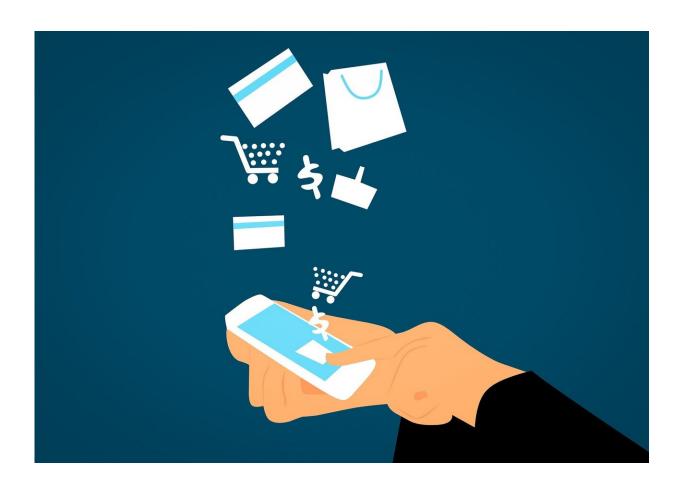# Exploring benefits of decentralizing sales onboarding for established talent

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As the Great Resignation continues to unfold, employees are leaving their current jobs to pursue more promising opportunities. As a result, it

has become increasingly important for firms to design more effective onboarding programs for their new hires to speed time to productivity and value. The sales role is no exception: Accelerating the ramp-up time can mean notching more sales that crucial first year of employment. As digital advances enable remote delivery of richer training content, managerial interest is shifting away from centralized onboarding (e.g., in the firm's headquarters) to decentralized onboarding (e.g., in the field).

A new study in the *Journal of Marketing* finds that decentralizing onboarding can help develop salespeople into higher performers than centralizing onboarding. Furthermore, the benefits of decentralized onboarding are greatest when: (1) a new hire is transitioning into the role from another job (e.g., is not a recent graduate) and (2) a new hire's sales manager has greater bandwidth to support his/her development during and soon after onboarding. Across two studies, the researchers find evidence that decentralized onboarding can be particularly beneficial for salespeople, in part because it fosters a more innovative and adaptive approach to executing the different duties of the role.

The first study involved a firm that gave its newly hired salespeople the option to onboard as part of a group at a centralized training facility (centralized onboarding) or as an individual within their respective sales districts (decentralized onboarding). After addressing concerns about salesperson self-selection, those salespeople who participated in the decentralized program achieved 23.5 percent higher performance (measured as the proportion of quota attained) than those who participated in the centralized program. A follow-up analysis found that a decentralized program can produce performance benefits even when the sales manager is responsible for a relatively large number of salespeople.

However, it takes far longer for these benefits to be realized under such conditions. Wiseman emphasizes that "In a sales role, delays in

performance development can be quite costly since sales opportunities not won at the right time may not resurface because, for example, customers sign with a rival firm."

The second study involved an online experiment in which participants imagined they were newly hired salespeople participating in either a centralized or decentralized onboarding program. Participants also completed a task designed to assess how creatively they approached a specific sales task. The task required participants to envision different ways a consumer could use a product they would be selling. Hall says that "We found that those exposed to the scenario describing a decentralized onboarding program came up with product usage ideas that were both more novel and diverse."

These studies point to the value of decentralized onboarding for salespeople. The relative benefits of decentralized onboarding are partly due to its capacity to develop salespeople who are willing and able to take a more innovative and adaptive approach to different aspects of their job. For this reason, the implementation of a decentralized onboarding program should carry the greatest value for those firms that employ salespeople whose work requires a greater degree of innovativeness and adaptability (with customers and other stakeholders) to succeed.

Ahearne explains that "Salespeople who function more than just order-takers for their customers, but rather act more as advisors, are likely to benefit to a substantial degree from a decentralized onboarding program." The relative value of a decentralized program also depends on factors related to both the sales manager and the salesperson.

"We recommend that firms ensure that sales managers tasked with onboarding their salespeople have the resources, especially time, to be appropriately involved in the process," says Tirunillai. Time constraints

and other demands brought on by a sales manager's responsibility for a relatively large number of sales reports can cause

those onboarded through a decentralized onboarding program to develop more slowly and fall short of their potential in the role. In addition, the researchers encourage firms that primarily hire experienced salespeople (e.g., poach them from rival firms) to onboard their new sales hires through a decentralized program. This makes sense because these salespeople are often recruited for the knowledge and abilities that enabled them to succeed in the past. This research provides sales organizations with evidence that decentralized onboarding programs can effectively develop higher-performing salespeople. With advances in digital technologies making these types of programs more feasible, now is the time for sales organizations to consider moving more of their onboarding to the field.