BrightHire

State of Sales Hiring Report

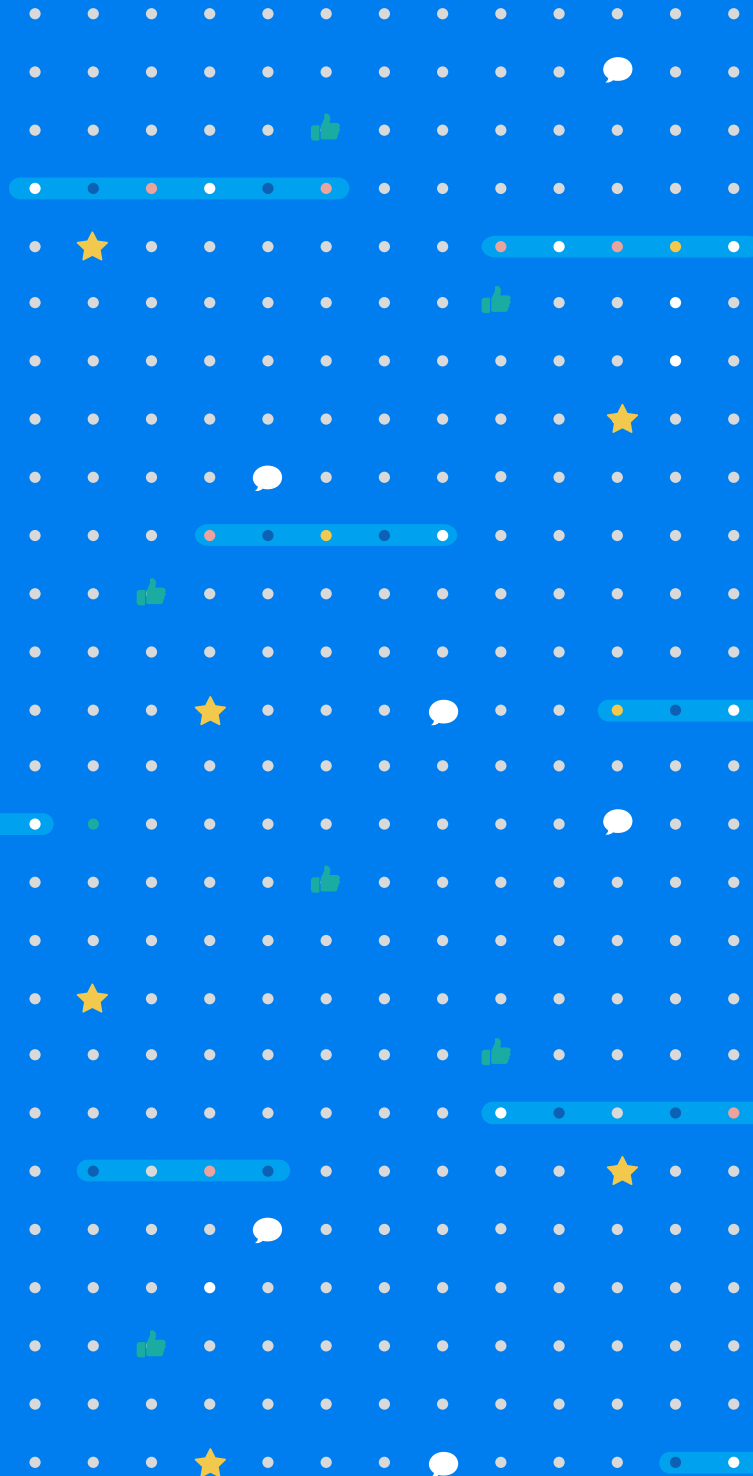## 2022

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Introduction

The best Account Executives possess a combination of hard and soft skills that fuel their excellence. Companies invest millions of dollars in their growth and performance through robust enablement programs, and incubate future closers in business development functions. But what exactly defines a great AE, and how can companies properly vet these traits in the interview process?

BrightHire partnered with Pavilion to survey sales leaders and identify trends in AE hiring and interview processes. Respondents were predominantly leaders at technology companies spanning a wide range of company sizes and average sales prices. We asked them how they prioritize hiring, key components of their hiring process, top traits in successful AEs and the consequences of a mishire.

▲ **Pavilion**

In this report, you'll find

- Benchmarks on how sales leaders are prioritizing hiring

- An in-depth view of AE hiring processes

- Tips for identifying the best AEs
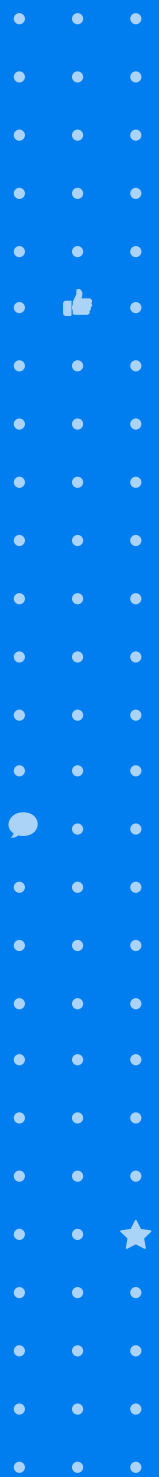
About BrightHire

BrightHire's interview intelligence platform helps business leaders elevate the speed, quality, and fairness of their hiring processes. Built seamlessly on top of the tools teams already use, our platform automatically records and transcribes interviews in order to unlock efficiency and collaboration across hiring teams and support every hiring decision with evidence. BrightHire is advised by renowned organizational psychologist Adam Grant, and backed by Laszlo Bock, Jeff Weiner, Rosanna Durruthy, and the investors behind Figma, Slack, Dropbox and Gong.

