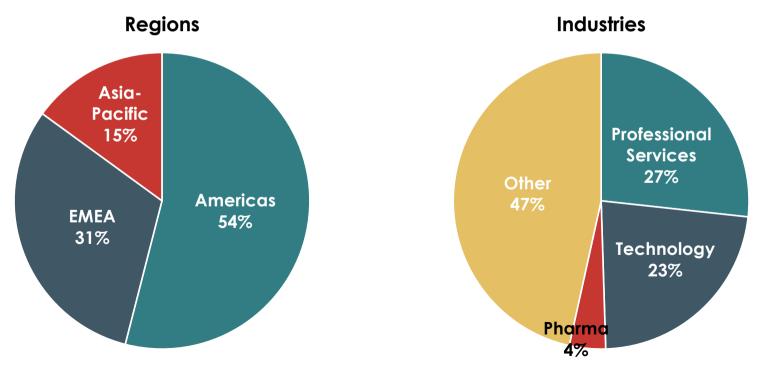
### **Onboarding New Sales Hires in 2023** *Key Research Takeaways for Sales Enablement*





#### Research Background

We analyzed 223 survey responses from sales leaders, sellers, sales managers, sales enablement, and sales training professionals about their experiences with sales onboarding. Respondents were from varied regions and industries.



#### Seller Onboarding Research: Executive Summary

Effective onboarding improves retention and reduces turnover.

50% vs. 12% turnover

#### Effective onboarding gets sellers to productivity faster.

02

4X more likely to be productive in < 3 months

### Top 3 characteristics of effective onboarding:

03

- Teamwork and collaboration (61%)
- Coaching for sales performance (53%)
- Managers play an important role (53%)

### 4 key drivers of effective onboarding:

- 1. Strong training on the company's sales process and methodology
- 2. New sales hires feel supported during the onboarding process
- 3. Emphasis on teamwork and collaboration
- 4. Prioritization of coaching and support

#### 3 Onboarding Research Objectives

We wanted to know:

- What do companies with the most effective sales onboarding do differently?
- What elements are included in the most effective sales onboarding?
- How is the most effective sales onboarding delivered?



#### Onboarding Affects 3 Key Areas



#### **New Hire Success**

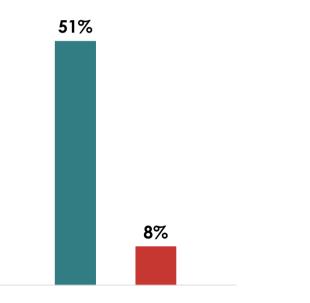
Time to Productivity

Sales Rep Turnover

#### Effective Onboarding Prepares Sellers to Succeed

Our onboarding process prepares new sales hires to succeed

% Strongly Agree



Extremely/Very Effective Not At All/Slightly/Moderately Effective

Source: Onboarding New Sales Hires, RAIN Group Center for Sales Research.

Organizations with effective onboarding are

6.3x

more likely to prepare their new sales hires to succeed.

### But Most Sales Onboarding Is Not Highly Rated

47.7% 30.4% 15.0% 4.2% 2.8% Not at all Sliahtly Moderately Very effective Extremely effective effective effective effective

Sales Onboarding Effectiveness % Respondents

Only

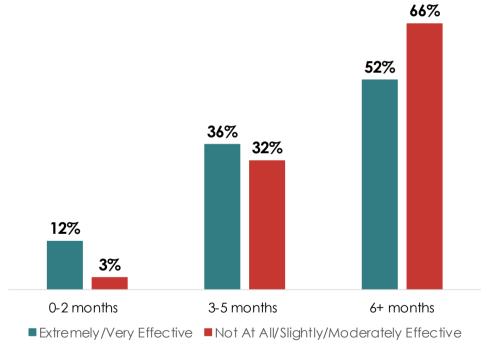


of survey respondents rate their company's sales **onboarding as extremely or very effective**.

### Effective Onboarding Decreases Time to Productivity

How long does it take for a newly hired seller to be a productive seller in your organization?

% Respondents



Source: Onboarding New Sales Hires, RAIN Group Center for Sales Research.

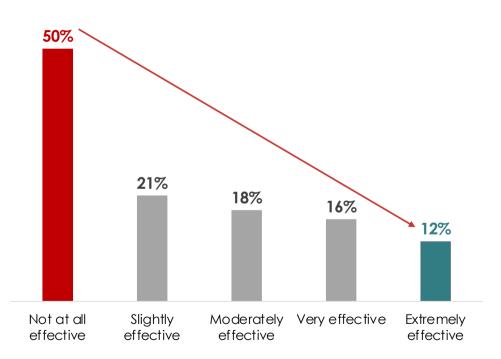
Organizations with the most effective onboarding are

# **4**x

**more likely** to get new hires to productive selling in *under 3 months*.

### Poor Onboarding Results in Significantly Higher Turnover

Average Turnover Rate by Sales Onboarding Effectiveness



# **50%** vs. **12%**

As onboarding effectiveness improves, **turnover decreases**.

### High Cost of Sales Rep Turnover

Turnover is not only highly disruptive, but also impacts your top line.

