



**SALES
MANAGEMENT
ASSOCIATION**

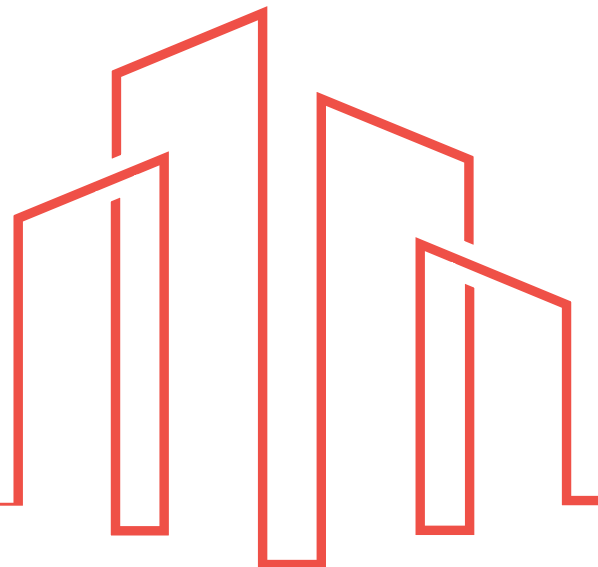
RESEARCH BRIEF

SALES ENABLEMENT PRACTICES

AUGUST 2018

UNDERWRITER:

MindTickle!



Authors

Robert J. Kelly
Chairman
Sales Management Association

Vaibhav Lohia
Market Research and Content
Strategy Manager
Sales Management Association

First published August 2018.

Sales Management Association
1440 Dutch Valley Place NE
Suite 990
Atlanta, Georgia 30324 USA
+1 (404) 963-7992
www.salesmanagement.org

Copyright © 2018 The Sales Management Association, Inc.

All rights reserved; no part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without prior written permission of the publishers.

Research Brief: Sales Enablement Practices

This document has been prepared by The Sales Management Association for use by its members. The Sales Management Association has worked to ensure the accuracy of the information it provides to its members. This report relies upon data obtained from many sources, however, and The Sales Management Association is not engaged in rendering legal, accounting, or other professional services. Its reports should not be construed as professional advice on any particular set of facts or circumstances. Members requiring such services are advised to consult an appropriate professional. Neither The Sales Management Association nor its programs are responsible for any claims or losses that may arise from a) any errors or omissions in their reports, whether caused by The Sales Management Association or its sources, or b) reliance upon any recommendation made by The Sales Management Association.

Descriptions or viewpoints contained herein regarding organizations profiled in this material do not necessarily reflect the policies or viewpoints of those organizations.

About The Sales Management Association

The Sales Management Association is a global, cross-industry professional organization for sales operations, sales effectiveness, and sales leadership professions. We provide our members with tools, networking, research, training, and professional development.

Our research initiatives address topics relevant to practitioners across a broad spectrum of sales effectiveness issues. Our research is available to members on our site at www.salesmanagement.org.

In addition to research we publish best practice tools, archived webcasts, and expert content. Visit our website at www.salesmanagement.org to learn more.



- 4** OVERVIEW
 - 4** ABOUT THIS RESEARCH
 - 4** SUMMARY OF KEY FINDINGS
- 5** THE SALES FORCE'S UNCERTAIN DIRECTION
- 6** SALES TRAINING'S MUTED IMPACT
- 9** THE IMPACT OF CHANGE
- 9** TECHNOLOGY'S ROLE
- 10** SALES ENABLEMENT: AN EMERGING FUNCTION FOR DISTRIBUTED LEARNING
 - 12** SALES ENABLEMENT IMPROVES TECHNOLOGY UTILIZATION
 - 13** SALES ENABLEMENT IMPROVES SALESPERSON ENGAGEMENT
 - 15** SALES ENABLEMENT ENCOURAGES MORE PURPOSEFUL TRAINING INVESTMENT
 - 16** SALES ENABLEMENT IMPROVES TRAINING OUTCOMES MEASUREMENT
- 17** RESPONDENT DEMOGRAPHICS



OVERVIEW

About this research

Featuring input from 111 business-to-business sales organizations, this research explores the sales enablement function and its impact on the organization. It identifies the state of sales training within organizations, the importance and effectiveness of various training modalities, and the impact of technology on training and development. By comparing firms with and without a named sales enablement function, it also measures the impact of this emerging function on sales organizations' training and development outcomes.

Summary of Key Findings:

- Though 64% of firms have established formal sales processes, they're applied consistently in just 40% of firms.
- Firms aim to accomplish multiple objectives with their sales training initiatives. Considered the most important among the seven objectives researched are helping new salespeople become productive and supporting new product introduction; these are considered important by 84% and 81% of firms, respectively.
- A large majority of firms are ineffective at sales training. Just 43% rate their salesperson training and development efforts as effective overall, and just 30% to 43% are effective in any of the seven specific training areas we researched.
- Sales training suffers in part from a lack of clear objectives; just 41% of firms anticipate training's financial outcomes, and just 40% establish general outcomes anticipated from their sales training initiatives (40%).
- A high degree of change appears to be the norm in most sales organizations. In the past 12 months, 75% of firms have refocused sales strategy, 70% have entered a new market, and 82% introduced a new product or service.
- A minority of firms (just 23% to 38%) employ technology effectively in their sales training efforts. It's most likely to be used effectively in bringing new salespeople up to speed (by 38% of firms); it is least likely to be used in preparing salespeople for new assignments (23% of firms).



- 52% of research participants have a named sales enablement function. These firms’ rates of overall sales training effectiveness are 29% higher than other firms.
- Sales enablement is making a difference in at least four specific ways, each of which our research correlates with improved sales training effectiveness. The four are: (1) improving training technology utilization; (2) increasing salesperson engagement in training activities of all kinds; (3) encouraging more purposeful training investments; and (4) improving training outcomes’ measurement efficacy.

