Accelerating
Sales Hire Ramp-Up Time

Boost Sales Productivity & Lower Turnover

SRG

Sales Readiness Group

ABSTRACT

The ramp-up period, or the time from when a sales professional is first hired until he/she is performing "at plan," can be lengthy. A good rule of thumb for estimating the length of this ramp-up period for new sales professionals is:

Ramp-Up Period = Length of Sales Cycle + 90 Days

While this formula is simplistic, it is also realistic and points to a grim truth: even companies with relatively short sales cycles can face long ramp-up periods of six months or longer. To make matters even more challenging the average sales professional stays in his or her position on average for slightly less than two years. So taken together, sales organizations often have a negative return on investment on many of their hires.

Companies need to be extremely diligent in recruiting and hiring the right sales professional, and then comprehensively onboard them in order to realize a return on their investments. A comprehensive onboarding program for new sales professionals can shorten the ramp-up period, ensure long-term sales success and reduce turnover.

So what can a sales organization do to ensure that its new hires are successful? Research has consistently demonstrated that sales organizations with well defined, comprehensive sales training programs have sales professionals who achieve quota more rapidly and have lower turnover rates as noted in the table below.

Sales Force Turnover as Related to Sales Skills Training Program Ratings	Sales Skills Training: Needs Improvement	Sales Skills Training: Meets Expectations	Sales Skills Training: Exceeds Expectations
Annual Salesperson Turnover Rate	19.5%	13.9%	11.9%

Source: CSO Insights, 2015 Sales Management Optimization Study

Most sales organizations have some form of onboarding program in place, even if it is merely a new hire orientation. Sales organizations with highly effective onboarding programs, however, excel in the following areas: (1) Sales Readiness, (2) Hiring, (3) Sales Training, (4) Sales Coaching and (5) Performance Management.

1. SALES READINESS

Successful onboarding begins in advance of any hiring. Prior to scaling a sales organization, a sales leader needs to be able to clearly answer a few simple questions: Exactly what will all of these new sales professionals do? How will they do it? Do they have the tools to be successful? These questions are intended to help a sales organization gauge its sales readiness – i.e., whether it has the defined strategy, documented sales processes, sales tools, etc. in place to effectively go to market and win.

Unfortunately, too many organizations suffer from unproductive sales teams because they are not sufficiently "sales ready" to accommodate a rapid expansion of their sales organizations. They often suffer deficiencies in one or more of the following areas:

- Clear sales strategy
- Documented sales process
- Effective lead generation strategy
- Sales tools that consistently communicate value proposition
- Compensation plans that align interests of sales professionals and the company
- Sales enablement technology that create accountability

Looking at the above list, a sales leader should ask how much of this is well defined and clearly documented.

2. HIRING

When it comes to sales professionals, nothing can fix a bad hire. So before spending time and resources developing a great onboarding program, a sales organization should ensure that it has a tightly defined hiring process. This starts with a clear hiring profile of the "ideal" sales professional. This profile typically includes: (1) education, (2) work experience, (3) prior performance, (4) skills and knowledge and (5) personal qualities and behaviors.

While the first four areas are easy to define, the last area-personal qualities and behaviors-is difficult to both identify and hire against. Hiring managers within a sales organization may even have conflicting ideas as to which personal qualities and behaviors lead to sales success.

Below is a list of common sales competencies. The relative importance of these competencies will vary for each sales organization based on a number of factors such as industry, complexity of the sale and level of autonomy of the sales professional. So a company must identify its key sales competencies carefully.

Key Sales Competencies	
Competitiveness	Planning and Organization
Confidence	Pride
Integrity	Resiliency
Judgment	Responsibility
Motivation	Work Ethic

As a starting point, a sales organization should benchmark its star performers in order to determine common qualities and behaviors it wants in new hires.

Many sales professional do their best selling during the interview process. So it is essential that frontline sales managers learn how to conduct "behavior-based" interviews in order to identify candidates with the specific sales competencies that the company is looking for. For example, asking a candidate a leading question such as "Are you motivated?" will lead to a predictable answer. In contrast, a behavior-based interview process forces the candidate to disclose key behaviors where he/she demonstrated a specific competency.

One such behavior-based interview process uses "STAR" questions that ask candidates: (1) to speak to a specific **S**ituation where they had to demonstrate a specific behavior, (2) detail the **T**asks that were involved in the process, (3) explain the **A**ctions that took place to reach the objective, and ultimately, (4) report on the **R**esults they achieved.

Below is an example of STAR questions that a hiring manager could use to identify a candidate's motivation:

Situation:	Describe a goal that you achieved in business, in school, or in your personal life.
Task:	What were some of the obstacles you faced in striving for this goal?
Action:	What were the specific steps or actions you took in pursuit of this goal, and to overcome any obstacles?
Result:	Did you achieve the goal? How did you feel about accomplishing it?

By drilling down on the desired behavior, behavior-based questions take some of the subjectivity out of the hiring process.

