

# Sales Pods

Recently it has become very fashionable to create sales pods. Under the pod structure, an AE is teamed with one or more SDRs. The pod then typically operates in a distinct territory.

Under this structure, the SDR would obtain appointments and ensure that they go off for an assigned salesperson. In a more sophisticated system, the SDRs assigned to the pod could be stratified and perform additional duties. For example, a senior SDR might be a team leader or even someone that does initial discovery appointments. Finally, in some cases, pods even handle customer success for closed deals.

## There are many benefits to this approach:

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Since the sales professional lives or dies by the success or failure of the sales development representatives, there is a fairly high probability that the salesperson will take an active role in training and supervising the caller(s).

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Teaming a sales development professional with a sales professional helps make the caller feel like an integral component to the sales process and the sales team. In fact, the callers truly tend to enjoy spending time with the sales professionals and learning from them. As these team members often want to become salespeople in the future, this not only helps attract these professionals to the organization but also helps retain them as well.

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Under the team approach, the salesperson has on tap one or more professionals that have formed a positive relationship with the prospect. Moreover, these individuals are presumably proficient in dealing with these leads. As such, they can truly help the sales professional close more business, especially if they are given more responsibilities.

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As most CRM products have the capability to team callers with salespeople out of the box, it makes the overall lead-distribution process more efficient and effective.

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If multiple products are being sold, the SDR has the ability to pick the product that is best suited for the prospect.

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If customer success is part of the job description, being in a pod makes it easier to upsell and cross-sell as the SDR can take a big piece of the contact burden off the AE.

**While the above reasons are certainly worthy of consideration, there are many negatives associated with a pod-based structure:**

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If the sales development professional is incompetent or his or her performance is subpar, the performance of the sales professional can be significantly degraded through no fault of his or her own.

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The team approach makes the statistical analysis of the performance of both the sales development and sales professional much more difficult because an additional important uncontrolled variable has been added to the mix.

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Inevitably, personnel conflicts will develop. In most cases, except for the most egregious, the sales professional will prevail due to his or her revenue-generation role. This second-class status can negatively impact morale and performance of the sales development professionals.

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If a sales development professional leaves the company, the associated sales professional can suffer a significant loss of earning potential through no fault of his or her own.

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If a sales development professional leaves the company, the revenue goals of the entire company can be negatively impacted, as the entire sales pod in a given territory is now underproductive.

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The sales professional will need to spend time training and working with the sales development representatives, which will negatively impact sales throughput.

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Whatever work the sales development representatives do to assist the sales professional in closing deals will be at the detriment to the overall appointment-generation goals.

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The sales professional will almost always influence the sales development professionals to get “better” appointments. This will result in lower appointment volume and lower sales because it is next to impossible to predetermine with any degree of accuracy which prospect is more likely to close.

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If multiple products are being sold, the SDR(s) have the ability to steer prospects in a certain direction which can negatively influence the performance of other products.

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For the above reasons, we strongly discourage using pods when seeking to scale. Leads that are obtained by the sales development team should be distributed using an algorithm that ensures statistical equality. The simplest way to accomplish this is to use a standard round-robin approach. However, to ensure that the prospect's time constraints are taken into account, it is often important to consider which sales representative is available at any given time and then equalize appointment flow in another manner.

**This approach not only ensures statistical equality, which enables the sales organization to evaluate performance better, but it also improves overall throughput.**