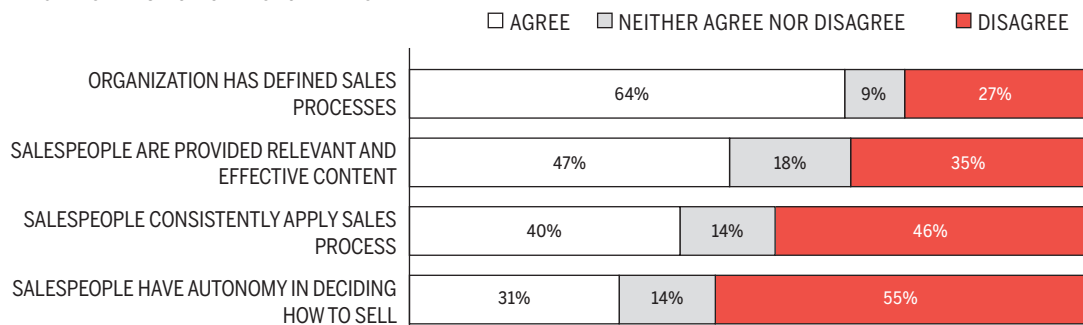
THE SALES FORCE’S UNCERTAIN DIRECTION

Though salespeople are often considered independent in the popular imagination, our research suggests just 7% have autonomy in deciding who to sell to, or how to sell¹. In fact, most firms actively attempt to direct the sales force’s activities by publishing defined sales process guides, crafting sales messages supported with collateral and marketing content, and training salespeople to ensure they are skilled and knowledgeable.

Yet while firms may aspire to direct their sales force’s selling effort, their success in doing so rarely assured, in part because of low compliance and inconsistent practice. Though 64% of firms have established formal sales processes, they’re applied consistently in just 40% of firms.

FIRM PRACTICES AFFECTING SELLING CONSISTENCY

PERCENTAGE DISTRIBUTION OF RESPONDENTS



N=111

¹ Another 24% of firms’ salespeople have significant, if not sole, discretion in making these decisions



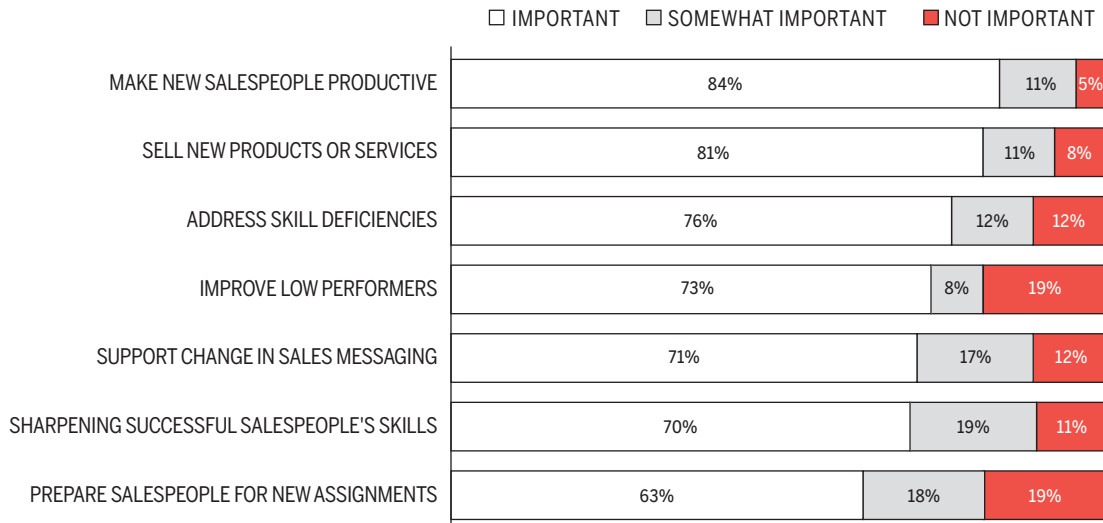
Thus sales forces are too often left to intuit how they should do their job, or held to weak account for applying management’s uncertain direction. Not fully empowered as independent decision makers, it’s likely that most salespeople operate with some combination of incomplete awareness of the organization’s preferences for how they should sell, or ambivalence towards them.

SALES TRAINING’S MUTED IMPACT

In training salespeople, sales organizations hope to address multiple objectives. Our research measured the importance of seven distinct sales training objectives, all seven of which are considered important by a significant majority of firms (between 63% and 84%). Making new salespeople productive and supporting new product introduction are considered most important (84% and 81% of firms consider them so, respectively).

