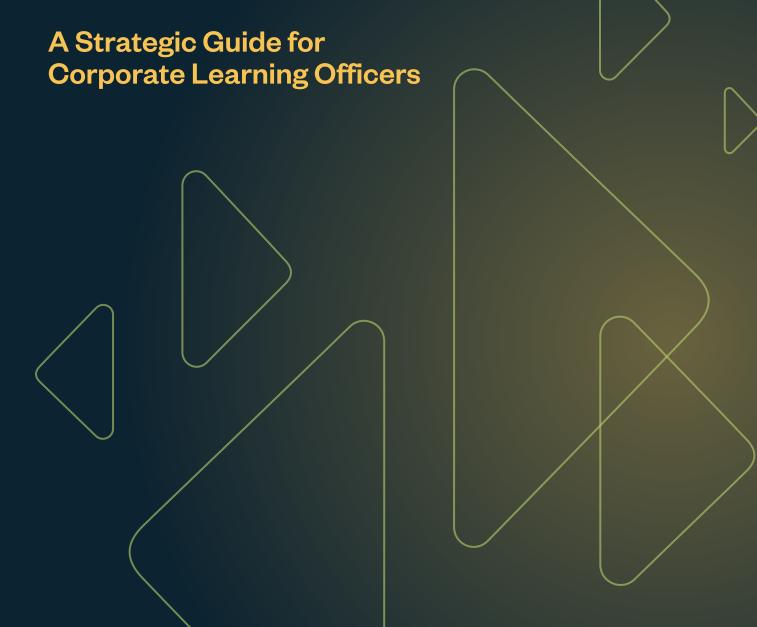
WHITEPAPER

# Connecting Engaged Learning, Time to Proficiency, and Growth





Corporate Learning and Development (L&D) professionals understand that engaged learning accelerates proficiency in critical skills that drive business outcomes. One of the most powerful metrics for CLOs to track is time-to-proficiency—the time it takes for learners to master essential skills. Faster proficiency differentiates your L&D practice and strengthens business impact.

Achieving faster proficiency requires a strategic approach that includes collaboration with stakeholders across the organization. Correlating engagement, proficiency, and business outcomes is worth the effort, as optimizing time-to-proficiency can significantly affect revenue and profitability.

# Setting the Stage: A Sales Effectiveness Use Case



This guide focuses on sales enablement as an example to illustrate how CLOs can measure and correlate indicators of engaged learning with accelerated proficiency and business outcomes. We also explore how onboarding programs and blended learning can enhance these efforts.

Consider an enterprise software sales team of 500 quota-carrying reps, selling a SaaS solution with an average contract value of \$80,000. The average quota per rep is \$600,000. Key performance indicators (KPIs) for this team include close rate, average deal size, time to close, lead conversion rate, and quota attainment percentage. For a CLO, aligning learning initiatives with these KPIs is crucial, as they define the success of corporate learning and development efforts.

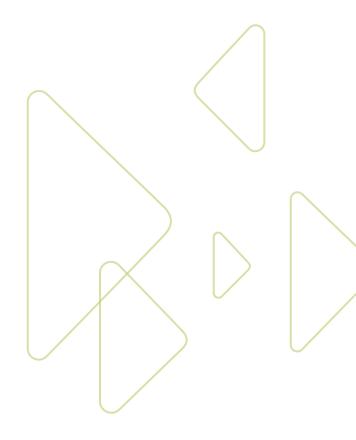
Enterprise SaaS Sales					
Account Executives	500				
Average Contract Value	\$80,000				
Average Annual Quota	\$600,000				

# Proficiency Makes the Difference

Lead distribution and regional differences can influence sales outcomes, but proficiency separates average performers from top sales executives. Proficient sales reps are more profitable, with higher close rates, bigger deals, and more predictable pipelines. L&D can play a pivotal role in fostering the skills, knowledge, and behaviors that drive efficient, predictable, and profitable growth.

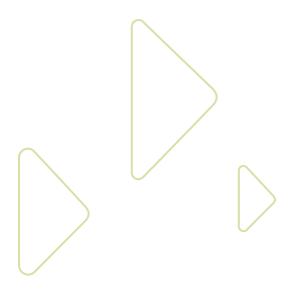
# Alignment and Assessment: The Foundation for Strategic L&D Success

Demonstrating corporate learning and development's impact on sales requires buy-in and alignment with sales leadership. CLOs should start by agreeing on the KPIs that most significantly affect bookings. By focusing on sales executives and correlating their performance with L&D initiatives, you can create a direct link between learning programs and business outcomes.



