

# REvolution

## The Art & Science of Sales Management

Featuring Ryan Walsh

Episode 107

**Ryan:** There's a human aspect of, you know, as a sales leader, you have to want your people to win, right? And, and if you get too far away from that, then that's where these, these issues rear their ugly heads.

**Mary:** All right, Ryan, thanks so much for coming on the podcast today. We're incredibly excited to have you on and talk about all things B2B selling and your take on what's going on in the market today. As we get started, can you share a little bit more about RepVue and, and how you started that organization?

**Ryan:** Yeah, so if, if you don't know much about RepVue, we collect and aggregate, socially sourced ratings from B2B sales people. B2B sales people are rating their organizations. So we call it a rating, it, it's like a survey essentially, is what, what it is. It takes about two and a half minutes to complete, and the sales people are, are rating their experience with their employer as a sales professional. So things like, and highly specific.

So it's, it's highly data driven, so not a review like Glassdoor and it's highly specific to things that salespeople care about. So things like what's the sentiment of the inbound lead flow? What's the sentiment of the product market fit? What's the sentiment of professional development and training I get as a sales professional, what percent of team members are hitting quota?

What's the average deal size and, and a whole bunch of other kinds of very quick statistical metrics or aspects that we collect from the sales professional and the, I get the common question, why would somebody go do that? Why would you go leave a rating as a sales professional? Because what we do with that data is we then aggregate it and we turn the data that we capture into, kind of highly consumable, visually appealing profiles of what it's really like to work in that sales organization.

And so, so that's, that's kind of mechanically what RepVue is. We serve many constituents. The primary constituent you serve is B2B salespeople. So they can benefit by understanding what it's really like to work in that sales org before they ever start. The basis behind RepVue was, in my experience as a sales leader and a and a hired hundreds and hundreds of sales people and interviewed thousands knowing, and, and

just anybody that interviews knows, the best way to know if you're a good fit or if, if this is a right org for you, is to ask a friend that works there, right?

And if, if you have a friend that works there, but many times you don't. So, so RepVue essentially likes to, we like to think of ourselves as, we're unlocking that friendship conversation that you can have with a friend that works at the company, but we can do it, you can have that conversation with any potential company out there, right?

And so that's, that's kind of how we think about RepVue and really the mission is, is to empower B2B sales people to, to optimize their career and, and, and get the most outta their career that they can by finding an org that's a great fit for them. And, and that goes both ways to helping companies find talent that's a great fit for their org as well.

But that's, that's really the basis of, of what RepVue is at its core, is, is just helping, you know, it's, we're in the data business and, and we deliver that data in useful ways, particularly to, to sales people.

**Mary:** Makes a lot of sense and I think, you know, talking about your own background in hiring hundreds and thousands of reps. I know you were at ChannelAdvisor for quite some time as well, and can you talk a little bit about your own experience kind of rising through the ranks up to CRO and what some of those challenges were and how, how you think about addressing it at RepVue?

**Ryan:** Yeah. Well, I mean, hiring is always a challenge, right? And I, I think that, you know, in, in growing my career I did, I was there for about 16 years and I worked, the founders of ChannelAdvisor, I worked with them at a prior startup that they had founded, and then they sold that. They started ChannelAdvisor and then I, I jumped on with them when they started ChannelAdvisor, and I was a, I was an account executive.

I did a few, You're a startup, so you do a bunch of stuff, but my lane was pretty much selling, so I was good at, they, they were like, You go do that. I was good at it and I like doing it, so I did that. I had the same really, I think I, I tell people this now. I had the same business card for like five years, right?

Nobody does that now. Like I need my promotion. It's been six months, where's my new promotion? But I was like, I'm making money, so, so I, I rose to the, So, so I was selling for five years. I went into a leadership role, kind of regional director type role. Had a team of maybe 15 people or so, and then kind of that team grew to managing the US organization.

And this is probably around 08, 09, oh, maybe 2010 or so. VP of sales and then, yeah, so this is about 2010, 11, and then maybe 80 people to a hundred people, and then we grew that to 250 or so people, 230 people

over the next few years. We had an IPO in there and I just, my philosophy was always like, as a seller, I was focused on the art of selling and then as, as a manager, I was focused on the science of selling.

We were reasonably transactional, average deal size, 30k. Right, so there's a lot of transactions happening and, and I was always, I thought of it as a, as a, as kind of Henry Ford production line. Know every point in the process and understand the lever for every point in the process. What could go wrong?

What is going wrong? Hey, this, this metric is at 4.2%, could we get it to 4.4%? You know, and just continual improvement. And, and what was good about staying within the organization for that long for me was that I was able to start that kind of mechanic process with a small team, right? I didn't have, it was like 14 people.

It worked really well, and then it was like, all right, it's 30 people, it's 80 people. It's a hundred people, and I built my own. I was able to build my own philosophy. Not saying you can't do that by switching companies necessarily, because you can. But what I tell people earlier in their career is have a, you know, have a philosophy, have a, a, a system, you know, mechanical system.

And I think I was, I was able to be successful partly because of that, but also I had the, you know, the credibility of also if, because I sold for five years, I was more than happy to jump on a call and, and help with the art side of it, of whether it's discovery, demo, closing, all those things. So it was really, it was really kind of foundational for my subsequent career was being in sales for so long and leading sales organizations for, for that many years, and I.

You know, I tell people all the time, you know, I wish more founders had sales experience, to be honest with you.

