

Employee development is a critical part of attracting and retaining talent, but only a fraction of leaders include an annual development line-item in budgets. We wait until we have a budget surplus or a BHAG sales or hiring goal to hit to outsource or hire training resources.

It's sort of like call coaching for our managers, right? Employee development isn't a fire drill (*Panic! They don't know something!*) and often gets put off even though we all know the importance. So, hats off to you! You're ahead of the game by looking at annual sales training budget amounts.

If you're ready to get ahead of the curve and give your teams what they need to attract and retain talent, here's everything you need to plan for employee development.

## HOW MUCH?



These are averages across all industries and employee types – forklift drivers, CEOs, high tech, landscaping, etc. If customer experience and loyalty are critical to you, **go higher**. If your industry is complex or your product is early in the life cycle, **go higher**. If you're competing like mad for talent, **go higher**.

## HOW OFTEN?

The average organization provides about 4 hours of training per month or a total of 45.5 hours a year. That's right, if you haven't trained since new hire onboarding, you're lagging behind.

## WHY?

Employee development and career advancement are **2 of the top 3 things millennials search for when accepting jobs**. And **50% of reps** think their company provides them with the training they actually need to be successful.

We spend **5-10x a salary to recruit and hire** someone and then a minuscule fraction of that to help them be successful and stay.

## JUSTIFICATION:

### Both HR Magazine and ATD site double the profit per employee that prioritizes training

In fact, companies who invest a minimum of just \$1500/employee will see **24% higher profits**.

CSO Insights proved a **63% average improvement** across teams where the manager was getting development (and that's just average!).

Plus, **great onboarding can cut a new hire's time to quota in half** according to Training Magazine. That could be 1-2 extra months of productivity on an already-shrinking rep lifespan. Worth it!

Again, we can validate these findings at Factor 8. Over twelve years of partnering with BDR, AE, AM, and Management teams across thousands of companies, **we've seen lifts from 30-300%**, with a huge percent of teams paying for the training before it's even over.

If you need an ROI model to get the spend, we recommend showing a 15% lift over about 90 days post-training if you're still doing event-based training.

You can expect faster spikes with in-person classes, but longer-sustained results with a long-term blended approach. If you can't show at least a 5-10% lift, it probably isn't worth the investment.

Truth is, sales reps know less today than 10 years ago & our customers expect more. If you haven't added an annual training budget by now or if you haven't increased it in five years, it's time.

A recent Ambition study showed that 98% of sales reps would stay with a company indefinitely if they got ongoing development.

IBM recently shared that employees who feel they cannot develop in the company and fulfill career goals are 12X more likely to leave.

## WANT MORE?

Watch our webinar on **"Building Training & Development Plans"** to learn the critical skills you need, partnering with a training organization, & low cost options!

**WATCH HERE:** [www.factor8.com/team-development-plan-workshop](http://www.factor8.com/team-development-plan-workshop)