

Businesses ignore top sales performers at their peril during downturn

Submitted by: Positive Marketing

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London, 13th June 2012 - UK companies, who cannot afford to lose top salespeople in the current economic environment, risk an exodus of talent due to poor compensation management. A YouGov survey, commissioned by on-demand sales compensation and sales performance management provider Xactly (<http://www.xactlycorp.com>), showed 28 per cent of salespeople surveyed believe that sacking the top fifth of the sales force (or reducing selling time by 20%) would result in a drop in sales of more than 40 per cent – underpinning their importance to business profits.

The motivation to choose a sales career may help explain the range of sales performance in a team. 13 per cent of respondents said they went into sales because “nothing better came along”, while only 34 per cent did so because they thought sales would suit their personality, and skills. Many also chose sales for financial reasons (15 per cent salary, 11 per cent bonus, and 12 per cent commission.)

Other factors were at play too. 7 per cent of sales people surveyed were influenced by the status associated with the sales role, 6 per cent of men were influenced by access to an expense account or company car, 2 per cent of men and 1 per cent of women thought it would make them more attractive to potential partners.

Regarding talent retention, the survey indicated the primary reason respondents cited to consider leaving a sales role is ‘issues with the product or service they were selling’ (55 per cent), the second ‘unrealistic targets’ (39 per cent) followed by a ‘lack of upsides to the role’ (37 per cent).

Unfortunately many organisations fail to accurately compensate sales people. Of those respondents paid on commission, 23 per cent said they had been overpaid - with five per cent being overpaid by a huge 50 per cent. 26 per cent said that they had been underpaid.

Christopher Cabrera, CEO, of Xactly said, “This research shows the importance of correctly recognising and rewarding the efforts of your sales team as well as giving them appropriate targets to aim for. It also proves companies can ill afford to lose top sales performers, particularly in these tough economic times, and the best way to keep them engaged is to ensure they feel motivated to sell.”

The survey indicated sales people have a strong sense of their own importance. 71 per cent think their area is one of the top three most important functions in their company.

Cabrera continues, “In this economic environment ignoring top talent could be fatal to a business. This data shows how important it is to set appropriate targets and to adequately compensate people.”

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 196 adults working in sales roles. Fieldwork was undertaken between 21st - 25th May 2012. The survey was carried out online.

Additional Resources

- Xactly Express (<http://www.xactlycorp.com/sales-commission-software/express/>)

- Xactly Incent (<http://www.xactlycorp.com/sales-commission-software/incent/>)
- Customer Testimonials (<http://www.xactlycorp.com/customers/testimonials-case-studies/>)
- Connect with Xactly on Twitter, Facebook and our Blog (<http://ow.ly/6WKvE>)

About Xactly Corporation

Xactly Corporation is the market leader in on-demand sales compensation and sales performance management. The company's suite of solutions enables sales and finance executives to design, implement, manage, audit and optimize sales commission management programs easily and affordably. Xactly's sales compensation management offerings automate the process of aggregating data from disparate systems into a secure, hosted repository and enable companies to leverage this business data, which is the lifeblood of sales performance management. Xactly helps companies improve operational performance, optimize sales effectiveness, proactively manage risk and compliance and maximize profits. The Xactly family of products is used by sales and finance executives, compensation analysts, sales operations and sales professionals across a variety of industries, ranging from SMBs to large enterprises, such as Ariba, Carestream Health, Motorola and Siemens. (For more information, visit www.xactlycorp.com (<http://www.xactlycorp.com/>) or call 01628 421530.

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