SALES MANAGEMENT ASSOCIATION RESEARCH REPORT

Managing Sales Organization Strategy

September 2026

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Research Report: Managing Sales Organization Strategy

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INTRODUCTION

In sales organizations, strategy is a term frequently used, but often with more confidence than precision, and without the clarity of purpose required of disciplined planning. Simply put, "strategy" often means different things to different people, and sales organizations that avoid defining strategy expectations run the risk of reducing strategy to a buzzword.

In practice, sales strategy development is less a single decision than an accumulation of decisions requiring an integrative understanding of sales effectiveness drivers: which opportunities to prioritize, how to allocate coverage resources, which behaviors and activities to expect from salespeople. And crucially, how to assess, modify, and implement these and other decisions in response to changes demanded by shifting priorities and markets.

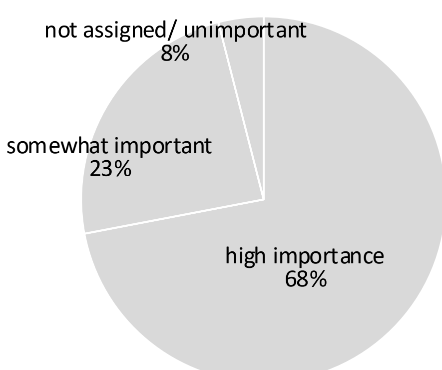
This report examines a few salient aspects related to how firms design and operationalize strategy in their sales organizations, and it identifies the strategic management practices that most reliably distinguish high performing firms from their peers.

The study is intended to serve three related purposes. It documents current strategy-related practices in sales organizations, identifies practices that appear to constitute best practice, and quantifies the business impact of those practices by comparing firm sales productivity across firms that do and do not employ them. Our working definition of "getting strategy right" emphasizes execution rather than articulation. Many firms can describe a strategy in a planning document; the more interesting question is whether that strategy is coherent enough, communicated well enough, and reinforced consistently enough to shape the behavior of individual salespeople and sales managers in the field.

Findings are organized around three themes. The first considers how sales organizations strategy is reflected in broad sales force characteristics: goal achievement emphasis, salesperson decision-making autonomy, and the ability of key sales roles to articulate coherent action plans. The second addresses the change-management capabilities that appear to accompany effective strategy execution, given that implementing strategy is, in practice, an exercise in leading change. The third deconstructs sales strategy formulation into fifteen specific management decisions and organizational capabilities, registers respondents' judgements of each element's importance. A short summary of findings appears at the end of the report, with a description of the study's 97 respondent firms.

HOW SALES ORGANIZATIONS OPERATIONALIZE STRATEGY

fig.1. importance of goal achievement to salesperson performance
percentage distribution of firms



Executing strategy in a sales organization begins with a small number of high-level management choices about how salespeople are directed and held accountable.

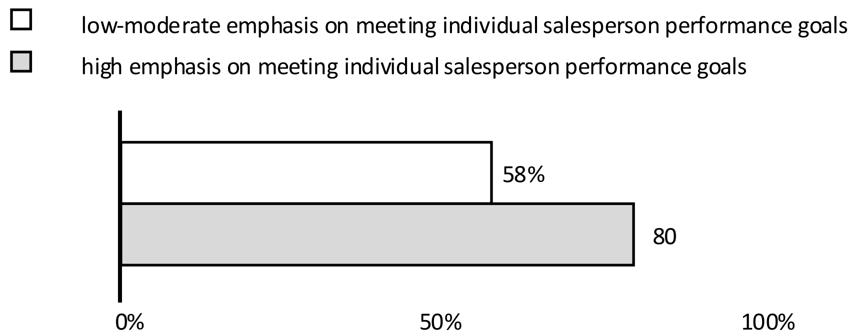
Three of the broadest of these choices are examined here: how much importance the firm places on individual goal achievement, salesperson decision-making autonomy in proportion to management guidance, and whether salespeople and sales managers can articulate a coherent plan of action for meeting a quantified sales objective.

The importance placed on individual goal achievement

Most firms treat individual goal achievement as central to salesperson performance management. Sixty-eight percent of firms in our study place high importance on individual salesperson goal achievement, and another 23% treat it as somewhat important. In just 8% of firms are individual performance goals either not assigned or not meaningfully emphasized. **Fig. 1**.

fig. 2. firm emphasis on salesperson goal achievement and firm sales productivity

percentage of firms achieving firm sales objective, preceding 12 months



Among firms placing high emphasis on individual goa
sales objective in the preceding twelve months, compa
or only moderate emphasis. (For all firms, 73% met or

fig.3. how salespeople prioritize effort

percentage distribution of firms

Among firms placing high emphasis on individual goal achievement, 80% met the firm sales objective in the preceding twelve months, compared with 58% of firms placing low or only moderate emphasis. (For all firms, 73% met or exceeded the annual firm sales objective in the preceding 12 months.) This 22-point gap is one of the larger productivity differentials observed in this study, and it reinforces a finding consistent with prior Sales Management Association research: firms that quantify performance expectations at the individual level, and that treat those expectations as consequential, are meaningfully more likely to meet firm-level objectives. **Fig. 2**.

