

2021

The State of Sales Coaching

What Sales Leaders Can Learn From Top Coaching Organizations

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Introduction

Gartner research finds that when B2B buyers are considering a purchase, they spend only 17% of that time meeting with potential sellers. That means every single interaction with a buyer must be impactful, leaving very little room for error. And the best sales leaders know that nothing has a bigger impact on your revenue team's ability to drive results and improve your team's collective selling skills than coaching.

However, with quota attainment declining and the experience level of reps required at the time of hire halving over the last ten years, sales managers must take a closer look at their approach to coaching if they want to drive revenue and see business results.

In the State of Sales Coaching 2021, ringDNA conducted an original research study that surveyed over 2,000 sales professionals to discover the current state of sales coaching. This report uncovers new realities, emerging trends, and the future of sales coaching.

Spanning individual reps (both SDRs and AEs), sales managers, sales operations, sales enablement, and sales executives, these respondents revealed the adoption, performance, and challenges of sales coaching in 2021.

→ BEFORE WE DIVE INTO THE RESEARCH...

It's worth clarifying the term "coaching" as it applies to sales. **Sales coaching** is a dynamic process between a sales manager and their direct report that provides guidance on multiple facets of selling.

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Top 10 Key Insights

Part 1: Top 10 Key Insights

From the State of Sales Coaching 2021

- Scaling sales coaching is the #1 priority among sales teams.
- The majority of sales reps get less than 1 hour of coaching per week.
- Reps who use call recording/conversation intelligence and AI-powered conversation guidance report being more satisfied with their coaching.
- Companies using a real-time coaching solution reported more sales effectiveness.
- 5 At least 70% of all sales coaching is not data driven.

- 6 Remote sales workers get less coaching from managers.
- 7 Effective coaching programs focus on how to ask better discovery questions, while ineffective programs focus on how to handle common sales objections.
- 8 Companies that choose which calls to coach at random are more likely to have ineffective coaching.
- 9 Having regularly scheduled coaching sessions leads to both better coaching effectiveness and rep satisfaction.
- When coaches have to spend more time with a specific rep, the overall coaching program suffers.

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Findings

AI-Powered Sales Solutions Lead to Higher Rep Satisfaction

Now let's turn our attention to sales technology. As software continues to transform the sales org, leaders are investing where it matters. Our results show that reps using conversation intelligence and AI-powered conversation guidance report being more satisfied with their coaching.

Similarly, companies where coaching is effective are more likely to be using call recording software and sales performance management software than companies where coaching is not effective.

Companies where coaching is effective are more likely to be using call recording software and sales performance management software.

call coaching? (Check all that apply.) Where rep is satisfied with coaching Where rep is not satisfied with coaching Sales Enablement / AI-Powered Conversation Guidance Learning Management System Call Recording / Sales Performance Management Conversation Intelligence Other

What tools/tech are you using right now to get

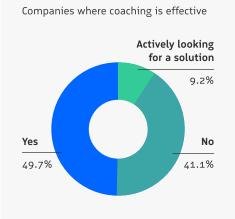
Technology Increases the Effectiveness of Coaching

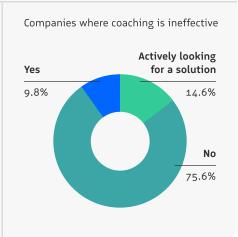
Coaching delivered to reps as close to the call as possible results in better outcomes. Effective coaches realize this. As noted earlier in the report, the biggest challenge coaches face is not having enough time to coach. Software can help with this by automating some coaching tasks, giving back time to busy coaches. Companies where coaching is effective are much more likely to have a real-time coaching solution in place.

We are not advocating for software to replace coaching – nothing can replace a good coach. However, technology can increase the effectiveness of all coaching, including good ones.

Companies where coaching is effective are much more likely to have a real-time coaching solution in place.

Do you have a real-time coaching solution in place?







