Decoding the Sales DNA /

The Evolution of the Exceptional Sales Leader
Change isn’t compulsory, but then again neither is survival”

W. Edwards Deming
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Imagine being able to sow the seeds of top line growth by decoding the DNA of prospective sales leaders. You would be making more informed decisions on who to hire or who to promote based on their current capabilities that prove to be strong predictors of future success. You could then turn your focus to investing time and effort in developing specific sales leadership capabilities that are strongly aligned to success.

Our analysis of over 24,000 sales professionals and 7,500 sales leaders across the globe helps demystify and decode the DNA of exceptional sales leaders. This whitepaper unpacks three key insights around the DNA of sales and the evolution of the exceptional sales leader:

Insight #1  Specific genetic markers predict future success.
Insight #2  Discipline, analysis, and adaptability are essential to evolution.
Insight #3  Exceptional sales leaders have more evolved thinking.

The best performers’ grasp of the artistry of leadership shows up in their capability to influence and mobilise others. They also have an obvious ability to apply the science, evidenced by their strong strategic perspective, analytical capability, and decisiveness.

Interestingly, this blend of art and science is strongly reflected in our research around what buyers are looking for in sales professionals today. It would appear these high performance capabilities are highly valued both internally by teams, and externally by customers.

If your organisation has struggled to identify the next generation of sales leaders, or fully understand what differentiates good sales leaders from great ones, we encourage you to read on.
One of the age-old debates regarding leadership is the classic question; “Are great leaders born or made?” In the context of sales, the question is even more intriguing as most sales leaders were once salespeople, but few salespeople go on to become great sales leaders. In fact, the evolution from junior sales professional to senior sales leader has typically been shrouded in mystery, as if it were dependent on a magic formula combined with an alignment of the stars.

As with any profession, some salespeople have a more natural predisposition and aptitude for a leadership role, yet there are a number of attributes that can be measured, developed, and refined during the evolution of a sales leader. In analysing the data, we noticed profound differences between the top 5% of all sales leaders and average performers – ‘good’ was distinctly different from ‘great’.

We distilled our findings from three separate global studies to identify what it takes to gain a winning position as a sales leader. The first study involved 115 senior sales leaders from organisations around the world assessing key factors in their success, as well as factors limiting their performance. In the second study, we looked at trends emerging from our global survey on how clients make their buying decisions. Our final body of evidence came from analysing the data from 24,000 global online competency assessments around Knowledge, Skills, Process & Mindset (KSPM) that provide insight into the capabilities of the best and worst performing sales professionals from around the world.

We found unique strands of DNA – attributes, which allow sales leaders to excel at some of the key elements that reflect both the art and science of sales leadership.

In particular, three key insights emerged from our research and analysis:

**Insight #1**
Specific genetic markers predict future success. As we decoded the DNA of exceptional sales leaders, it became evident that while bottom line results matter in sales and in business, they are not always the best predictor of future success in sales leadership. Many a high-performing sales professional has failed to continue their track record of success in a leadership role. The sales leader success profile is usually evident early in sales careers, if you know what to look for.

**Insight #2**
Discipline, analysis, and adaptability are essential to evolution. Like many professions, great performance in sales leadership is a mix of the right art and science. Given the intuitive and unstructured nature of many sales professionals, it’s not surprising that many have a more natural aptitude for the art, but are pretty poor at the science of sales leadership. Those with the discipline to analyse their market and industry, continuously review success metrics, and take decisive action stood out from the rest.

