REALITY OF SALES TALENT REPORT 2022

Unlock the data behind attracting, motivating, and retaining top sellers





INTRODUCTION

The beginning of 2022 marks an inflection point for B2B sales organizations. For the past two years, leaders have navigated the shift to digital, managing remote teams, and massive movement in talent as a result of the great resignation and reshuffle. The latter still poses an imminent threat as 45% of sales professionals report that they've actively pursued a new opportunity in the past 6 months. This means at a moment's notice, nearly half of your salesforce is ready and willing to walk out the door.

It's an expensive problem...

Research shows that hiring a new seller costs anywhere from 50% to 200% of their annual salary¹. Compound that with the lost revenue due to an open role or a seller that is still ramping, and the results are scary.

Unlocking the reality of sales talent...

In January of 2022, Gong surveyed 332 sales professionals to uncover insights that leaders need to attract, hire, and most importantly retain their most valuable asset: their people.

"For many people, there's more money, more opportunity, there's greener grass at least on the surface. I think it's this bunch of ingredients that have just created this crazy environment right now that it's hard to think it's going to slow down."

Ed McQuiston

EVP, Chief Commercial Officer / Hyland



YOUR TALENT PROBLEM IS **MOST-LIKELY A MOTIVATION PROBLEM**

When asked what the biggest professional challenge they've faced in the past 6 months, the #1 answer sellers selected was "difficulty to stay motivated." (17%)

"Find what motivates your people, because a lot of times burnout is caused simply by not feeling motivated in the workplace."



Top challenges faced in the past 6 months

17% Difficulty to stay motivated 13% Mental health (burnout etc) 13%

Lack of opportunity in my current role

10% Learning a new skill/competency

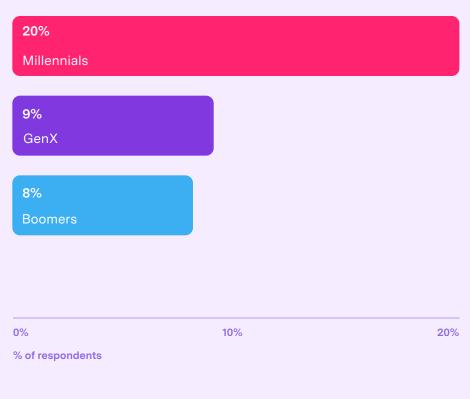
10% Struggle to keep a healthy work/life balance

0% 10% 20%

% of respondents

[Source] Gong's Reality of Sales Talent Survey 2022 Q: In the past 6 months, what has been the biggest professional challenge you have faced? n=332 Motivating your employees is important within any function of a business, but particularly critical for sales. An unmotivated sales team can spell disaster for your goals and stagnate revenue growth. And things might get worse... the data suggests that leading a multigenerational workforce will require adjustments in leadership's approach to motivating their sales force. Millennials were more than two times as likely to select "difficulty to stay motivated" as their biggest challenge.2

Millennials are 2x as likely to have difficulty staying motivated



Q: In the past 6 months, what has been the biggest professional challenge you have faced? Base: Respondents who selected "Difficulty to say motivated" n=57

THE 5 DRIVERS OF **MOTIVATION**

To help leaders tackle this motivation challenge, Gong has developed the Drivers of Motivation, a 5-pronged approach to attract, hire, develop, and retain a word-class team of sellers.



MONEY

How are you financially compensating your team?



MENTAL HEALTH

Do you prioritize your team's mental health and offer an ideal work/life balance?



MISSION

Does your company have a viable mission, purpose and culture?



MANAGER

Are you empowering managers to develop and coach their teams?



MOBILITY

What opportunities do you provide for your sellers to grow within your organization?

Looking at 4 key moments in the talent lifecycle:

Determining the optimal balance of the 5 motivation drivers at each step in the talent lifecycle is essential to hiring, developing, and retaining top performers.

ATTRACT

What are the key drivers that attract sales talent to pursue a new opportunity?

HIRE

What are the key drivers that sales talent considers in selecting a specific opportunity?



RETAIN

What are the key drivers that retain tenured sales talent?