"By annotating and organizing calls into libraries around key themes, ringDNA helps me identify the areas where our sales teams need the most coaching."

Patrick Buckley Director, Sales Development, Twilio

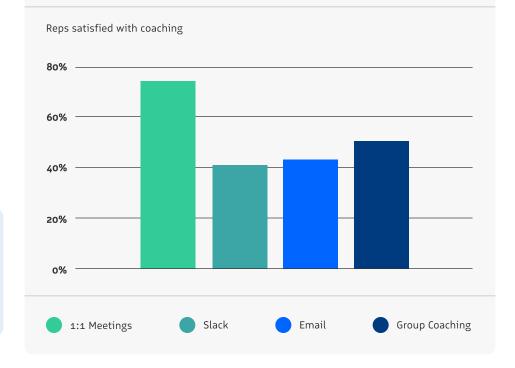
For Coaching to Stick, Deliver it Via More Channels

B2B sales reps forget 70% of the information they learn within a week of training, and 87% will forget it within a month, according to Gartner. This means that you must reiterate your coaching if you want it to stick. Our findings support this claim. When asked how reps prefer feedback, reps are most satisfied when they receive feedback through multiple channels.

In addition to 1:1 meetings with managers, reps that are satisfied with their coaching also receive input over slack, email and group sessions.

When asked how reps prefer feedback, reps are most satisfied when they receive feedback through multiple channels.

How do you receive coaching and feedback? (Check all that apply.)



Remote Sales Workers Get Less Coaching from Managers, According to New Research

The transition to virtual selling has radically accelerated since March 2020. But the stark reality is that coaching has not scaled to meet the demands of a remote team.

Nearly half of SDRs and AEs report receiving less coaching while working remotely, illuminating the need for remote coaching technology adoption to adapt to an era of remote and hybrid work environments.

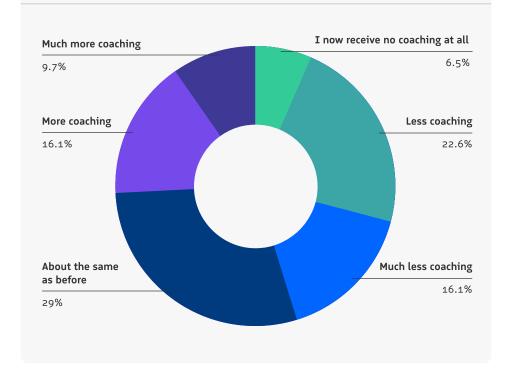
45.2% of SDRs and AEs report receiving less coaching while working remotely.



"ringDNA allows us to do live call coaching and complete our dials remotely from anywhere... Everyone gets weekly hour long call sessions, we've been able to keep doing that from home with ringDNA."

Alicia Woerner Inside Sales Development Manager, Nutanix

Since moving to remote work, how much more coaching do you receive?



The Majority of Sales Coaching Time Is Not Data-Driven

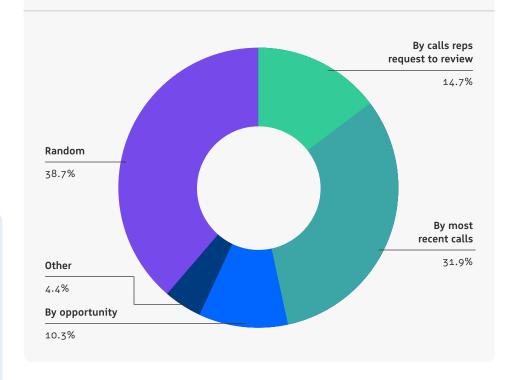
Our research shows that 38% of companies who coach reps on call performance do so "at random," while another 31.9% coach reps only on their most recent calls. This means that 70% of coaching is not driven by data. Consequently, companies that coach this way report having low effectiveness in their coaching programs.

It's clear that it's time for companies to rethink how they coach their reps if they want to see better business results. A data-driven approach also leads to happier reps, since they can understand the reasoning behind the coaching they receive.

