



EIGHTH EDITION

2026 State of Sales

# Small to Mid-Size Businesses

Discover key takeaways from our annual report, where 5,263 small to mid-size business leaders reveal what's driving sales success—and what's holding teams back.

# Report Overview

## The Data Source

Now in its eighth year, Sales Xceleration's *State of Sales Report* shares insights from small to mid-size businesses that take the 4.0 Sales Agility Assessment (SAA). Developed and in use for 12 years, the SAA helps Advisors identify key opportunities for improving sales organizations through detailed questions on how the organization is performing essential sales functions.

### Who took the Sales Agility Assessment



**5,263** small to mid-size business leaders



One leader per company:  
**CEO, President or COO**



Small to mid-sized businesses with **\$1M to \$200M** in revenue

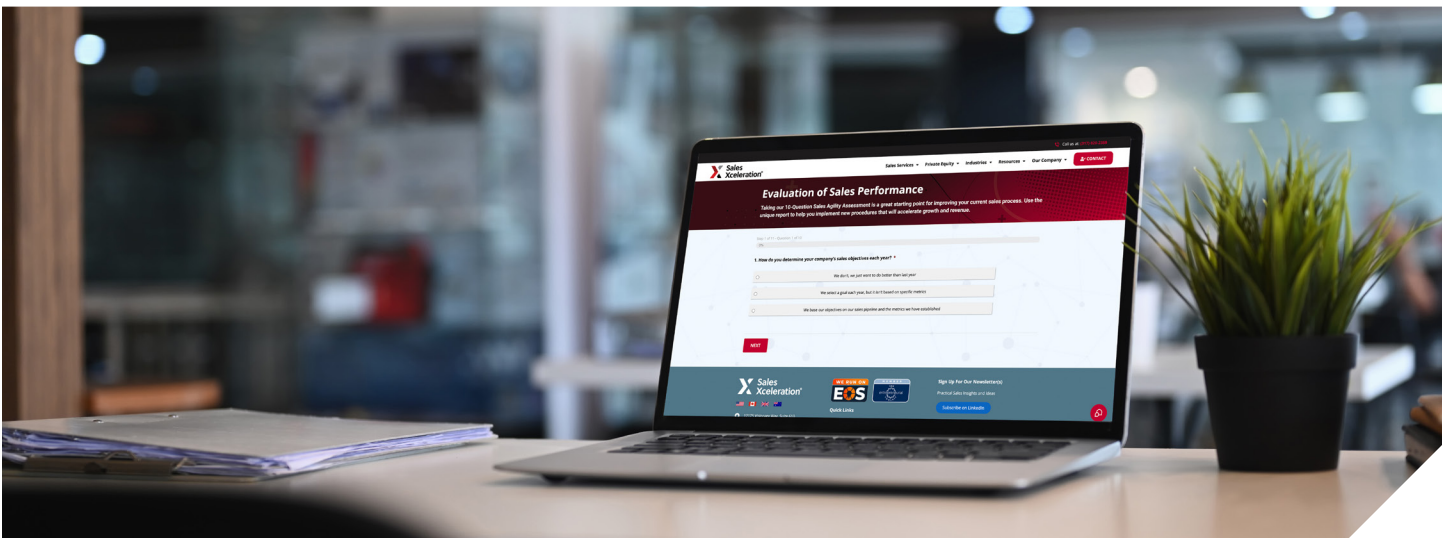


Companies located in North America, **93% from the US**

## The scoring

The SAA is comprised of **54** multiple-choice questions and each response is assigned a specific number of points, designed to evaluate critical aspects of a sales organization. Study-wide scores fit into the following grading scale of **Excellent, Average, Below Average, and Poor**.

While salespeople may participate in some companies' assessments, our report findings focus on the score from the leadership role within the organization.