**Insight #3**
Exceptional sales leaders have more evolved thinking. When we closely examined the difference between the best and the rest, we found there was one fundamental difference - it was in how they think, rather than what they know. Exceptional sales leaders have different energy, which drives more resourceful beliefs, better motivation, effective coping skills, and laser-like focus. These X Factors are the ‘differentiator that makes the difference’ in sales leadership.
Decoding the Sales DNA
Insight #1 Specific genetic markers predict future success /

Promote on potential - not just performance

An ongoing challenge for sales organisations is how to recognise, reward, and ultimately retain their best salespeople. Given that many sales professionals are ambitious and good with customers, one way to reward and retain star performers is to make them sales leaders. It is worth noting the ‘Peter Principle’ - a management concept formulated by Laurence J. Peter in which the selection of a candidate for a position is based on the candidate’s performance in their current role, rather than on capabilities relevant to the intended role. Peter postulated that as a result of this, managers “rise to the level of their incompetence”.

It’s not uncommon for companies to take their best salesperson and promote them into a sales leader role. This is simultaneously a massive risk and a significant opportunity. Put the right person in the role and things improve for the team and the business. Give the wrong person the job and it’s a double-whammy - you lose a great salesperson and you’re stuck with a mediocre sales leader, at least for a time.

So how can organisations avoid these pitfalls and promote on potential, not just performance? It starts by knowing what to look for. In recent times, sporting franchises have attempted to find athletes who have specific attributes that greatly enhance the probability they will be successful crossing over to a new sport. If you examine the handful of great athletes who have been able to evolve their capability and successfully switch sporting codes, you see they possess skills that are transferable and good predictors of success.

One colourful example is Deion Sanders, who did something no athlete has ever done, playing in two different professional sports in 24 hours. He played in the 1992 National League Baseball Championships with the Atlanta Braves on a Saturday night before hopping on a flight to play for the Atlanta Falcons in an NFL game against Miami the next day. There were a handful of core capabilities that allowed Sanders to make the transition - reaction times, field vision, endurance, and speed.

Our analysis indicates there are similar predictors of success as a sales leader. It’s worth remembering that successful multi-sport athletes are by far the exception rather than the rule. It’s also worth noting that on the global list of multi-sport athletes, most of them have played two or more sports from a young age. Drawing a corollary to sales, we often see salespeople who succeed as sales leaders typically exhibit leadership traits long before they’re given a title. They are team players who naturally inspire, coach, and mentor others. They focus on what’s good for the organisation, as well as what is in it for them. They are often described as ‘natural leaders’.

When we looked at our competency assessment results from 24,000 salespeople and investigated the competencies that separate great salespeople from their contemporaries, we noticed the top 5% are significantly better in a number of skill areas we expected to see in sales and sales leadership; questioning, negotiating, pitching, and client management.

What was most interesting was a small number of unexpected attributes that stood out in the top 5% of salespeople: they excelled in knowledge, process disciplines, and mindset.

Our analysis suggested there are three key ‘genetic markers’ that predict success in sales leadership, given they have a strong correlation with the capabilities of the best sales leaders:

**Time management**

One of the most striking differences displayed by the top 5% of salespeople is how highly they score in ‘Professional Disciplines’, particularly ‘Time Management’. Their scores in this area were 33% higher than the average and almost double those of the lowest 10% of salespeople.
Time management can be a deceptive concept. In reality, we all have the same amount of time, so we can’t manage it. We can only manage what we choose to do with the time we have. A large part of this time management discipline relates to a focused mindset and an ability to persevere in the face of challenging situations or outright boredom with the task at hand.

Most leaders will tell you that as you progress up the corporate ladder, your days become more and more consumed with uninspiring tasks required to run the business. Individuals who have developed time management as a critical professional discipline in their sales roles generally find it easier to prioritise and manage the incredible amount of planning, analysis, and reporting required for success as they progress into sales leadership. Life is full of boring stuff that needs to get done - exceptional performers just get on with it.

Knowledge of competitors, client industry, and business acumen

What became very clear in our analysis was how much in-depth knowledge exceptional sales leaders have of their industry and market trends. While they understand their business and people intimately, they are also very outwardly focused with strategic perspective. When we compared this with the analysis of the top 5% of salespeople, we found they have a similar outlook in their sales role, with a strong focus on the market, their clients’ industries, and how businesses operate. Strategy seems to be in their DNA. The best salespeople scored 50% higher than the lowest performers in key areas such as ‘Business Acumen’ and ‘Knowledge of Client Industry’.