38.7% of companies who coach reps on call performance do so "at random."

31.9% coach reps only on their most recent calls.

How do coaches prioritize which calls to review and provide coaching on?



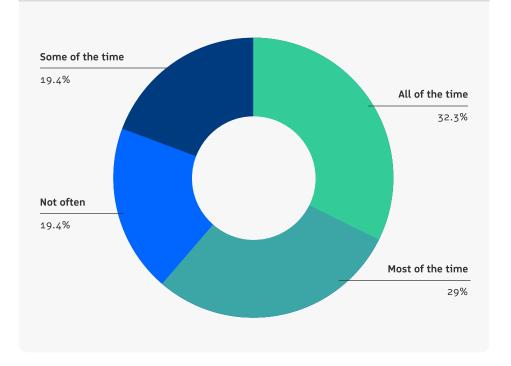
Scaling Sales Coaching Is The #1 Priority Among Sales Teams

Despite declining quota attainment and sales seniority at the time of hire, the number one challenge in regards to coaching sales reps is time. 43.1% of respondents said their number one sales coaching challenge right now is not having enough time (not shown here).

With the increasing expectations on sellers to deliver a personalized buying experience, combined with the increasing demand from management to do more with less (especially with the economic events resulting from the pandemic and the widespread move to remote selling), coaching reps to develop their skills is more valuable than ever. Yet research shows that regularly scheduled coaching sessions often get skipped (shown to the right).

38.8% of reps reported coaching occurs infrequently (some of the time and not often).

How often do scheduled coaching sessions actually happen?



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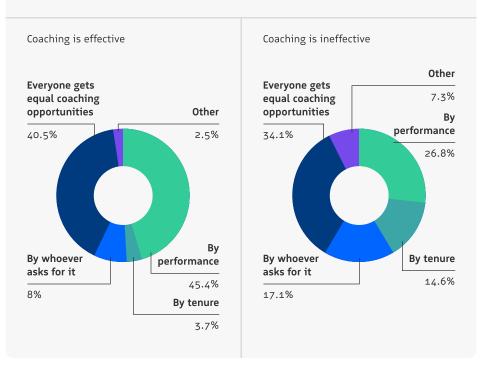
Reactive Coaching May Result in Lower Overall Effectiveness

Now let's look at which reps are getting coaching. When asked "How do managers/coaches at your company prioritize which reps get coaching?" the most common answer was by performance. Companies that coach reps by performance, as opposed to when reps ask for it, are more likely to have effective outcomes.

This reinforces a key principle of good coaching – being proactive. It's not enough to wait around until people ask for help. Coaches must anticipate needs.

Companies where coaching is ineffective are more likely to prioritize rep requests and reps with short tenure.

How do coaches prioritize which reps get coaching?



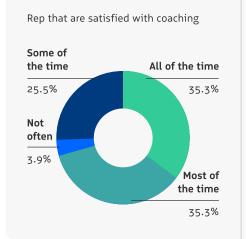
When Coaching Sessions Are Skipped, Overall Performance Suffers

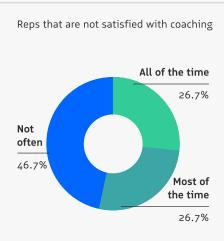
Companies where coaching is effective are more likely to have regularly scheduled coaching sessions. In contrast, companies with ineffective coaching tend not to have set schedules, and instead only offer coaching when reps ask for it. Not surprisingly, reps who are most satisfied with coaching report that scheduled sessions happen all of the time or most of the time.

Conversely, reps that are not satisfied with coaching are more likely to report that coaching doesn't happen often. While this is bad news for companies with erratic coaching schedules, it ultimately suggests that reps sincerely value the chance to learn and improve through a structured coaching system, which is a great trend for reps as a whole.

Reps who are most satisfied with coaching report that scheduled sessions happen all of the time or most of the time.

What is your current satisfaction level with the amount of conversation coaching you receive?





