# State of Sales Performance Survey Report 2019

Powerful trends that shape the world of sales performance.













## **Survey Summary**

Every day, new technologies are rolling out, buyers are getting savvier — and the sales world, as we know it, is changing.

That's why, together with our industry partners, we set out to answer some big questions about you, the people who live and breathe sales. Our goal was simple: we wanted to understand how sales performance is currently being managed — what works, what doesn't, and which levers to pull in order to get the most out of every single rep on your team.

Thanks to the many participants of our first-ever State of Sales Performance survey, we've drawn powerful insights and identified important — surprising! — trends that could inform your sales strategy and change the way you lead your team, for the better.

With this report, you'll be able to:

benchmark your team's performance against your peers
 make strategic improvements to your sales processes
 use hard data to fight for more resources for your team

...all of which could have a powerful impact on the success of your sales org.

# What is Sales Performance Management?

Modern Sales Performance Management maximizes your bottom line by maximizing employee potential. Which makes sense: in a sales org (and any org, for that matter), the productivity and performance of your people have a powerful impact on your revenue. So, Sales Performance Management today means driving your team toward meeting (and exceeding) The Number by focusing on:

- Improving performance: Helping sales teams exceed attainment goals by driving long-term behavior change.
- Increasing productivity: Sales can be a volume game. More activity often leads to better results if you're focused on the right activity.
- Building winning cultures: Employees who are engaged, motivated, and inspired simply perform better.

### **Meet: Ambition**



The #1 sales performance software, **Ambition** transforms sales teams into unstoppable revenue engines. From **coaching** and **analytics** to **TVs** and **contests**, our tools make it easy to create a culture of success on the sales floor. We give companies actionable insights from their data — automatically, all in one place — so you can make informed decisions and drive long-term behavior change on your team. The result: increased productivity, higher attainment and measurable, meaningful revenue growth.

See what Ambition can do for your sales floor today.

Book a Demo

The State of Sales Performance Survey is brought to you in partnership with our industry partners:











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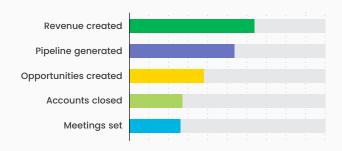
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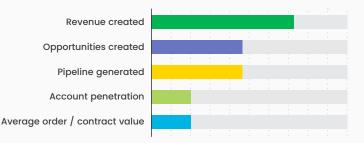
# **Key Report Highlights**

**Finding:** The top KPIs for both sales leaders and reps are **revenue generated**, **pipeline generated** and **opps created**.

### **Top KPIs for sales leaders:**



### **Top KPIs for sales reps:**



**Insight:** Reps and managers are very aligned on what they believe to be the most important KPIs — but they're missing the "early indicators" of success.

**Implication:** To identify the right KPIs, sales leaders should be working backwards from their North Star revenue goal and defining the daily activities that drive each conversion stage. Keeping an eye on those "early" KPIs gives managers and reps meaningful insight into progress and performance — while there's still time to course correct, if necessary.

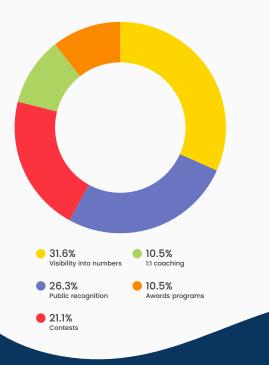
**Dive deeper:** See which metrics other elite sales orgs are measuring, and get their top strategies for tracking reps and AEs. Download our free Salesforce Inside Sales Guide to KPIs.

**Download Now** 



**Finding:** Managers believe financial rewards best motivate reps, while reps reported that visibility into numbers matters most.

### What gets you most fired up to sell?





"Sellers want transparency across
the entire revenue organization. Where is the
team sitting for the month? Why did my quota go
up? How long of a runway do we have if we aren't
hitting our numbers? As leaders, we need to take
this to heart and make the numbers visible and
easily accessible to all."