More impressively, the scores for the top 5% in certain commercial acumen areas is significantly higher than their peers. On average, their ‘Competitor Knowledge’ scored 83% higher than the lowest performers. So, the vital DNA strands to examine when promoting salespeople into sales leadership roles relate to strategic perspective and commercial acumen.
An adaptive, resilient, learning oriented mindset

Okay, you don’t have to be Einstein to work this one out. Moving into any new role requires an ability to deal with change and adapt to a new environment and new challenges. The ability to be flexible, cope, and learn quickly certainly helps sales professionals with the initial transition, but it’s more than that. When we unpack the X Factor of exceptional sales leaders in Insight #3, we explore the unique energy and openness to change they bring to the role. Salespeople who score in the top 5% in these mindset areas carry this thinking into their leadership roles and tend to enjoy continued success as a result.

There are a handful of attributes that appear early in a sales career that are strong predictors of future success as a sales leader, and it has very little to do with results. Do results matter? Of course they do, yet watch out for assessing leadership potential purely on results when other factors may be delivering the dollars. The concept of a natural leader may be overly simplistic, yet when you decode the DNA early and accurately, you are better able to spot the genetic markers that help you identify and develop the sales leaders of tomorrow.

“Life is full of boring stuff that needs to get done - exceptional performers just get on with it.”

Top Tips for Spotting the Genetic Markers that Predict Future Success

1. Benchmark your high potentials and future sales leaders based on demonstrated leadership capabilities, rather than current sales performance
2. Create learning pathways for high potentials that develop their management, coaching, and leadership capabilities
3. Give high performers the opportunity to lead projects focused on change as a way to assess their receptivity to change and ability to lead teams.
4. Assess the daily disciplines of top performers – do they manage their time, activity, processes, and reporting well? Do they take ownership of their actions, or blame outside distractions and barriers?
5. Assess the level of outward and external focus they exhibit - how well do they understand the market, competitors and customers industries/trends? Do they focus on the business and team performance, or just their own results?
**Insight #2** Discipline, analysis and adaptability are essential to evolution /

**Master the science of leadership**

The top 5% had a distinct set of capabilities not evidenced by their peers. Not surprisingly, many sales leaders have a natural predisposition to a more intuitive and unstructured approach. While they may have been successful in their sales roles, these ways of working are quickly exposed and can become significant Achilles Heel in a sales leadership position. In roles where they are highly accountable to senior management and executives, a lack of strategic thinking, analytical skills, and performance management capability can be the kiss of death.

Sales leaders who survive and thrive in a world of rapid change and intense competition have a unique ability to manage the ‘waterline effect’. This term comes from a metaphor coined by John F. Kennedy in relation to the effects of a rising economy: “All boats in the harbour lift with the rising tide”. This same principle applies in sales leadership—with a sting in the tail. When sales leaders focus on lifting the right capability of their sales teams, there is a corresponding lift in the desired activity. Notwithstanding macro-economic and competitive factors, this shift in activity generally leads to a lift in key results areas – growth of key accounts, acquisition of the right new accounts, and increased sales of certain products and services. The ‘boats of results’ tend to rise when the sales leader plans, measures, and manages a lift in the ‘right’ activity and capability across the team.

However, in rapidly evolving and competitive markets and industries, what seemed to be ‘right’ only a short while ago can quickly prove to be wrong. The waterline effect only takes place if leaders focus on specific activities and capabilities to create an increase in the desired quantity, focus, and quality of activity. Focusing on the wrong ones is likely to have little or no impact, as if the boats were anchored to the harbour floor.

Sales leaders typically get this wrong in a number of ways: promoting the wrong business metrics, recognising and incentivising the wrong activity, and investing in the development of the wrong capabilities.