Want to learn more? **Schedule a demo** with the BrightHire team today.

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Executive Summary

Our survey identified the following trends in Account Executive hiring:

- **Prioritization:** 91% of sales leaders reported that hiring is one of their top 5 priorities and 60% of leaders spend more than 3 hours per week on hiring activities.

- **Interview Process:** 79% of respondents indicated that their hiring cycles include 3-4 rounds of interviews. The typical interview loop includes sales management, Account Executive peers and cross-functional senior leadership. In small companies, the CEO is involved in the interview process 69% of the time.

- **Interview Activities:** 70% of Account Executive candidates are asked to prepare a mock sales pitch or role-play exercise in their interviews. 50% are tasked with a homework assignment.

- **Sign Off Decisions:** Final sign off on AE candidates is most often the responsibility of senior sales leadership rather than direct managers.

- **Sought-after AE traits:** The most sought-after traits in AEs are communication skills and curiosity/continuous growth. The top AEs also demonstrate grit and resilience.

- **Hiring Mistakes:** 52% of respondents shared that one AE mishire carries a cost of more than $100K. The most common cause of these hiring mistakes is the difficulty in measuring intangibles (like grit and adaptability) during the hiring process.

- **Recording Interviews:** 85% of sales leaders are considering recording their interviews to improve their hiring process.

Leadership Priorities

Leaders at high-growth companies naturally spend a lot of time building and developing their teams. While the amount of time spent on hiring will depend on your capacity plan and hiring goals, sales leaders should expect to invest meaningful time and effort into the process.

According to our survey, **91% of sales leaders reported that hiring is one of their top 5 priorities** and 60% of them spend over 3 hours per week on hiring activities.

Most frequently, senior leaders and middle management spend between 3-5 hours per week on hiring activities.

60%
of sales leaders spend

3
or more hours per week on hiring

91%
Regard hiring as one of their top 5 priorities

Anatomy of the Account Executive Hiring Process

What is included in the hiring process from start to finish?

1 Number of Interviews

2 Ideal Interview Panel

3 Interview Activities

4 Final Sign Off

Process Snapshot

A well-defined interview process helps you move candidates through the pipeline faster, better identify a quality hire, and maintain the consistency that lays the groundwork for equitable hiring. This includes a sensible number of interview stages and sessions, a thoughtfully selected team of interviewers, hiring activities that surface qualities and competencies, and a clear understanding of who has final sign off.

- Most AE hiring cycles have 3-4 rounds of interviews, with 3-6 individual interviews.

- Your interview panel is most likely made up of a senior sales leader and sales managers. You may also include peers and a leader from another function in the company. If you have fewer than 100 employees, your CEO is likely involved as well.

- It's standard practice to include a mock sales pitch or role play and reference checks in your interview process.

- It's not uncommon to require a "homework" assignment, such as a prospecting exercise or email writing sample, but most leaders don't view this work as the biggest indicator for AE success.

- At smaller companies, the head of sales or direct manager for the position usually has final sign off on the role. As companies grow, it's often a senior leader (not the head of sales) on the sales team who gives final sign off.

1 Number of Interviews

79%

of respondents indicated that their hiring cycles have 3-4 rounds of interviews

Companies with less than 100 employees were more likely to have just 3 rounds in their process (47%), while most other segments favored 4 rounds.

The total number of individual interviews in the process range between 3 and 6. 49% of respondents reported 3-4 interviews, while 42% reported 5-6 total interviews.

Rounds of Interviews Conducted

Rounds	%
2	5%
3	39%
4	40%
5	16%
6+	1%

% of respondents

Total Interviews Conducted

Interviews	%
1-2	1%
3-4	49%
5-6	42%
7-8	9%

% of respondents
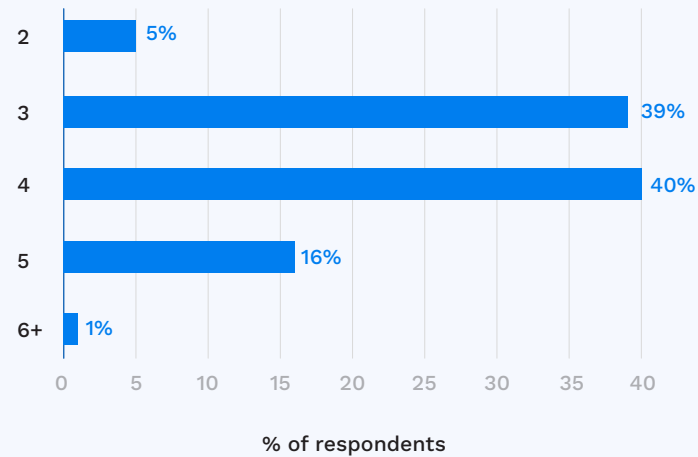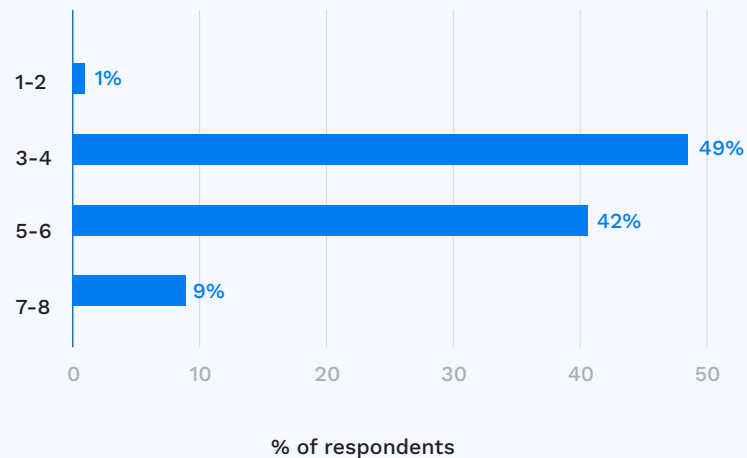
Takeaway

In a candidate's market, every day matters.
Every round of interviews gives another company
time to make a competing offer.