## Performance Group Breakdown

Performance Group	Salespeople	Lead Conversion (%)	Close (%)	Average Deal (\$)	Quota Achievement (%)	Total Quota Achievement (\$)
Top 20%	100	70%	35%	\$85,000	120%	\$72,000,000
Middle 60%	300	50%	25%	\$80,000	90%	\$162,000,000
Bottom 20%	100	30%	10%	\$75,000	50%	\$30,000,000
Weighted Averages/Totals	500	50%	27%	\$80,000	_	\$264,000,000



For the purposes of this paper, we divided the team into three performance tiers: the top 20%, the middle 60%, and the bottom 20%. The top tier consistently exceeds quotas, the middle tier meets quotas inconsistently, and the bottom tier struggles to meet targets. Affecting the middle group—even a little—can have a significant impact on the business. The chart below (**Figure 1**) illustrates a revenue opportunity of up to \$54M (18% of Revenue) to be gained by closing the gap between the middle and top groups.

#### FIGURE 1

## **Total Incremental Revenue Opportunity**

Incremental Revenue (\$M) Opportunity if 10%–100% of the Middle 60% Met Top 20% Performance



# Measuring the Impact of Time to Proficiency

The graph below (**Figure 2**) shows the difference between a 1% monthly improvement rate and a 4% improvement rate.

Time-to-proficiency involves determining how long it takes for a sales rep in the middle 60% to approach the performance level of the top 20%. Focusing on the close rate as a measure of proficiency, if the middle group improved their close rate by 3.1% per month, they would reach 35% in 12 months. With a quicker improvement rate of 4%, they would achieve this goal in 9.5 months, closing deals at that rate for most of the last quarter of the year. The slope (proficiency increase over time) has a significant impact on revenue.

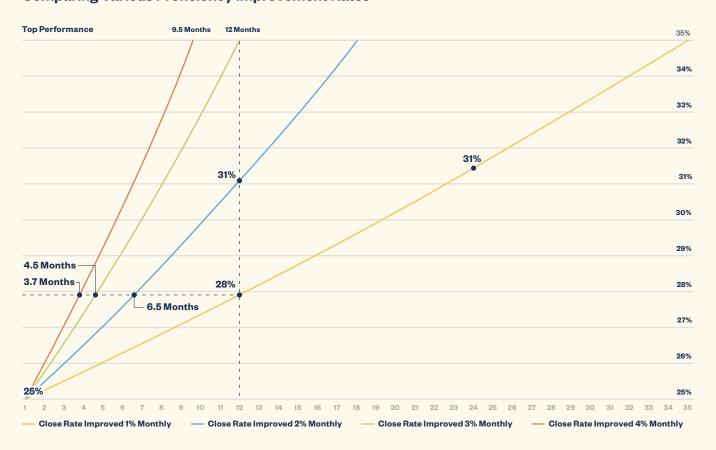
#### **Time to Proficiency Slope**

- · A steeper slope means the middle 60% reps become more effective sooner
- Even if the middle 60% doesn't exceed a 28% close rate in year 1, a steeper slope grants them 3–8 months of selling at the higher rate

#### FIGURE 2

## **Monthly Close Rate Improvement Scenarios**

#### **Comparing Various Proficiency Improvement Rates**





# Time to Proficiency Impacts Bookings

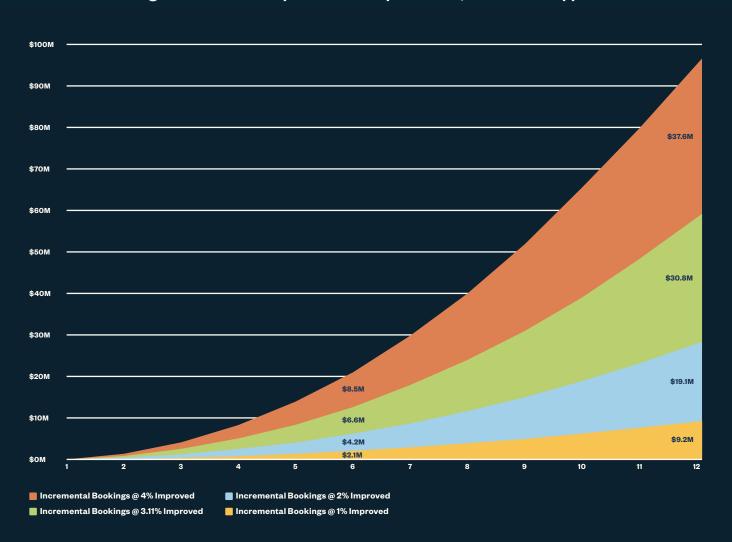
The chart below (**Figure 3**) shows the incremental revenue impact at 12 months for different monthly proficiency gains ranging from 1% to 4% The revenue difference between various monthly proficiency improvement rates can be significant.

- 1% Average monthly improvement in the close rate across the middle group yields \$9M of incremental revenue after 12 months.
- 2% Average monthly improvement in the close rate across the middle group yields \$19M of incremental revenue after 12 months.