Most Reps Get Less Than 1 Hour of Coaching per Week; Companies with Effective Coaching Programs Get More

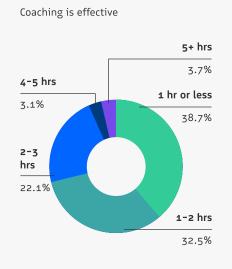
The research shows that while the majority of coaches (49.8%) report spending less than one hour per week per rep, companies with effective coaching programs in place spend more time on average with their reps. 61.4% of those companies spend more than an hour per rep per week. This is compared to only 38.7% among companies where coaching is ineffective.

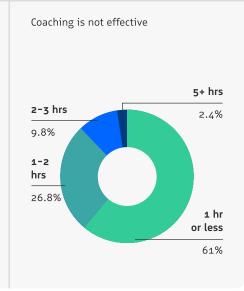
While some companies may see coaching as time spent away from selling, the time spent coaching reps appears to be a good investment for companies and should be increased where possible.

61.4% of companies where coaching is effective spend more than an hour per rep per week.

Only **38.7%** of companies where coaching is ineffective spend more than an hour per rep per week.

How much time do you currently spend coaching each rep per week?





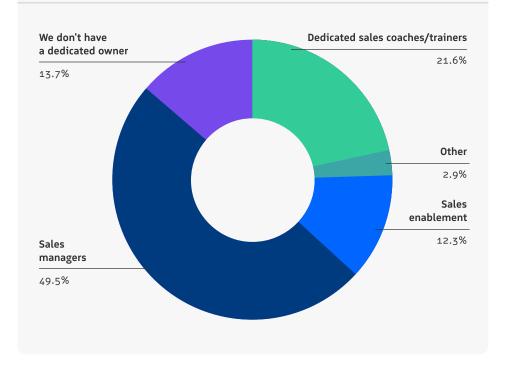
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Coaching Ownership Matters

Nearly half (49.5%) of the companies we surveyed said the responsibility of coaching fell on sales managers. However, when we dig deeper into effectiveness, orgs that have dedicated coaches are more successful with their coaching programs. This could be for a number of reasons: sales managers have to juggle coaching with other priorities whereas coaches do not; the hiring of a coach could signal greater institutional buy-in for coaching programs; or coaches may be part of a greater coaching curriculum. Regardless of the reason, the correlation is clear.

49.5% of respondents reported that the responsibility of coaching falls upon sales managers.

Who is responsible for leading sales coaching at your company?



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The Number of Reps per Coach Matters

Most companies (47.1%) have 1-5 AEs per coach, with the next most common ratio being 6-10 AEs per coach. However, when we look at companies with effective coaching programs, they are more likely to have few reps per coach. When you have fewer reps per coach, they are able to spend more time with each rep and receive more personalized feedback.

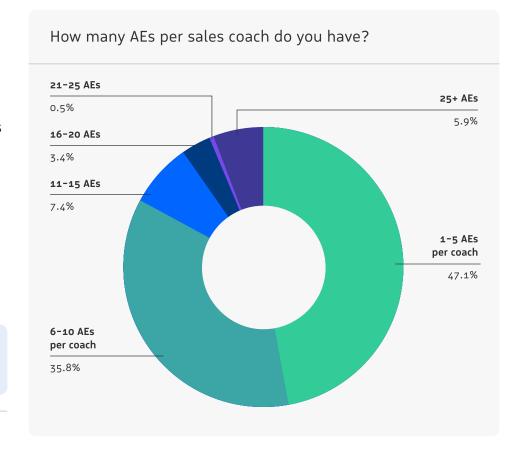
It's also worth noting that external evidence suggests AI-powered coaching tools can actually decrease the number of sales managers needed. We've seen the number of reps sales managers could comfortably manage doubled when leveraging the right tools.

47.1% have 1-5 AEs per coach.



"Anyone looking to take their sales team to the next level can't do it without ringDNA."