Additional interview rounds should be scheduled
only when it's absolutely necessary to gain
additional information about a candidate, or if
there's a clear discrepancy on the hiring team
about a candidate's suitability for a role.

To speed up the process (and gain a competitive
advantage), identify the unique information you
want to get out of each interview round ahead
of time.

Map out the key competencies and traits of the ideal candidate for the role.

Well-defined interview questions that align with each of these competencies help you extract the best information and avoid repetitive questions. For example, if the role requires a great deal of ownership, select two to three questions that can shed light on that trait.

Distribute the competencies across your hiring team, stack ranked by importance, and share them in a kickoff meeting for the interview process.

Try to be specific about what interviewers should or shouldn't do. For example, emphasize why it's unproductive for a candidate to answer the question "Why do you want to work here?" five separate times.

Set clear expectations with your interview team about what each person is screening for.

Be sure the team knows what their responsibility is, going so far as saying, "Your goal in this interview is to ascertain whether this candidate is [insert important trait or competency here] and has exhibited the trait in previous roles."
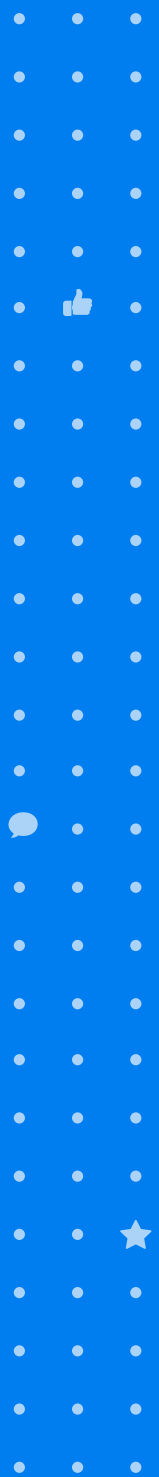
2 Ideal Interview Panel

When it's time to put together your hiring bench - the colleagues who will interview your AE candidates - who do you choose? Executive leadership, managers, peers, teammates in other departments, and even the CEO are frequently involved.

Sales Leadership

In smaller companies, senior leadership is often involved in AE hiring decisions. As company size grows, it's more common to see managers involved, and less common to see senior leadership involved.

The CEO

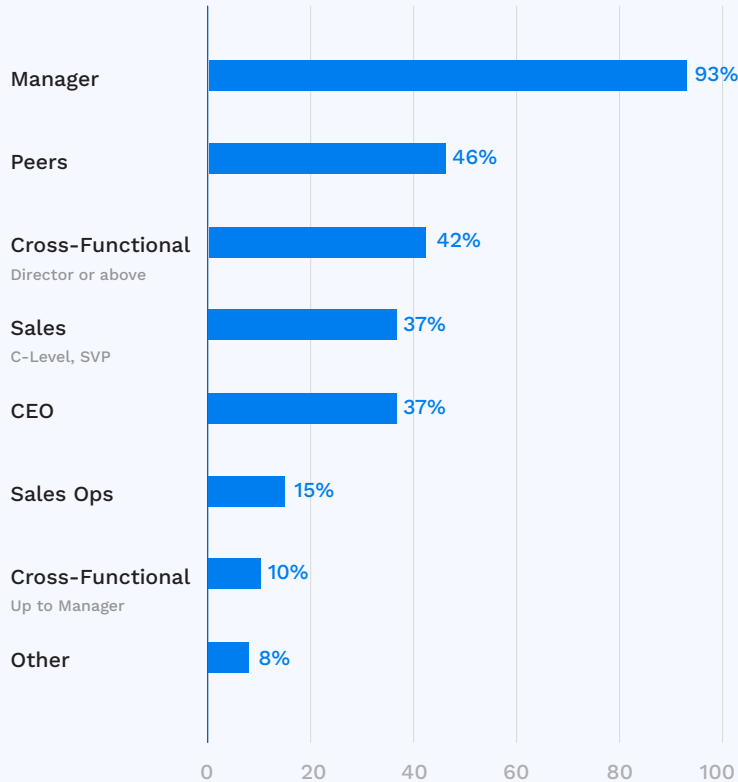How often is a CEO involved in AE interviews? Overall, 37% of respondents reported that CEOs interview AEs. When we looked at the data by company size, we found that CEO involvement takes a nosedive above 100 employees.

In companies with 0-99 employees, CEOs are involved 69% of the time. This drops to about 25% of the time in companies with 100-499 employees and 500-999 employees. Above 1000, the CEO was never involved.

Who interviews candidates?

