



# The Future of Sales Roundtable

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sales

rethink.

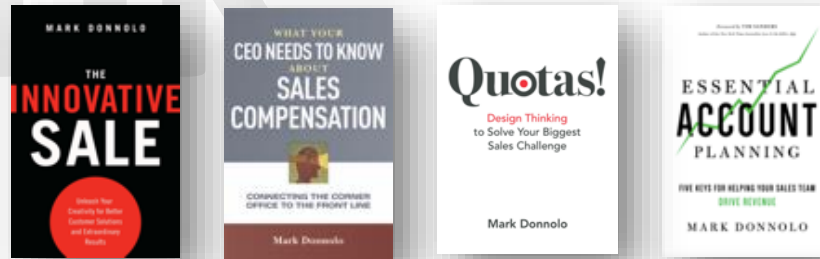
## 2022 Pay Practices and Trends Survey Read-Out

# Our Story: Data-Driven Problem-Solving for Sales

**We are rethinking sales.**

**SalesGlobe is a data-driven, problem-solving firm for sales. We work with you to design and implement solutions that give you the results and ROI you need.**

rethink



# About the Survey

 **693 Companies**

 **56% Involved in M&A**

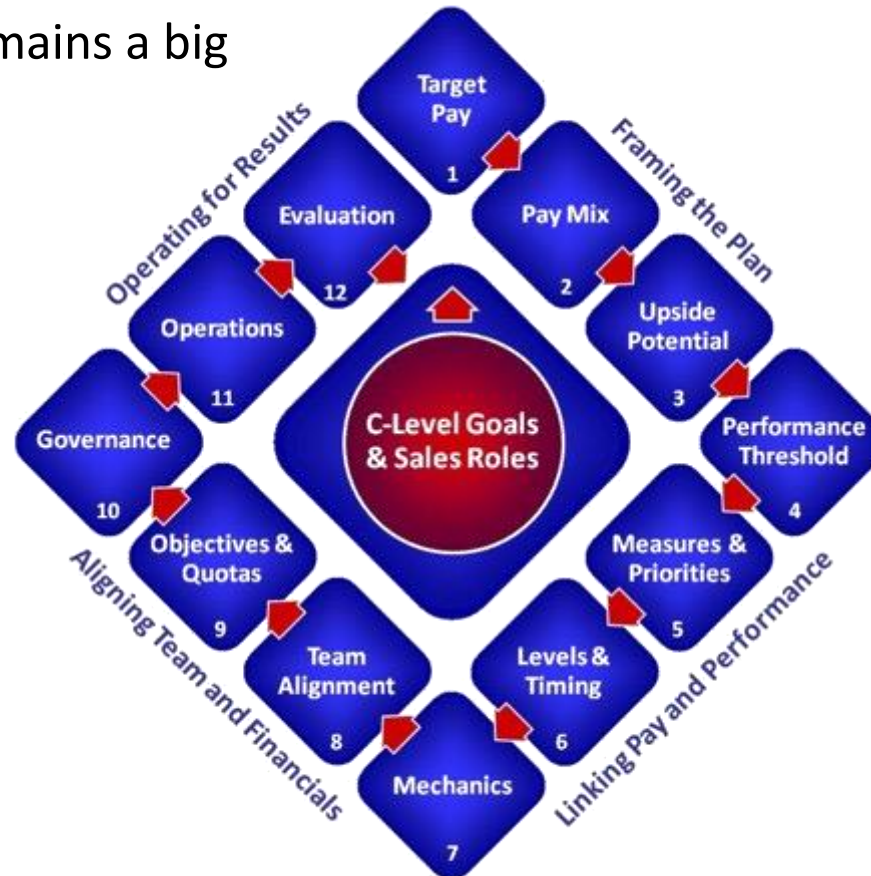
 **Cross-Section of Industries**

 **Balanced Across Company Size**

*SalesGlobe and WorldatWork Survey on 2022 Sales Role and Compensation Practices*