**Alex:** Amen to that. Hear that from a lot from investors as well. Yeah, I actually did myself, I carried the bag for a couple of years and it's, after 25 years, Ryan, it was still the hardest job I think I've ever had, even probably more hard than being a founder. Mm-hmm. it is, being in sales is very difficult.

**Ryan:** Yep. Yeah, absolutely

**Alex:** I forget who I read Ryan, but, it was a, it was someone I really respect. I know that cuz I, I only read, I've read very little with the amount of time I have and I was reading and they said, we need a new sales channel.

The existing sales channels are just old. People are not responding, our prospects are not responding, our sales people. It got me thinking about you and actually rep you. And I'd be curious, have you all thought about this concept of like networking across sales people and you have created, I would imagine a lot of trust across your audience and sales people want to be networking with each other and helping one another. So what does that look like for you, for the company moving forward?

**Ryan:** Yeah, it's, it's really important. so, you know, we have about 70,000 B2B salespeople, users right now, and it's growing pretty rapidly. we, we think about growth and, and, and we do, and we do commercialize the business through employers. We don't, we don't charge users for anything on the platform. We have some, some offerings for employers, and some of those are, are specific to talent acquisition teams and, and, and a little bit also to sales leadership teams for, for data access and things like that.

And what we found is, and what I think where the industry is gonna change over time is, is this the amount of dollars and marketing dollars historically at the top of funnel is geared at driving awareness, right? Like that's awareness and then engagement, you know, and you get down into the funnel. For us, awareness is our social media presence, right? So we, we, we haven't done any outbound selling yet, yet we've got a, a pretty solid roster of a few dozen customers of some big-name brands and they all just hit our lead form.

And, and we know like that's not necessarily always gonna be the case. We will, we will go outbound and sell soon, but for us, And we always ask like, where did you hear, you know, how do you know, Where do you hear about RepVue et cetera. And it's always, well a few of you know, a few of the candidates that we're trying to hire, talk about they use RepVue during the research process, or three outta five candidates say they use RepVue.

Everybody references RepVue. So we're focused for us, you've probably heard, you know, product led growth, product led growth, et cetera. We refer to it as network led growth for us, which is we're highly focused on the data and the sales people and growing our, our ecosystem bottoms up from sales people, and we know it's just gonna infiltrate an awareness for us.

On the B2B selling side comes from that network led growth for us. So I think that's really specific to what we do, that you can't apply that to, Of course, every business. But I always, I always challenge people and marketing leaders and, and, you know, heads of sales or revenue to think about, can awareness be driven through alternate means than maybe how you thought about traditional way of awareness being driven?

You know, last week for example, we rolled out the Reppie awards, right? And, and it was probably 60 companies got these Reppie awards, right? And. So then when we go outbound, they've heard of RepVue.

Those 60 companies at least have heard of RepVue a lot of them are putting it on their website or in their, their email signature.

Just like you see from companies like Glassdoor, You know, Best place to work. Yay, we're excited, blah, blah, blah, whatever, G2 crowd. Like, things like that. Same, same type of deal. And for us it's like, all right, what other, what other levers can we pull to, to establish this foundation of awareness for our future potential buyers? And we've been able to do that for the last 18 months. And we're gonna continue to do that, and it's gonna be foundational indefinitely for us.

so that's how we think about the, the salesperson's role in that whole thing is they love RepVue, they talk about it internally. It's shared on the slack. Quote unquote, like, Why'd you come into rep sales director? Well, I was on my team call and like three people had RepVue shirts on. So like, what is this? What is this RepVue thing? Right? So like the T-shirts.

**Mary:** That's awesome. It reminds me a lot of, some people, product led growth, network led growth, it's, it's just about building a community who's really passionate and excited about what you're, you're doing, which is easier said than done. when you think about that human by human, but a really cool way to scale.

I'm, I'm curious and kind of mentioning scale again, something you said about the art of selling at a rep level and then kind of the science side coming in at a management level. Can you talk about like how you've seen that scale, maybe even within your own organization or what you're hearing from others, like especially for first time managers, it feels like a lot of times kind of your super reps move into that first line management role and they may wanted to kind of take the philosophy that's worked best for them, but maybe not have all of the data points, and they've gotta wear so many different hats than when they move into that role.

What are some of the biggest challenges you see for those first time, kind of first line managers?

**Ryan:** Yeah. It's a, it's a really important topic. It's, it's, it's one that comes up a lot. You know, first, first thing is like, does that high performing salesperson want to be a manager? Right? That's, I always start with that, right? And I've promoted many, many sellers into sales manager roles over, over my career. And, and we always start with that, Do you wanna be a manager?

And I've, and I've also worked with, as a sales leader, worked with sellers who were sellers for many years, crushing it. And they're good with that. And, and for many, some obvious, some not obvious reasons, right? Money, you're gonna make more than your manager, period, right? Like, if you're doing really well, and, and so that's fine.

And the manager, if you wanna be a manager, you need to be okay with that, right? So as a seller, I think what, what I used to, what, what I used to think about it like this, right? Like, so. If I'm interviewing somebody that wants to be in management, it's kinda like, all right, well, I probably, if they're already on my team versus somebody coming in cold, I kind of know why they're successful a little bit.

But like, can they explain why they're successful? Like, can you like, can you codify that? Like, like why is that, It's not like you're just smooth on the phone. Right? That's not the answer we're looking for. We're looking for, like why, A, and you mentioned art and science. Art is, Art is, Yeah it's like you, you can read people, you can, you know, you can react quickly to, to feedback that you get on the fly, right? You're getting, you know, it's like, well do discovery. Well, the best sellers are doing discovery and immediately converting that into something potentially valuable for the, the buyer solving that problem.