IMPORTANCE OF TRAINING AND DEVELOPMENT BY TOPIC

PERCENTAGE DISTRIBUTION OF RESPONDENTS

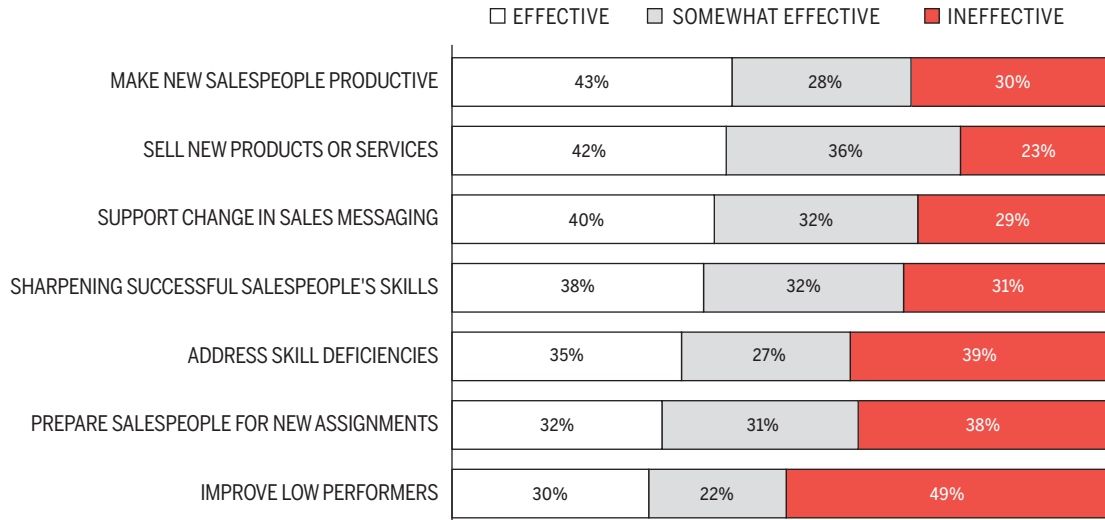


N=101



EFFECTIVENESS OF TRAINING AND DEVELOPMENT BY TOPIC

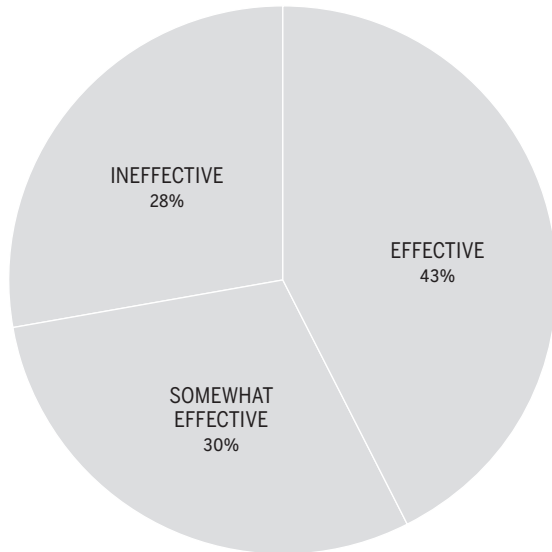
PERCENTAGE DISTRIBUTION OF RESPONDENTS



N=101

OVERALL EFFECTIVENESS OF TRAINING AND DEVELOPMENT

PERCENTAGE DISTRIBUTION OF RESPONDENTS



N=101

Despite the acknowledged importance of these training objectives, most sales organizations haven't found a way to meet them effectively. In fact, it's clear that a large majority of firms are simply ineffective at sales training. Just 43% rate their salesperson training and development efforts as effective overall, and just 30% to 43% are effective in any of the specific sales training objectives addressed in our research. Firms miss the mark by the widest margin in improving low performing salespeople, something that only 30% of firms are effective at.

Training's disappointing impact may be a function of its over-broad charter, but there is a more obvious potential cause. In many firms, sales training initiatives don't meet even the most basic success criteria for management initiatives of any sort: they do not establish a set of anticipated outcomes at their outset. We found that just 40% and 41% of



SALES TRAINING'S MUTED IMPACT

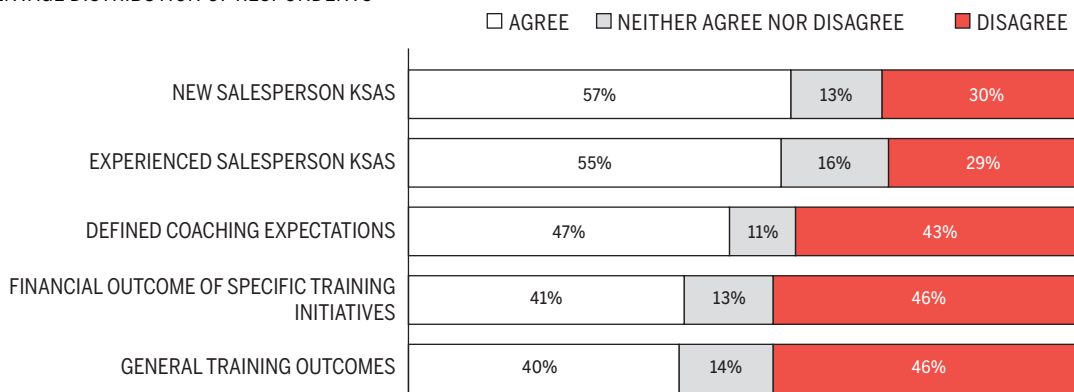
firms, respectively, attempt to define sales training's general outcomes or its financial impact in advance.

A larger portion define salesperson knowledge, skills, and abilities (KSAs); 57% and 55% of firms do for new and experienced salespeople, respectively. Given the fundamental importance of doing so, even these results are surprisingly low.

As might be expected, firms also find it difficult to measure training outcomes, which explains (at least in part) why so few bother to establish objectives. Just 41% of firms are effective at measuring training's financial outcomes; just 19% at measuring coaching outcomes.