#### FIGURE 3

## **Incremental Bookings**

First Year Bookings at 1%-4% Monthly Close Rate Improvement; Close Rate Capped at 35%



# **Even Conservative Goals Achieved Faster Impacts Bookings**

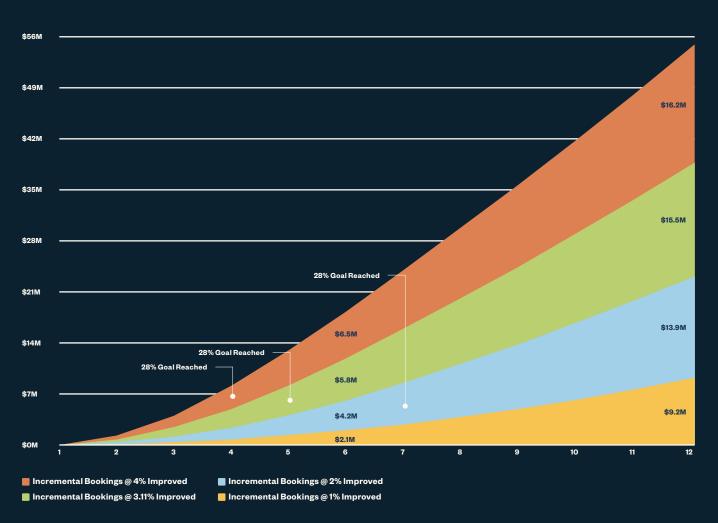
Setting and achieving or exceeding goals builds trust and credibility. Fortunately for L&D proficiency goals do not have to be overly aggressive in order to deliver material gains for the business. The chart below (**Figure 4**) shows the bookings impact of capping the close rate goal at 28%, but reached at different rates. As mentioned above, the 4% monthly proficiency improvement rate reaches the goal in less than 4 months, compared to the 1% monthly improvement rate that reaches the goal in 12 months. Again the impact on bookings is significant.

- After 6 months, a 4% monthly proficiency gain generates 48% more bookings than a 1% gain. After 12 months the difference is 76%.
- Reaching the 28% goal in 4 months generates 5.4% incremental total bookings versus 3.1% generated if the goal is reached in 12 months.
- The difference between a 1% average monthly proficiency gain and a 2%-4% gain is 1.5%-2.3% of total bookings.

#### FIGURE 4

## **Incremental Bookings**

First Year Bookings at 1%-4% Monthly Close Rate Improvement; Close Rate Capped at 28%



Active learning techniques, like discussions and interactive sessions, lead to significantly better outcomes than passive learning.

13X

more learner talk time

16X

more non-verbal engagement

54%

higher test scores than the same class taught passively

# **Engagement Drives Time to Proficiency**

Research by Gallup shows that highly engaged teams achieve 21% greater profitability and 17% higher productivity compared to less engaged teams. Engaged learners tend to become proficient faster, driving motivation, focus, and participation—all of which contribute to faster skill acquisition. A recent study conducted by Enageli Teaching and Learning found that an online class conducted as an Active Learning experience generated 13X more learner talk time, 16X more non-verbal engagement, leading to 54% higher test scores than the same class taught passively.

In dollars and cents, if status quo is a 1% rate of improvement, then the cost of status quo is up to an additional \$2.3M per \$100M in bookings.

#### Cost of Status Quo

Active learning takes a commitment to tech-enabled, engaging content and delivery regardless of the modality and the ROI is significant. Unfortunately, L&D leaders often experience pushback from stakeholders and technology platforms that do not understand or support the power of active learning. However, giving in and settling for status quo can have significant negative impact on the business. If, for example, you were to set a 1% monthly proficiency improvement rate as status quo and settle for that, then you would also have to accept the forfeiture of 51%–76% better business outcomes if you enabled your reps to improve faster. In dollars and cents, if status quo is a 1% rate of improvement, then the cost of status quo is up to an additional \$2.3M per \$100M in bookings.

## **Key Takeaway**

A 1% monthly proficiency gain as measured by close rate improvement generates a 3% increase in bookings in the first 12 months.

Sustained proficiency improvements lead to exponentially greater revenue over time. A 1% monthly proficiency gain as measured by close rate improvement generates a 3% increase in bookings in the first 12 months. Reps that close business more efficiently require less pipeline to meet or exceed quota. This also reduces the burden on marketing by reducing the cost of acquisition. This underscores the value of long-term investment in proficiency gains to drive substantial revenue growth.

#### Benefits of Time to Proficiency Through Engaged Learning

- · Drives measurable growth and scale
- Reduces time to first sale and time to quota
- Reduces pipeline required—and Cost of Customer Acquisition (CAC)
- Connects L&D to the business
- Measures the business impact of L&D

#### Conclusion

Time to Proficiency is a very powerful corporate learning and development metric.

Corporate L&D leaders who embrace this concept and activate it with the right processes and technologies will distinguish themselves among their peers. This analysis shows that accelerating the proficiency of the middle 60% of your sales team to approach the performance of the top 20% can unlock substantial revenue gains.

By prioritizing engaged learning and strategically targeting proficiency improvements, CLOs can empower reps to reach and perform at a peak level sooner. This approach not only drives immediate revenue growth but also ensures sustained long-term success. The key takeaway: time to proficiency directly correlates with profitable revenue, making it a vital focus for any corporate learning strategy.

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