# Key Findings

- **Hybrid sales roles** are still the fastest growing role in sales today
- **Brick-and-Mortar** is returning in a big way
- **Finding and retaining talent** remains a big challenge for sales orgs
- **Revenue** is growing in usage
- **Profit** is gaining in adoption
- **As a Service** continues as a priority





# Sales roles... What's the story?

The future  
of sales  
is HYBRID

1 During the pandemic, **60%** of people worked remotely...  
And found ways to work with customers virtually

2 Hybrid sales roles are the fastest  
growing role

**54%**  
of companies are increasing hybrid sales headcount

3 Inside sales roles are not going away. The  
center of excellence is alive!

**43%**  
of companies are increasing inside sales headcount

4 Brick-and-mortar is making a comeback  
as consumers prefer multiple sales  
channels

**52%**  
of companies are increasing retail direct sales  
headcount

5 Organizations' hiring is not keeping pace  
with planned headcount increases

The war for talent remains alive and  
well despite changing market  
conditions

6 So they are taking multiple actions to reduce  
turnover and acquire new talent

**52%** of organizations are increasing base pay to reduce voluntary turnover  
**34%** of organizations are offering a sign on bonus to acquire new talent

7 The customer coverage model  
continues to evolve, requiring new  
sales skills with alignment of  
compelling compensation plans  
and a supporting employee value  
proposition

Is your organization prepared for  
what's coming?

