

Sales Operations Forum

Faster! Faster! The Pressure Is On to Ramp New-Hire Sales Reps

Is it possible to shorten new hire ramp times by as much as 10%? Would the returned savings and additional revenue pay for the investment required? Although there is no “silver bullet” to hit this productivity goal, the panel at the May 2006 Sales Operations Forum shared their best ideas for ramping new hires faster, and agreed the payoff is worth the effort.

Ramp-time to Full Productivity

It *is* possible to shorten the time it takes for sales new hires to “ramp” to full productivity. But success depends on creatively balancing many factors:

- a broad learning approach that incorporates multiple learning methods and technologies;
- content that combines sales methodology, product and solution training;
- and most importantly, measuring and linking results against the bottom-line.

That is the direction that the panel discussion took at the recent Sales Operations Forum.

The Challenges Keep Coming

Integrating sales organizations after multiple mergers; using solution-focused sales strategies to sell expanding, complex product lines; driving into new markets and more broadly in an enterprise; and expanding market share in mature markets; these are all challenges our panelist faced as they developed the ramp or “on boarding” strategies for their sales teams.

Price Burlington, Forum Founder and Director Sales Operations at SAP, led the panel discussion that included three Sales Operations executives including: Bill Macy, Business Objects; Tom Gerstenberger, Network Appliance; and Jim Searles of Serena Software. Dr. Jack B. Keenan, sales and training expert, also joined the panel to share industry best practices.

How do you define “ramped up”? Heard at the Forum

- Reps are making quota – consistently
- Reps carry and achieve a full quota
- Reps successfully manage the “right” activities
- After 6 months

What’s the Bottom Line?

Alison Chandless, Forum Founder presented results of the Forum survey focused on Sales Training. Both the Forum and national surveys show that companies require an *average* of 7-9 months to ramp new sales teams. However, the panelists at the Forum noted that their ramp times ranged from 3 months to 2 years. Predictably, the longer and more complex a panelist’s sales cycle, the longer the ramp or “on-boarding” process.

Why is This So hard?

The varied backgrounds, cultures, languages, and sales approaches/experiences of new hire training audiences makes successful design of new hire sales training difficult, Jack Keenan noted. Commenting on the challenges of ramping new sales teams, Jim Searles said that geographically dispersed the sales teams with the longest the sales cycles are the most difficult to ramp successfully. He noted that at Serena, telesales reps that are co-located are productive much more quickly than remote territory sales reps. He attributes this to the telesales reps ability to share ideas and best-practices as well as get quicker answers to sales questions.

Jim also commented that with long ramp times it’s hard to anticipate a rep’s success or failure. To solve this problem, Jack advises his clients to find early indicators of success and failure. One method he suggests is to model--or codify--the activities and activity levels of top reps (e.g. calling rates, number of face-to-face meetings, proposals generate). He suggests companies compare new hire reps’ activity rates and success in those activities to that of successful reps.

Jack shared that this is also a best practice in developing sales training—making sure new reps know how to successfully execute those activities that lead to success, and understand the level of activity that they are expected to deliver.

Sales Methodology or Understanding Products: What's the Best Starting Point?

Business Objects' focuses the first 6 months of a rep's training on sales methodology and business acumen. Bill Macy explained this approach provides reps with the basic skills for grading their pipeline and managing opportunities. Tom Gerstenberger noted that in contrast, Network Appliance focuses heavily on product and technology training when reps attend the one week, headquarters training program and early in their tenure. The different approaches started an interesting discussion, with most Forum attendees agreeing that delivering either sales methodology or product-focused curriculum without the other is much less effective than a combined approach.

Can You Be Successful Without Training Managers Too?

Bill Macy commented that in 2001, Business Objects' anticipated the impending economic problems and developed a management training program to prepare their leadership team. Tom Gerstenberger commented that while at 3Com, his team developed management training to drive up forecasting accuracy. However, many in the audience noted they do not have management-specific training. The survey results showed that less than half of respondents offered management-specific training.

Where Should Sales Training Report?

"It does not matter" was the answer from the panel. At Business Objects, Sales Effectiveness resides in Sales Operations, but Bill Macy pointed out that alignment with the sales organization and their goals is the most important factor in success. Tom commented that sales training has to be "close to the transaction" to be truly successful.

The survey revealed that in a majority of organizations Sales Operations is held responsible for sales training.

How Can You Avoid the Dreaded PowerPoint Parade?

The Forum audience provided suggestions for avoiding this training disaster, including:

- Involve experienced sales people as your presenters and use them in role play exercises.
- Train product managers to deliver "sales ready" or "value-based" messaging.
- Organize training around the questions customers ask. Why should I talk to you? Why should I buy this? Why buy from you?

Great Ideas We Can All Use

- Use Wins and Losses as a focus for on-going education. Each quarter Serena analyzes 6 wins and 12 losses.
- Use short sales success stories to reinforce use of successful sales messaging.
- Deliver a sales tool kit following training, so trainees can implement concepts easily.
- Capture best practices and the knowledge of your sales team using tools like StreetSmarts.
- Use Webinars to create communities of interest and build interactive training sessions.
- Design annual sales meetings as learning events, but acknowledge that they don't offer great "teaching" opportunities.
- Reinforce your training; integrate your sales process into your sales tools like SFA.

About the Sales Operations Forum

The Sales Operations Forum provides Sales Operations management an opportunity to network, exchange ideas and share best practices. Our quarterly meetings focus on topics such as sales effectiveness, sales methodologies, compensation, CRM, and field communication.

The Forum is managed by Price Burlington, SAP and Alison Chandless of Involve Technology. There is no cost to join the Forum.

If you are interested in attending a Forum, contact Alison Chandless.

Supporters

The KickStart Alliance manages the Forum website and registration. The KickStart Alliance is a team of sales and marketing executives that work with technology clients to provide positioning, lead generation, and sales readiness services. Find out more at www.kickstartall.com.

Survey Says . . .

The Forum members were surveyed about their new hire sales training practices, spending and strategies. You can see the results of this survey at www.kickstartall.com/resources.html#salesops.