ORGANIZATIONAL EFFORT TO ASSESS EFFECTIVENESS OF TRAINING AND DEVELOPMENT

PERCENTAGE DISTRIBUTION OF RESPONDENTS

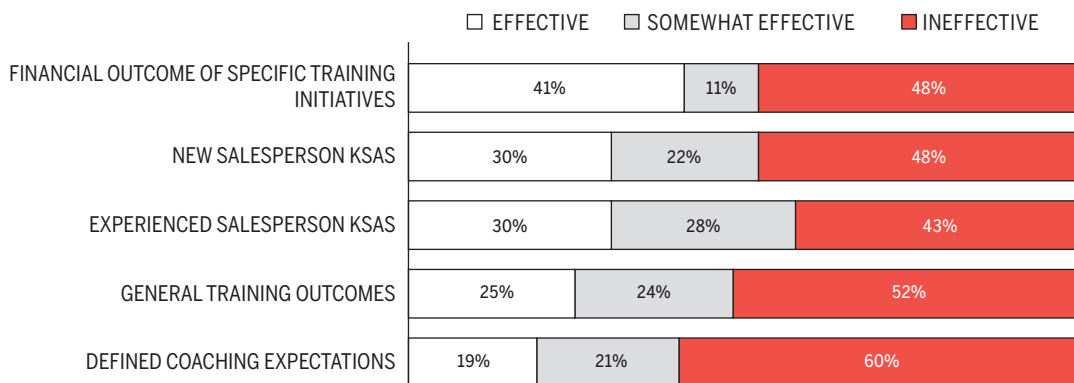


N=94

KSAS: KNOWLEDGE, SKILLS, ABILITIES

ORGANIZATIONAL EFFECTIVENESS IN MEASURING TRAINING AND DEVELOPMENT

PERCENTAGE DISTRIBUTION OF RESPONDENTS



N=94

KSAS: KNOWLEDGE, SKILLS, ABILITIES

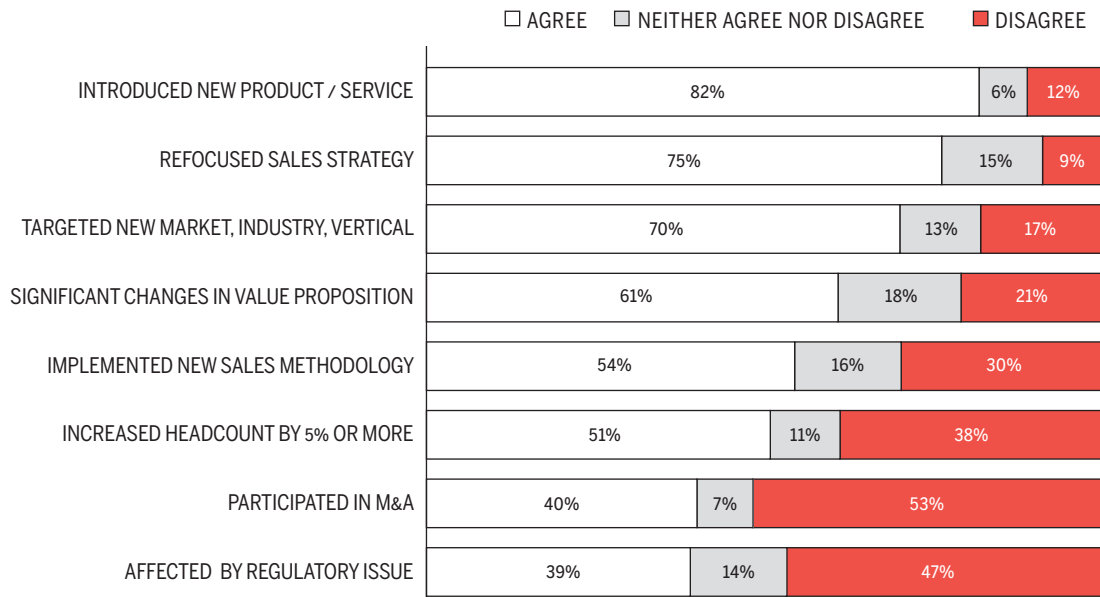


THE IMPACT OF CHANGE

Undoubtedly, the chaotic, change-intensive context within which sales organizations operate contributes to these practices. In the past 12 months, 75% of firms have refocused sales strategy, 61% significantly changed their stated value proposition, 51% increased sales headcount by at least 5%, 70% have entered a new market, and 82% introduced a new product or service. In the face of so much change, sales forces struggle mightily to retool traditional training regimens, playbooks, and supporting content. Operating within this context of continual and pervasive change, it's easy to see how sales training has become a harried undertaking of uncertain purpose in so many organizations.

MAJOR ORGANIZATIONAL INITIATIVES IN PAST 12 MONTHS

PERCENTAGE DISTRIBUTION OF RESPONDENTS



N=111

TECHNOLOGY'S ROLE

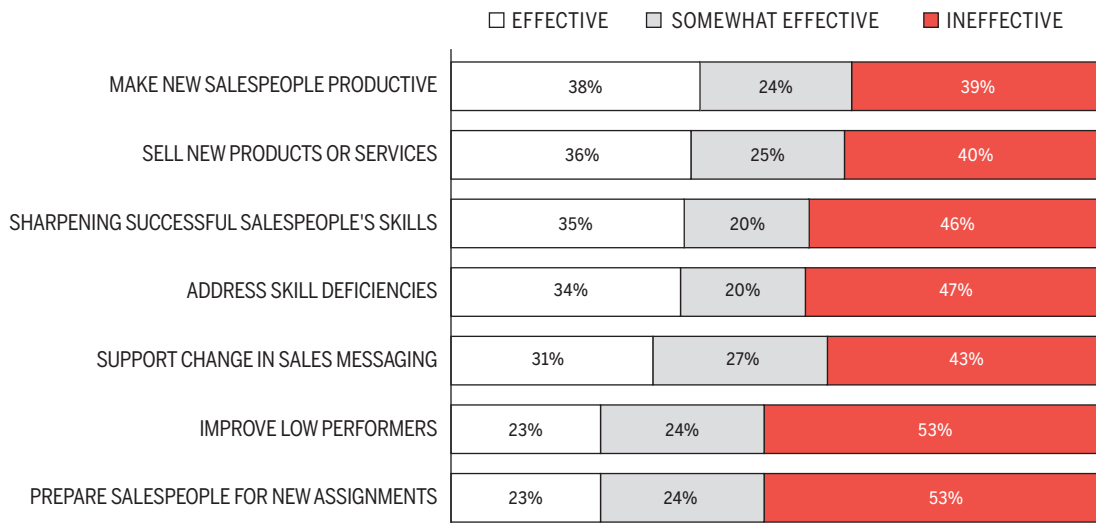
A minority of firms (just 23% to 38%) employ technology effectively in their sales training efforts. Technology is used most effectively (by 38% of firms) in making new salespeople productive; firms are least effective in



using technology to improve low performers and prepare salespeople for new assignments (23% are effective in either area).

EFFECTIVENESS IN UTILIZING TECHNOLOGY IN TRAINING AND DEVELOPMENT

PERCENTAGE DISTRIBUTION OF RESPONDENTS



N=101

SALES ENABLEMENT: AN EMERGING FUNCTION FOR DISTRIBUTED LEARNING

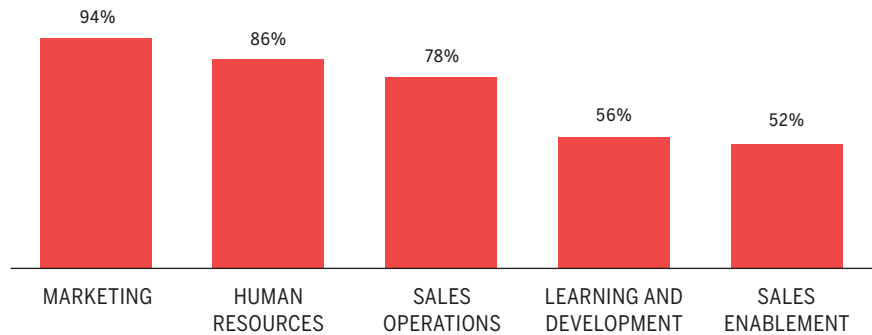
A function called “sales enablement” offers a formal nexus for sales training and content distribution efforts within the sales organization. Focused on educating salespeople and equipping them with relevant content, its emergence coincides with the adoption of eponymous learning and content management technologies. Sales enablement (as a function) is therefore closely associated with these platforms, purpose built for advancing sales force learning and content asset management. Among our research participants, 52% had a named sales enablement function².

² Q9; Given our study’s focus on sales enablement, its sample is likely biased toward an overrepresentation of such firms, and likely overstates the percentage of firms with a named sales enablement function in the general population.