## Roles – Hybrid Leads the Way

### 🌀 Hybrid and inside sales roles lead the way

- 🌀 54% of companies increasing hybrid

- 🌀 43% inside sales

- 🌀 36% field sales

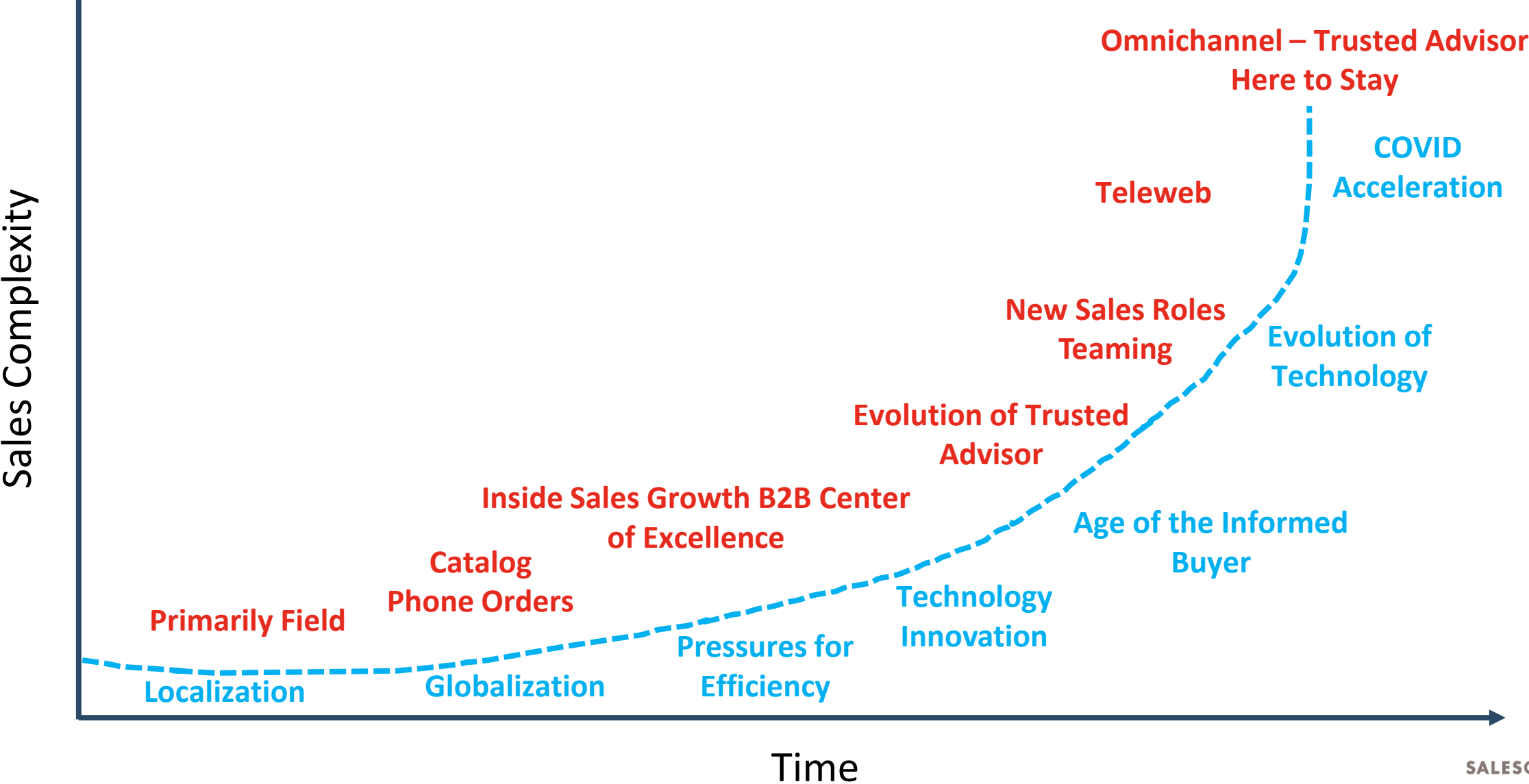
### 🌀 New account sellers a priority

- 🌀 61% of companies increasing hybrid

- 🌀 50% inside sales

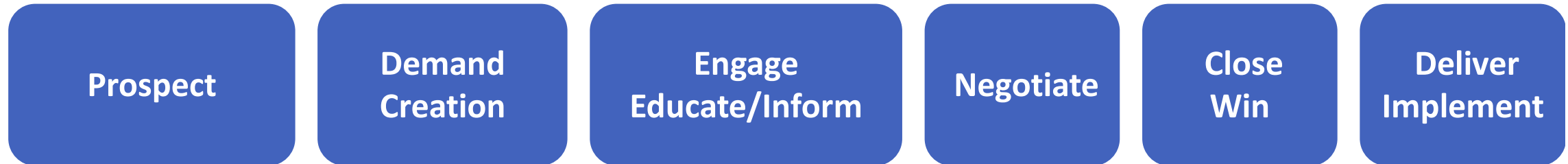
- 🌀 48% field sales

# Omnichannel and Trusted Advisor – Why?



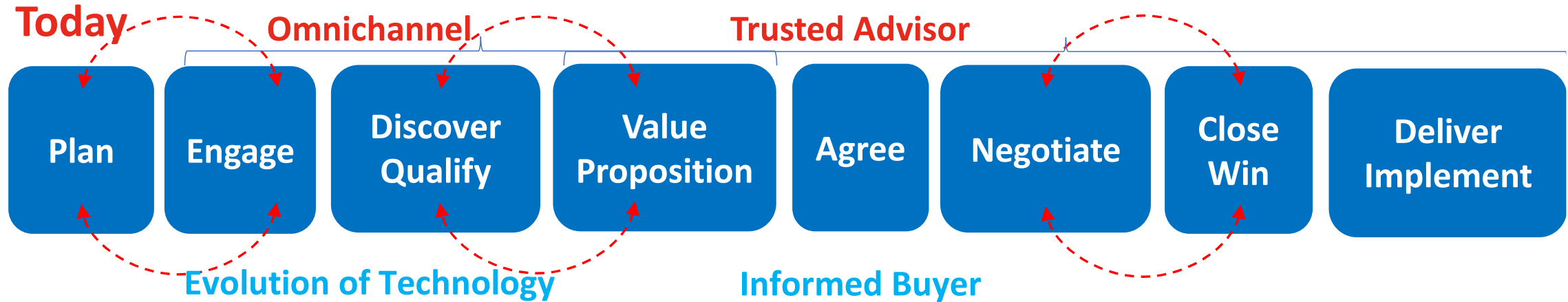
# What Does this Change Mean to Sales and Why Should You Care?