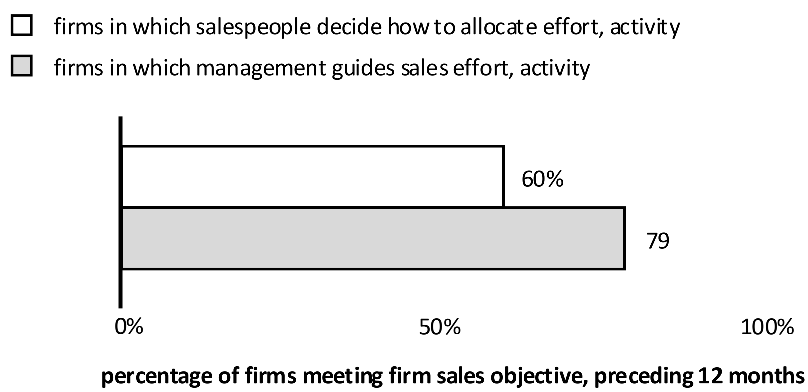
Salesperson decision-making autonomy

The typical sales organization operates somewhere between full salesperson autonomy and a sales force completely guided by management. We examined the degree of salesperson decision making autonomy associated with prioritizing opportunities and allocating sales effort. Forty-one percent of firms describe salesperson effort allocation as a blend of management guidance and individual salesperson discretion.

Thirty-four percent describe salespeople as substantially autonomous — prioritizing effort and opportunities based on their own judgment; 24% percent describe effort allocation as largely management-guided, with limited salesperson discretion. **Fig. 3**.

fig. 4. basis for salesperson effort allocation and its relation to performance

percentage of firms achieving firm sales objective, preceding 12 months



Firms in the latter two categories — those in which management materially shapes how salespeople allocate effort — are more likely to meet the firm sales objective. Seventy-nine percent of management-guided firms met the annual firm sales objective, compared with 60% of firms in which salespeople operate with substantial autonomy. **Fig. 4**. Firms in which management guides salesperson effort allocation also see a higher percentage of individual salespeople meeting their own performance objectives (59%, compared with 53% in firms characterized by greater salesperson decision-making autonomy).

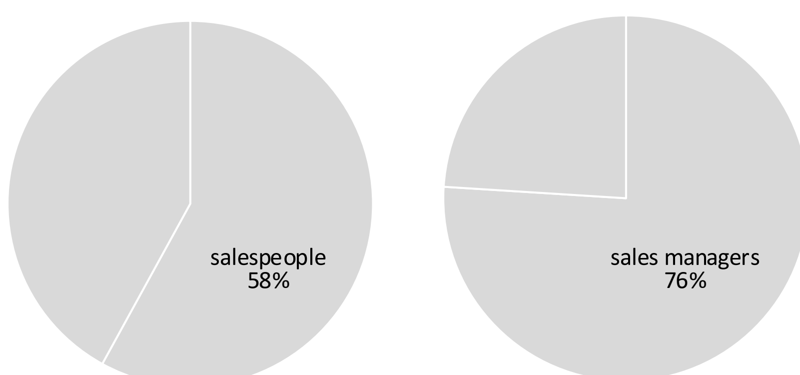
Some sales environments plausibly favor high salesperson autonomy — producer agents in insurance, for example, or specialists whose market knowledge exceeds that of their home office — and our findings are not intended to suggest that salesperson autonomy is universally disadvantageous. The optimal balance of autonomy and direction is highly contextual and dependent on the specific characteristics of a sales organization's markets and work force. The more defensible reading of the data is that autonomy is only as valuable as the underlying salesperson's ability to make consistently good decisions. In the more common case of a typical sales representative selling in a competitive, multi-product environment, granting decision-making authority without providing meaningful direction appears to be the worst of both worlds: the sales organization inherits the variance of individual salesperson judgment without the benefit of coordinated management guidance.

The ability to articulate a coherent plan of action

A useful marker of whether strategy has been implemented at the operating level is whether the people responsible for executing strategy can describe their own. We asked respondents whether their salespeople and their sales managers could articulate a coherent plan of action for achieving a specific, quantified sales performance objective. Fifty-eight percent of firms said that most of their salespeople could do this. Seventy-six percent said the same of their sales managers. **Fig. 5**.

fig. 5. who can articulate a coherent plan of action to achieve their performance objectives?

