



Don't Fire That New Sales Rep So Quickly

We all know the game. It's all about growing revenue. Your sales leaders are charged with hiring new sales reps but they soon find out that there is a shortage of really good sales talent out there – the struggle is real. And when you do find the “right” sales professional, everyone breathes a sigh of relief and waits for the sales to start rolling in. If that doesn't happen quickly, the blame is all too often placed on the sales rep for not performing. But who really is to blame? Maybe it's you!

The formula is simple, right: hire great sales reps, get them hitting quota as soon as possible and the revenue will start increasing in both the short and long term. An added benefit is that the good ones will stick around for a long time, thus reducing future hiring costs and eliminating the inevitable loss of productivity during ramp up times.

Speaking of ramp-up time, according to data from the *CSO Insights 2015 Sales Management Optimization (SMO) Study* of nearly 700 companies worldwide that the time to full productivity for a new sales hire is seven months or more. For nearly one in five companies, hiring a new salesperson in January of 2016 will not be paying off full benefits until at least January of 2017.

There are ways of shortening the ramp-up time through a combination of best practices such as hiring sales reps with experience selling in your industry, investing in new hire training and coaching and giving new sales reps access to technologies such as playbooks, price-quote systems and SFA software. But it is still going to take time to get them selling as effectively as your most experienced salespeople.

Another huge challenge that sales leaders face is the impact of sales force turnover. The combination of voluntary and involuntary sales professional turnover reached 22.4% according to the *CSO Insights 2015 Sales Productivity Optimization Study*. This turnover rate is 31% higher than the rate in the 2014 SPO study.



Turnover impacts the entire organization. From a sales manager’s perspective, sales turnover represents loss revenue potential. With quotas increasing every year, high turnover and long ramp-up time will make it difficult for the sales manager to make plan. Besides, recruiting and hiring become a huge distraction for the sales manager, taking away valuable time from his team in coaching and closing strategic deals. From a customer perspective, sales turnover can give the appearance of a revolving door at your company.

So what can you do to minimize sales turnover? First, hire the right people. It isn’t about hiring the best athlete available, but hiring the person best suited for the available position. Second: Never hire alone. Smart hiring is a team effort. Third: Once you settle on a candidate, set expectations at the get go. Fourth: Align your onboarding, mentoring and coaching processes to develop the candidate from “Newbie” to “Seasoned” to “Best-in-Class”. Sales professionals who see a constant investment in their professional progress are more likely to remain in your sales organization.