Role	Percentage
Manager	93%
Peers	46%
Cross-Functional (Director or above)	42%
Sales (C-Level, SVP)	37%
CEO	37%
Sales Ops	15%
Cross-Functional (Up to Manager)	10%
Other	8%

Peers

Peers are involved in the AE interview process 46% of the time. Across different company sizes, this varied slightly, but overall, it's fair to say that AEs interview other AEs in about half the companies surveyed.

Cross-functional Involvement

When cross-functional colleagues are involved in AE interviews, they are usually director-level or above. Cross-functional leaders are included 42% of the time, while more junior colleagues are only included 10% of the time.

Ideal Interview Panel

Takeaway

At companies with over 100 employees there are usually senior sales leaders that are qualified to make hiring decisions, **plus CEO scheduling can start to cause a bottleneck.** Other key partners for interviewing are sales managers, peers and cross-functional leaders.

The interview panel for small startups (<100 employees)

CEO
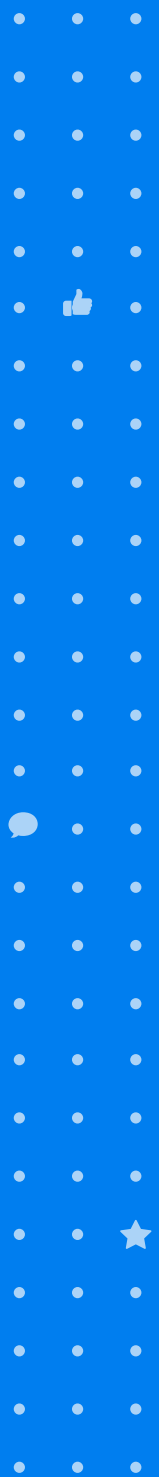
69%

Senior Sales Leader

44%

Manager

82%

Peers

47%

Cross-functional Leader

42%

3 Interview Activities

What are the core components of the AE hiring process, and which of these components provide the most signal about whether a candidate has the right skills and traits to be a successful AE hire?

70% of all respondents have a mock sales pitch or role-play exercise, an activity that 38% of respondents agree gives the most signal about whether a candidate will be a successful hire.
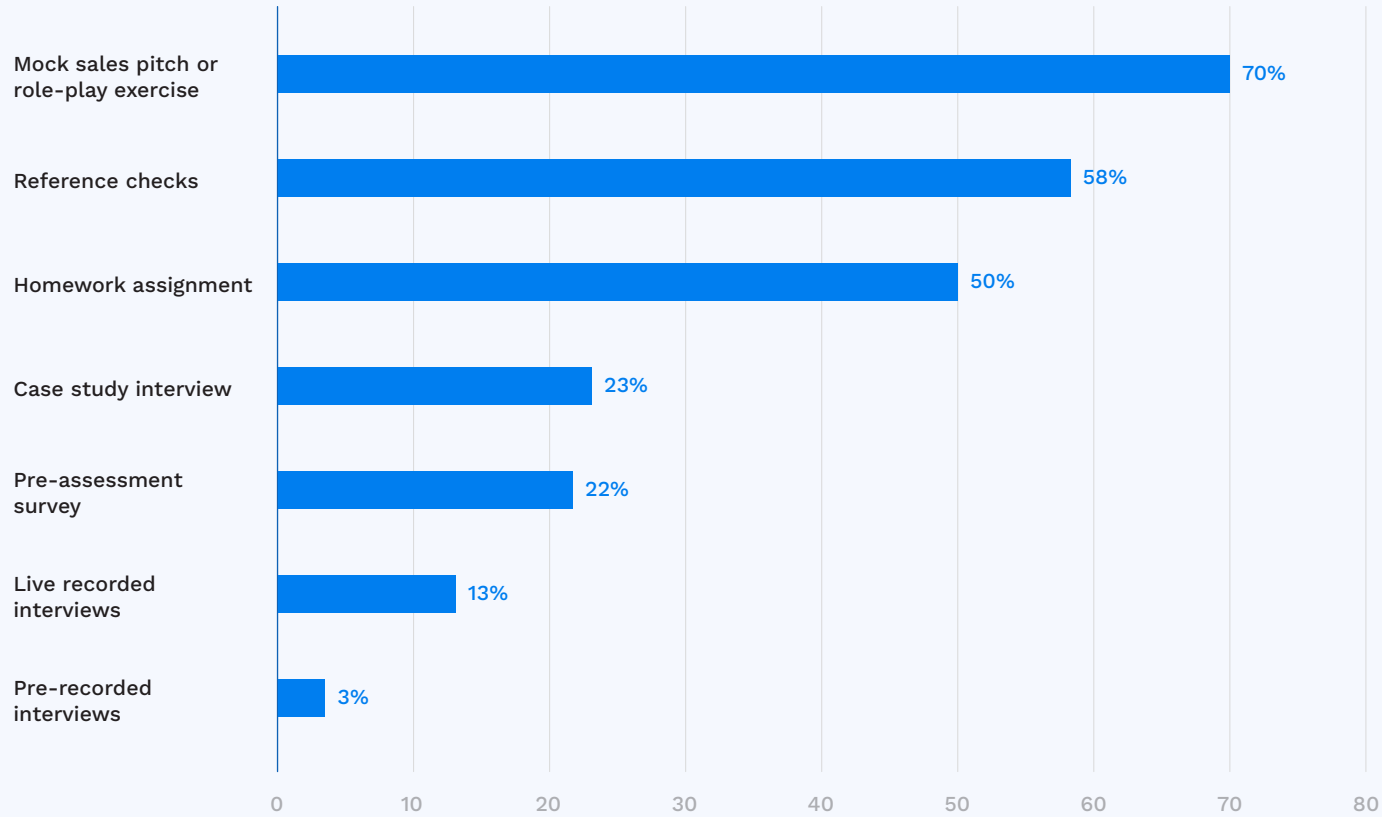
Other frequent components in the hiring process include reference checks, which 58% of respondents include, and a homework assignment, such as a prospecting exercise or outreach email (50%). Pre-assessment surveys (skills or IQ tests) and case study interviews to test analytical skills were also common (22% and 23% respectively).