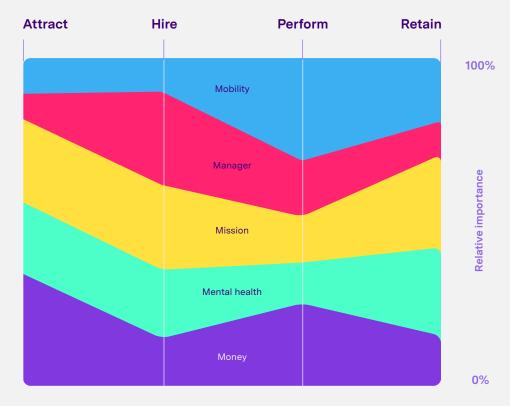
PERFORM

What are the key drivers that motivate sales talent to perform at their best?

While there's no one-size-fits-all approach, we can start to better understand seller motivation by digging into the data. Based on our survey, the chart on the right displays how the contribution percentage of each of the 5 drivers will differ based on the individual and their stage.

Let's dive into each of these 5 drivers in more detail.

Evaluate what motivates sellers at each phase of the talent lifecycle



Lifecycle phase

Illustrative based on data from Gong's Reality of Sales Talent Survey 2022

Q: What was the primary reason for pursuing a new opportunity?; From the list below, select the top 5 most important items to you when considering a new role; What is primary reason you have not pursued new opportunities?



"When you think of motivation, there's the external factors. And I think we have more control over that through leadership, through our company, and through our organization. Salary, bonus, compensation, and benefits, around those things. But then there's that intrinsic part and that part is very personal."



Mona Sheth

Director of Learning & Development, Leadership & About / Indeed



As expected, financial compensation is the foundation of a seller's motivation. Sales reps who reported pursuing a new opportunity in the past 6 months indicate an increase in total compensation as the #1 reason. While this holds true when attracting new hires, money plays a much smaller role when retaining your talent, ranking #5 for reps who have NOT pursued a new opportunity in the same time period.

Setting quotas that your sellers feel are achievable is equally important for retention. When asked if their goals/targets were attainable, those respondents actively pursuing new opportunities were much more likely to disagree.



Attract Talent with Compensation

Develop competitive and attainable compensation plans using industry benchmarks.

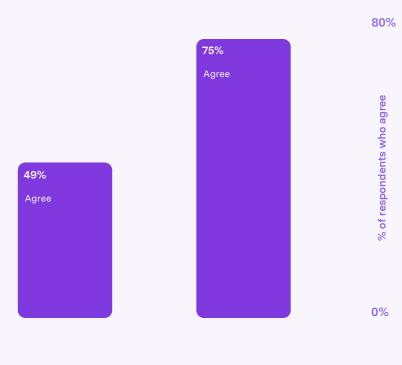
Tailor plans accordingly

Adjust compensation plans based on role, level, and performance to motivate bottom, middle, and top performers throughout the sales organization.

Align to growth goals

Improve forecasting accuracy and pipeline visibility to gain a comprehensive understanding of potential commission earnings and seller performance needed to reach growth goals. (See how here)

"I have goals/targets that I feel are achievable"



Sellers who have pursued a new opportunity in the past 6 months

Sellers who have NOT pursued a new opportunity in the past 6 months

[Source] Gong's Reality of Sales Talent Survey 2022

Q: To what degree do you agree with the following statements? Percentages indicate total of "Somewhat agree" and "Strongly agree" n=332



MENTAL HEALTH

"I think as leaders we need to recognize that part of our job in leadership is to help establish emotional stability and help people be in a place on the inside that's going to produce their best work on the outside."



MENTAL HEALTH

Moving past the obvious financial implications of motivating your team, let's discuss mental health. Sales pros continue to prioritize mental health and work/life balance when considering where they will spend their careers. In fact, if we revisit the top challenges faced in the past six months by respondents, burnout, difficulty to stay motivated, and struggle to keep healthy work/life balance make up three of the top five.



Check in with empathy

Dedicate time during 1:1's and other reviews to check in on your sellers and truly hear how they're doing.

Double down on wellness

Work with your HR and employee experience teams to roll out programs prioritizing wellness and a sustainable work/life balance.