Scott Barker, Head of Partnerships, Sales Hacker

**Insight:** There's a major disparity between what sales leaders **THINK** motivates their team, and what actually gets them excited to sell.

**Implication:** Times are changing, and so is your sales force. If you're like most sales orgs today, millennials now make up the bulk of your team — and if you don't have a profound understanding of their needs and expectations, you're not going to tap into their full potential. Millennials want to feel valued and fulfilled at work; they expect ongoing coaching and development so they can become stronger sellers for the long haul; and they're data driven. That means they thrive off of visibility into how they're progressing against their goals — and they want to know exactly how they measure up to their peers.

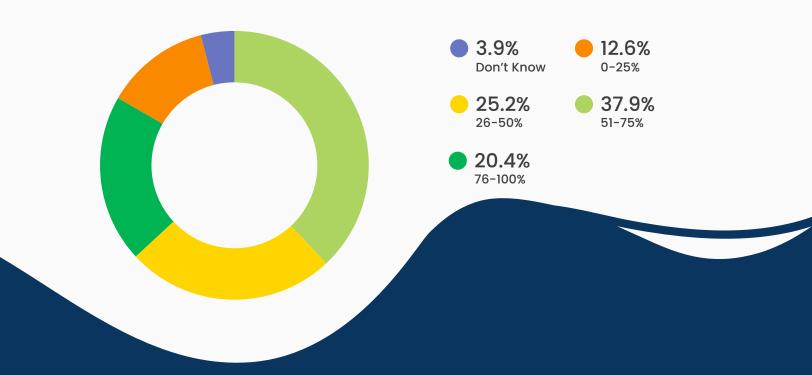
**Dive deeper:** Leveraging data is a surefire way to become a better sales manager. Learn how becoming a metric-driven leader will make your team stronger and smarter.

**Read Now** 



**Finding:** Only one-fifth of respondents said their reps are within range of hitting their individual goals.

# For team members who hold individual quota goals, what percentage are hitting those goals?



**Insight:** The vast majority of reps with individual goals are not consistently meeting them.

**Implication:** When your team regularly misses their goals, revenue takes the hit — and so does morale. Be sure you're setting the right goals and you're giving every rep a clear path to success.

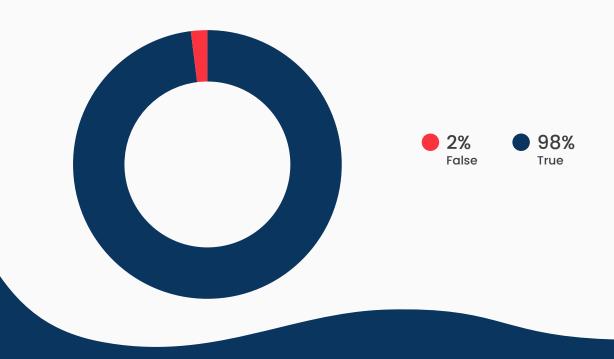
**Dive deeper:** If you've got the right goals in place, a great sales incentive will give your reps a reason to make those goals happen. Download this free guide for 7 creative ideas that will energize and incentivize your team.

**Get the Guide** 



**Finding:** 98% of reps indicated they were more likely to stay with a company if they're offered ongoing development.

### Are you more likely to stay with a company if you're offered ongoing development?



**Insight:** If you're not offering some kind of coaching or development program, don't be surprised if your talent starts looking elsewhere.