## Legacy





# What Does this Change Mean to Sales and Why Should You Care?



# Pay Considerations – Omnichannel

## What are the Outcomes You Expect?

- ✓ Customer engages how, when and where they want
- ✓ Salesperson is channel neutral
- ✓ We don't multiply our cost of sales

# The Story on Attracting and Retaining Talent... Top Actions in 2022

## Stopping Turnover

- **52%** Increase **Base Pay**
- **42%** Increase **Incentives**  
*With 29% Already Offering  $\geq 200\%$  of TI Upside*
- **37%** Offer **Hybrid Work**
- **26%** Offer 100% **Remote Work**
- **25%** Offer Enhanced **Reward and Recognition**

# The Story on Attracting and Retaining Talent... Top Actions in 2022

## Acquiring New Talent

- **50%** Offer Higher **Base Pay**
- **39%** Offer Higher **Incentives**
- **34%** Offer **Signing Bonuses**
- **33%** Offer **Hybrid Work**
- **27%** Offer **100% Remote Work**

# INCENTIVE COMPENSATION MEASURES: WHAT'S THE STORY?



**1** PLANS ARE SPECIFIC AND FOCUSED, USING PRIMARILY ONLY TWO TO THREE MEASURES



**71%** USE 2-3 MEASURES IN THEIR PLANS  
IN 2020, **56%** OF COMPANIES USED 2-3 MEASURES

**2** FOR ALL SALES ROLES, REVENUE IS THE MOST USED PERFORMANCE MEASURE, FOLLOWED BY BOOKINGS AND GROSS PROFIT

REVENUE IS ALSO THE MOST HEAVILY WEIGHTED PERFORMANCE MEASURE ACROSS ALL ROLES

**3** TOTAL CONTRACT VALUE AND ANNUAL CONTRACT VALUE ARE BOTH USED FOR BOOKINGS CREDITING



**4** COMPANIES ARE SHIFTING BACK TO INDIVIDUAL MEASURES, GIVING REPS GREATER CONTROL



QUOTA UNCERTAINTY LED TO TEAM/REGION MEASURES DURING THE PANDEMIC






THE CONTINUED UNCERTAINTY WITH SETTING QUOTAS NEEDS TO BE CONSIDERED AS A KEY FACTOR WHEN DESIGNING YOUR PLANS



RECESSION, INFLATION, PANDEMIC, AND OTHER MACROECONOMIC CONDITIONS CONTINUE TO PUT PRESSURE ON QUOTA SETTING



# The Story on Plan Governors

		2021	2022
<b>Caps</b>		56%	50%
<b>Blue-bird/mega-deal policies</b>		41%	46%
<b>Thresholds for hunters</b>		59%	58%
<b>Thresholds for farmers</b>		62%	60%
<b>Regressive payout rates</b>		36%	45%



## Plan Measures by Revenue Responsibility

Field/Hybrid Sales Role	Top Performance Measure	Second Highest Performance Measure	3 <sup>rd</sup> Highest Performance Measure
Account Acquisition	Revenue (52%)	Bookings (41%)	Gross Profit (34%)
Account Management	Revenue (56%)	Bookings (42%)	Gross Profit (33%)
Acquisition & Management	Revenue (62%)	Gross Profit (39%)	Bookings (36%)

# XaaS - Considerations

Bookings

Revenue



- ? Contracts
- ? TCV
- ? ACV
- ? MRR
- ? Volume/Units
- ? New Business
- ? Renewals
- ? One-Time Sale