So, so that's a lot of the art. But then the science is like just knowing your, like knowing your numbers, right? Like, I know you know how everything works. If I'm a seller, I need, how much pipeline do you need? How many calls do you need to make? How many deals do you need to start in your pipeline? How, what's the close rate gonna be? What can I do too.

So, so I, I always used to think about, you know, the challenges of going to management is, number one, do you have a process? Number two, can you explain that process? Number three, will other people buy into it because it's, it is gonna be different maybe than some of their process. So as a, as a senior leader deciding, I'm looking at, all right, did they explain, Do they have a process and can they explain it to me?

Cool. Do I believe that that, does it, does the process kind of line up with our philosophy and can they get their people to buy into it? Right? If they can't get their people to buy into it, that's a problem. And one of the best ways you get people to buy into it is you've built credibility by selling. Right? So you're, I've been on the team three years.

There's two, there's a bunch of other people and they're like, Yeah, this person's doing really, really well. I'd be comfortable with them leading the org. Right? I get this is a question, do you have to be a top seller to be a manager? Like, no, but you have to be a good seller. Like you can't be a bottom seller for sure.

You don't have to be number one, but if you're not, if you're in the bottom half, it's gonna be tough. Cuz people's people are like, Well yeah, I mean this is, I mean like, they're not even closing deals for themselves and now they're gonna, now their job is to help me close deals. So, so that's, you know, I think that's important.

And you know, as you move up the chain, right? And I, and that's your new job. Your new job is to not make money. Your new job is to make them make money, right? And then you by default will do well also. So your job is to help sellers, and then if you get to the next line of management, your job is to help people, help sellers, right? And it just kind of builds on that.

So that's kind of how I think about those steps. Foundationally though, it's just do they have a process that works? Can they, number one, number two, can they explain that process clearly, mechanically? And then number three, do I believe as a senior person, do I believe that others will follow that process? That's kinda my playbook for that.

**Alex:** So, Oh, this is good. So Ryan, what percentage of great managers have you seen that have never gone to club when they were in sales.

**Ryan:** I don't know if I've ever seen one, honestly. Like I, and I'm not saying it's not possible, right? Like because, and I'm sure, like I'm sure if somebody, some of my old team members are listening to this, they're probably like, Oh, remember so and so?

They were a good manager or a great manager and, and they didn't go to club. I'm, I'm just, I'm like starting to kind of mentally turn through a bunch of managers that we promoted over the years and, you know, I, I, I think I would, I would fall back on the response that you, you don't have to be number one, but you have to be pretty darn good.

And, you know, going to club is another example of you're gonna now be leading these people. These people are like this person, you know, went to club and like, I'm cool with that, but I, I don't, I, off the top of my head and I'm missing people. Off the top of my head, I can't think of anybody that we moved up, and we promoted quite a few people over the years on the SDR team, AE team, you know, enterprise, mid-market, all you know, in my career.

**Alex:** Yeah. I, I, Mary and I are both big sports fans and I'm a, I'm a baseball fan and I, I think a lot of, N and X baseball player. and I think so often about how often we promote the amazing players and we put them as like coaches or managers, for major league baseball and they fail. Mm-hmm. and, well, it's, there are two very different things, but I think in sales, that's why I was curious about asking that question.

like carrying the bag for me, like I mentioned, I did it in my career. Like it actually, I can, I can sympathize now with the pain and I feel like, anyway, it's, it's, it's really interesting. I'm, I'm, You need to add that to, so to some of your data, some of your survey questions. when you're, how many of you have you ever, yeah, are you a sales manager now? And did you ne did you never go to club?

**Ryan:** Nobody will admit it.

**Alex:** Yeah, right? Well, it's, And to your point though, and you kind of hit on this, it's not just the 1%. Like, it's usually that depending on the organization, like the five to 10%, you might not be the best seller in the company, but you've gone to club.

**Ryan:** Yeah.

**Alex:** So you can certainly understand what goes into that.

**Ryan:** Cool. Yeah, and to be clear, like if you haven't gone to club, like I think you, that doesn't mean that doesn't disqualify you, but if you haven't, and, and, and by the way, there's plenty of com, like there's plenty of incredible salespeople, this is part of RepVue, plenty of incredible salespeople that just won't have the opportunity to go to club because the product market fit isn't there.

You know, there's some other external factors impacting their ability to win regularly. Whether that's, you know, mostly related to product market fit, you know, or leadership. Mm-hmm. and I just, I, I, that's part of RepVue I think to myself, man, think about, cuz I've seen people do really well and make a lot of money and I'm like, there's people at every organization that could be doing that, but they're just not in the right,

**Alex:** just not in the right organization.

**Mary:** Which is why I love that that's a data point that you're collecting and building that awareness, like contextual awareness for, for sellers. I'm curious, like just in the general kind of state of B2B selling overall, what you're, what you're hearing today.

We have someone on our team, Johnny, and he, he said to me the other day, it's often said, reps will take action based on two things, what they're paid to do or what their manager tells them to do, which I think goes a little bit back to kind of art and science and, and thinking through scientifically what you would kind of coach people to do. What, what are kind of the top two or three big things you see impacting sellers and their ability to kind of quote unquote, succeed?

**Ryan:** Yeah, I mean, that's a good quote. I would say that the, the problem with that lies in the fact that those two things, like they, they need to be aligned, right? That's the problem, right? If, if what I'm paid to do is different than what my manager's telling to do, then like, all right, well what, what's going on here?