Investing in the wrong improvement areas and incentivising activity that doesn’t drive the desired behaviour is an expensive exercise. For this reason, sales leaders need certain attributes to ensure they focus on developing, coaching, and measuring the right capabilities and activities. Top performers understand and practice the ‘science’ of sales leadership. The top 5% of sales leaders have three key attributes; they are disciplined in that they are predictive, reflective, and corrective in their approach.

“A lack of strategic thinking, analytical skills, and performance management capability can be the kiss of death.”
The best sales leaders are ‘predictive’

They have what amounts to a crystal ball ability to predict changes in their market and industry. This predictive nature stems from their strong knowledge of ‘Industry and Market Trends’ – the top 5% of sales leaders scored 45% higher than the bottom performers in this area. This ability to be outwardly focused and understand the broader market context gives them a distinct edge when it comes to reading the tea leaves and creating first mover advantages that put them ahead of their competition.

Industry & Market Trends
Sales Leaders

- Top 5% / 6.7
- Average / 4.6
- Bottom 10% / 3.9

They have a unique ability to be ‘reflective’

They have an adaptive approach and are open to change. While many leaders have a mild allergic reaction to change, the top 5% of sales leaders rated significantly higher in being ‘Open to Change’ when compared with average and poor performers. This openness allows them to continuously and genuinely reflect and review the current state - assessing what is working well, while being open to making changes to capability and activity – ensuring their boats of results are never anchored to the harbour floor.

This is supported by an obvious passion and capability for innovation, which is the change mindset on display.

Open to Change
Sales Leaders

- Top 5% / 6.0
- Average / 4.8
- Bottom 10% / 4.0
They aren’t afraid to take corrective action

The unpredictable nature of sales means even leaders with crystal ball capability get it wrong from time to time, so the ability to continuously review the direction and take decisive, corrective action when required is essential. Great sales leaders are incredibly decisive, but they leave their ego at the door, making and assessing decisions in the best interest of the business. They have a willingness to take corrective action when the status quo is no longer working, maintain an openness to change, and continuously review the direction.

In summary, the ability of top sales leaders to be predictive allows them to get the jump on the competition and continuously evolve their approach. Their reflective nature means they are open to change and continuously review the impact of capability on activity and business results – they operate from a different dashboard. Finally, they have a strong capability around decisiveness, which allows them to take corrective action in the right way and within the right timeframe.

A disciplined approach to the science is what allows sales leaders to not only survive but also thrive through their careers. These capabilities allow them to be adaptive and agile: key differentiators that separate good sales leaders from great ones. Undoubtedly, the strategic and analytical capabilities outlined give them an advantage, yet it is the combination of art with science that takes them from great to exceptional.

Top Tips for Predictive, Reflective, and Corrective Leadership

1. Stay abreast of emerging trends and changes in your industry and your key customers’ industries. Share key information and insights with your team.

2. Develop a thought leadership position around key issues that affect your customers. Link these to your solutions to create insights that drive revenue for you and them.

3. Develop dashboards that track and measure the quantity, focus, and quality of sales activity by your team. Look at how shifts in activity impact results a few months later and make corrections where necessary.

4. Be confident in decisions, but don’t let pride cometh before a fall. Regularly review the impact of changes to strategy, structures, processes, and tactics. Give it time, yet if it’s not working have a critical look at it.

5. When making changes, be ruthless in the decision yet thoughtful and careful in the execution.
Decoding the Sales DNA
**Insight #3 Exceptional sales leaders have more evolved thinking /**

They know results matter, and are irrelevant

In our search for the elusive X-Factor of exceptional sales leadership we zeroed in on one question: what are the top 5% of the 7,500 global sales leaders in our competency assessment database doing that sets them apart from the rest? The answer, according to the data, is that exceptional sales leaders are defined by how they think – rather than relying on what they know.