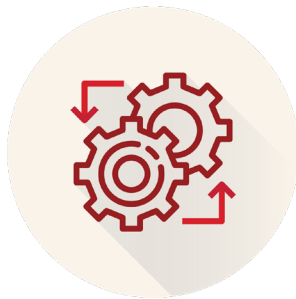
# Executive Summary

**This year’s data paints a clear story:** most small to mid-size companies continue to rate their own sales performance as Poor or Below Average across every major pillar of the sales organization. Despite incremental year-over-year movement, the overall health of sales remains dangerously underdeveloped.

## The Results Are In

What a difference a year makes. For many small to mid-sized businesses, 2025 brought even more challenges to their sales organizations—a pattern we often see during economic uncertainty.

Three out of the four key sales categories outlined as critical in our Certified Sales Operating Management System™ declined, with leaders scoring their organizations as Poor or Below Average in performance.



Sales Strategy	Sales Methodology	Sales Analysis	Sales Organization
Industry Positioning Competitors Value Proposition Ideal Customer Profile Buyer Persona	Territories/Coverage Sales Process Sales Playbook CRM Marketing Alignment	Goals Quotas Metrics Reporting Compensation & Incentives	Staffing Hiring Training Onboarding Roles & Responsibilities
<b>87%</b> Poor or Below Average	<b>94%</b> Poor or Below Average	<b>91%</b> Poor or Below Average	<b>88%</b> Poor or Below Average
<b>2%</b> increase	<b>1%</b> decline	<b>2%</b> decline	<b>2%</b> decline

# Executive Summary *(continued)*

## What the Numbers Mean

Across all four pillars, the overwhelming majority of companies admit they do not have the strategy, process, tools, or structure they need to consistently hit their revenue targets. The slight year-over-year declines in scores tell us that many organizations are not just stalled—they are slipping backward at a time when markets, buyers, and AI are becoming a norm and competitors are moving faster than ever.

Instead of isolated weaknesses, most companies are facing systemic gaps:

- Unclear positioning and value propositions
- Inconsistent or undocumented sales processes
- Limited use of data and metrics,
- Underdeveloped sales organizations without defined roles, onboarding, and training.

## Why This Matters Now

In today's environment, mediocre sales foundations are no longer survivable. Companies that lack clarity on who they sell to, how they sell, how they measure performance, and how they structure their teams are leaving significant revenue and profit on the table. The data is a wake-up call: fixing just one area is not enough. Sustainable growth requires addressing all four pillars in a coordinated way.



## How to Use This Report

This year's State of Sales is not just a diagnosis; it is a roadmap. As you move through the report, use these four pillars to benchmark your own organization, identify the most critical gaps, and prioritize where to act first. Whether you start with strategy, methodology, analysis, or organization, **the goal is the same: transform a struggling sales structure into a scalable growth engine.**

**Unsure of where to start?** Contact an Advisor for a comprehensive assessment of your sales organization.



## Sales Strategy

### Most Companies Still Do Not Know Their Customer

When we isolate the questions that sit at the heart of “knowing your customer,” the picture is bleak. **9 out of 10 organizations** lack the customer clarity required for consistent growth.

### Three Critical Gaps in Knowing the Customer

# 79%



#### Ideal Customer Profiles (ICP) – getting worse, not better

- **79%** rate themselves as not having clear Ideal Customer Profile(s)
- Even more concerning, the percentage of companies rating themselves **Poor increased by 8 points versus 2024, while Below Average dropped by 4 points**, signaling regression away from having a clear go to market buyer strategy.

# 59%



#### Customer and prospect database – incomplete or no picture of pipeline

- **59%** of companies rate themselves as not having a database of existing and prospective customers
- **27%** have their customers in a database but not their prospects
- This means the majority of organizations are making strategic decisions without a complete, reliable view of who their customers and prospects actually are.

# 83%



#### Account prioritization/management – No understanding or ranking priority

- **83%** rate themselves Poor and do not know who their most important customers or prospects are
- Without clear prioritization, sales teams are forced to treat all accounts as equal, driving reactive activity instead of focused, high-value engagement.