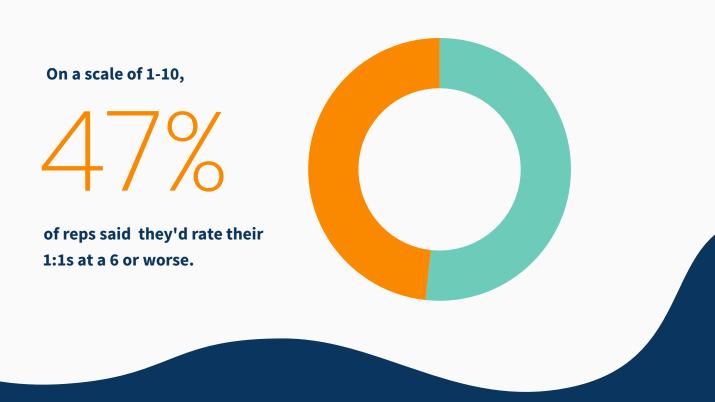
**Implication:** Coaching is no longer a nice-to-have; it's a need-to-have — and not just because it's a powerful revenue driver. Investing in the development of your people shows that they're valued members of the team, and that their personal success directly contributes to the success of the entire company. That's incredibly meaningful (especially to the millennial crowd!) and will help you attract and retain top talent.

**Dive deeper:** No coaching initiative in place? No problem. You don't need a big budget or brand new strategy. Download the free **Sales Coaching Cheat Sheet** for 6 easy steps to launching a sales coaching program today.

**Get The Cheat Sheet** 



**Finding:** Of the teams that do engage in coaching, almost half of reps responded that their sessions were mediocre at best.



**Insight:** Too many programs are missing the mark when it comes to establishing a strong, consistent coaching program.

**Implication:** It's clear that coaching is important to your reps (see p. 9). But if you're not coaching the right way, simply put: you're wasting everyone's time. The biggest mistake sales coaches make: spending too much time on their top and bottom performers. If you can move the middle players on your team, you'll move the needle for your sales org in a very powerful way.

**Dive deeper:** Learn how coaching up your average performers drives ROI, faster. Moving the Middle, gives you the tools, benchmarks and easy process wins that will drive productivity and performance on your team.

**Get The Playbook** 



## **Section 1: Building a Team**

It goes without saying — but we'll say it anyway: Having the right people on board is critical to the future of your sales org.

Team building is more than making great hires, though. It's about setting them up for success from the start, getting them fully ramped, and ensuring they become a meaningful part of the team in as little time as possible.

In the first section of our survey, we wanted to understand what growth and onboarding looks like in modern sales orgs. Here's what we found.

Millennials are moving in; females are still underrepresented: Sales floor demographics are changing, generationally speaking: more than half of survey respondents said at least 50% of their team is made up of millennials. However, women are still outnumbered in the industry: more than one-third of respondents said that less than 25% of their team is female.

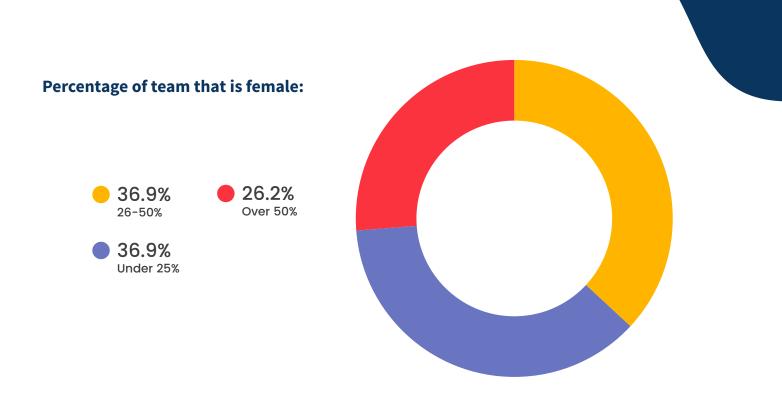
**Growth (and turnover) is steady:** The vast majority of respondents have made new hires in the past 12 months. Almost half (47.6%) have made 1-5 new hires in the past 12 months. 15.5% made 21 or more hires, and another 15.5% hired between 6-10 people.

**New hires are getting thrown into the deep end, fast:** More than half of respondents said that new hires receive fewer than two weeks of training in their first 90 days. That goes for SDRs, AEs, and managers.