FUNCTIONS PRESENT WITHIN THE ORGANIZATION

PERCENTAGE OF RESPONDENTS

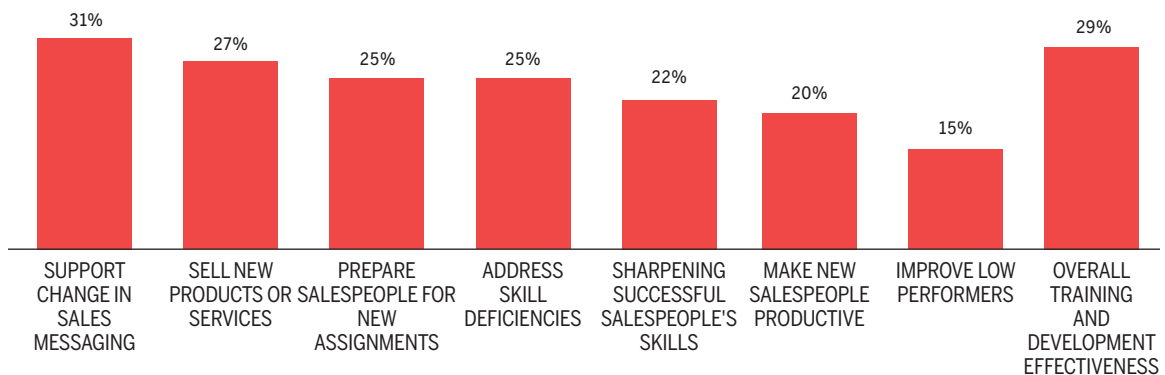


N=112

We found that firms with a named sales enablement function are more effective in training and developing salespeople – 15% to 31% more effective across seven distinct training topics, compared to firms without a sales enablement function. Sales enablement’s presence correlates with a 31% improvement in supporting changes in sales messaging, and a 15% improvement in improving low performing salespeople. Firms with a sales enablement function have rates of overall sales training effectiveness 29% higher than other firms. In comparison, the presence of sales operations or a dedicated learning and development function correlate with an overall sales training effectiveness improvement of 10% for each.

IMPROVEMENT IN SALES TRAINING EFFECTIVENESS BY TOPIC AMONG FIRMS WITH A SALES ENABLEMENT FUNCTION

PERCENTAGE INCREASE IN EFFECTIVENESS RATING AMONG FIRMS WITH SALES ENABLEMENT COMPARED WITH FIRMS WITHOUT

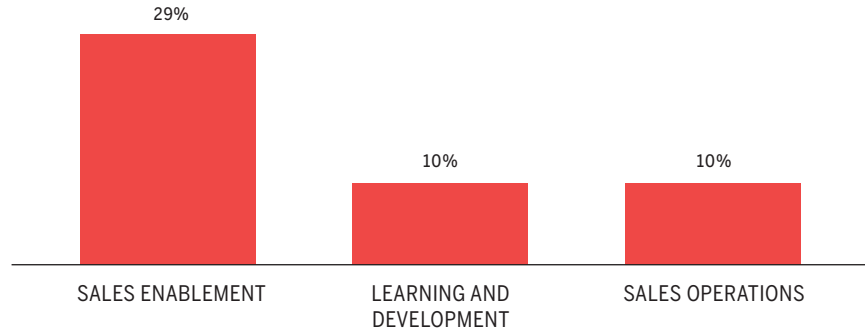


N=101



IMPROVEMENT IN SALES TRAINING EFFECTIVENESS BASED ON PRESENCE OF SPECIFIC FUNCTIONS

PERCENTAGE INCREASE IN EFFECTIVENESS RATING



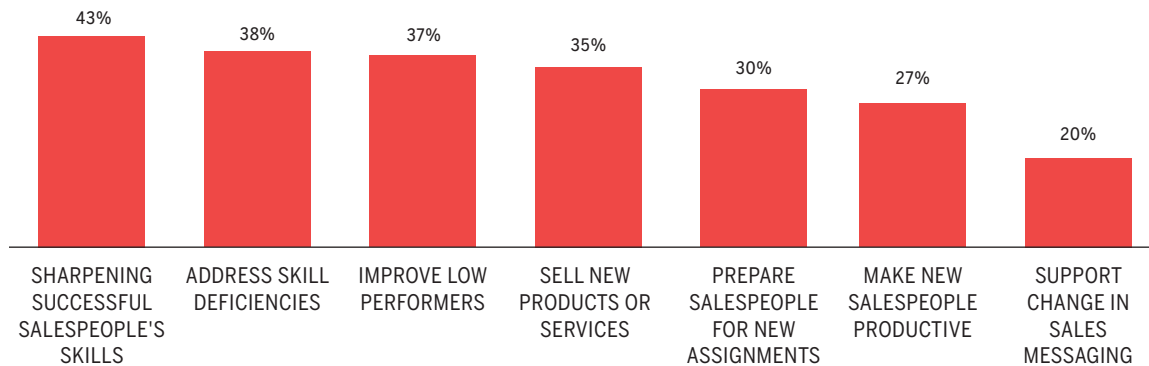
N=101

Sales enablement is making a difference in at least four specific ways: effective application of technology to sales training, driving salesperson engagement in training activities, encouraging more purposeful training investment, and improving training outcomes measurement. Each of these four correlates to improved sales training effectiveness, our research shows.

Sales Enablement Improves Technology Utilization

IMPROVEMENT IN SALES TRAINING TECHNOLOGY USAGE EFFECTIVENESS BY TOPIC

PERCENTAGE INCREASE IN EFFECTIVENESS RATING AMONG FIRMS WITH SALES ENABLEMENT COMPARED WITH FIRMS WITHOUT



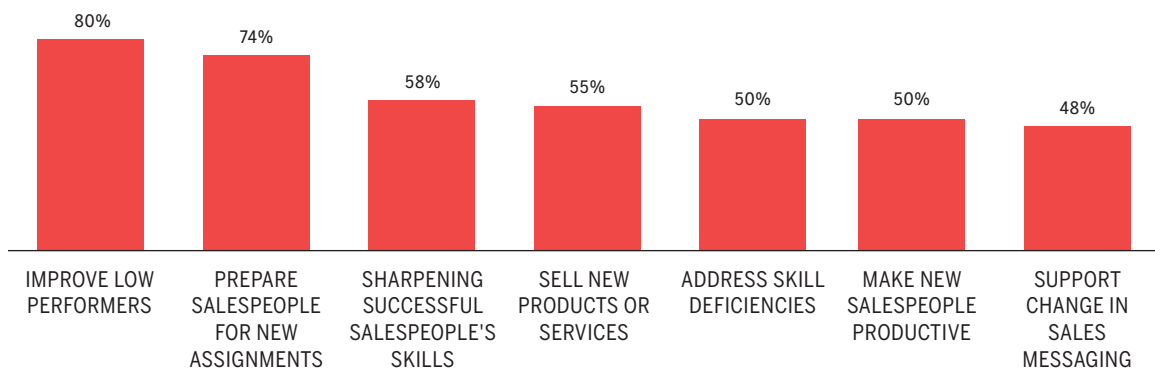
N=101



Firms with a sales enablement function apply technology to a range of topic-specific sales training challenges 20% to 43% more effectively than firms without sales enablement. The highest variance occurs in sharpening successful salespeople’s skills, where sales enablement equipped firms leverage technology 43% more effectively than other firms. Effective application of technology correlates with marked increases in overall training effectiveness of between 48% and 80%.