percentage distribution of firms

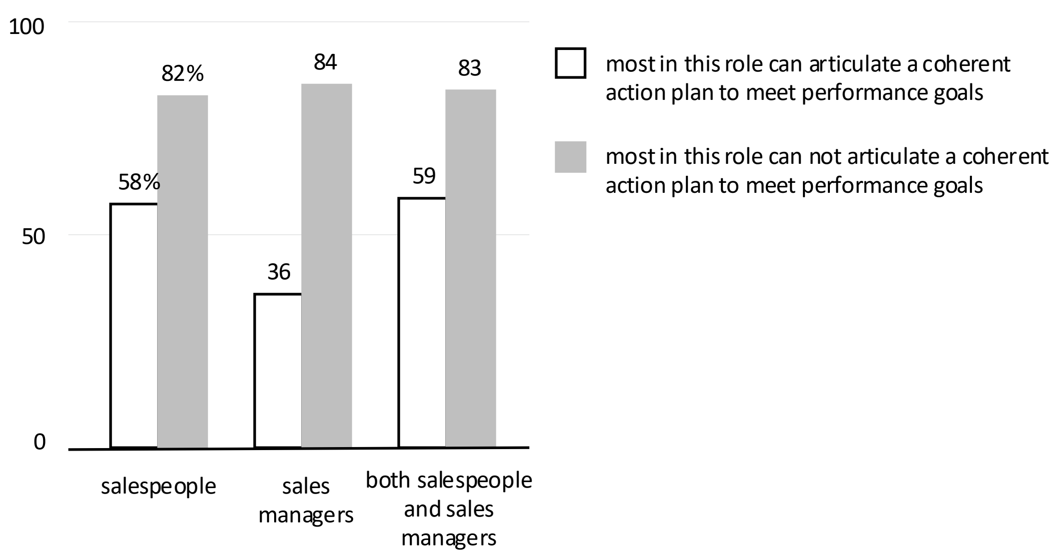


We find sales managers' ability to articulate ground-level strategy is most correlated with firm sales objective achievement. In firms where salespeople can articulate a coherent action plan, 82% met the firm sales objective, compared with 58% in firms whose salespeople cannot. In firms whose sales managers can articulate a coherent action plan, 84% met the firm sales objective, compared with just 36% in firms whose sales managers cannot. Firms in which both salespeople and sales managers can articulate a plan met the sales objective 83% of the time. Notably, the productivity uplift from having salespeople who can articulate strategy is largely contingent on sales managers who can do the same: sales manager articulation appears to be the more predictive of the two. **Fig. 6**.

Considered together, these findings suggest three markers of a firm's positive prospects for implementing strategy through the sales organization: individual goals are assigned and emphasized, management actively directs salesperson opportunity prioritization and effort allocation, and both managers and salespeople can describe coherent action plans aligned with strategy execution. Firms that combine these three practices are unusually likely to meet the firm sales objective. Firms that do none of them are unusually unlikely to.

fig. 6. coherent sales plan articulation and sales productivity

percentage of firms achieving firm sales objective, preceding 12 months



STRATEGY IMPLEMENTATION REQUIRES CHANGE LEADERSHIP

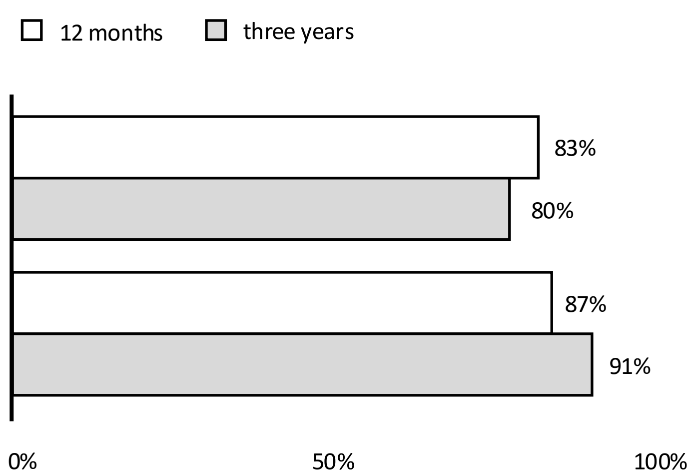
Sales organizations are change-intensive environments, and executing strategy in a change-intensive environment is, in a meaningful sense, a function of how well organizations can implement change.

The scale of change

Respondents were asked to characterize the degree of change their sales organizations experienced over the past twelve months and the past three years, and to project the degree of change they expect over the next twelve months and the next three years. Eighty-three percent describe the past twelve months as a period of substantial change, and 80% say the same of the past three years. Looking forward, 87% expect substantial change over the next twelve months, and 91% expect it over the next three. **Fig. 7**.

fig. 7. past/expected future degree of change in sales organizations

percentage of firms experiencing/expecting a high degree of change



percentage of firms meeting firm sales objective, preceding 12 months

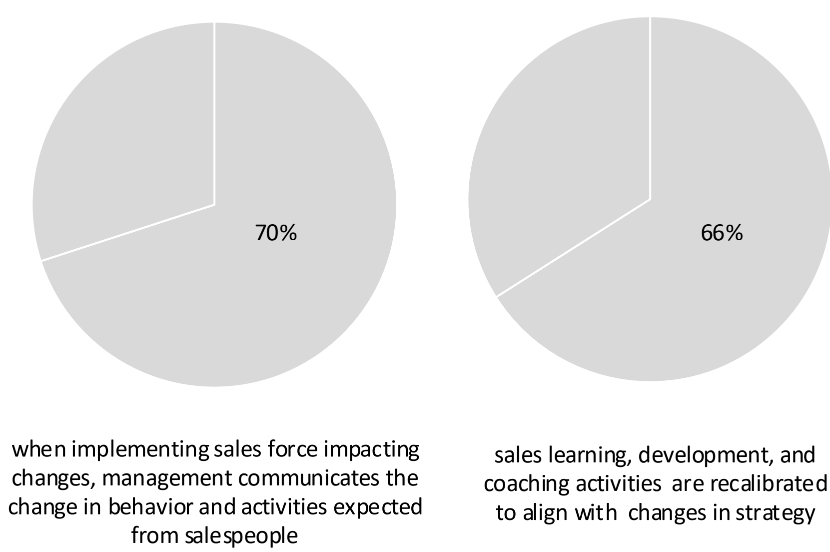
Respondents see more change ahead than they've experienced in the past, and this perception is consistent with past research the SMA has conducted on change management in sales organizations. This perception almost certainly reflects a natural tendency to perceive anticipated change as more impactful than past change[1]. That likely bias notwithstanding, the last several years have imposed a genuinely unusual sequence of exogenous shocks on sales organizations — the pandemic-era disruption of buyer behavior, the ensuing acceleration of virtual selling practices, and now the still-unfolding impact of AI. For our purposes, the more consequential observation is that firms consistently expect the change environment to intensify rather than to moderate. The change-management capabilities described below are best understood in that context.