Like, is just, you know, indicative of an organization that has some underlying challenges with leadership and communication and structure and understanding how to build a comp plan. Like everybody should be aligned around that, right? So like, so that, so that's problematic.

I think, you know, that's kind of the micro response I would say to that. And then you kind of, the macro response would be, I, I think over the last few years the, you know, we have a lot of, there's frankly, there's been a lot of venture capital dollars flowing into high growth companies in the, some of these later stage VC backed companies are raising huge amounts of money at enormous valuations. And, and to simply, they're simply doing it because I, I'm, and now I'm setting myself for the next huge valuation, which is even huger, whatever word you wanna use, it's gonna be a billion dollar raise. And there's, there was billion-dollar VC raises for these.

So, and, and it's just growth at all costs. And then you look at the model and what gets lost a lot of times is, in the earlier stages of raising venture capital money, you're, you're looking at the tam and the bottoms up and the, and this, and then you get ahead of that, and it's just like, well, the tam has kind of got, has been forgotten.

Every organization, particularly those that are at these high growth companies, every organization is going to reach a tipping point whereby their quota of capacity, I e number of salespeople, number of team members, number of bodies on the sales floor, Has somehow exceeded the addressable market that can support that quantity of people.

And so if you dump \$500 million into a 300-person company and they need to get to 1400 really fast, a lot of those are gonna be salespeople. The, the CFO is saying, Well, every salesperson we add is gonna drive \$318,000 in new bookings this year. Right? And it's like, well, yeah, up till now it has. But when you dump 250 more on, more on top of that, then, you know, what, what are we doing on the product? What, what is increased? What has improved on, you know, on the product side. And so there certain companies, you could dump 10,000 salespeople and you're good, right? And, and there's not a lot of those Salesforce, right? I mean, there's just a huge market, right?

But you look like even ChannelAdvisor, right? We were selling to vendors selling stuff on marketplaces, right? There's not, And they had to be selling 800 to a thousand a year to a million dollars a year. Right? Yeah, there's so many that there's not that many of those. And so it's like we, that's why we, we, when I left, we're like 115 million.

They, they just got acquired private equity, like 180 million. Like it's a really good business. Profitable, but like, you know, they, they, it was gonna be hard to get to like 400 million or it just wasn't, it just wasn't like the mechanics of that business. And I think part of ChannelAdvisor, when I was there, we kind of, towards the end, we kind of knew that, right?

But what has happened with sellers recently in the last few years with these dollars is like, you're not knowing that and you're dumping on this money and you have to hire 500 sales people. And that's why we, And so quota entertainment has gone down. People, the turnover is super high. That's the macro factor in tech at least.

It's really the tipping point of quota coverage related to product market fit and TAM and companies, Every company gets upside down somewhere. It's just a matter of where that is. And most companies, you know, and that moves that the size of that moves over the years, right? You build more product functionality.

The market expands naturally, but are you, are you, are you adding salespeople and catching up faster than product can build something or market can evolve? So that's, that's really a lot of what we're seeing right now. And now there's a correction and, you know, there's, there's been some, you know, we've seen some of the ramifications of some of this and, you know, companies raise money like, we're gonna raise and then we're gonna go, IPO in 18 months, right?

And well, guess what? You're not going IPO right now. Right? So what do you have to do? Like layoffs, right? Lay because the run, because you're not, you know, you don't wanna raise a down round. And so this is where we are right now. And it, and unfortunately sales people have taken a big brunt of this, you know, kind of jerked around, like, hire a bunch of 'em, stop hiring, now fire more. And then like, Oh, the market turned around, hire them back. That's where we are. And we post about that a lot on LinkedIn and we get a lot of, you know mm-hmm. people. It resonates with people; they get it when we put it in those terms.

**Alex:** So I, I recently heard someone, Ryan say that the sales manager is the most important role in a B2B company. What are your thoughts on that?

**Ryan:** You know, I, I suspect that that comment was made out of the, you know, reams of evidence that say people leave managers, right? Like, which is fair and I get that. I, I, I, I, The what, the, the thing that I would, it's a really important position, right? Sales leaders. What I would counter that with though is that, there's a, there's a, I don't remember who made this quote up.

I might have stolen it or hacked it together, but I'm sure I did. Which is like you throw a great management team at a bad product and the product wins every time. And so what, what I mean by that is you can have a great manager, right? And you know, they just, maybe you hit that tipping point. Or maybe you got the crap territory and your manager's doing everything they can.

It's just, it's gonna be hard to win, honestly. And then you could have a crap manager, but get, but, and they could just, you know, but the, the, you in a, in a B2B sales org, the sales manager, unless it's really small or they're not, probably creating the comp plan, right? They're, they're just helping administer it.

They're kind of managing you, making sure you're doing what you need to do in these big orgs. So they could be terrible, but you might have a great territory and an incredible product and you're, you're still growing. Like every startup grows into this and you have this great phase where, and, and the manager, you could hate your manager, but you'd still be really winning and selling a lot.

So I think there's, you know, I think there's quality of life thing. Like if your manager sucks, like yeah, it's probably, you could maybe find somewhere else that's good. But I, I don't like, you know, it's hard to kind of stack rank what's, what position is more least important. I'm sure there's people that say, Well, your Rev Ops person is more important, or your, you know, your VP of sales who creates a comp plan is more important.