# XaaS - Considerations

Bookings

Revenue

? Contracts

? TCV

? ACV

? MRR

? Volume/Units

? New Business

? Renewals

? One-Time Sale



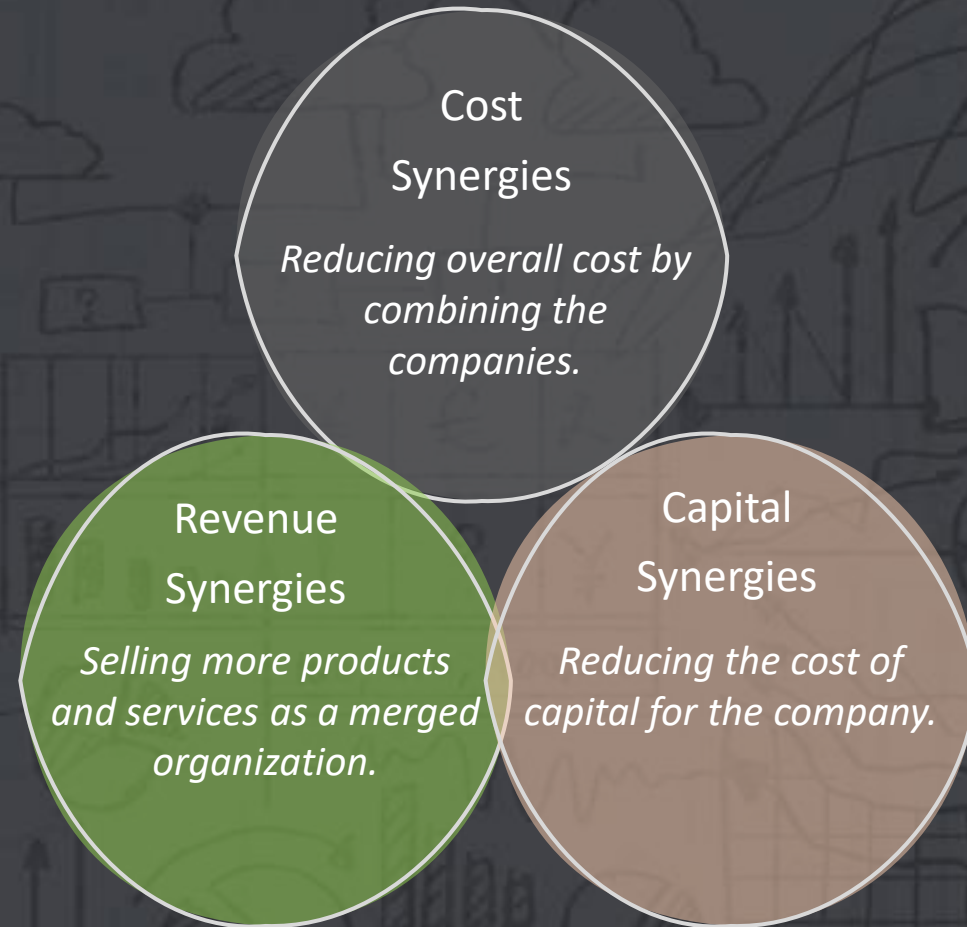
- The right roles?
- Timing of payout?
- Who is eligible?
- RPN responsibility?
- Rules of engagement?

# The Story Behind Mergers & Acquisitions



>10,000 Employees

# 3 Types of Synergistic Expectations



# Many Outcomes Depend on Sales

## Revenue Synergies

*Selling more products and services as a merged organization.*

- **Cross-Selling**
- **New Product Solutions, Bundles**
- **Geographic Expansion**
- **Segment and Sector Expansion**

## Cost Synergies

*Reducing overall cost by combining the companies.*

- **Sales Capacity Improvement**
- **Headcount Reduction**
- **Streamlined Processes**

*20% of revenue synergy potential comes from cross-selling*

*19% of companies achieve the cross-sell goal\**

*\*2020 study McKinsey. Capturing Cross-Selling Synergies in M&A*



# Thank You



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- 📧 **Get the books for great practices (Amazon)**
- 📧 **Talk with us for advice and action (SalesGlobe.com/contact-us)**