Two management practices that accompany effective change execution

Two specific change management practices are strongly associated with higher performing sales organizations, and are directly relevant to sales organization's ability to effectively implement strategy. The first is management's communication to the sales organization of how their roles are expected to change in support of strategy. This might be considered a translation capability – management's ability to translate strategy and performance objectives into specific changes in salesperson activity and behavior. Seventy percent of firms report doing this effectively.

fig. 8. translating strategy into sales force priorities

percentage distribution of firms



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[1]For example, *Executing Hard Pivots in Sales Strategy*, Sales Management Association research 2020.

The second practice might be considered an enablement capability; it relates to management's recalibration of sales learning, development, and coaching activities to support expectations new selling activities, behavior, and priorities. Sixty-six percent of firms report doing this. **Fig. 8**.

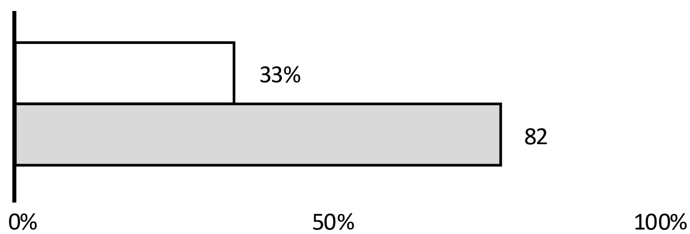
Both practices correlate with sales productivity. Firms that effectively communicate expected behavior and activity changes are approximately 2.5 times more likely to meet the annual firm sales objective; 82% of such firms do, compared with only 33% of firms that do not communicate expected changes. **Fig. 9**.

fig. 9. management communication of expected salesperson behavior change and activities when implementing change, and firm sales productivity

percentage of firms achieving firm sales objective, preceding 12 months

☐ firms in which salespeople decide how to allocate effort, activity

☐ firms in which management guides sales effort, activity



percentage of firms meeting firm sales objective, preceding 12 months

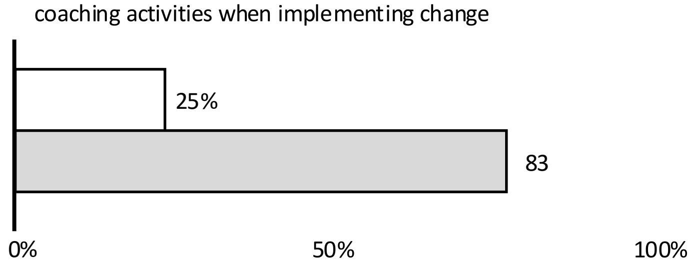
Firms that recalibrate learning, development, and coaching activities alongside change initiatives are more than three times as likely to meet the firm sales objective; 83% do, compared with just 25% of firms that do not attempt such recalibration. **Fig. 10**.

fig, 10. management efforts to align salesperson learning, development, and coaching activities when implementing change, and firm sales productivity

percentage of firms achieving firm sales objective, preceding 12 months

☐ management aligns salesperson learning, development, and coaching activities when implementing change

☐ management does not align salesperson learning, development, and coaching activities when implementing change



percentage of firms meeting firm sales objective, preceding 12 months

These effects merit interpretation. Neither practice is technically demanding — both are, in effect, disciplines of follow-through. That firms which practice them are two-and-a-half to three times more likely to meet the sales objective suggests either that these practices are highly leveraged in themselves, or that they are the visible surface of a deeper set of management capabilities that reliably accompany effective sales strategy execution. Either interpretation supports the same practical conclusion: change initiatives in sales organizations succeed or fail largely on the basis of how their behavioral implications are communicated to salespeople and how quickly the surrounding learning and coaching infrastructure adapts to the new expectations.

SALES STRATEGY'S UNDERLYING MANAGEMENT DECISIONS AND FIRM CAPABILITIES

The final line of inquiry in this study examines the range of management decisions and firm capabilities that represent sales strategy's foundational inputs. Fifteen such elements were considered, spanning market and buyer definition, sales process design, seller deployment and development, and performance measurement and incentives. Respondents were asked, for each element, both how important it is to their firm's ability to develop sales strategy, and how effective their firm is at executing it.