Or like, who's the CRO who's kind of doing air cover with the executive team for sales initiatives? Like they're the most important maybe, or, you know, or, or my SDR, right? If I've got a SDR, that. They're all important. You can make a case for every one of 'em. But, you know, I, I kinda also go back to like, you know, none of that really matters if you're, you know, if, if the demand isn't there for what you're doing.

And by the way, we have, we have data from salespeople, that they, they tell us what's most important. And product market fit is by far number one versus incentive comp plan, culture and leadership. diversity and inclusion training, base comp even. Product market fit is number one.

**Mary:** Kind of feels like if you don't have product market fit, it's hard to, to do the other things well, especially from a compensation side, right?

Like you're, you're going to be running into challenges time and time again. I think a lot of the data I love following all of you on LinkedIn and the stats that you publish are really, really helpful. From a comp perspective, I feel like one, just the overall declining number of reps Who are able to hit quota kind of quarter over quarter continues to go down.

I think the other big data point that I've been thinking about too, I think it's less than half of sales leaders, like they need their team to hit their own numbers, right? Like, it's like half the time that they, their total number of reps, and they're good, right? So like what's the incentive for them to kind of coach the, the other half to go above and beyond.

So can you talk about like kind of all of the factors that get wrapped up into quota and how everyone gets paid and what you see happening in the market right now.

**Ryan:** Yeah. Well, I think, I think there's definitely like a period of time that we're in right now where, and, and we post this on LinkedIn and we're starting to do a little bit more on Twitter as well with, with some of these stats.

And, and definitely like the, the numbers are trending down for quota attainment over the last six months across every division that we have. SMB enterprise, mid-market, SDRs are reporting that they're having a harder time hitting quota as well. And so all that is dropping. I, I think, I think it'll level out, I think it, macroeconomic conditions as they improve.

Maybe that's mid, mid next year or later next year, it'll, it'll, it'll be rebounding as well. I think that, so, so there's that, and we will continue to post that information and users can access a number, a lot of that information, not only aggregate, but at, at the company, by company level, which is, which is valuable to them as they think about career choices.

You know, I guess quotas and like, yeah you don't have to have a lot of people hit your number like that, that that is problematic. And it's the way it's always been though. It's, it's not all companies do it this way, but almost all of them do. And, and by the way, I'm gonna describe a situation, I don't think there's anything inherently wrong with this, which is you have eight, say you have eight sales people on a team, right?

And, and say they have a \$500,000 quota, whatever, if it's recurring revenue. And then, so that's eight times 500,000. So that's, that team carries like assuming their capacity. 4 million. Right? So my manager, the manager of those eight people, what's their quota? Maybe it's 3 million. And so first of all, like I don't have an inherent problem with that necessarily.

It's kinda like, well I tell you to have more pipeline cuz the deals won't close. Well one of these reps might leave. Whatever, That's fine. And then, but then you have like, you know, three, then you have four managers, right? So 3 million times four, right is 12, right? And then the director has 10, you know, so there's a \$2 million buffer there.

And maybe there's four directors rolling up to the VP, so that's 40 and the VPs is 30. But then the gap, if you, if you calculate that actual gap, you have like, it's like, 60, It's 64, no, 128 reps for the 30 million VP quota, So that's 64 million for the 30 million. So you get into a massive, and, and there are organizations that are that, that, you know, big of a buffer and I know some that don't have any buffer at all.

You know, and then you get a few reps, maybe they blow it out, get 2 million, right? So I'm looking at like, alright, I got 25% of my number off, three out of my 128 reps. And then I'm like, if I can just get a, you know, dozen more, whatever. So, so that's, that's problematic. And, and it, it does create what you describe Mary, which is the, the concept of like, what, you know, I'll just knock out the bottom 15 and I'll bring in 15 more.

And if one or two of them rise up, then that's cool and I'm just constantly churning. And then, and then as sales leaders, you also become the same issue that I describe with the CFO. You're looking at it more as numbers in the spreadsheet versus people that are like ultimately really trying to win.

And, and I think that there's a human aspect of, you know, as a sales leader, you have to like really want your people to win, right? And, and if you, if you get too far away from that, Then that's where these, these issues rear their ugly heads. And that's where I think culture issues, you know, people rec, sales people recognize what their leader's ultimate motivation is.

And if it's not, you know, if it's in the wrong place, they'll know that. And, and you know, so I, I think a lot about that. And that's how, part of when, when I started RepVue was like, All right, I can, and I said this a lot, I don't, you know, as a CRO you can have, like, you can influence, like, I wanna really help people and advance their sales career, but it's like a couple hundred people, right?

Well, well what if we could do it for like a couple hundred thousand people over the next few years? And so we try and think about it. We try and think about it like that, and it, you know, continues to kind of help push our mission.

**Alex:** So, so Ryan, you have a lot of experience where CRO, like you said, walked up through the entire organization, now a CEO.

Hindsight, what would you have done? What is the one thing that you would've done differently, maybe at ChannelAdvisor that maybe now you've brought with you to, to RepVue?

**Ryan:** Yeah, I mean, I didn't, A lot of this stuff I'm talking about now, I, I look back and I'm like, Yeah, like that was a problem there too.

But it wasn't always as obvious when you're doing it, right? Like, you know, I get asked the question a lot, like, what do you like, What's your regret? Or what do you, you know, what was wrong? Like, why was your org good or bad? Or like, what was the problem? And. We really never, like, we had the same problems, like we, like as a CRO.

Like I could talk about it and I can see it, and I think I, I did want to help my team and genuinely that was my goal. We still had, like, in the US probably 20 to 25% attrition on our like account executives in the non, in our, in our international sales regions, it was probably 30 to 35% attrition.