Our experience working with thousands of sales executives around the world has reinforced our view that in most cases, mindset is the differentiator that makes the difference. It is a multiplier that allows them to apply their knowledge and skills in the most effective way, particularly when they’re under pressure. In fact, six of the 10 highest ranked capabilities of these exceptional sales leaders relate to mindset -- the pattern of thinking that determines the quality of behaviours and actions.

Exceptional sales leaders are characterised by their ability to excel in being consistently energetic, having a drive for performance, and setting the pace. They also bridge the paradox of being flexible enough to adapt in the moment, yet decisive enough to make the all-important judgment call when needed.

There are some key differentiators in the mindset of exceptional performers that sets them apart from others. Elite performers have an intimate awareness of four key elements: self-belief, motivation, coping, and focus. When combined, these elements create a positive and mentally tough mindset, which believes goals can be achieved through perseverance and patience. We define mental toughness as an unshakeable determination and conviction towards a particular goal in the face of pressure or adversity. To attain the highest level of mental toughness, the presence of some, of the four components is required.

Unsurprisingly, two of these factors – motivation and self-belief – appear in the top quartile for the top 5% of sales leaders. Coping and focus are the core strategies exceptional performers use to master their thinking under challenging circumstances. As we decoded the DNA, we realised there are hallmarks of the most highly evolved sales leaders:

*They know results matter, and are irrelevant*

We know from our research into mental toughness (Dr. Cory Middleton, rogenSi, 2006), that exceptional performers have a different type of motivation. They know results matter, particularly in sales, yet they focus an equal if not greater proportion of their time on planning, measuring, and managing the activity that delivers the results.
This focus on the quantity, and quality of activity generated by themselves and their teams is what allows them to create high performing teams.

What we see is exceptional sales leaders have more than a mild obsession with continuous improvement – ensuring everyone on the team, including themselves, gets a little bit better every day. It might come as a surprise that they tend to have a less ‘perfectionist’ mindset. They tend not to think of situations, people, and outcomes as ‘successes’ or ‘failures’, but rather focus on building on what’s working, while learning from mistakes and making positive changes.

They know they are the problem, and the solution

The mindset of the leader is a powerful thing. Essentially, the weather in their mind sets the climate of the day for their team. Self-awareness is a critical strand in the DNA of the exceptional sales leader. While they have positive beliefs about themselves and play to their strengths, they are intimately aware of their limitations. They know the buck stops with them – the culture of the business is shaped by them and they are responsible for the team’s activity and capability. So when things aren’t working they know they are probably one of the root causes.

While the DNA can be decoded, it can also be developed. Mindset, like a skillset, is a capability that many individuals unconsciously develop over time. People, situations and events shape their beliefs and they come to find they have different motivations for different tasks. While these patterns of thinking often change unconsciously or accidentally, great sales leaders continuously and consciously evolve their thinking. Essentially, great sales leaders need to overcome a key paradox: that human beings, we tend to judge others on their behaviour, and ourselves on our intent.

Overcoming this paradox requires two things – first, an acute awareness of our reaction to the behaviours of others. Top sales leaders have the ability to look past the behaviour and seek to understand the motivations and beliefs below the surface.

Emotional intelligence is a complex area, but it can be developed through strong self-awareness and self-management, which relies on disciplined thinking and behaviours. This is the essence of great coaching - uncovering the root cause of behaviour and bringing it to the surface.

Exceptional sales leaders have an acute, continuous level of self-awareness, particularly when they’re under pressure. This helps them to see their behaviours from a third-party perspective, appreciate the positive and negative impacts it has on others, and take corrective action to create the desired impact and outcomes. Self-awareness without self-discipline amounts to very little. This is the mark of the exceptional sales leader – someone with high levels of self-awareness and a strong focus on continuous self-improvement, which in turn enables and drives the business.