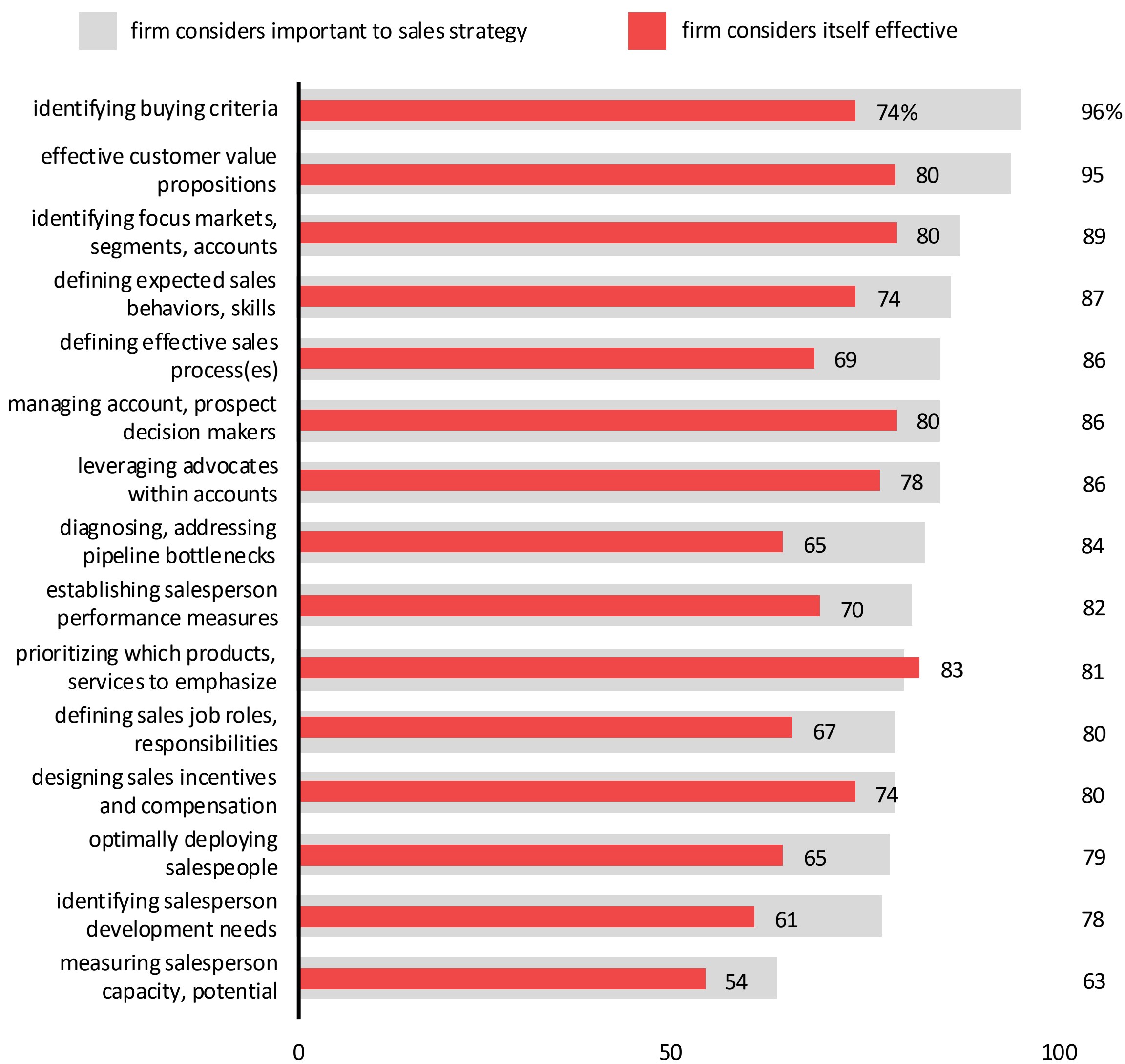
What firms consider important

Every one of the fifteen elements is considered important by a majority of firms, and fourteen of the fifteen are considered important by more than three-quarters of respondents. The most widely endorsed elements are those closest to market and buyer definition: identifying buying criteria (96%), articulating effective customer value propositions (95%), identifying focus markets, segments, and accounts (89%), and defining expected sales behaviors and skills (87%). Elements related to process, deal management, and performance definition cluster in the middle of the ranking. The single element considered important by fewer than three-quarters of firms is measuring salesperson capacity and potential (63%).

A finding in itself is the high ratings of importance given to the breadth of topics presented. Firms that manage strategy well are not managing one thing well; they are integrating decisions across an unusually broad range of interdependent capabilities. Any framework that reduces strategy to a small number of core levers is likely to understate the actual scope of managerial coordination the discipline requires. **Fig. 11**.

fig. 11. strategy elements' importance to sales organization strategy, and firm effectiveness by element

percentage of firms



Where importance and effectiveness diverge

Firms are consistently less likely to rate themselves effective in these elements than they are to consider them important. Gaps of ten percentage points or more are common. The largest gaps between importance and effectiveness appear in the elements most closely tied to buyer understanding and pipeline execution: identifying buying criteria (74% effective vs. 96% important), diagnosing and addressing pipeline bottlenecks (65% vs. 84%), defining effective sales processes (69% vs. 86%), and identifying focus markets, segments, and accounts (74% vs. 89%). Effectiveness is also modest for the capabilities that support salesperson development: identifying salesperson development needs (61% effective) and measuring salesperson capacity and potential (54% effective). Fig. 11.