Some of the factors that we talked about here were, were kind of there as well, right? We were, we were at the time bumping up against that kind of TAM, right? And, and, and there were a lot of conversations like, Hey, how, like, we need to hire more salespeople, right? Well, maybe we get more of our people, you know, winning instead of hiring more.

Like, but there was, you know, well we know each body adds X amount. you know, so, so I think, you know, I dunno if it's a regret, but it's just like, my, my sense of clarity now is, is way better having stepped back, being away from it. And I think that, you know, not, you know, I'm not necessarily looking for another CRO job anytime soon, you know, But, but if I guide other folks in a similar position, I, I try and tell them that, unless you've done it a couple times and seen it a few times, it's hard to have that clarity of what's really happening right underneath your nose.

You know, so, so I just look back, you know, and I, you know, that's one metric that I could never figure out and get right, was like the attrition metric. I mean, we were never, you know, nothing was perfect. Of course, we had our challenges, but that, I look back at that one metric and I'm like, man, because literally like every time, like I get a note in the evening or some sales manager's like, Oh, so and so's leaving.

Like, man, it's like I took that personally, like, not like they were an affront on me, but it's just, I took it personally from the standpoint of like, I didn't support them. There was something I could have done better, you know, so that's, that's kind of the one thing I look back on and like, man, you know, if I had another chance, I'd think about that a little differently.

**Mary:** Speaking of reps leaving one of the things that I've seen recently is that variable comp, like pre pandemic at least, like a lot of people were chasing the highest OTE that they could possibly get, and there seems to be some indication potentially that in the market reps are now a little bit more focused on like working someplace where they can get to an achievable quota, have a solid base, be able to grow, of

course, but like potentially more security versus like chasing the monstrous payout. Do you feel like you see that coming through in your data?

**Ryan:** Yeah. I mean, I think, you know, even as recently as six months ago, you know, sales professionals are getting reached out on, you know, 10 times a week, right? If you're an experienced, particularly in tech and these high growth verticals.

You know, and, and so you could easily you could immediately get OTE, you could bump it up pretty quick, pretty fast, like, and that was definitely happening. Sometimes it worked out really well. You know, sometimes it didn't. I, I, I think we used to, I used to talk to people all the time, like, and this part of what we say is like, OTE is really meaningless, right?

Like, if you can't achieve it, It's like we joke, we call it either off target earnings or we call it faux-TE, you know, whatever. Whatever you wanna call it. But it's not really OTE if only 30%, if only 30% of people are hitting it. It's not really OTE. So I think, I think that was like, and, and then you hit that era is growing and then, and then we hit this wall where like, we can't grow anymore.

And not only, So yeah, you got the big OTE, but now nobody's hitting it and then they're doing layoffs. And so it's like, you know, the, the research, I think, I think you can get, you can get distracted by the numbers, right? Yeah. If you're gonna go from like 70 k base to like 125 K base. Okay, it's hard for anybody to be like, Okay, don't do that.

Right? Like, because like, just the base alone and, and there were, there were things like that happening, right? Like that was not, like those types of things were happening. but more commonly it's just like, Oh, I can go from one 60 OTE to 200 OTE. Well, you know, a 160 OTE, you could still make three, four, \$500,000 depending if you're right position and a 200 K OTE, you could still make 115 K.

Like if nobody's closing any business, everything dries up. Like, you know, And not only that, but what then you're gonna have to figure out how you explain two or three short jumps on your resume, which you know is explainable. It's fine. It's the world we live in. But, you know, I think OTE is abused probably in in many recruiting pitches, you know, and, and, we've got many memes and LinkedIn posts poking fun at, at, at OTE and whether or not it's real or, and that sort of thing.

**Alex:** Faux-TE is a new one. I hadn't heard that one yet.

**Ryan:** Yeah. Faux-TE.

**Mary:** I wrote that one down. I like that one. Anything else big from kind of a B2B selling perspective that you feel like is kinda shifting the market right now?

**Ryan:** Like, there's a lot of people throughout trends like, Oh, AI, this, or, you know, you know, 10-99 thing that, and like, everything that people say and suggest about B2B sales is, you know, we've, we've heard it all before.

I think that the biggest factor that I, that I think will be a factor over the next two to three years as a B2B seller is to continue to really understand and get better at researching. The product in the market of, of what you're going to sell. And I think years ago people weren't that good at it, but it wasn't as big of a problem because of these growth, because nobody's like trying to, you know, you're growing at a, at a moderate rate that's equivalent to your addressable market.

And if you're adding salespeople 15 years ago, then it was probably a comfort level that, oh, we've got a territory that can support that person. You know, and, and so things didn't always work out, but, but I don't think you have this issue now of like bringing in a bunch of sales people and, and, and so I, I just, for me, that that's really has been top of mind this year and I think it's gonna be top of mind for me the next couple years as well, is just how that plays out with the market.

There's always gonna need, be a need for B2B sellers, period. Just humans want to connect with humans. The deals are complex. Somebody has to navigate that. Somebody has to shepherd it. Some of the mechanics of it might look a little different, but there's always gonna be a skill set that will be highly compensated to help companies grow their revenue. That's just kind of how I think about it.

**Alex:** What, what are your thoughts about, speaking of mechanics, and Mary, great question about the trends, is the PLG. I mean, what, you know, it's been something we've talked about here for the last few years. I like to think about it as sales directed versus sales assisted. How is that affecting and what, what kind of information? And it, and it also does have to do with product market fit. There's a corollary there.

