTION PLANNING – Of course, a perfect survey and report will have little impact if a poor action planning process is in place. Again, effective tools and processes will provide the structure for translating the feedback to action. A tips guide organized by competency (e.g., consultative selling) provides participant with a jump start for action planning. The tips guide should include available training, on-the-job activities, and self-study curriculum. An action plan needs to be documented and incorporated into the existing development process. Finally, a follow-up assessment 12-18 months later will help drive accountability and ensure that participants are held accountable for implementing their action plans.

UTILIZING INDIVIDUAL RESULTS FOR

PERFORMANCE APPRAISAL – While many organizations desire to include the multi-rater results in their performance management process, Warner does not recommend this initially. When participants and raters know that significant consequences are tied to survey results, participants will select raters that will give favorable ratings and raters may be less likely to provide honest feedback (i.e., leniency bias). We recommend keeping the multi-rater survey process developmentally focused. If the information is to be included in the performance management process, it should be done loosely (i.e., one of many inputs into the overall evaluation process). Regardless of the decision regarding how the information will be used for performance evaluation, how the results will be used must be clearly communicated to participants.

In Conclusion

This white paper has outlined Warner Development’s Selling Skills Assessment process, along with best practices for implementing a multi-rater survey process. If appropriately designed and implemented, a multi-rater assessment process can be a powerful tool for organizations to enhance employee development and, ultimately, improve desired business outcomes (e.g., script writing). In light of the significant changes occurring in the pharmaceutical industry, Warner’s Selling Skills Assessment provides a valuable tool for driving the required behavioral change of sales professionals.