Combat burnout

Reduce the burden of mundane administrative tasks by automating them with technology and give your sellers back time to focus on what really matters. (See how Hubspot increased rep productivity here)

Mental health is a challenge for sellers

17% Difficulty to stay motivated 13% Mental health (burnout etc) 13% Lack of opportunity in my current role 10%

Learning a new skill/competency

10%

Struggle to keep a healthy work/ life balance

0% 10% 20%

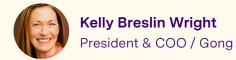
% of respondents

[Source] Gong's Reality of Sales Talent Survey 2022 Q: In the past 6 months, what has been the biggest professional challenge you have faced? n=332



"When people are really passionate about the mission where they work and they're really excited about the values, it actually becomes part of the selling point.

Because one of the things that they can talk about when they're interacting with customers is not only the company story and the company's positioning, but also their own personal story."



MISSION

While financial compensation plays a vital role in attracting high-performing sellers, it's ultimately the company's mission, outlook and culture that determines how long they stay. For those reps NOT pursuing a new opportunity in the past 6 months, the company having a positive future outlook was the highest by a large margin(25%).



Make your mission a north star

Ensure your mission is memorable and emotional, and that it will inspire current and future employees with a sense of purpose.

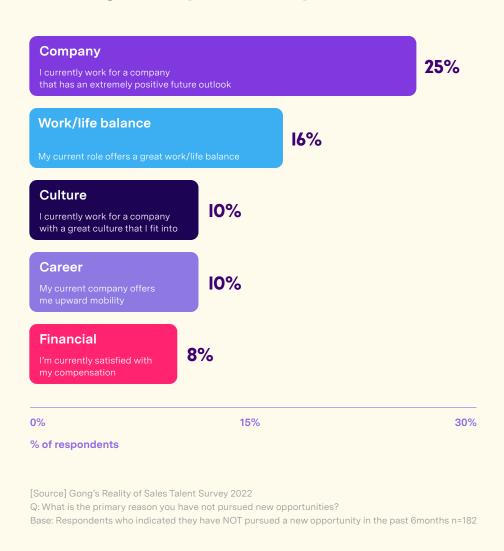
Show off your culture

Be sure to clearly showcase your brand, culture, company awards, etc. in job postings.

Track how it's used

Certify all employees, and monitor how it is being evangelized both internally and externally. (see how Monday.com aligned teams around their new brand messaging)

Company viability and growth have the largest impact on rep retention





MANAGERS

"It's interesting when I look at the younger generation, these millennials that we're recruiting. It's not necessarily just about the money, it's about what am I going to learn..."



MANAGERS

Frontline sales managers are critical to developing sales people into a team of high performers. They're also responsible for fostering an environment that retains your sellers. Yet many organizations still fall short in providing managers with the training, resources, and technology they need to truly make an impact.

When asked if they receive enough coaching to be successful in their roles, only 32% of sellers who have pursued new opportunities agreed.

That means 2/3s of your managers may be falling short when it comes to the quality and quantity of their coaching efforts. Reps staying at their current organization are much more likely to have received what they feel are adequate levels of coaching to be successful in their roles.



Manage expectations

Create a culture of ongoing development and coaching by including coaching activity as a KPI for front-line managers.

(See how Mintel did that here)

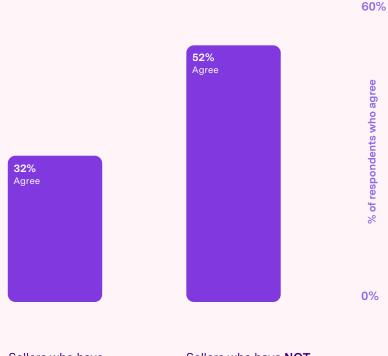
Empower targeted coaching

Deploy technologies that autonomously serve up prescriptive guidance to managers, including areas for seller improvement and coaching opportunities.

Level-up your 1:1:s

Ensure managers are maximizing the impact of their 1:1s with their team members by positioning themselves as a partner committed to helping sellers reach their short and long-term goals. (See how here)

"I receive adequate levels of coaching to be successful in my role."