When asked where in the hiring process they get the most signal about whether a candidate has the right skills to be successful, 47% of respondents noted behavioral interviews with the hiring team. As mentioned above, this was followed by the mock sales pitch (38%), and the homework assignment (6%).

Which of the following are part of your hiring process?

Activity	Percentage
Mock sales pitch or role-play exercise	70%
Reference checks	58%
Homework assignment	50%
Case study interview	23%
Pre-assessment survey	22%
Live recorded interviews	13%
Pre-recorded interviews	3%

Finding the Signal

We also analyzed where in the process senior leadership gets signal in comparison to middle management. Senior leaders turn more to the mock sales pitch (43%) over behavioral interviews (40%). This shifts dramatically in middle management, where 63% rely on behavioral interviews, and only 30% look to the mock sales pitch.
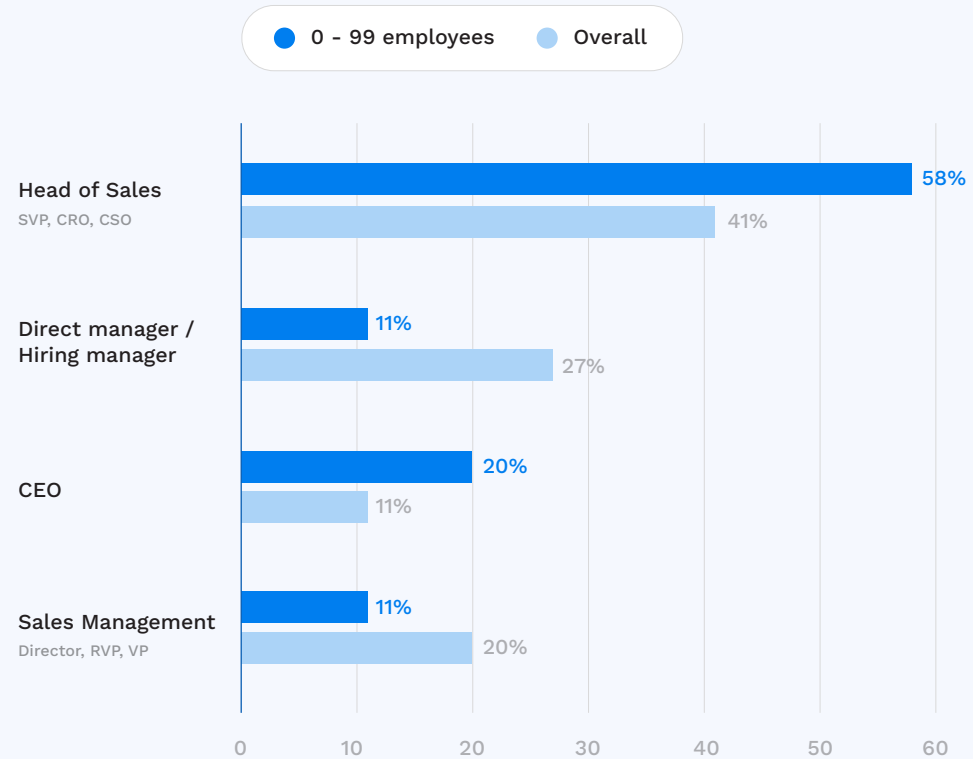
	Senior Leadership		Middle Management
Mock Sales Pitch	43%	−13% →	30%
Behavioral Interviews	40%	+23% →	63%
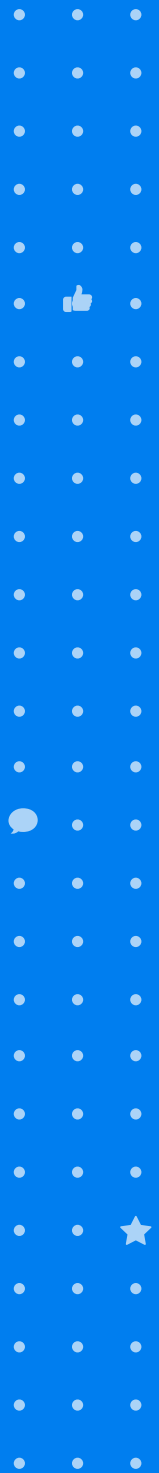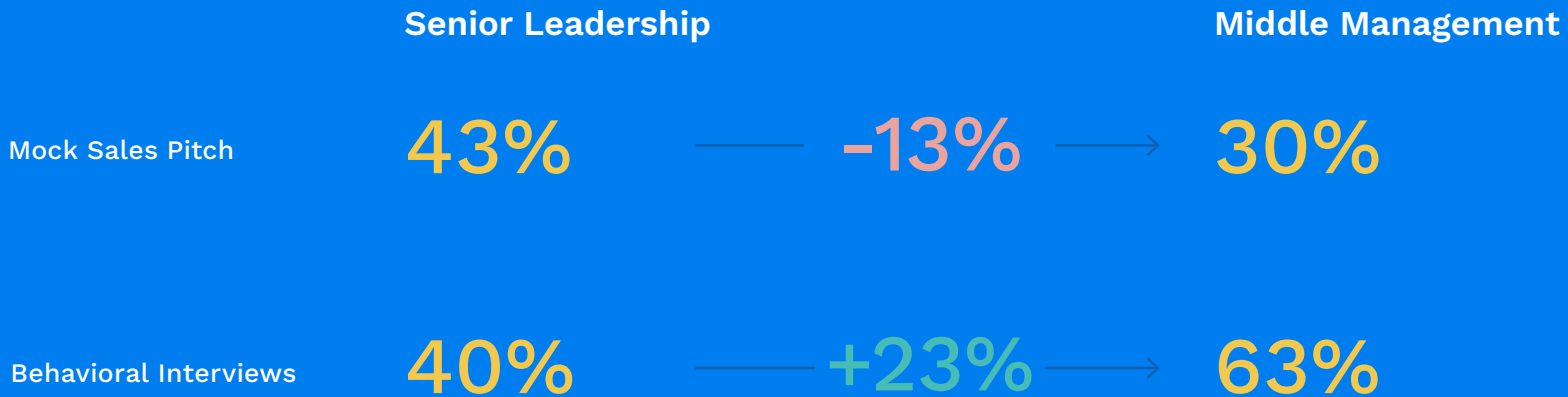
3 Final Sign Off

