

The True Cost of a Bad Sales Hire

It adds up faster than you think.

As a hiring manager your day is packed with deadlines, deliverables, and meetings. How are you going to make that hire? Most hiring managers are able to dedicate approximately 30 minutes a week to sourcing for the talent they need.

That's 30 minutes per week or 2 hours per month.

With Strategic Sales Search our unique team approach, we not only save you time, but more importantly you can avoid the costs of a bad hire.

See how it adds up.



Calculating the Cost of a Bad Software Sales Hire

Intangible Costs

- | | |
|--------------------------|----------|
| ✓ Find a Sales Rep | 3 months |
| ✓ Ramp-up & On-board | 3 months |
| ✓ Determine if Bad Fit | 3 months |
| ✓ Off-board & Re-recruit | 3 months |

12 months of executive & shareholder time → (Priceless)

Tangible Costs / Sales Rep

- | | |
|-------------------------------|-----------------|
| ✓ Average Quota / Rep | \$1.5 million |
| ✓ Average Gross Margins | 25% |
| ✓ Average Profit / Rep | \$375,000 |
| ✓ Lost Revenue @ 0% of Quota | \$1.5 million |
| ✓ Lost Revenue @ 25% of Quota | \$1.125 million |
| ✓ Lost Revenue @ 50% of Quota | \$750,000 |
| ✓ Lost Revenue @ 75% of Quota | \$375,000 |
| ✓ Lost Profit @ 0% of Quota | \$375,000 |
| ✓ Lost Profit @ 25% of Quota | \$281,250 |

- ✓ Lost Profit @ 50% of Quota \$187,500
- ✓ Lost Profit @ 75% of Quota \$93,750

Scaled Across Entire Sales Team

- ✓ Sales Reps Worldwide 100 (#)
- ✓ Average Territory Quota \$1.5 million
- ✓ Average Gross Margin 25%
- ✓ Annual Sales Team Turnover 20% (Conservative)
- ✓ Bad Hire Turnover 10% (Conservative)

1st Fiscal Year Results

- ✓ Lost Revenue from (1) Bad Hire \$1.5 million
- ✓ Lost Margin from (1) Bad Hire \$375,000
- ✓ Annual Lost Revenue (all sales turnover) \$30,000,000
- ✓ Annual Lost Margin (all sales turnover) \$7,500,000
- ✓ Annual Lost Revenue (all bad sales hires) \$15,000,000
- ✓ Annual Lost Margin (all bad sales hires) \$7,500,00

THE RIGHT RECRUITING PARTNER AND PROCESS CAN MAKE THIS GO AWAY

We Can Help

We welcome the chance to compete for your business and show you what we can do.

To get started visit our website (www.sales-talent.com) or better yet, let's talk.

Call (717) 737-7500 to accelerate your top line.

