

Build million-dollar sales reps.

Million-dollar sales reps are rare—but they **do** exist, and your organization can strive for such success.

Fewer than 3% of product sales reps make more than \$500,000 a year. Push the earnings up to the seven-figure benchmark, and that number drops to less than .001%. What does it take to be a million-dollar earner? Knocking on more doors, calling on more clients, and being smarter than the competition are all key.

Even more important, however, is having the right behavioral competencies for the job and spending more time on the most productive activities. The following looks at what organizations can do to help their reps push closer to the million-dollar threshold and discusses the best practices of seven-figure sales reps.

Do Your Reps Have the Right Competencies?

The first step in creating seven-figure reps is to make sure that they have the right competencies for their job. Competencies are the knowledge, skills, and types of behavior reps need to retain and grow their accounts. They are “how” the reps do their jobs. A competency progression model (see Figure 1) illustrates the various degrees of competency reps need at each level of a sample organization.

Figure 1

Sales Professional	Senior Sales Professional	Territory Manager/Senior Territory Manager
<ul style="list-style-type: none"> • Exhibits basic types of behavior • Maintains a tactical focus • Relies to some degree on managers/mentors to learn the role • Meets minimum expectations for the role 	<ul style="list-style-type: none"> • Exhibits more evolved, complex behavior • Maintains a more strategic focus for his or her objectives • Is able to exercise more independent judgment in the role • Helps develop others 	<ul style="list-style-type: none"> • Provides a role model for behavior • Maintains a strategic focus for his or her objectives and broader territory issues • Provides thought leadership for managing the business and developing others



Reps who master the necessary competencies and demonstrate them frequently, will achieve the best results. As reps gain experience, they can take on increasingly complex work (e.g., more accounts, larger assignments), gain a deeper understanding of the business, and develop more effective management and problem-solving skills. This will allow them to progress in the organization and earn more.

How can an organization determine what competencies its reps require? The key is to define each job's role. Competencies grow out of and complement a job's role—what a job does and how and why it does it. If a sales role is not well-defined, organizations cannot know how to properly staff it. Too often, management looks for background and experience that do not match what it takes to succeed given the organization's lines of products/ services, the sales process, and the customers' profile and expectations.

To understand a job's role, an organization must know what makes each job tick. Korn Ferry has created a Job Specialization Framework to define jobs and, ultimately, guide the sales compensation plan design. The framework uses the following five filters:

1. Customer targeting and segmentation. The organization should identify the customers that the rep must target. It can then segment the accounts by size, type, strategic importance, and/or other criteria. Different segments may require different competencies.

2. Sales strategy. Sales jobs are based on three primary tactics, commonly identified as PAR strategies—where the initials stand for penetration, acquisition, and retention (see Figure 2). Knowing what PAR strategies each job needs can help the organization determine the competencies its reps require.

Figure 2

	Role	Requirements
Penetration	Acquiring greater sales with current customers	Building relationships, seeking new opportunities, crossing boundaries, and broadening one's reach within an organization
Acquisition	Generating sales to new customers of new or current products	Creating awareness and stimulating interest
Retention	Maintaining current sales with current customers	Maintaining the relationship

3. Organizational hierarchy. This filter looks at how the job fits within the organization's structure (e.g., individual contributor, manager). It also considers the reps' support structure (e.g., do they get help from others or are they on their own?). In many organizations, an account manager oversees all sales activity in an account and is supported by a team of sales reps. In other cases—usually smaller, nonstrategic accounts—sales reps may cover an account independently.

4. Sales process. An organization takes three specific steps to complete a sales transaction—identify the opportunity, close the sale, and support and service the customer. Each step requires specific competencies. It is important to know what the rep will actually do within the process and what skills it requires.



5. Product and/or product lines. Reps need to develop in-depth technical knowledge and expertise about the products and/or product lines they are assigned. This is particularly important if reps are specialized by product (e.g., a data specialist, services specialist, software specialist).

Organizations that want to help their reps become seven-figure earners need to understand their job roles, identify the competencies each role requires, and then make sure the reps in each role have the right competencies.

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About Korn Ferry

Korn Ferry is a global organizational consulting firm. We help companies design their organization – the structure, the roles and responsibilities, as well as how they compensate, develop and motivate their people. As importantly, we help organizations select and hire the talent they need to execute their strategy. Our approximately 7,000 colleagues serve clients in more than 50 countries.