

SDR Performance & Retention:

How Sales Readiness Can Change the Game

It's no secret: sales development reps (SDRs) have one of the most valuable jobs in the sales process. These specialized inside sales reps set meetings, qualify prospects and fill the pipeline of account executives through inbound and outbound lead generation.

Despite this, many sales organizations struggle to hire and retain SDRs, whose strenuous workloads and desire for promotion result in high turnover rates and high demand for qualified candidates.

“SDRs have the hardest job in sales today because getting people to engage is now the hardest part of the sales process. So what happens is they burn out and they're ready to do something else. Attrition is the reality of the situation. Plan for it.”

Trish Bertuzzi,
President & Chief Strategist,
The Bridge Group

SDR recruiting and retention is clearly an issue. However, sales organizations surveyed by The Bridge Group also identified coaching (32%), ongoing training (20%) and

BY THE NUMBERS

1.5
years

Average tenure
of an SDR

8%
of SDRs

Stay in the role
for 3+ years

1.4
years

Average **experience**
required of a new SDR,
a 45% decrease
from 2010

15
months

SDRs at
“full productivity”
(tenure minus
onboarding time)

The Bridge Group, 2018

onboarding (17%) as key SDR management challenges. Why? Many companies simply don't invest in any of these areas, knowing they'll get only 12-15 months of productivity from the average SDR.

But setting new SDRs loose on prospects is a costly mistake. Allowing any rep to “practice” on buyers – especially young, inexperienced SDRs – ultimately hurts win rates, damages a company's brand and wastes money. Replacing a sales rep costs organizations \$97,690 on average, according to a report by DePaul University, making the “sink-or-swim” model an expensive proposition.

To counter this, sales teams **must improve the sales readiness** of their SDRs, through a combination of **better onboarding, training, coaching and career pathing**, to ensure they can engage buyers effectively.

Accelerate Your SDR Onboarding Process

Too many sales onboarding programs fail to adequately prepare SDRs for real selling situations. SDRs are often forced to consume training content in one big gulp. Worse still, these programs provide no way of assessing whether reps are really proficient in the desired areas; most simply check for completion.

One remedy is an “agile” onboarding approach, where SDRs are trained around key sales activity milestones and then tested for mastery. To establish such an approach and accelerate your onboarding process, Brainshark’s Chief Readiness Officer, Jim Ninivaggi, recommends the following steps:

1. Define the key activities each SDR must perform, and when they should reach these “activity milestones.” For example, you might need new SDRs to make their first prospecting calls by the end of Week 4 and pass 3 qualified opportunities on to the account executives by Day 60.
2. Sales managers and the sales enablement team should determine which competencies are needed to complete key activities. These might include objection-handling, time management skills or active listening ability.
3. Train SDRs to where they are just “ready enough” to perform the next activity on the list.
4. Assess whether the reps can demonstrate proficiency in each activity. This should be done at three different levels: formal knowledge checks like quizzes and tests, structured role-playing, and field observation. Managers should determine whether the SDR can perform “on game day” by reviewing email correspondence or listening to a prospecting call as it happens.

“You need to maximize the time SDRs are in the role. That’s all about accelerating time to first activities, accelerating time to productivity, and coaching them to maximize the productivity you’re going to get.”

Jim Ninivaggi,
Chief Readiness Officer,
Brainshark

QUICK TIPS:



Pre-boarding

Companies cannot legally require employees to do any work before they’re officially on staff, but sales teams can distribute optional “pre-learning” content that covers basics such as product knowledge, value proposition, customers and competitors.



Walk in my shoes

SDRs need to grasp the day-to-day realities of their buyers – how they’re evaluated, how they’re compensated and how they’re trying to address current technology challenges – and why the status quo doesn’t cut it.



Keep it fluid

Effective onboarding is an ongoing process, not an event. A “set-it-and-forget-it” strategy may not align with your company’s business challenges and priorities next quarter.

Commit to Coaching (and Do It Consistently)

Ineffective coaching is a pain point for countless sales organizations. Companies mistakenly discount the importance of coaching SDRs when, in reality, they need coaching just as much as other reps. If SDRs are the first people your prospects are speaking with, then you'll want to validate if they're ready for that first call. So how can you create a better coaching strategy with your SDRs in mind?