Sellers who have pursued a new opportunity in the past 6 months

Sellers who have NOT pursued a new opportunity in the past 6 months

[Source] Gong's Reality of Sales Talent Survey 2022

Q: To what degree do you agree with the following statements? Percentages indicate total of "Somewhat agree" and "Strongly agree" n=332



MOBILITY

"You have to get very clear on what [a rep's] individual motivation is. I think the biggest mistake that we can make as leaders is assume that everybody has the same motivation. So some of your reps are going to want to move into a leadership coaching role. Some of them are just going to want to maybe move upmarket, work bigger deals, and go into an enterprise role. Some of them might want to go into client management and account management. Get very clear on what their motivation, what their career aspirations are and then coach to that."



MOBILITY

Based on our survey data, mobility - or lack thereof - is the strongest motivator for top performers to leave your org this year. 29% of top performers - defined as reps who reported greater than 120% attainment of their quota indicated that they pursued new companies for a better opportunity of career advancement.



Clearly define career paths

Make sure to identify goals, qualifications, and have regular check-ins to keep teams on track and ensure visibility and alignment.

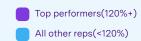
Recognize greatness

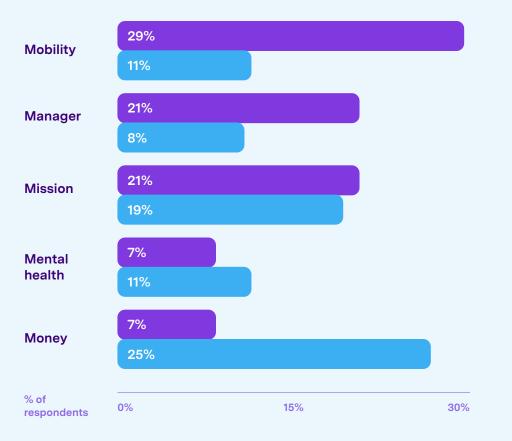
Highlight achieving milestones, big wins, and internal promotions within the sales organization to showcase the journeys of peers. (see how here)

Foster innovation

Allow team members to take ownership of new projects outside their typical scope of work that they are passionate about to inspire innovation, refresh their perspective, and increase their engagement.







[Source] Gong/s Reality of Sales Talent Survey 2022

Q: What was the primary reason for pursuing a new opportunity? Base: Respondents who indicated they have pursued a new opportunity in the past 6 months n=150

LET'S GET TO WORK

Recent years have brought tumultuous change to B2B sales: the pivot to virtual selling, managing remote teams, and changing preferences of buyers. As a leader, it's impossible to face these challenges without first building a best-in-class team. It's important to understand what specifically motivates your team and make changes to accommodate these needs. Gong is here to help you unlock your organization's full potential.

Next steps

- 1) Survey your people to measure which drivers are most important to them across teams and at each stage in their tenure with your organization.
- 2 Identify 1-2 drivers that are most important given your organization's goals to attract, hire, and/or retain.
- 3 Develop working groups of internal sponsors and partners to tackle initiatives that contribute to the selected driver(s).

We've developed **this template** to help you identify top priorities, prioritize initiatives, and choose internal partners.



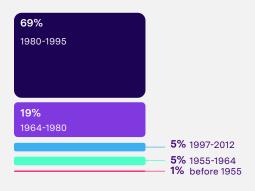
APPENDIX

Methodology

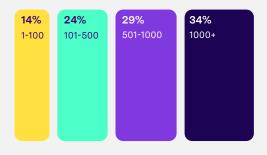
In January 2022, Gong surveyed 332 global B2B sales professionals online to better understand the current state of sales talent.

Demographics

Birth year



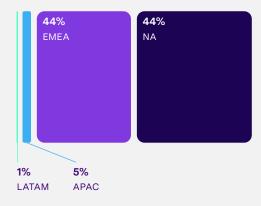
Org size (number of employees)



Industry



Region



¹Cost of replacing a sales rep [Source] Hire Velocity

² Generations by birthyear / Boomers: before 1994, Generation X: 1964 to 1980, Millenials: 1981 to 1996