3. SALES TRAINING

The core of an effective onboarding program is comprehensive sales training. Training should be rigorous, motivating and should include a combination of self-study and team activities. A rigorous training program sets the tone for what is expected from a new hire and gives the sales organization an opportunity to assess new hires and course correct, if necessary. It also results in increased sales success as noted in the table below:

Outcome of Forecast Deals as Related to Sales Skills Training Program Ratings	Sales Skills Training: Needs Improvement	Sales Skills Training: Meets Expectations	Sales Skills Training: Exceeds Expectations
% of Deals Won	40.5%	48%	52.6%
% of Deals Lost	34.5%	28.9%	25.6%
% of Deals No Decision	26.8%	25%	23.5%

Source: CSO Insights, 2015 Sales Management Optimization Study

New hire training should cover the following:

- Company background and culture
- Strategy
- Industry
- Customers
- Product knowledge
- Sales process

- Sales skills
- Sales enablement technology

Depending on the complexity of your product and sales process, the initial training program should typically run one to two weeks and include ample exercises and role plays that allow new hires to apply the skills and knowledge he/she has learned. During this period, the sales managers should be actively involved in the training in order to carefully evaluate the progress of the newly hired sales professionals and to send the message that the company takes training seriously.

The most effective sales training combines classroom with real world customer contact opportunities. So to the extent possible, new sales hires need to be given customer contact opportunities as quickly as possible. Furthermore, in order to be effective, sales skills training needs to be followed by consistent reinforcement. A best practice would be to implement short, small group, weekly reinforcement sessions for the first three months following the initial sales training program.
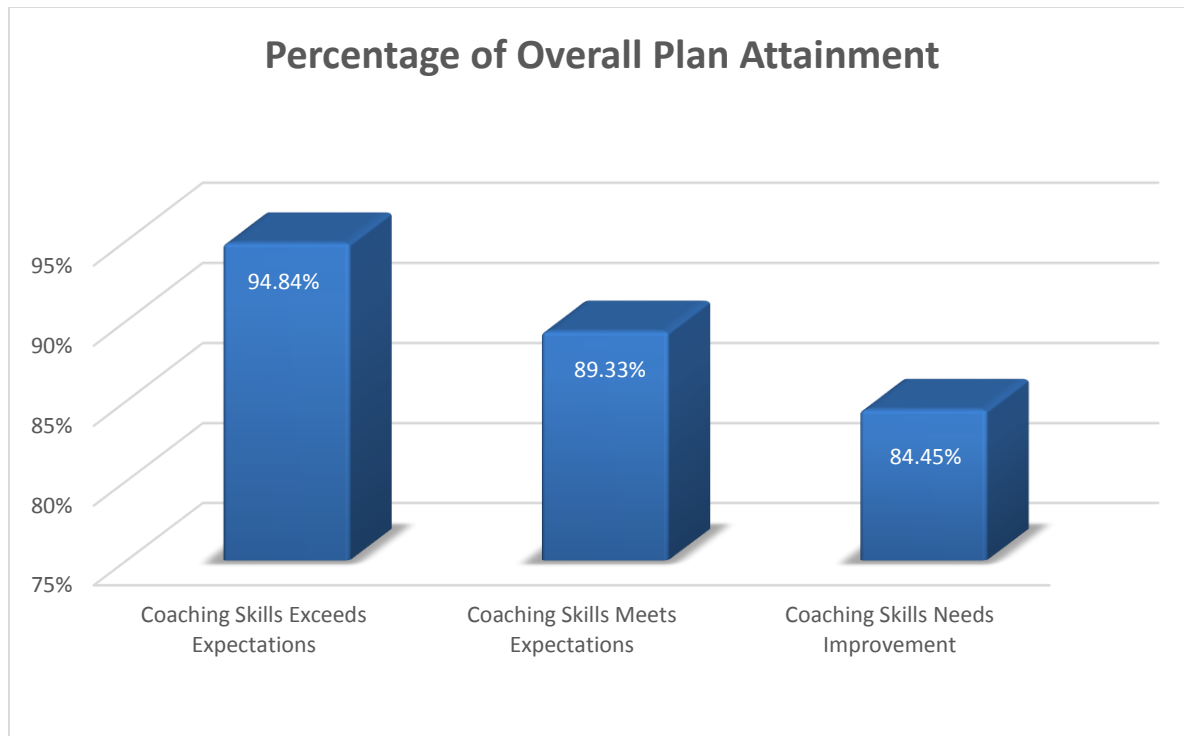
4. COACHING AND MENTORING

Following the initial sales training program, sales organizations can significantly improve ramp-up time by providing new sales hires with ongoing sales coaching.

SALES COACHING:

A best practice for frontline sales managers is that they spend 25% - 40% of their time coaching their teams. Sales coaching should consist of both strategic coaching and tactical coaching. Strategic coaching focuses on helping a sales professional make progress with specific prospects and customers. By discussing account strategies with their sales managers, new sales hires will learn how to prepare for sales calls, create account plans, develop proposals and prepare presentations. Tactical coaching focuses on helping the sales professional improve his or her selling skills and is based on direct observation by the manager.