For example, let's assume:

- Average total cost per sales rep (including recruitment, onboarding, and salary) is \$152,330.
- Company faces a 40% turnover rate during onboarding, losing 4 out of 10 new hires annually.

Then:

 Total annual cost of this turnover is \$609,320, plus \$1 million in lost revenue potential per seller.

Retaining just two more sellers per year could **save \$304,660** and generate an **additional \$4 million in revenue**.

Effective onboarding reduces turnover, which in turn reduces recruitment costs and increases revenue.



<u>Click here</u> to calculate the cost of your seller turnover.

Source: Boost Ramp-Up Speed and Retain Sellers with Effective Onboarding [+Turnover Calculator]

**It's clear:** ineffective onboarding creates a huge hurdle for sales managers to overcome, both with managing their people and achieving revenue goals.

So how do you fix it?

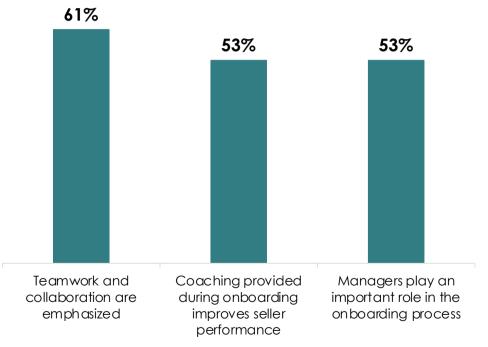
How do you structure effective sales onboarding that equips sellers to be successful in their roles, reduces ramp time, and reduces turnover?

In other words, what do organizations with the most effective sales onboarding do differently?



### Top 3 Characteristics of Effective Onboarding

Organizations with Extremely/ Very Effective Onboarding % Strongly Agree



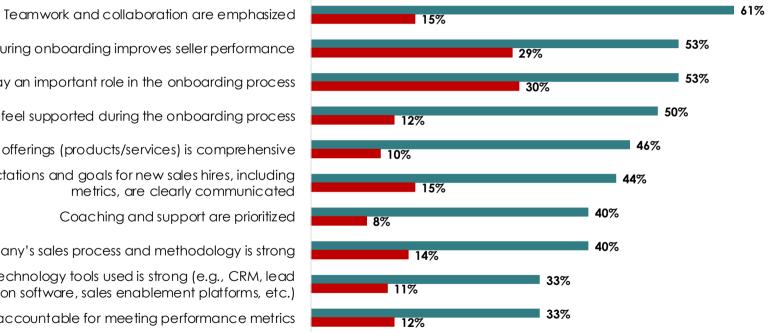
In Orgs with the Most Effective Sales Onboarding:

- 1. Teamwork and collaboration are emphasized
- 2. Coaching provided during onboarding improves seller performance
- **3. Managers** play an important role in the onboarding process

### Where Effective Onboarding Programs Stand Out

#### Characteristics of Onboarding by Program Effectiveness

% Stronaly Agree



Coaching provided during onboarding improves seller performance

Managers play an important role in the onboarding process

New sales hires feel supported during the onboarding process

Training on our offerings (products/services) is comprehensive

Performance expectations and goals for new sales hires, including metrics, are clearly communicated

Coaching and support are prioritized

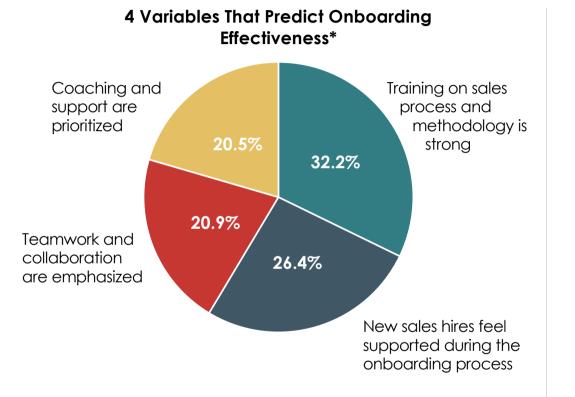
Training on the company's sales process and methodology is strong Training in the sales technology tools used is strong (e.g., CRM, lead generation software, sales enablement platforms, etc.)

New hires are held accountable for meeting performance metrics

Not At All/Slightly/Moderately Effective

Extremely/Very Effective

### Can We Predict Which Onboarding Will Be Effective?



# Yes!

### 4 key drivers of **effective onboarding**:

- . Training on the company's sales process and methodology is strong
- 2. New sales hires feel supported during the onboarding process
- 3. Teamwork and collaboration are emphasized
- 4. Coaching and support are prioritized

Source: Onboarding New Sales Hires, RAIN Group Center for Sales Research.

\*A regression of onboarding effectiveness with onboarding characteristics yields 4 statistically significant explanatory variables with an adjusted R-squared of 45.9%. The Relative Importance Analysis tells us the relative importance of predictor variables (onboarding characteristics) on the outcome variable (effectiveness). In other words, the 4 onboarding characteristics here are key drivers (or predictive factors) of effective onboarding.