**Ryan:** Yeah. Not, I mean, not every company I, I, I think it's great. I mean, we talked about for RepVue, it's like PLG or NLG, network led growth. And it's like, for us, I, I say it to our team all the time.

I'm like, this, this is our awareness kind of section of our funnel. Like we, we. You know, post this stuff and we share this stuff and we build this great community and network of users who, who shares it for. But like a lot of companies just don't, There, there is no way to do that. Like you don't have a community and you know, if you're selling B2B software, right?



Like unless you're some massive company. I reference Salesforce, right? Where everybody's like, and, and salespeople are your users or something like there, there's a lot of companies that just have to go sell b2b. Like, you just have to go like, you know, do it the old-fashioned way. And so I think PLG is phenomenal and I think I love the trend and I think it's great.

And if there's a way for you, for you to do it, then do it. And what does that mean? Like, I don't know, like PLG, like, you know, is it like usage based where you can, you know, start? Or is it, you know, you know that model. But when you have that like usage, it's every, every deal's like, well, let's just get in, get a little, you know, and then spin it up and PLG.

But like, that doesn't apply to every company. Right? So like, and I don't think it's a majority of companies it applies to either, I think it's a majority of companies that it still will not apply to in B2B sales. Will that change in five years? I don't know. Maybe. I mean, you know, then, then you, you, you start thinking about metrics you're reporting to your board and metrics, you're reporting to investors, and like, was that really a deal or is it, you know, you know, and there's PLG metrics you can use too, but Yeah,

So I'm, I'm a proponent of it. I just, I, I don't want people to get carried away and say every company shouldn't do PLG. Right, like that, everyone, you can't do PLG. I don't, you know, not every company can do it, you know, in, in my opinion, you know, maybe reasonable minds could debate that. And if, if you say every company could do it, maybe you're changing the definition of what PLG is.

**Alex:** I, I was going to, you know, along those lines too, is that something that you all are collecting in terms of, you talked about product market fit, the types of products I think you have, I think I saw on your data, you know, obviously I have segmentation, like, is this company SMB, Mid-Market, Enterprise?

Is there also data in there about whether it's a direct, direct selling motion or sales assisted motion?

**Ryan:** We do not currently have that, although that would be what I would consider a kind of company, kind of company foundational metric, which are things that we don't need our users to supply to us.

And so over the last six months we've been adding a lot of those, things like, buyer persona, and pivoting the data on that. And, and these are, some of these are, you know, we're building in there because they've been requested by, you know, companies and employers who, who want to see data in that way or wanna recruit from certain companies that have experience.

So, I would say it's probably likely we would see some of that stuff in our, in our platform next year. That, that kind of stuff is super easy for us to layer in. Like it's, you know, you know, we just go do the research and we have a research team internally that does all that work for us.

**Mary:** Along the same lines of PLG and thinking about that, I, one of our podcast guests, I think was on and talked about 70% of the buyer's journey. Now a lot of people want to self-educate online before ever kind of raising their hand as someone in sales. I'm curious, so here it Klearly, we talk a lot about revenue being a team sport.

In my own background, like as more traditionally a marketer, I've been in sales for a while, but as a marketer I always felt like sellers were kinda like, I've got this, I'm good. Just help with the messaging, help with the deck, help with the product. How do you, like, do you see that changing, like where, whether it's PLG or just in general with kind of digital transformation and people having access to more info and thinking about communities as a sort, as a source together information.

Do you see marketing, I, I saw something from Forrester yesterday that said they're predicting that marketing's gonna start, or demand marketing teams are gonna start reporting into sales very soon. Do you get that sense from a sales perspective?

**Ryan:** Yeah, I mean, I, it's, it's not like, Yeah, the team sport kind of concept is good. I think like if, if marketing is rep, if demand marketing is reporting into sales, it's no longer sales. It's now revenue. Right? It's not the same thing. So certain chief revenue officers own marketing, I did not own marketing. Sometimes you own other chief revenue officer can own something else. It can own account management or customer success or they, So it can complete 'em both ways.

But if, if marketing reports into sales, it's no longer sales. I think what sales people should say and what they, a lot of 'em do say is like, like I want the lead as far down the funnel as possible, right? Like, you know, sales people, the least work I can do to make the most money is what they're gonna say.

So I think that marketing as a definition, You know, you can define it how you want, right? Like driving pipeline for demand based, like demand gen marketing. Like you're driving pipeline, you're driving awareness, like how far you're pushing. At some point, there's a, at some point, a salesperson, a human being like engages, right?

And so what you, you decision point is at what point do they engage, right? And, and if the buyer is doing 70%, do you wait and wait until they get you know, your demographic and your behavioral triggers all sorted out, and or do you do it further up the funnel? I think, you know, those are decisions at an

individual company level, but I, I think that, you know, the, the, the salesperson, there's a balance of like how much time you spend, like how far down the funnel before the salesperson engages.

They could engage right at the very beginning, like of any they have the list, but then they're gonna, they've got a million people on it. So you have to decide, and I think that it's definitely a team, Revenue is a team sport, right? Product is driving features or PLG, and then marketing is driving awareness. And then maybe there's an SDR team and they're driving action and then the salesperson is driving, you know, closure. You know, it's a company sport, not even just a revenue org sport.

**Mary:** Do you ever see a day where maybe some of those other team players who come in earlier, let's say in a PLG motion, Would be comped in a way similar to sales, like where they're getting a portion of that deal.