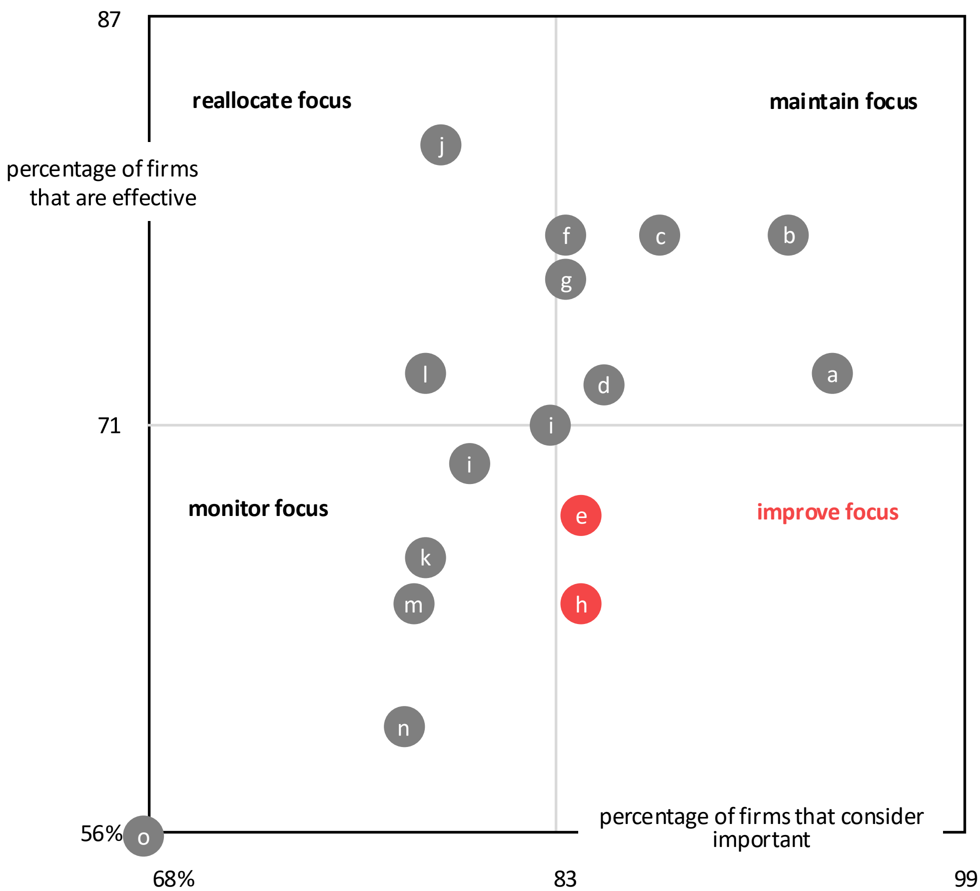
A single element bucks the pattern: prioritizing which products and services to emphasize, on which 83% of firms consider themselves effective against 81% who consider the element important. This is the only element in the set on which firms rate their effectiveness higher than their perceived importance of the element. The result may reflect the relative concreteness of product prioritization decisions compared with the more diffuse capabilities elsewhere on the list, or the fact that product prioritization is often driven by product management and marketing rather than by sales strategy per se. In either case, it is an anomaly worth noting.

Priority improvement opportunities

Plotting each element on a two-dimensional grid — importance on the horizontal axis, self-assessed effectiveness on the vertical — provides a way to identify elements representing the most important improvement priorities for the typical firm, assuming our composite ratings of all respondents are representative. Elements that fall in the high-importance / low-effectiveness quadrant are those where firms have the most to gain from directed investment. Using the sample averages of importance and effectiveness as the quadrant boundaries, two elements fall into the improvement quadrant: defining effective sales processes, and diagnosing and addressing sales opportunity pipeline bottlenecks. **Fig. 12**.

Both are consistent with what sales effectiveness professionals have often identified in our past research as persistent operational concerns. Notwithstanding the many improvement priorities a given firm might reasonably consider, the two elements identified here are, on average, the ones which yield the greatest payoff for investments in improvement relative to current effectiveness.

fig. 12. strategy elements' importance to sales organization strategy, and firm effectiveness by element