Katie Kramer Sales Team Lead. Cvent





Conclusion

Part 3: Conclusion

The data points to several clear tactics teams can execute to increase the effectiveness of their sales programs. Based on the findings and in-depth

interviews with sales managers and coaches, these are the top five recommendations:

TACTIC #1	TACTIC #2	TACTIC #3	TACTIC #4	TACTIC #5
Commit to at least two one-hour consistent, prioritized and deliberate coaching sessions for every rep every week.	Ensure that coaching commitments are maintained for remote reps as well as those that are on-premise.	Scale coaching with data from AI-powered conversation intelligence, and consider reinforcing training with real-time call guidance software.	Use performance data — such as snippets of conversations for best-or-worst case objection handling, discovery question handling or handling of competitor mentions — to determine which conversations to use at the basis for coaching sessions. Simply using the most recent calls or web meetings, or random interactions, do not appear to be best practices.	When possible, have as low a coach-to-rep ratio as possible. The sweet spot appears to be somewhere between 5-10 reps per coach.

It's no longer enough to provide onboarding, then let reps free to work their book of business with occasional coaching when they ask for it or at the end of a bad quarter. Companies must commit to consistent, data-driven coaching or risk getting left behind.

We hope you find this report insightful. If you have any questions or would like to learn how ringDNA can help you increase your coaching effectiveness, please let us know.

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About the Research

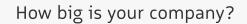
Industry

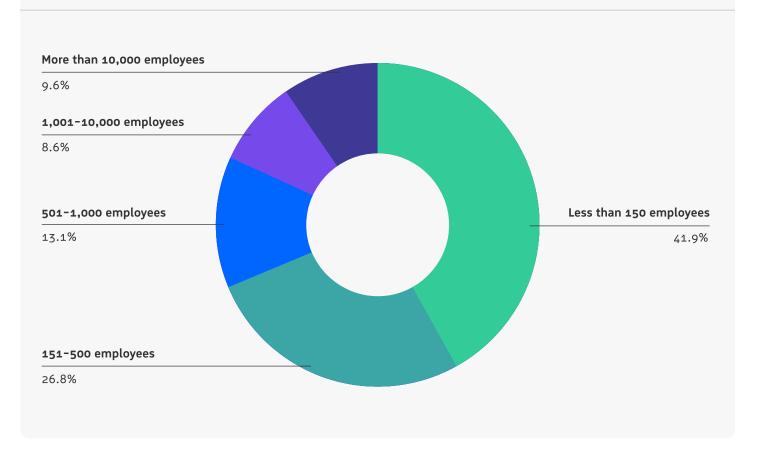
What industry are you in?

INDUSTRY	COUNT
Software and Technology	24.2%
Business Services	10.6%
Education	10.1%
Financial Services	6.6%
Healthcare and Medicine	6%
Real Estate	5.6%
Telecommunications	4.5%
Other	7.4%
Consumer Goods and Services	4%

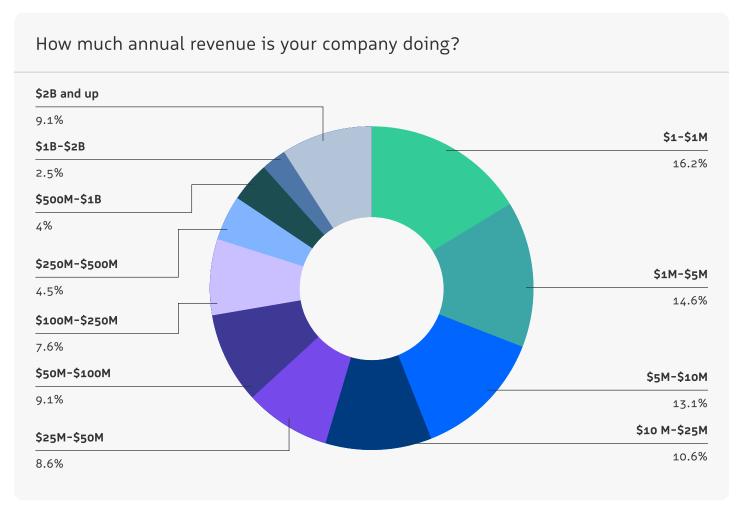
INDUSTRY	COUNT
Manufacturing	3.5%
Retail and Distribution	3.5%
Automotive	3%
Media and Entertainment	2.5%
Pharmaceuticals	2.5%
Transportation and Logistics	2.5%
Construction	2%
Hospitality and Travel	1.5%