The head of sales, such as a CRO or SVP, is most often responsible for giving the final sign off on AE hires (41% of the time). 27% of the time, the direct manager has final sign off, followed by other senior sales management such as Directors, RVPs, or VPs (20%). Lastly, the CEO has final sign off 11% of the time.

Breakdown of Final Sign Off

- 0 - 99 employees
- Overall

Role	0 - 99 employees	Overall
Head of Sales (SVP, CRO, CSO)	58%	41%
Direct manager / Hiring manager	11%	27%
CEO	20%	11%
Sales Management (Director, RVP, VP)	11%	20%

When we analyzed this data by company size, the responses shifted. In small companies, with fewer than 100 employees, the majority of AE hires are still approved by the head of sales role (58%). However, the CEO was next likely to have the final say among this sample set, signing off 20% of the time.

> This is likely a reflection of **fewer management layers in smaller teams**, pushing decision-making to the top ranks.

In very early stage startups, the CEO may even directly manage AEs. Alternatively, as company size increases, direct managers and mid/senior sales management more frequently make the call.

Takeaway

It's typical for AEs to be asked to submit homework assignments or complete mock pitches. While these activities require a large time investment on the part of the candidate, the data makes it clear that mock pitches are extremely helpful for leaders in determining candidate success.

Mock pitches illuminate how a candidate runs a sales meeting and provide a preview of their formal presentation skills. It may be more difficult to uncover a candidate's grit and curiosity here, the two traits that respondents reported separate the best AEs from the pack.

How to maximize the signal from your time with candidates

Meka Asonye

Partner at First Round Capital and former sales executive at Mixpanel and Stripe

Meka's Advice

Solicit feedback from candidates after the mock pitch. The exercise can help showcase the candidate's coachability and growth mindset.

"Ask them what they think they did well and what they think they could improve."

The Perfect Account Executive

When asked what "must have" traits they screen for in every hire, **64% of respondents selected communication skills, making it the most sought-after trait. This was closely followed by curiosity/ continuous growth. Rounding out the top five most sought-after traits were grit/resilience, good listener, and accountability.**

Traits that received the fewest responses were people management (0%), quantitative, conceptual thinking, and leadership (all less than 1%). Conflict management (2%), decision making (5%) and time management (8%) were also unpopular.

Top Sought-after Traits in AEs

Trait	%
Communication Skills	64%
Curiosity / Continuous Growth	63%
Grit & Resilience	45%
Good Listener	41%
Accountability	39%
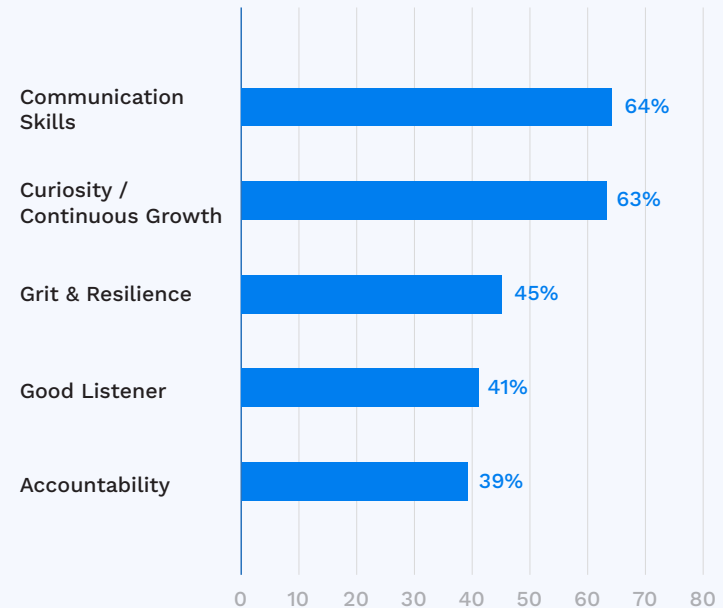
Traits that distinguish the top AEs

What separates the top AEs from all the rest? Curiosity and grit. This was an open text field that allowed respondents to elaborate on their answer. Curiosity appeared in 20% of responses and grit appeared in 16% of responses.