PERCENTAGE INCREASE IN EFFECTIVENESS OF TRAINING AND DEVELOPMENT, BY TOPIC, AS A RESULT OF EFFECTIVE TECHNOLOGY USE

PERCENTAGE INCREASE



N=101

Sales Enablement Improves Salesperson Engagement

As might be expected, our research found strong correlation between salesperson training participation levels (including both new and experienced salespeople), and the overall effectiveness of that training. The presence of a sales enablement function positively impacts participation levels across all eight training modalities included in our research. The largest improvements are in online presentations and peer group exercises, both of which see an 18% participation increase. The smallest of these improvements (2%) occurs in the external training classes.

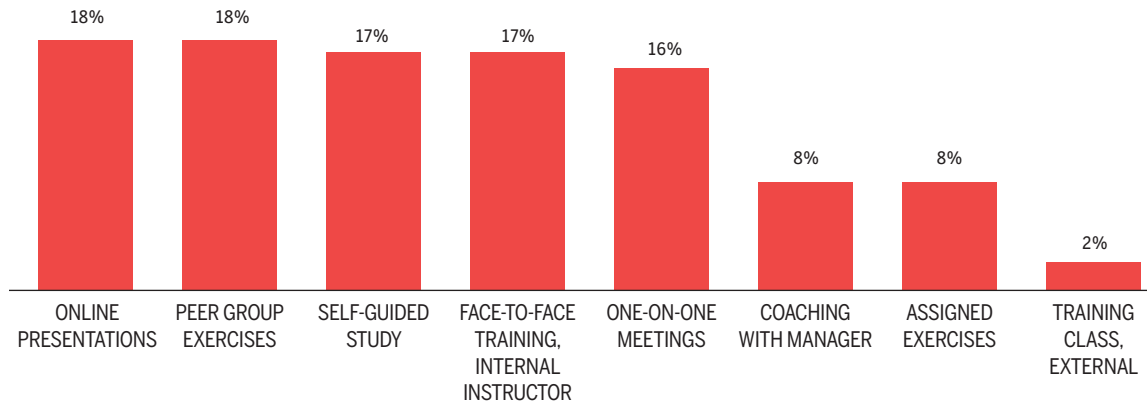
This increased participation is closely linked with improved training effectiveness. Overall training effectiveness improves between 20% and 55% across eight training modalities



when both new and experienced salespeople are considered likely to participate (compared with firms where salespeople are considered unlikely participants). The strongest effect occurs with face-to-face internal training; when salesperson participation is considered likely, overall training effectiveness is 55% higher than in firms where salesperson participation is unlikely. The lowest effect is seen in external training class participation, which correlates with a similar improvement in overall training effectiveness of 20%.

PERCENTAGE INCREASE IN LIKELIHOOD OF TRAINING PARTICIPATION BY SALESPEOPLE (NEW AND EXPERIENCED) ACROSS TRAINING ACTIVITY, AMONG FIRMS WITH A SALES ENABLEMENT FUNCTION

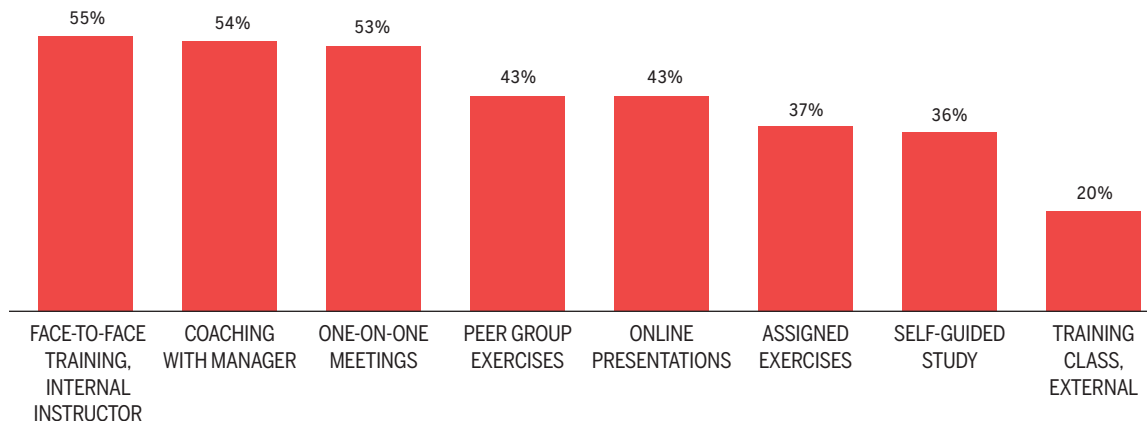
PERCENTAGE INCREASE



N=94

PERCENTAGE CHANGE IN OVERALL EFFECTIVENESS OF TRAINING AND DEVELOPMENT, DUE TO SALESPERSON (NEW AND EXPERIENCED) PARTICIPATION IN SPECIFIC DEVELOPMENT ACTIVITIES

