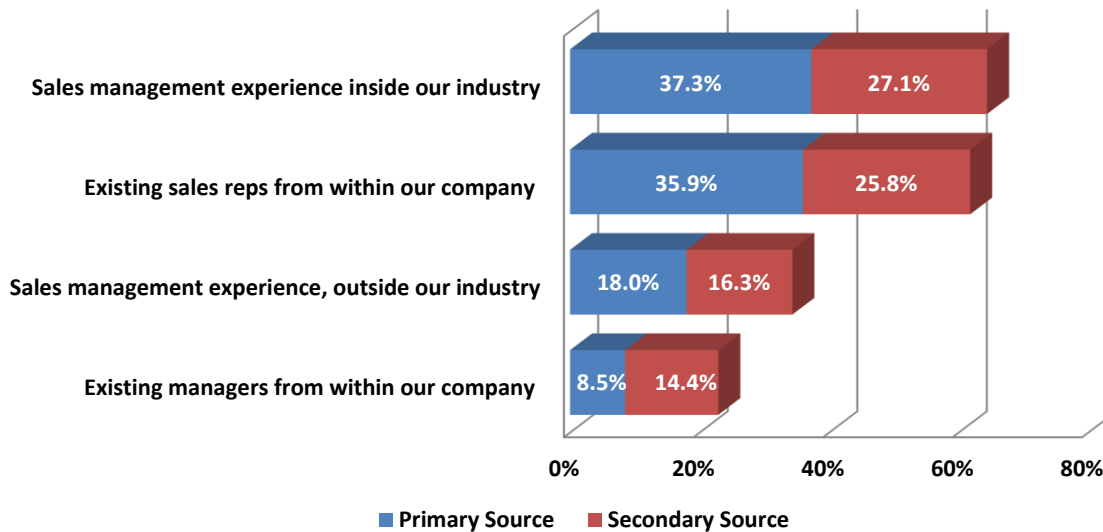


2011 Sales Management Optimization – Key Trends Analysis

What is/are the primary experience profiles of new first line sales managers?

Profiles of First Line Manager Candidates



Key Findings

- ❖ Industry experience is the key consideration for looking at potential sales managers.
- ❖ Split preference between previous management experience and time with the current company.
- ❖ Offering reps a “taste” of management can help minimize hiring mistakes.

Observations

When looking at candidates to hire to fill sales management openings, the number one consideration is clearly experience in a company’s industry. Conventional wisdom suggest that in order to be effective at developing meaningful business relationships, sales teams (including managers) should have a detailed understanding of the markets they are selling into.

In looking deeper into the data, the dissimilarities in the performance of sales organizations show modest differences in results. Outsiders with sales management experience in other industries lag behind the other types of managers a firm can hire by up to three percentage points in terms of overall revenue plan attainment.

Looking at the top two sources of candidates, we see a split between firms who think they should hire people with sales management experience, versus those who look to promote their top, individual contributing salespeople into the role of manager.

Again, drilling into the data we saw only modest differences in sales performance depending on whether a potential sales manager candidate came out of the field or had previously been in a management role. What we did note, though, was higher voluntary and involuntary turnover rates in companies where they elected to promote sales reps to managers.

Professional sports have shown us that great athletes do not

automatically make great coaches. [Heartland Payment Systems](#) shared with us an approach they have adopted to allow sales reps to get exposure to the role of a sales manager in order to see how they like the role and how well they perform—before they commit to making the move into management full time. In our [Sales Management 2.0 eBook, Volume 1](#), Heartland’s CSO, Sanford Brown, shared with us the following:

“Our relationship manager position is our primary sales function. These individuals are responsible for the day-to-day prospecting, canvassing and sales presentations to our core customer base. They in turn report to a territory manager (TM). The TM is a challenging hybrid position that is a combination of making personal sales and mentoring other sales professionals.

While it may not initially seem ideal to have management positions where people need to serve two masters, selling and managing, we have deliberately crafted this position to provide for both of these responsibilities. We almost try and scare territory manager prospects out of the job before they begin because we don’t want to oversell it. They see from the start what a commitment it is to move into management. If they find it is not a fit for them, they can transition back into the pure relationship manager role.”

If you are looking to salespeople as your primary source of new sales managers, adopting a program like Heartland’s could help minimize the odds that a rep will not succeed in a management role or that they leave because they really want to be a sales rep and have no path back to that role.

Notes:

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