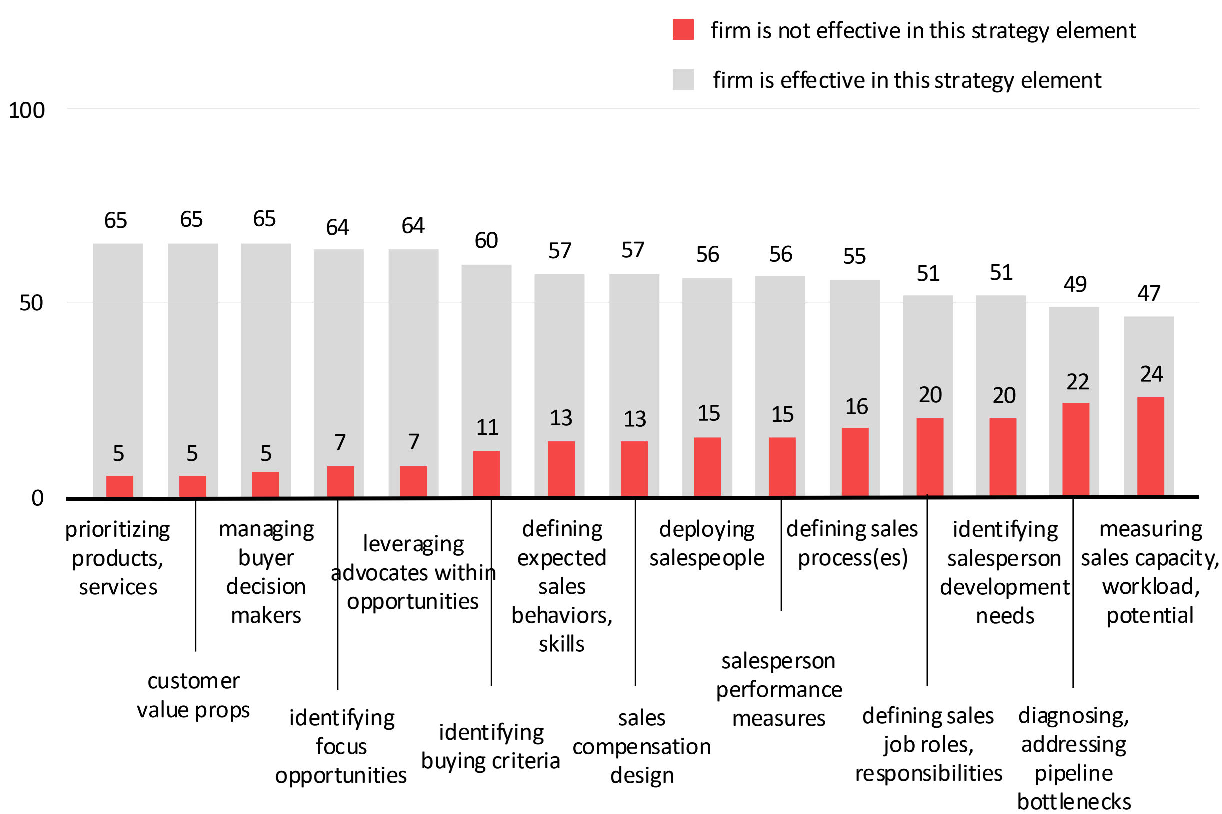
a- identifying buying criteria
b- effective customer value propositions
c- identifying focus markets, segments, accounts
d- defining expected sales behaviors, skills
e- defining effective sales process(es)
f- managing account, prospect decision makers
g- leveraging advocates within accounts
h- diagnosing, addressing pipeline bottlenecks
i- establishing salesperson performance measures
j- prioritizing which products, services to emphasize
k- defining sales job roles, responsibilities
l- designing sales incentives and compensation
m- optimally deploying salespeople
n- identifying salesperson development needs
o- measuring salesperson capacity, potential

Effectiveness and sales productivity

The importance of each strategy element, based on its relationship to firm-level sales productivity, is notable. Considered independently, firms that are effective in any one of the 15 elements are much more likely to meet the firm sales objective than firms that are not. For several of the highest-impact elements, the productivity differentials are stark: firms that are ineffective in prioritizing products and services, articulating effective customer value propositions, or managing buyer decision-makers meet the firm sales objective in only 5% of cases, compared with 65% of firms effective in each of those elements. **Fig. 13**.

fig. 13. firm effectiveness in specific strategy elements, and sales productivity

percentage of firms achieving firm sales objective, preceding 12 months



SUMMARY OBSERVATIONS

Three broad conclusions emerge from the research.

First, sales strategy execution depends on both translating and supporting strategic goals in terms relevant to sales force activities and expectations. Three markers for these capabilities: high importance placed on individual salesperson goal achievement, active management guidance to salespeople on how best o allocate effort and prioritize opportunities, and sales managers who can articulate a coherent plan of action. Firms that do these things are much more likely to achieve the firm sales objective. The uplift is present in each practice individually and appears to compound when the practices coexist.

Second, change-management discipline is one of the strongest observed predictors of sales productivity. Firms that translate change initiatives into specific expected behaviors for salespeople, and that recalibrate learning and coaching to match, are two-and-a-half to three times more likely to meet the annual firm sales objective. In a change-intensive environment where change intensity is expected to increase, the ability to anticipate and implement changes in the sales organization is essential to sales strategy execution.

Third, two capabilities stand out as the most valuable improvement priorities for the typical sales organization: defining effective sales processes, and diagnosing and addressing sales opportunity pipeline bottlenecks. Both fall in the high-importance / low-effectiveness quadrant of the research, and both are closely enough related that a firm investing in one is likely to strengthen the other. For the average firm, these two capabilities offer the most promising near-term return on directed management attention.

Taken together, these findings reinforce a view of sales strategy effectiveness hinged on operating competence and the practical details of implementing change in terms relevant to ground-level salespeople. The firms that outperform in this study do so not by virtue of a more insightful strategic thesis but by executing an integrated set of ordinary management disciplines — goal-setting, guidance, articulation, communication, coaching alignment, process design, and pipeline oversight — more consistently than their peers.

IGNITE SELLING'S TAKE: OUR UNDERWRITER'S VIEWPOINT

By Steve Gielda, Ignite Selling Co-Founder and Principal Partner

Poorly designed strategy rarely undermines sales force performance, but badly strategy often does. Why do so many sales organizations struggle to make strategy manageable at the operating level?

The answer lies in two requirements for executing strategic changes in the sales organization, often overlooked by sales management: translating strategy into the objectives, activities, and behaviors expected of salespeople, and clearly identifying how the sales organization's current objectives, activities, and behaviors must change in support of new strategic goals. Getting the strategy right has less to do with a smarter strategic thesis and more to do with whether leaders can put that strategy into everyday language and coach their teams to execute it.

Consider this key finding: just 58% of firms say their salespeople can describe one of their firm's key sales strategies. Years ago, a researcher stood outside sales training classrooms and asked reps why they were there. Most couldn't answer beyond "it's Wednesday at two o'clock." We still run that test with clients today, and the results haven't changed much. When a salesperson can't answer, it's tempting to conclude they need more training, but that's rarely the real gap. Most reps have already been taught the critical skills to be successful, things such as knowing how to manage multiple influencers or handle objections; what they haven't been taught is how those skills map to this year's strategic priorities. The fix isn't a new curriculum; it's a clearer translation and alignment of those skills to the current sales strategies.