They are strong collaborators, yet don’t rely on approval from others

One of the key mindset elements of the exceptional sales leader is the fact they are motivated from the ‘inside-out’. Rather than relying on validation from results or peers and getting derailed by problems or failures, they focus on who they are and what they do. Their self-belief keeps them focused on doing and being their best, rather than depending on external factors they cannot control to motivate them. This doesn’t mean they are completely oblivious to what others think or feel. They are very sensitive to the thoughts and feelings of others, yet they do not rely on it for their motivation and they certainly do not let it define who they are.

What they do care about and understand is the importance of collaboration with others. This collaborative mindset is critical to engaging not only their team, but also other departments, in planning and executing their sales strategy.
“Exceptional sales leaders are defined by how they think – rather than relying on what they know.”

They view their peers from other departments through a more positive lens of value creation and ‘we’re all in this together’. These positive beliefs and motivation give them a strong ability to collaborate across departments and mobilise others for the achievement of common goals.

One of the most surprising and concerning findings from our research into sales leadership, (What makes a great sales leader? June 2015) was the low level of collaboration with other departments, even when this collaboration was likely to lead to better strategy and market execution. So what is driving this lack of collaboration? When we talk to sales leaders, what becomes clear is that some of them are happy to go it alone, sometimes due to limiting beliefs about the value their peers, their sales team, and other departments bring to the design and execution of the sales strategy.

In comparing top performing sales leaders with the average and the bottom performers, the key difference showing up again and again is how they think, rather than what they know. Knowledge is a critical component, yet for most leaders it is the ticket to the game. The knowledge and skills they have acquired in their sales roles are multiplied when they acquire the right beliefs, motivation, coping and focus skills to ensure they can perform under pressure.

**Top Tips for More Evolved Thinking**

1. Spend at least as much time discussing activities as results – focus the team on continuously improving the inputs that will deliver the outputs.

2. Take a collaborative approach to strategy development – invite representatives from other departments to participate in certain stages of your planning, particularly those you rely on to enable and support the strategy as it rolls out.

3. Develop a genuine belief that ‘the mind that has the problem usually has the solution’. Use enquiry to facilitate individual awareness of what’s working, and what’s not.

4. When things are going well, give all the credit to your team (and be proud you led them there). When things aren’t going to plan, accept all the responsibility and ask your team to help you turn things around.

5. When dealing with issues and problems avoid focusing on poor behaviour, and rather try to understand the motivation for why someone did or didn’t do something.
Decoding the Sales DNA

It’s always been clear that the highest performing organisations are a product of exceptional leaders generating quality results with their teams. What has been less clear until now, are the internal building blocks to being an exceptional sales leader and how they evolve beyond the ecosystem of sales teams.

In ‘decoding the DNA’ of sales leadership, we analysed and distilled the results on assessments of 24,000 sales professionals and 7,500 sales leaders and compared it against our recent research into what it takes to win business and sales leadership to formulate three insights:

**Insight #1** - Specific genetic markers predict future success.

**Insight #2** - Discipline, analysis, and adaptability are essential to evolution.

**Insight #3** - Exceptional sales leaders have more evolved thinking.

Organisations that want to identify, target and harness latent potential in their ranks need to look for specific markers which are a strong predictor of future success. They then need to take a ‘scientific’ approach to determining and building the right competencies that lead directly to success, in line with the business priorities.

Finally, the spotlight needs to shift to developing mindset so as to move great sales leaders into the realm of exceptional.

We’ve seen from our competency assessment database that there are a handful of attributes that appear early in a sales career that are strong predictors of future success as a sales leader. The concept of a natural leader may be overly simplistic, yet when you decode the DNA early and accurately, you are better able to spot the genetic markers that help you identify and develop the sales leaders of tomorrow.

This whitepaper was written by Peter Griffith, Director and Mehul Joshi, Senior Manager, in collaboration with Pete Clark, Director and Ashley McKertich, rogenSi Global Head of Assessments & Insights, November 2015.

For more information on the global sales and sales leadership capability assessment or to benchmark your sales organisation, contact contact@rogensi.com

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