"We applaud the men and women sales leaders making active efforts to recruit, retain, and promote more women in sales. But there is a lot of work still to do. One action we can all take is encouragement – telling more women about their potential success in a sales career, noting the competencies women inherently express that align with great sales careers, and helping them raise their hands for leadership promotions even before they feel 100% ready."

Lauren Bailey, Founder of Factor 8 and #GirlsClub



# Section 2: Performance & Productivity

We knew that trying to compare sales performance and productivity across a wide variety of sales orgs could easily devolve into an apples-and-oranges scenario.

But we wanted to understand how modern sales leaders would assess the performance of their own teams so that we could establish a high-level baseline for the industry, and understand what's working, what's not — and why.

So we designed this section of the survey to answer three basic questions:

- Are your reps making quota?
- Why or why not?
- How do you know?

Our findings gave us insight into the successes, challenges and trends that currently are shaping the way sales leaders like you manage performance.

Reps aren't hitting The Number, and a lack of coaching is partly to blame: 37.8% of respondents said that less than half of their reps are meeting their individual quota goals. When asked why reps weren't hitting those numbers, 23.3% of sales leaders said that a lack of coaching was to blame. Other barriers: low-quality leads (21.4%); poor hiring (13.6%); and unattainable goals (10.7%).

Time to ramp could be hurting AE productivity: 36.9% of sales leaders said it takes new AEs 6 to 12 months to ramp to full quota attainment — and 8.7% said it takes more than a year, signaling a major opportunity for process and productivity improvements. However, almost half of respondents said SDRs fully ramp to activities in just 0 to 3 months.

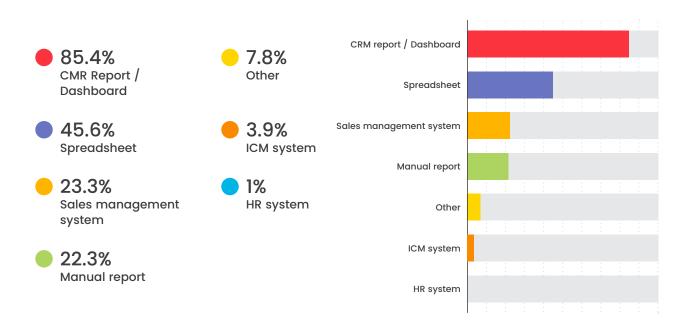
Many teams still need automated, accessible insight into individual performance: 66% of sales leaders said their reps have continuous visibility into their performance — but 32.1% indicated that reps are only getting performance insight on a weekly or quarterly basis. By far, the most common place for reps to see that data is on a CRM report or dashboard (85.4%), but 45.4% of respondents also reported using spreadsheets, and 22.3% still use manual reports.



While it will always take time for sales rep to learn their market and buyers, the creative use of sales technologies and ondemand content are helping reps become productive and effective faster than ever. Discovery and account intelligence technologies are making it easier for new reps to identify target accounts and to build out an engagement strategy that is personalized and timely. On-demand content such as thought leadership guides and educational videos are helping them establish relevance and build trust even during those early months when they are still learning about their buyers. Sales and Operations leaders are urged to consider how SalesTech and ondemand content can be used to help new sales reps ramp faster and maximize productivity within their first 90 days.

Tyler Lessard, VP Marketing, Vidyard

### Where do reps see performance and/or attainment data:



# Section 2: Coaching & Development

Sales coaching is the #1 thing sales leaders can do to drive performance and productivity on their teams — and to create a culture of winning on their sales floor.

Happily, the industry seems to be catching on: anecdotally, we've found that the conversation is becoming less about why we need to be coaching our reps — the ROI speaks for itself — and more about how to do it.

In this section, our survey questions focused around sales coaching frequency, structure and methodology, with the goal of understanding cadence, methodology and effectiveness.

**Coaching frequency could be improved:** 40.8% of respondents conduct weekly 1:1 coaching sessions, while 45.7% only do them once or twice a month. Similarly, 39.8% of sales leaders responded that their reps receive call coaching on a weekly basis, while another 39.8% said call coaching happens once or twice a month — and 11.7% perform call coaching even more sparingly: once a quarter or less.