Grit

What exactly is grit? When respondents elaborated on grit, it was accompanied by words like, perseverance, tenacity and resilience. Here were some characterizations of grit:

• Knowing that a 'no' is a pause on the way to 'yes'

• Determination when things are not going well

• Radical persistence

Curiosity

Curiosity also took on a variety of flavors and was coupled with continuous learning and a growth mindset. Answers included:

• Lifelong learner

• Pride about their professional craft as a salesperson to always be improving and learning
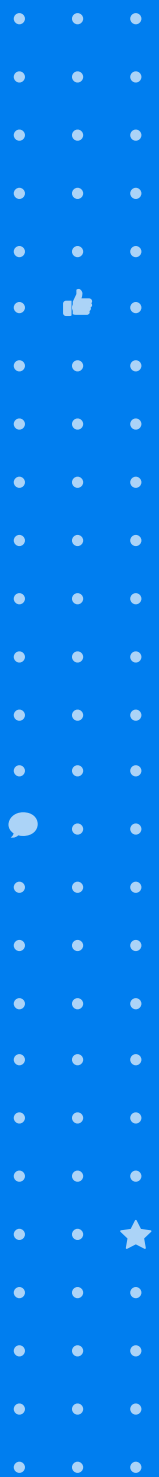
• Willingness to learn and ask questions

"Although I think traits are important, I spend more time on competencies. Identifying what competencies or traits the candidates would need in order to be successful out the gate in the role. And then recognizing what skills or competencies I'm willing to train or teach."

Kimberly Miller

Senior Director of Sales at LinkedIn

Understanding Hiring Mistakes

Respondents agree that AE mishires are costly.

Just how costly? When asked to quantify the cost of a mishire, 80% of respondents believe that a mishire costs the company more than $50K, 52% believe a mishire costs more than $100K, and 15% believe a mishire costs over $500k.

The Cost of an AE Mishire

80%
More than $50K

52%
More than $100K

15%
More than $500K

Your benchmark for mishires

75%

of sales leaders report that at least 1 in 10 AE hires will turnover within a year.

43%

report that 1 in 5 AE hires don't work out.

We then asked respondents to weigh in on the cost components of a hiring mistake.

Here were the cost elements in order of popularity:

- Time and money invested in onboarding and training new AEs (88%)
- Impact on sales attainment due to not having a productive AE in seat (83%)
- Time and money invested in the hiring process (73%)
- Time and money invested in finding their replacement (70%)
- Impact of the time spent trying to turn around their performance (66%)
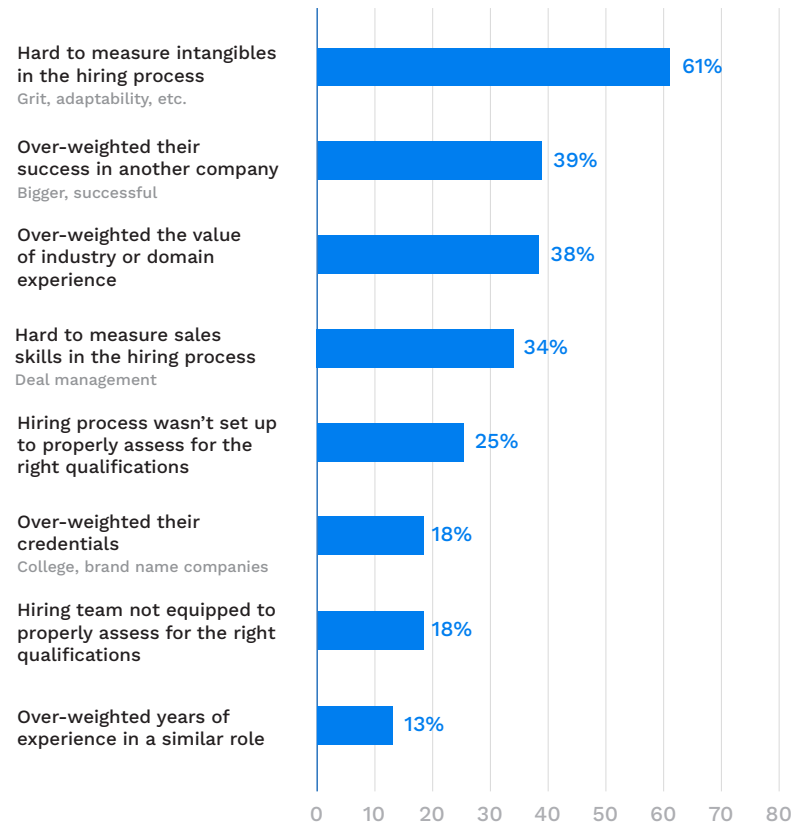- Cost of compensation during the AE's employment with the company (52%)

Why do hiring mistakes happen?

When mistakes happen in the hiring process, look to the interview.

> 61% of of sales leaders believe that the most common culprit of AE hiring mistakes is that **it's hard to measure intangibles like grit and adaptability in the hiring process.**

34% of respondents find it challenging to measure sales skills like deal management as well. Other popular responses included overweighting AE success at another company (39%) and overweighting the value of industry experience (38%). A quarter of respondents agree that hiring mistakes happen because the hiring process wasn't set up to properly assess the right qualifications.