## Sales Strategy *(continued)*

### What This Means for Sales Teams

Taken together, these three questions expose a systemic issue: companies are asking sales organizations to hit ambitious revenue targets without clear answers to:

- Who is our customer?
- Where is our customer?
- Which customers matter most right now?

The sharp 8-point increase in Poor ratings not having an Ideal Customer Profile is especially troubling, suggesting many organizations are moving backward on the most fundamental element of sales strategy at the very moment markets and buyer expectations are becoming more complex.

These clients provided insights into their business that uncovers an uncomfortable truth: until you invest in deep understanding, documenting, and operationalizing your customer strategy, improvements by utilizing new tools or providing incentives will have limited impact.



**Before you ask your team to sell more,** make sure they know exactly who they should be selling to, where to find them, and which customers matter most.



## Sales Methodology

### A standardized Sales Process is the heart of a well-run sales organization but many fall short

Across our dataset, most organizations still run sales where each individual sales rep makes up their own process rather than a consistent, documented one. When we look specifically at sales process standardization and tracking, the data shows that leadership is asking for accurate forecasts and predictable growth without giving teams clear, shared guardrails for how deals should move from first conversation to close.

### No Sales Process: Two Critical Breakdowns

# 66%



#### 66% don't have a documented sales process

When asked, "How is your sales process documented?", two-thirds of organizations indicated they do not have a documented sales process at all. In practice, this means every rep is running their own version of the sales cycle, making it nearly impossible to coach effectively, onboard new hires, or scale what is working.

# 88%



#### 88% lack clarity on what must happen at each stage

On the question, "How well is it understood what needs to occur at each sales cycle step in order to proceed to the next step?", 88% of companies fall short. While this reflects a 5% improvement versus last year, it is still a serious problem. Teams do not understand what they should be doing at each step, how long each step should take, or what criteria truly qualifies a deal to move forward.

This lack of definition shows up everywhere: inconsistent customer experiences, stalled opportunities, and deals that linger in the pipeline far beyond a reasonable cycle length.



## Sales Methodology *(continued)*

### The Forecasting Domino Effect

# 72%

#### **72% are not forecasting future sales.**

Without a documented process and clear stage definitions, forecast “probability” is more of a guess than data. Reps assign percentages based on gut feel, not on historically validated conversion rates by stage. Leadership, in turn, is forced to rely on optimistic pipelines and manual adjustments, rather than a process-driven view of which deals are likely to close and when.

The result is a cascading impact with:

- Pipeline reviews focus on anecdotes instead of stage-based close probability.
- Forecasts swing sharply from quarter to quarter, undermining confidence in the sales function.
- With no insights to back up their performance coaching and training are ad hoc and reactive.



**Until you document your sales process and define what “good” execution looks like at each stage, you cannot truly coach, scale, or forecast your way to consistent growth.**

Without clear steps and probabilities by stage, it is nearly impossible to produce accurate forecasts, diagnose bottlenecks, or understand why deals stall or slip into future periods.



## Sales Analysis

### Many companies are selling without a scoreboard, so they don't know what winning looks like

Data tells a simple but troubling story: most companies are asking their teams to win without a scoreboard, a game plan, or a clear link between individual performance and company goals. Across metrics, quotas, activities, and goal alignment, the majority of organizations are essentially managing sales by instinct instead of insight.

# 79%



#### No Metrics, No Quotas, No Activity Plan

##### Metrics: no clear definition of success

79% of respondents say they haven't created any sales metrics, and this moved backward by 1% from 2025. When the team doesn't know if they are winning or losing, it is hard to hold anyone accountable.

# 83%



#### Quotas: team goal only, no individual ownership

83% report that they do not assign individual sales rep quotas and instead just focus on the overall company goal. This remained flat versus last year, indicating no improvement in a critical area that drives focus, ownership, and fair expectations at the rep level.