PERCENTAGE CHANGE



N=94

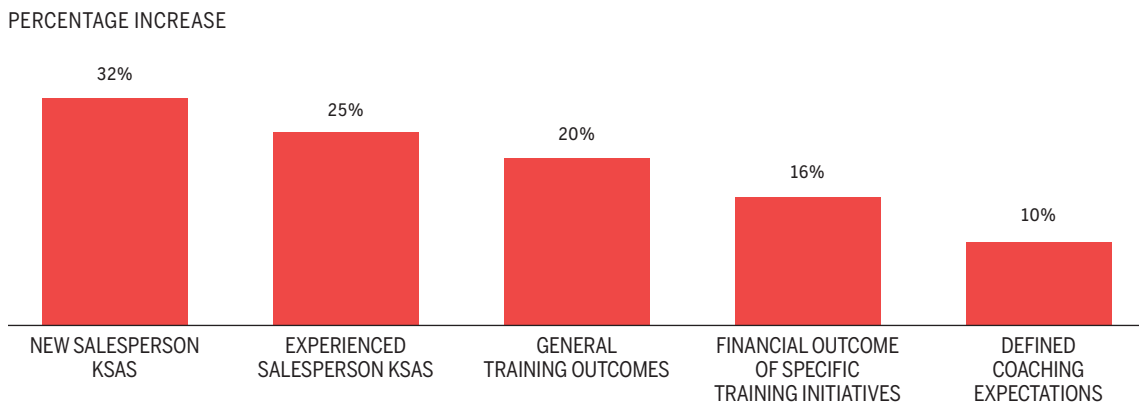


Sales Enablement Encourages More Purposeful Training Investment

Firms with a sales enablement function appear more purposeful in assessing training effectiveness. Their effort to establish new salesperson KSAs is 32% higher; their effort to define sales coaching outcomes is 10% higher.

These training assessment efforts are important, as they correlate with a marked increase in sales training’s overall effectiveness, ranging from 31% to 89%. The greatest impact on overall training effectiveness is associated with high effort in defining knowledge, skills, and abilities (KSAs) for experienced salespeople. Sales training in firms that do is 89% more effective. The lowest (though still significant) impact is seen in establishing training’s financial outcomes; firms that do so are 31% more effective in training salespeople.

PERCENTAGE INCREASE IN ORGANIZATIONAL EFFORT TO ASSESS EFFECTIVENESS OF TRAINING AND DEVELOPMENT, AMONG FIRMS WITH A SALES ENABLEMENT FUNCTION

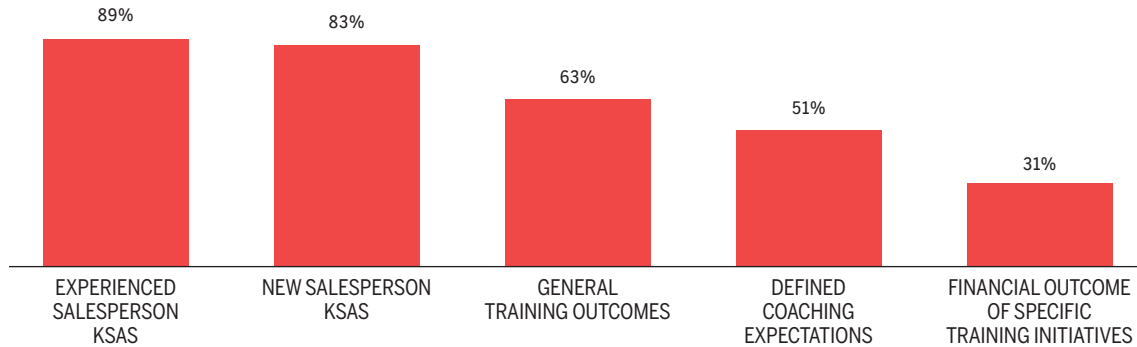


N=94
KSAS: KNOWLEDGE, SKILLS, ABILITIES



PERCENTAGE INCREASE IN OVERALL EFFECTIVENESS OF TRAINING AND DEVELOPMENT, DUE TO HIGH ORGANIZATIONAL EFFORT TO ASSESS EFFECTIVENESS

PERCENTAGE INCREASE



N=94

KSAS: KNOWLEDGE, SKILLS, ABILITIES

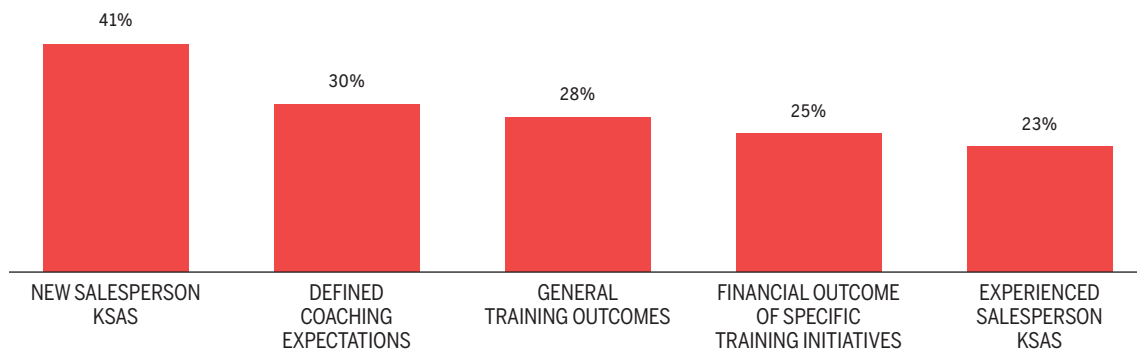
Sales Enablement Improves Training Outcomes Measurement

The intention and effort to measure training objectives aside, effectiveness in actually measuring training outcomes is paramount. Firms with a sales enablement function do so more effectively than other firms, with improvement in measurement efficacy ranging from 23% (in measuring experienced salesperson KSAs) to 41% (in measuring new salesperson KSAs).

Improved effectiveness in measuring training outcomes correlates with improved overall sales training effectiveness.

PERCENTAGE INCREASE IN ORGANIZATIONAL EFFECTIVENESS IN MEASURING TRAINING AND DEVELOPMENT, BY PRESENCE OF A SALES ENABLEMENT FUNCTION