Most Common Culprits for AE Hiring Mistakes

Culprit	Percentage
Hard to measure intangibles in the hiring process — Grit, adaptability, etc.	61%
Over-weighted their success in another company — Bigger, successful	39%
Over-weighted the value of industry or domain experience	38%
Hard to measure sales skills in the hiring process — Deal management	34%
Hiring process wasn't set up to properly assess for the right qualifications	25%
Over-weighted their credentials — College, brand name companies	18%
Hiring team not equipped to properly assess for the right qualifications	18%
Over-weighted years of experience in a similar role	13%

We dug a little deeper and asked respondents to write in the hardest part about identifying great sales talent in the hiring process. It turns out, even mediocre sales reps can sell themselves in an interview. 21% of responses were related to cutting through the fluff and getting a deep understanding of an AE's abilities. 19% of responses related back to intangibles, and understanding how to assess for them in the interview process. Finally, 18% of sales leaders share concerns that even reps with demonstrated success won't necessarily do well in their specific work environment – they won't ramp fast enough with the level of support they're offered, or they won't collaborate well across the team.
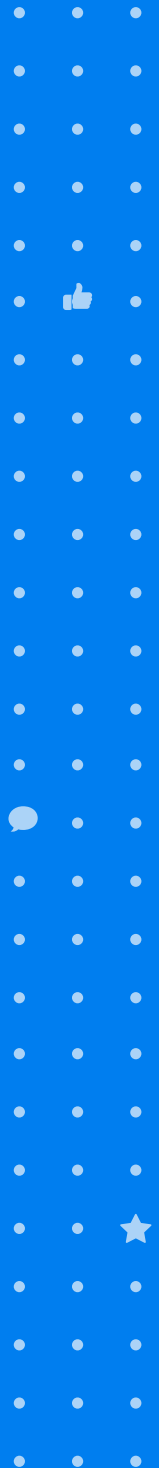
Confidence in the hiring process

While many different people participate in the interview process, it turns out that 75% of sales leaders overall and 77% of senior leaders are only somewhat confident or not confident in their team's ability to assess candidates for the most important traits.

Of those, 22% of senior leaders said that they are not very confident. When asked to self-evaluate confidence, 64% of all respondents and 67% of managers and directors reported that they themselves are only somewhat confident in their ability to assess candidates for the most important skills and traits.

77%

of managers and directors are only somewhat confident in their ability to assess candidates for the most important skills and traits
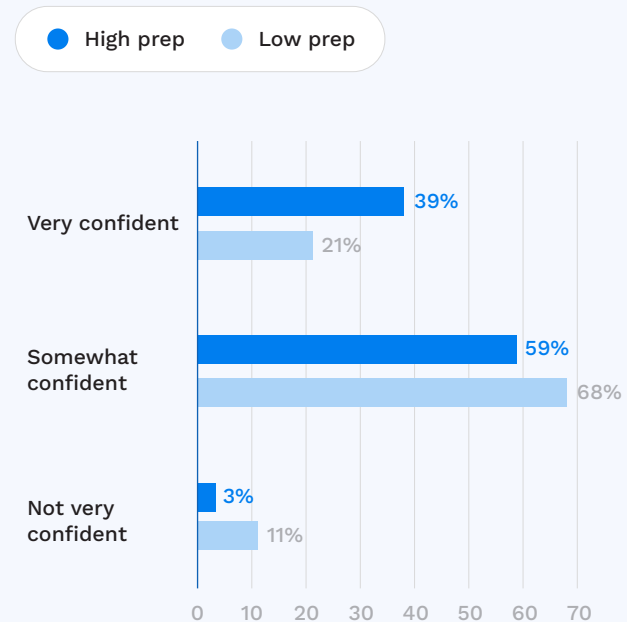
Interview Prep

Effectively interviewing candidates is possibly the most important thing you can do to ensure the successful growth of your company, and yet, interviewers are dreadfully unprepared to do it well. When asked "How are interviewers prepared before they join the hiring process?" respondents said that only 53% are given specific interview questions and 54% said that they give informal interview coaching. More advanced interview training exercises like formal interview training sessions (27%), shadowing other people's interviews (26%) and having their interviews shadowed (13%) occurred much less frequently.

Confidence and Interview Prep

● High prep   ● Low prep

Very confident
- High prep: 39%
- Low prep: 21%

Somewhat confident
- High prep: 59%
- Low prep: 68%

Not very confident
- High prep: 3%
- Low prep: 11%

(x-axis: 0, 10, 20, 30, 40, 50, 60, 70)

When we cross-referenced interview preparation with confidence in the team's ability to hire well, we uncovered that those leaders who work at companies with more intensive and formalized interview prep were much more likely to be confident in their team's ability to hire well. 38% in the intensive interview prep group were very confident, as opposed to 21% in the low interview prep.

Demographics

The survey received 128 responses. Senior leaders made up the bulk of the responses - 64% of respondents were VP-level and above, 31% were sales managers, directors and RVPs and the remaining 5% were AEs or individual contributors.

Company size ranged from SMB to Enterprise, with nearly 39% coming from companies with 100-499 employees, 35% with less than 100 employees, 9% with 500-1000 employees and 17% with greater than 1000 employees. The large majority of respondents work at technology companies (93%), with a small number working at services and consulting companies. Average sales price was predominantly in the $10-50k range (38%) and $50-200k range (33%).

BrightHire

Recording
Interviews

Over 85% of sales leaders are thinking about recording interviews to make their hiring process better, faster and more fair.

BrightHire can help.

Request a demo