Start by working with **sales ops** or **business intelligence**. They can provide key data, such as SDR retention rates, the average cost to ramp an SDR and the productivity a company receives from the average SDR. From that data, sales managers and sales enablement leaders can pinpoint the additional revenue realized if the company could get 3-6 more months of productivity from each SDR. Illustrating these benefits can help build support for effective coaching.

“I want 70% of blocked-off calendar time spent on coaching or working with the team to make them better at their role. When I see my day weighted towards administrative tasks, I know there's a problem.”

Gerry Praysman

Director of Account Development,
Brainshark

Sales enablement teams should focus on arming managers with the skills needed to coach SDRs effectively, either through a sales manager onboarding program or a coaching skills training program.

Sales managers will also need to reconsider how their priorities are balanced. Much like how sales reps might prioritize calls during selling time and save pipeline reports for later, managers should be sure that the bulk of their activities – such as coaching and mentoring – will directly impact SDR productivity and retention.

QUICK TIPS:



Role play

These can be informal, “on-demand” sessions geared towards practice or a formal part of the training process. Video coaching tools like Brainshark can also be used to continuously assess how SDRs deliver key messages (new product pitches, objection-handling, etc.).



Teach a rep to fish

SDRs need the ability to quickly understand their buyer and engage accordingly on their own. Instead of hand-holding, managers should focus on asking the right questions when coaching. “What could you have done differently? What's another question you might have asked that prospect? How could you have asked that question?”



All SDRs are unique

Managers must be able figure out what makes each rep tick and then coach according to personality. “It's being able to recognize how feedback should be presented and shared, so that it will resonate with the reps receiving it,” says Beverlie Heyman, sales enablement manager at Brainshark.



Hire an embedded sales coach

Consider investing in a sales enablement professional who is purely focused on helping reps develop the key selling skills through coaching. Heyman, Brainshark's embedded sales coach, meets with new SDR hires multiple times per week.

Invest in Smarter Hiring and Career Pathing

Effective hiring practices and career pathing are critical components of SDR management, as both will drive better retention rates. When it comes to hiring, consider the following guidelines:

1. Set clear expectations for how long you expect an SDR to be in the role during the interview process, whether that's 12, 18 or 24 months. Reinforce this expectation throughout the hiring and onboarding process.
2. Test candidates to ensure they fit your definition of a desirable SDR, and don't treat the SDR organization like a "farm system" for other sales teams. Most importantly, you should conduct most of the interview process over the phone to evaluate their remote selling abilities.
3. Use technology to your advantage. Praysman, for example, will often assign SDR candidates a video coaching activity via the Brainshark platform to gauge how they think on their feet..
4. Test for writing skills and efficiency. For example, give a candidate 15 minutes to write a cold outreach email.

Some sales organizations benefit from hiring "career SDRs" who either view inside sales as a long-term career option or are in the twilight of their careers. Their experience generally means shorter onboarding times and more reliable performance. However, the majority of SDRs are early in their careers, and they often see their roles as a means to an end. This means better compensation isn't necessarily the best motivator. "They'll leave a role if it's the end of the line for them," Praysman says.

"If you want them to stay longer, you've got to give them a career path. What they really want is not a new title; they want new skills to add to their resume."

Trish Bertuzzi,
President & Chief Strategist,
The Bridge Group

Knowing that SDR turnover is expensive, career pathing becomes vital. According to The Bridge Group, 95% of companies offered at least one of the following career paths for their SDRs:

- **Closing roles** (i.e. account executive)
- **Cross-team promotions** (i.e. enterprise)
- **Step-promotions** (i.e. "senior SDR")

QUICK TIPS:



Show them the future

Establish a dual learning path for new SDRs that teaches skills needed to perform in their current roles and their next logical position. Allowing them to "up-skill" for other sales positions gives reps a taste of what's to come and helps them map out a career path.



Tribal knowledge

Establish a peer-to-peer learning program that connects new SDRs with high-performing reps in your organization. This allows SDRs to build rapport with peers, ask specific questions and share their key learnings as they ramp.



Set realistic quotas

Many companies set up SDRs for failure by over-assigning quotas. Aiming too high will leave reps discouraged. Sales and sales ops should look at historical production data to set attainable quotas for early tenure SDRs.



Be honest and willing to help

Want SDRs to care about your team? Show that you care about them by asking the rep about his or her goals, and offer relevant advice for attaining them. Doing so fosters team trust and improves your ability to provide career guidance.

Want to learn more about sales readiness technology?

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