Company Size



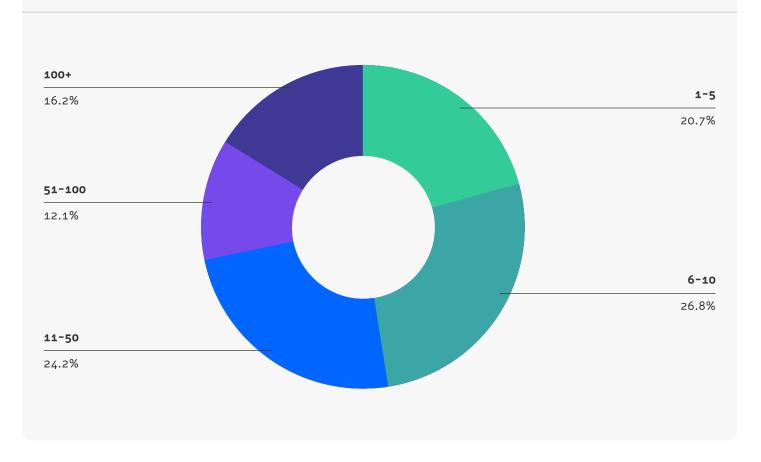


Revenue



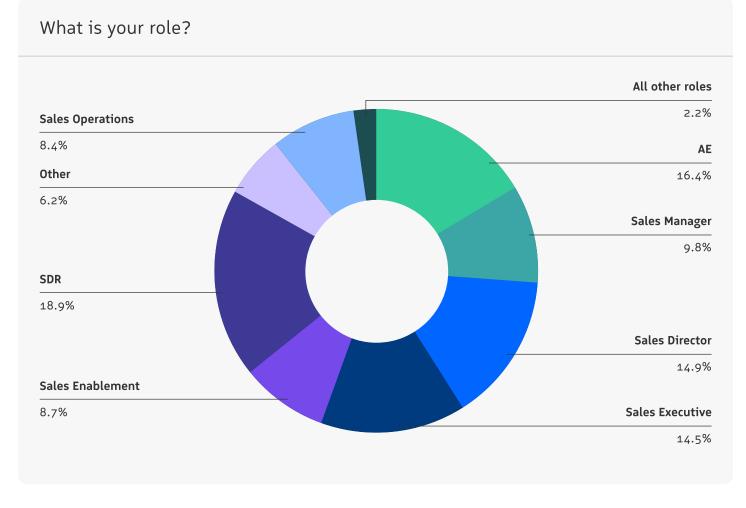
Sales Team Size

How many people total are on your sales team?



PART 4 FINGDNA

Role



About ringDNA

ringDNA uses AI to transform sales teams into highperforming revenue engines. The leading choice for Salesforce customers like Hewlett Packard Enterprise, Nutanix and Autodesk, ringDNA offers a complete solution for sales engagement, sales playbook execution, performance insight, conversation intelligence and much more.

Backed by Goldman Sachs, Bryant Stibel and Palisades Growth Capital, ringDNA was named one of Deloitte's Technology Fast 500, and one of the "Best Places to Work" by BuiltinLA and Comparably. For more information visit <u>ringdna.com</u> or follow us on LinkedIn.

GOT QUESTIONS ABOUT RINGDNA?

- → Get in touch with us here
- → Or visit <u>ringdna.com/coaching</u>

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