# 82%



#### Activity goals and forecasting: flying blind if on track to meet sales goals

82% say they do not forecast future sales. Without structured activity targets tied to pipeline and revenue outcomes, leaders have no early indicators of whether the team is on track or not; they only find out after the period is over.

# 93%



#### Company goals vs. rep quotas: the math doesn't work

93% indicated that the company sales goal is less than the sum of all the sales reps' goals. While this remained the same as last year, it highlights a major structural flaw: the top-line target does not roll up from realistic, rep-level expectations, which is essential to building a roadmap for how you plan to meet the corporate goal.



## Sales Analysis *(continued)*

### What This Means for Leaders

Taken together, these insights show that most organizations are running sales without the basic analytical infrastructure needed for predictable growth: defined sales goals, tracking metrics, individual quotas, activity goals, and aligned roll-ups from rep to company.

Without these elements, forecasts are guesses, course corrections come too late, and it is nearly impossible to understand whether underperformance is a people issue, a pipeline issue, or a goal-setting issue.



**Leaders need to put a scoreboard in place that clearly defines what matters to the overall revenue number, assign ownership through quotas, track the right activities, and ensure that the math from rep to company works.**

**The outcome:** you move from explaining misses after the fact to confidently managing toward the number in real time.



## Sales Organization

### The Power of Weekly Meetings: A Foundational Must That Many Still Lack

Our data shows that most sales teams are not operating with a consistent weekly rhythm.

# 43%



**43%** of companies report they do not hold a weekly sales team meeting, this moved backward by 3%.

# 66%



**66%** do not hold weekly one on one meetings between sales leaders and their reps, a 2% decline year over year.

When these basic meeting rhythms are missing, leaders lose their primary mechanism for alignment, coaching, and accountability.

### What EOS and Others Say About Weekly Meetings

The Entrepreneurial Operating System (EOS) has built its entire “Traction” discipline around a structured weekly meeting—the Level 10 Meeting—because a consistent weekly cadence keeps teams aligned, accountable, and focused on execution, data, and not just discussion. EOS recommends that these meetings happen at the same time and day every week, with mandatory attendance, a fixed agenda, and clear outcomes so that issues are identified and solved before they linger for months.

McKinsey notes that the “everyday management practices” inside teams—including how meetings are structured and run—are strongly linked to long term performance, underscoring that meeting cadence and quality are core management disciplines.



## Sales Organization *(continued)*

### Why Weekly Team Meetings Matter for Sales

For sales organizations specifically, a weekly team meeting is where the playbook meets reality. It is the forum to align around targets, review pipeline health, address stuck deals, and reinforce the behaviors that drive results. Without that regular touchpoint, each rep is left to interpret priorities on their own, leave deals lingering in the pipeline and create small misalignments that can compound into big misses by quarter end.

A structured weekly meeting also gives leaders a built in venue for micro training and messaging. You can use a portion of the agenda to sharpen skills, reinforce positioning, or debrief wins and losses so the entire team learns from them in real time. This kind of high-frequency, short-burst development is far more effective than occasional workshops that are quickly forgotten.



#### **If you currently lack a consistent weekly rhythm, start by committing to two non-negotiables:**

- A 60- or 90-minute weekly sales team meeting with a fixed agenda
- A 30- or 45-minute weekly one-on-one between each rep and their leader