One common challenge sales managers face when coaching new sales professionals is what to do when they are failing during a call. Although sales managers are often tempted to take over the call and "rescue" the new sales professionals, it is essential that they focus on their role as a coach and allow the sales professionals to learn from his or her mistakes.

The performance of the sales organization improves with better sales coaching. The figure below shows the differences in overall revenue plan attainment as related to the ratings of the quality and quantity of the sales manager coaching that training companies provide.

Percentage of Overall Plan Attainment

95% — 94.84%
90% — 89.33%
85% — 84.45%
80%
75%

Coaching Skills Exceeds Expectations | Coaching Skills Meets Expectations | Coaching Skills Needs Improvement

Source: CSO Insights, 2015 Sales Management Optimization Study

MENTORING:

Another way to shorten the ramp-up period is to pair up new hires with experienced sales professionals as part of a structured mentoring program. In contrast to sales coaching, in a mentoring program the new sales professional learns by observing an experienced sales professional sell and interact with customers. A mentoring program helps take learning out of the classroom and into a real sales environment, shortens the learning curve, and provides an effective mechanism for sharing best sales practices.

In developing a mentoring program, it is important to consider the following:

- *Confidentiality*. Both parties in the program need to know that discussions between them will not be immediately relayed to a supervisor or manager.

- *Time Limits*. The mentor must expect to give the new sales professional adequate time to learn, but this is not a 24/7 time commitment. To keep things in perspective, a balance needs to be established. This can be accomplished by setting an agreed upon schedule at the beginning of the mentorship process.

- *Right Mentor.* Probably the key driver of success is selecting the right mentor. Does the experienced sales professional have any attitude issues? Does he/she have excellent

sales skills? Does he/she have the ability to teach these sales skills? Does he/she consistently engage in the right sales activities?

- *Professional Relationship*. The mentor relationship is professional, not personal. It must remain in the realm of being "just business." In the mentorship program, the mentor's role is to teach and advise the new employee. The new hire is not bound to take the advice being offered by the mentor and the mentor should not interfere with any decisions made by the new employee's supervisor or manager.

5. PERFORMANCE MANAGEMENT

Sales professionals are competitive by nature and they want to win. When winning is only defined as achieving certain sales results, this can create a problem during the ramp-up period. Sales professionals can get discouraged quickly and when this occurs sales results suffer and turnover rates increase.

So during the ramp-up period, sale managers need to think beyond sales results and focus on tracking and rewarding key behaviors and sales activities. These expectations can best be communicated by developing a sales ramp-up performance plan that details the behaviors, specific activity levels and results that should be achieved by new hires during the first 30, 60, and 90 day time periods.

- Communicate expectations
- Focus on key behaviors and activity levels
- Reinforce positive behaviors
- Address performance gaps

By monitoring his/her performance against these goals, the sales manager will be able to intervene much earlier if a sales professional is not achieving his or her goals. Equally important, sales managers will be able to recognize early wins and reinforce positive behaviors which helps create a culture of success.

CONCLUSION

As companies begin to grow their sales teams, there are a number of key steps they can take to help accelerate ramp-up times and reduce turnover. These include making sure their organizations are sales ready, hiring sales professionals who fit their success profile, developing a comprehensive training program, providing ongoing sales coaching, assigning well-matched mentors and measuring and monitoring sales activity levels. By creating this framework, companies can confidently scale their sales organizations and more rapidly realize a return on their investment.

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ABOUT THE AUTHORS

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Norman Behar is a proven sales leader with over 25 years of CEO and senior sales management experience. He is recognized as a thought leader in the sales training industry, and has worked with clients in a wide range of industries including financial services, healthcare, technology, manufacturing, and distribution. Norman's whitepapers and blog posts are frequently featured in leading sales enablement publications. Previously, Norman served as President and CEO of Catapult, Inc., a leading provider of personal computer training services, where he oversaw the Company's operations and managed its growth and expansion into more than 20 major markets across the United States. Under Norman's leadership, revenues increased significantly and the company was sold to IBM. Norman received his B.A. from the University of Washington, where he graduated Summa Cum Laude.

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David Jacoby has extensive experience developing and implementing innovative sales training and sales leadership development solutions for clients. Previously, David was a Principal at Linear Partners, a sales consulting firm focused on providing sales effectiveness and development solutions to emerging growth companies. In the past, David has served as Vice President of Business Affairs of Xylo, Inc., where he was responsible for the Company's business development, sales operations, legal affairs and financing activities. David received his J.D. from the Columbia University School of Law, where he was a Harlan Fiske Stone Scholar, and received his B.A. from the University of Washington, where he graduated Summa Cum Laude.

About Sales Readiness Group

Sales Readiness Group (SRG) is an industry leading sales training company that helps companies develop highly effective sales organizations. Our solutions include comprehensive sales training, sales coaching, and sales management programs that deliver sustainable skills improvement.