This insight points to a related blind spot. A firm can communicate a new sales strategy and still fail to execute it, because communication and accountability aren't the same thing. Telling salespeople what's changing is necessary but not sufficient; someone has to reinforce it, coach it, and follow up when it doesn't happen. Firms that get this right build reinforcement into how they manage, not just how they announce.

The pipeline findings in our research are a version of the same problem at the process level. Ask five salespeople what has to happen to move a deal from one stage to the next, and you'll rarely get five consistent answers. That inconsistency, not a flawed process, is usually what stalls the pipeline. Firms don't need to redesign their sales process; they need to clearly define each stage in specific, coachable, behavioral terms, drawn from what their best performers already do.

The through-line: strategy execution is a translation and coaching problem, not a design problem. Leaders who want a quick read on where they stand should ask their sales managers, not just their salespeople, to state the organization's top two sales strategies and why they're important. In the gap to those answers lies the opportunity.

About Ignite Selling

Ignite Selling is a leading global sales enablement and performance improvement company, enabling businesses to exceed their revenue goals by improving critical on-the-job behaviors through sales simulations and strategic sales coaching. Our simulation-based learning solutions help sales teams apply and adopt the strategic and tactical skills needed for success.

Our programs use interactive Learning Maps and Competitive Sales Simulations in both virtual and classroom environments to give learners an engaging and relevant learning experience that prepares them for real-world situations.

With focus on igniting and inspiring sales teams to take their performance to the next level, Ignite Selling has been recognized in recent years as one of the industry's top sales training and performance improvement firms.

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RESPONDENT DEMOGRAPHICS

fig.14. respondents' firm revenue, us$millions

percentage distribution of respondents

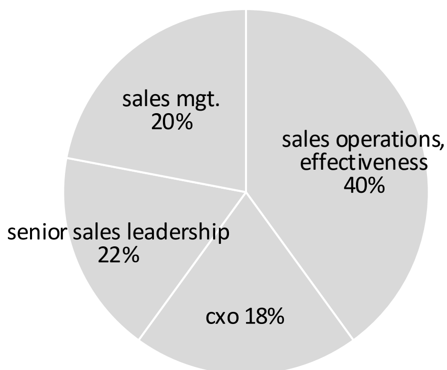
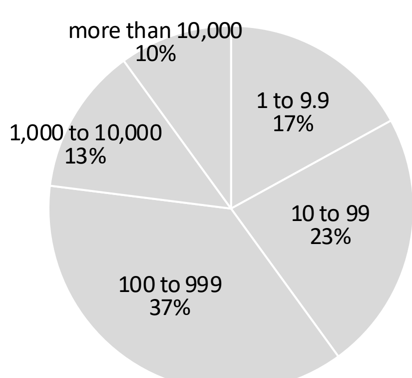


fig. 15. respondents' job role

percentage distribution of respondents



Findings reported in this study draw on responses from 97 management-level practitioners in sales effectiveness and sales leadership roles. Non-managers, firms with annual revenues below US$1 million, and firms marketing services to sales organizations were excluded from the sample.

By functional role, respondents are concentrated in sales operations and sales effectiveness (40%), followed by senior sales leadership (22%), sales management (20%), and CXO roles including chief sales officer and other C-suite positions (18%). The combined "sales leadership" grouping — sales management plus senior sales leadership — represents 42% of the sample. **Fig. 14**.

Participating firms range in size from small to very large, with a distribution skewed toward mid-sized and larger organizations. Thirty-seven percent of respondents' firms report annual revenues between US$100 million and US$999 million; 13% report annual revenues between US$1 billion and US$10 billion; and 10% report annual revenues above US$10 billion. In aggregate, 60% of respondent firms report annual revenues in excess of US$100 million. The remaining 40% of firms report annual revenues between US$1 million and US$99 million (17% between US$1 million and US$9.9 million, and 23% between US$10 million and US$99 million). **Fig. 15**.

Sample size limits the granularity with which findings can be segmented. Where segmentation is presented in the report, sample sizes are sufficient to support the comparisons made; more fine-grained analysis by industry, revenue band, or salesperson count is reserved for future editions of this research as the sample base expands. **Fig. 16**.

Most respondent organizations met or exceeded their firm sales objective in the preceding 12 months; 57% exceeded objective, and 17% met objective; 27% of firms failed to meet the firm sales objective over this time period.

Firm distributions of sales objective achievement exhibit a bell-shaped distribution. **Fig. 17**.

fig. 16. firm sales objective achievement, preceding 12 months

percentage distribution of firms

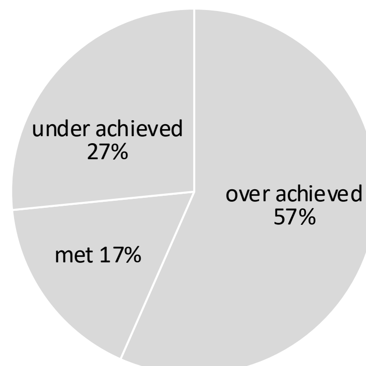


fig. 16. firm sales objective achievement, preceding 12 months

percentage distribution of firms