#1 Key Driver: Training on Sales Process & Methodology

Providing strong training on the sales process and methodology is the #1 key driver of effective onboarding, but it's often missing. This is a great place to start for most organizations.

### 51%

of sales organizations don't have a defined sales process.



of respondents **don't highly rate training** on sales process and methodology. -11 points

Companies with no consistent sales process have a **lower average win rate**.

Sources: The Top-Performing Sales Organization, RAIN Group Center for Sales Research. Onboarding New Sales Hires, RAIN Group Center for Sales Research.

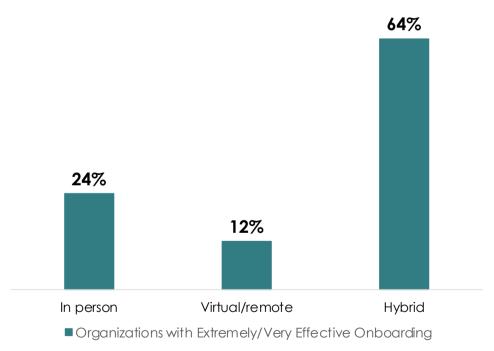
### How is the most effective onboarding delivered?



### Majority of Effective Onboarding Programs Are Hybrid

### How is onboarding for new sales hires delivered?

% Respondents

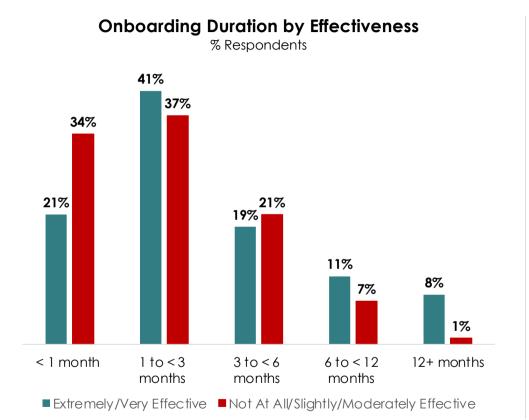


Source: Onboarding New Sales Hires, RAIN Group Center for Sales Research.



of organizations with the most effective onboarding take a **hybrid approach**, including both in person and remote.

#### Effective Onboarding Takes Time



**1.6x** 

Organizations with **less** effective onboarding are significantly more likely to onboard for **less than 1 month**.

What elements are included in the most effective sales onboarding?



#### Elements of the Most Effective Sales Onboarding

#### 1. Prioritize coaching and support:

- Coach new hires and give feedback on a regular schedule (used by 82% and 67% of MEO, respectively)
- 2. Emphasize teamwork and collaboration:
  - Mentor new hires by an experienced seller (used by 68% of MEO)
  - Pair new hires up with an onboarding partner or buddy (used by 44% of MEO)
- 3. Provide strong training on sales process and methodology:
  - #1 key driver of most effective onboarding
- 4. Consider hybrid onboarding for effectiveness, including:
  - Simulations and role plays (used by 66% MEO)
  - Knowledge checks/quizzes (used by 66% MEO)
  - Activities and exercises (used by 64% MEO)
  - Shadowing other sellers or team members (used by 60% MEO)



#### Take Action

## Compare your onboarding program elements and results to the data here and ask yourself:

#### What's missing from our sales onboarding program?

# A full suite of sales education for your onboarding success.

- Complete Sales Method: Cover all aspects of sales skills, productivity, sales coaching, and more.
- World-Class Education System: Deliver training that's proven to work, stick, and transfer to the job.
- **Support:** The RAIN Group Client Engagement team guides you through a successful training launch.
- Services: Professional services to support rollout, including facilitation, coaching, and certification.

- Scalable: Deliver as much or little as you like: small groups to large roll outs as and when you need.
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Use proven pre-built programs or design your own curriculum.



355 Videos

Studio produced micro-learning videos

(22 feature length films of content).

#### 11 Core Sales Planning Tools

Participants apply learning and thoroughly prepare for real sales situations.



#### **4** Learning Modalities

Available via instructor-led training (ILT), virtual ILT, self-study, and hybrid.



#### 78 Manager Coaching Guides

Complete manager coaching guide for every module.



154 Knowledge Checks & RAIN Mail Streams

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We are leaders in sales research and intellectual capital. We've published 5 books, including the Bestseller Rainmaking Conversations, Insight Selling, Virtual Selling, and Not Today: The 9 Habits of Extreme Productivity. We've won multiple awards for our sales white papers, our industry-leading blog has been featured on dozens of "Top Sales Blog" lists, and we've written for hundreds of well-known business publications.

Each year we launch groundbreaking new studies in sales—from both buyers' and sellers' perspectives—through the RAIN Group Center for Sales Research.











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#### **RAIN Group Center for** Sales Research

We research sales relentlessly to uncover what works, what top performers do differently, and how buyers make decisions.

Research focus areas include:

- The Top-Performing Sales Organization
- Sales Prospecting
- What Sales Winners Do Differently
- The Value Driving Sales Organization
- Sales Productivity
- Strategic Account Management
- Sales Negotiation
- Virtual Selling
- Sales & Sales Management Skills