**Ryan:** I mean, I'm product, product marketing, like I'm a fan of as many people as possible, having some variable component to their compensation.

Right, and it's up to the leader of the organization, whether that's a CEO or whether it's a CRO or whether it's some, some leader to, to determine. Like what, how that variable compensation is, is driven. Like what action, Like what behaviors do I want to drive with this variable compensation? Right? And so if it's product like I, I'm probably more in favor of aligning that with top level outcomes.

Like versus, did you miss this date? Or did the sprint slip three times out of 13 last quarter? Something like that. Like I'm looking at outcome, and the same with marketing too. Like cuz if that's the problem with sales and marketing alignment is, hey, you're measured on leads and you're measured on this.

And it's like, well the leads, well the leads suck. And you know, that's the age-old thing. Right? Well it's just, you know, it's easier at an early-stage company, you know, RepVue kind of, everybody's looking at a couple, 3, 2, 3, 4 things and it's like, this is what's gonna make or break this company as a whole. and so everybody needs to be looking at these every day.

As it gets bigger, it gets a little trickier, but I still think even a, a component of it should be in these big metrics, these key metrics

**Alex:** In your organization, are you gonna have marketing roll up under a revenue team?

**Ryan:** Our organization is pretty unique because we don't even do like B2B marketing, like we do B2C marketing, right?

And then that actually is our B2B marketing, right? And so we haven't really even engaged. I, I think, you know, I don't, I don't think we've made that decision yet necessarily. I think we are just focused on B2C marketing, and so we've hired specific profiles of people that are, that are non, you know, product marketers.

They're not SaaS marketers, they're growth marketers, they're user generation marketers. They're conversion funnel optimization marketers and, and SEO marketers. I'd say that like we have some huge team. We have two marketers, but, But that's what they, their content, you know, you see the content we kick out all the time, right?

We have a content person's kicking out stuff all the time. It's fantastic. And we know that is like driving our net, we have network marketing, like marketing the network. And so awareness comes from that side of, of the house. Like w you know, so, So I think I, you know, I don't know if we, we, we don't have plans to invest heavily in B2B marketing in the near future.

**Mary:** Hmm. Cool. Were there any other questions that you feel like would be really important for the audience or topics to just be aware of in the B2B selling space?

**Ryan:** Goes back to what we talked about at the beginning, like should salespeople start, like I'm a huge fan of as a, I actually did LinkedIn post today.

I can't, I can't even remember what the topic oh, is my, my CEO is like super pumped about writing a huge commission check cuz I said there's, you know, people, you know, sometimes C level people get squirrely about, you know, writing the big commission check, right?

And I said, Let me guess. They were, they used to be in sales and they were like, Yes. And I was like, I knew it. So should salespeople, salespeople, The sales as a profession provides a fantastic foundation for being a senior executive. because you're exposed to one of the hardest things that you have to do.

It just becomes challenging cause very few people have the ability to, to write code and so you have to find partners and things like that. I'm, I'm always excited to, you know, to see sales people that are founders of companies that they're trying to grow just because of that reason. So, yeah.

**Mary:** I love that. Last question. Any funny, you've had a lot of experiences and as a founder too, gonna go off of Alex experience and kind of learning from him over the last year and a half, two years or so.

**Alex:** I'm gonna be very interested to hear where this goes.

**Mary:** Do you ever have any like, Nightmares related to selling or things that come up for you that are like recurring revenue dreams or like, Not really.

**Ryan:** Yeah. I mean, I, I worry more about growth broadly versus like, so for, we're in a unique business, right? Because we're still focused, we're a data business, right? If we don't, data is our gold. And if we don't continue to get data, you know, then the value, you know, of what we're doing is, is gonna be in jeopardy.

And so, like, you know, I don't worry I, I take the approach of like, if we continue to build that the revenue will come, period. Like we've got a lot of interesting opportunities. Thankfully I don't, I don't really dream about that stuff very often. you know, sometimes like, hey, but it's really related to just growth in general, right?

Like, not so much like did I did a deal, like a deal went sideways or DocuSign. I had a nightmare that DocuSign went down on the 31st of December. And, and we, you know, like that, that, that's not, that's not typically my style. My style is just like, you know, we gotta keep growing. I worry about it not even in my dreams, but in, all day long. That's all I as a founder. Sure. You know, Alex, you're the same way. Like it's all-consuming Right? All the time. All consuming, no matter what. It's all you think about all day, every day, day and night.

**Alex:** Yeah. Could you stop talking about it now?

**Ryan:** I'm thinking about it. . .

**Alex:** people are like, What does it be? What does it take to be a founder? What's it like to be a founder? I said first, and I mean this very genuinely, when I say this, I say, You have to be crazy. You have to be a little bit crazy to become a founder. And the second thing is you really do have to be very passionate about what you're solving for and the community for whom you're solving it, otherwise.

Cuz there are those moments where it's just, it's, it's like Sisyphus pushing the, pushing the stone up the. I mean, you're just gonna continue to get that, That's gonna come back down on you every single day. So I, I have lots of daydream. daymares, I guess you could say, like you, fortunately I don't wake up too much.

I usually have the nightmares, like usually end of quarter or something like that. They're usually very seasonal, quote unquote for me.

**Ryan:** Yeah. Time based say, Yeah, sleep like a baby. I wake up crying every three hours.

**Alex:** That's good. That's awesome. Ryan, thanks for being on. It's a pleasure to meet you and a pleasure to speak with

**Ryan:** you. Yeah, for sure. Glad to be on. Thanks for having me.