



# Retail chain promoted high performers and achieved significant business results

## The Challenge

As part of a Leadership Assessment Program, a retail chain was searching for a reliable way of identifying store managers best qualified to become future district managers. The retail chain wanted an approach helping them to predict which individuals had the potential to succeed and generate business benefits in a future performance. In the context of this work, People Focus, part of Assessio Group was assigned to shape and develop a process to identify these future managers by assessing their knowledge, skills and abilities in a consistent, objective and valid manner.

## Assessio's approach and solution

In order to gain an understanding of a preferred profile for the post, we initiated the engagement by conducting a business and talent needs assessment with the involved stakeholders. Recommended store managers were then required to perform a test battery covering a number of perspectives critical for the post and necessary to assess future performance.

Assessio's wide experience and knowledge within industry psychology have given benchmarks and proven that there is a significant correlation between test scores and future performance. People Focus selected a test battery customized for retail management, measuring the following abilities:

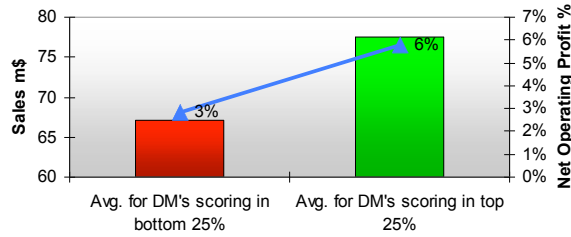
- Leadership skills
- Organisational and information management skills
- Critical thinking and analytical reasoning
- Industry and operational knowledge
- Situational decision making

## Business results and proof of concept

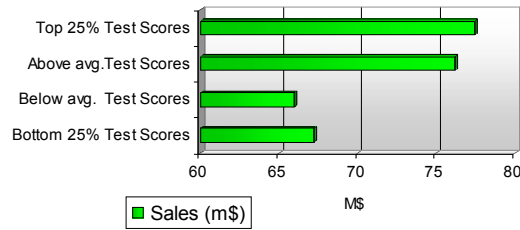
By the use of People Focus' testing and assessment process a number of interesting performance correlations were identified and verified.

The results showed that the individuals scoring highest on the test had historically received high ratings on their performance evaluations by their retail operations manager. Furthermore the correlation between financial performance and test performance of the district managers was examined. Individuals achieving among the highest score were showing significantly stronger financial performance than the individuals achieving low scores.

### Correlation 1, District Mgrs' Test & Financial performance

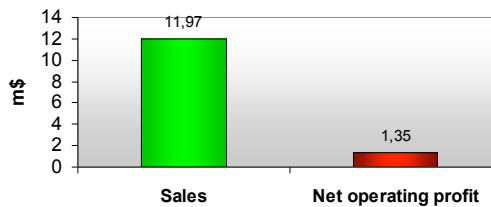


### Correlation 2, District Mgrs' Test & Financial performance



The approach and solution became a valid and profitable assessment process for selecting new District Managers. The expected gain by promoting new district managers using the Retail Management Test Battery was calculated to 12 million dollars in sales and an increase in Net Operating Profit with 1.35 million dollars for each promoted District Manager.

### Expected gain by promoting District Mgrs with test battery



### Assessio's point of view

The right leader can deliver measurable business results both as ROI and individual interventions. The studies performed by People Focus were conclusive in demonstrating the correlation between how a district manager scores on the test and their performance on the job. By using an assessment tool that measures the relevant abilities and that correlates with financial performance you can ensure profitability by promoting top leaders.

### To discuss opportunities please contact:

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