PERCENTAGE INCREASE



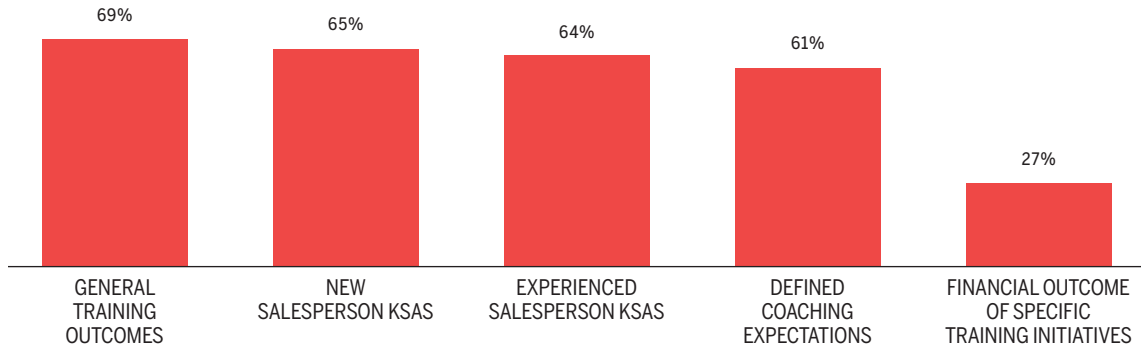
N=94

KSAS: KNOWLEDGE, SKILLS, ABILITIES



PERCENTAGE INCREASE IN OVERALL EFFECTIVENESS OF TRAINING AND DEVELOPMENT, DUE TO HIGH EFFECTIVENESS IN MEASURING TRAINING AND DEVELOPMENT

PERCENTAGE INCREASE



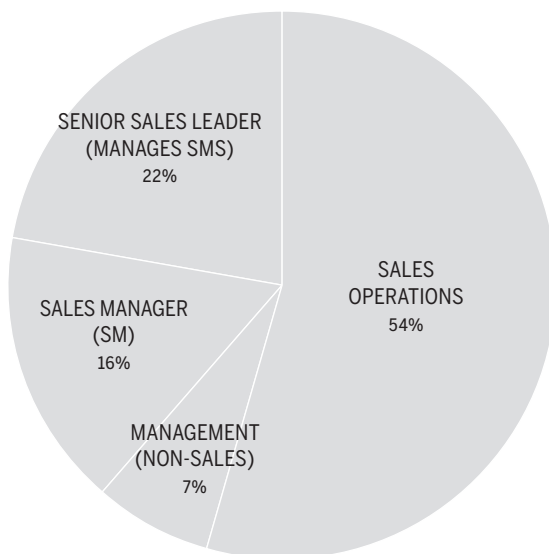
N=94
KSAS: KNOWLEDGE, SKILLS, ABILITIES

These improvements range from a low of 27%, associated with measuring training’s financial outcomes, to a 69% improvement when training’s general outcomes are effectively measured.

RESPONDENT DEMOGRAPHICS

RESPONDENTS’ JOB ROLE

PERCENTAGE DISTRIBUTION OF RESPONDENTS



N=112

Firm Size

112 participating firms ranged in size from small to very large. 61% of respondent firms had annual revenue in excess of US\$100 million; 32% had revenues exceeding US\$1 billion annually, and 11% were firms with annual revenues in excess of US\$10 billion

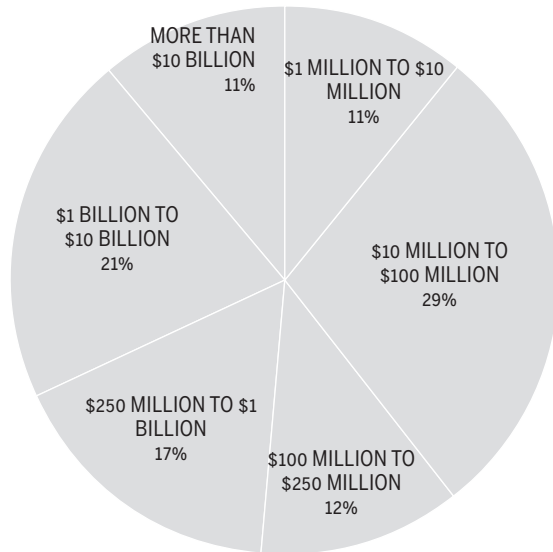
Job Role

Respondents are predominately (54%) sales operations leaders in their firms. 16% of respondents are first-line sales managers (i.e., they directly manage salespeople). An additional 22% are senior sales leaders,



RESPONDENT DEMOGRAPHICS

RESPONDENTS' FIRM REVENUE
PERCENTAGE DISTRIBUTION OF RESPONDENTS



N=112

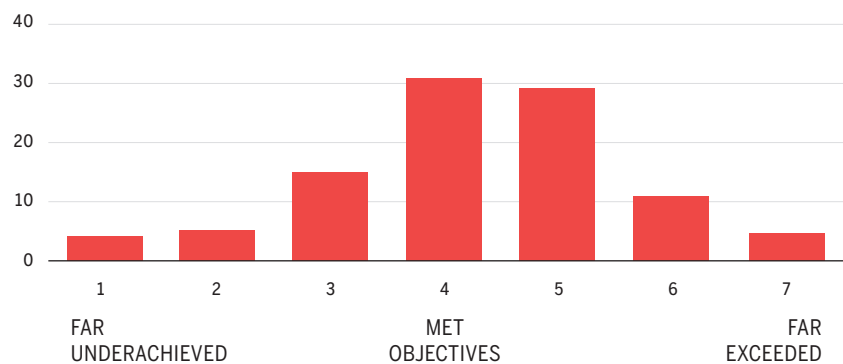
managing sales managers. 7% are in non-sales-related management positions.

Firm Performance

75% of respondent firms met or exceeded firm sales objectives in the preceding 12 months. Respondents were asked to rate their firm's sales objective achievement based on a seven-point scale ("1" for far underachieved objective; "4" for met objective; "7" for far exceeded objective). We use this performance rating approach in order to normalize company performance across large and small firms, and high and moderate growth sectors. 15% of respondents rated sales objective achievement in the highest two categories ("6" or "7").

FIRM SALES OBJECTIVE ACHIVEMENT, PRIOR 12 MONTHS

PERCENTAGE DISTRIBUTION OF RESPONDENTS



FIRM PERFORMANCE

N=112



Sales Force Size, Structure, and Management Span of Control

Respondents firms have an average of 142 sales managers, 719 salespeople, and a sales manager-to-direct-report-salesperson ratio of 5.1:1. When calculated in aggregate, management span-of-control is 5.0. Corresponding median values are 80 salespeople per firm, 10 sales managers per firm, and a salesperson-to-sales manager ratio of 11.6:1.

SALES FORCE SIZE

	NUMBER OF SALESPEOPLE	NUMBER OF SALES MGRS.
MIN	1	-
10TH PERCENTILE	9	1
25TH PERCENTILE	22	3
MEDIAN	80	10
75TH PERCENTILE	350	50
90TH PERCENTILE	1,180	250
MAX	20,000	5,500
AVERAGE	719	142
TOTAL	80,479	15,952
N=112		