Career development isn't a priority: Providing career guidance, mentorship and support whos your reps that they're valued not just as employees, but as people — and can make for a happier sales floor, with reduced turnover. Case in point: 89.5% of reps who responded to the survey said they were more likely to stay with a company that offers ongoing professional development. Yet 42.7% of sales leaders said their company offers ongoing career development training twice a year or less.

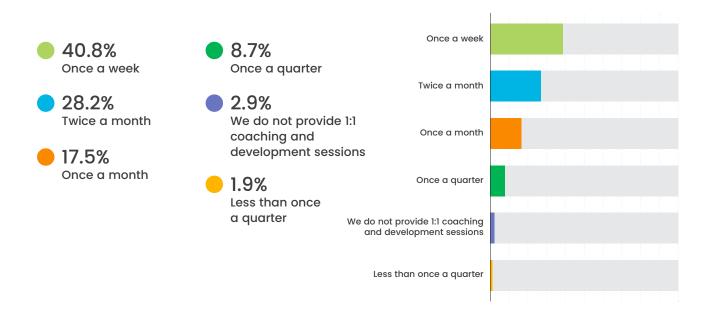
**Coaching methodologies run the gamut:** From Solution Selling to the Challenger Sale to the Sandler System, no one methodology seemed to come out as a front-runner. In fact, 17.5% of respondents said they don't use a specific methodology — or don't follow a methodology at all.



"Sales coaching can have an incredible impact on your team — in fact, you can see powerful results in a single sales cycle — but you can't make it up as you go along. Your sessions should be two things: frequent and intentional. At Gong, we recommend pinpointing the areas where your reps need work — maybe they're fumbling through objections or their demos are too feature-focused. Then, identify the "highest impact" area to improve, and start there. Stay focused, stay consistent, and let you data be your compass."

Chris Orlob, Sr. Director, Product Marketing, <u>Gong</u>

### How often do your team members receive 1:1 development feedback sessions?



### Section 2: Motivation & Incentives

It's no secret that sales incentives are effective. While people who work in sales are (on the whole) a competitive and ambitious bunch, it can be a grind. Having something valuable to work toward, both individually and as a group, can give reps the extra push they need.

In this section of the survey, we wanted to understand the tools modern sales leaders use to motivate and inspire their team — and how effective they really are, from the perspective of both managers and reps.

**Sales orgs aren't spending much on incentives (and that's okay):** 46.6% of sales leaders said that incentive expenses only add up to 10% or less of their total budget. About 40% said that incentives are anywhere from 11% to 50% of their budget. Of course, just because sales leaders aren't dropping big bucks on incentives doesn't mean they're doing it wrong: some of the most effective incentives out there are the creative, out-of-the-box ideas that don't cost an arm and a leg.

**Sales contests are hot:** 63.1% of respondents said they have run a sales contest in the past 6 months, and of those who haven't, 11.7% said they plan to run one soon. Clearly, sales gamification is more than a trend: it's become a pillar of modern sales culture, and that's a great thing — as long as it's done right. (That is, every competition leverages good data, is built around S.M.A.R.T. goals, and is structured in a way that drives long-term behavior change.)

**Successful reps listen well:** In response to an open-ended question about what qualities a successful rep possesses, several themes stood out — primarily, a willingness to actively listen. Other popular responses included "asking the right questions," accountability and time management skills.



"Understanding that reps and leaders have different needs is important to the success of your team. Open communication, a structured compensation and rewards plan, and ongoing training are just a few ways to ensure needs are met."

Kameron Hobbs, Sr. Director, Global Marketing & Operations, <u>AA-ISP</u>





11.7% No, but we plan to start soon





# **Drive More Revenue Today**

Ambition transforms sales teams into unstoppable revenue engines. From coaching and analytics to TVs and contests, we make it easy for sales leaders to manage, motivate and maximize every rep on your sales floor.

Book a free demo today!