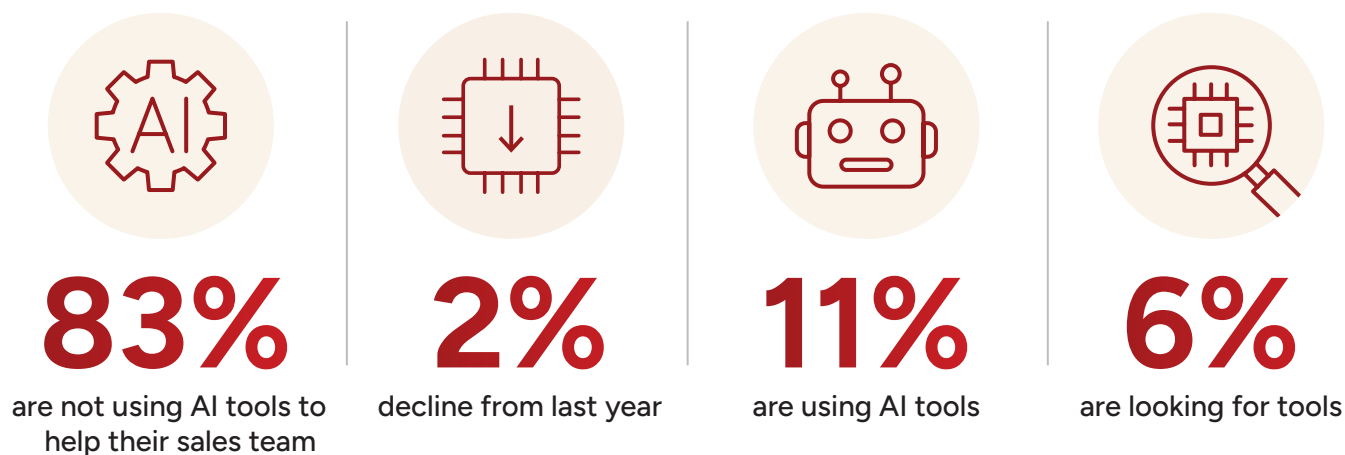
Use these meetings to review KPIs, pipeline, and priorities; solve the most pressing issues; and agree on clear commitments for the week ahead.

Within a quarter, you will have built the operating rhythm that turns strategy and coaching into measurable, week over week progress and predictable performance.

## Let's Talk About AI

We would be remiss if we didn't share what clients have reported about how AI is being used or not used to support their sales process.

### The bad news is clients went a bit backwards in using or seeking AI tools to support their sales team



### The State of AI Adoption

A report from Chief Executive\* outlined the reason why lower adoption is occurring and what companies are looking for from AI. The good news is 98% of CEOs see value in AI and have put 25% of their budget to support AI they just need to know where to start.

- **86%** of CEOs for small to mid-size businesses identify lack of AI expertise as a barrier to creating an AI roadmap.
- **78%** are looking for efficiencies and cost reductions.

Source: Chief Executive, The State of AI Adoption. Fall 2025, 300 CEOs.

**Determine what you want AI to do/solve for your sales organization. We suggest three primary areas it can make the most impact:**

**Coaching | Lead Generation | Productivity**

Partner with an expert like a Sales Xceleration Advisor to see where it can make the biggest impact and allow them to assist you with finding the right tools, implement them for traction and make an investment that solve those needs and drives growth.



# The State of Sales Is Clear: Sales Organizations and Teams are Broken

## 97% of Companies Haven't Built their Sales System to Meet their Goals Each Year

Our data reveals sales are inconsistent because the sales strategy, structure, processes and leadership needed to drive growth aren't fully in place.

The good news is that these challenges aren't permanent. They're structural and structure can be built.

### What This Means for Companies

The companies that outperform their competitors build sales systems designed to produce consistent results.

### That means creating:

- A clear value proposition your team can confidently communicate
- A defined sales process that creates consistency across the team
- Metrics and forecasting leaders can rely on
- Dedicated sales leadership guiding the strategy and execution

When these elements come together, sales stops feeling unpredictable and becomes **repeatable and scalable**.

### How Sales Xceleration Helps

*Sales Xceleration Advisors work alongside business leaders to build the structure needed for consistent sales growth.*

**Through our Certified Sales Operating Management System™, we help companies:**

- Clarify their sales strategy
- Build the processes and infrastructure that support growth
- Hire and coach high-performing sales teams
- Provide experienced sales leadership to guide growth

**The result is a sales organization built to deliver results year after year.**



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