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The Real Cost of an Open Sales Seat

What a vacant Sales Manager or Director of Sales position costs a 250-room full-service hotel in a mid-market — built from public benchmarks, federal labor data, and planner behavior research.

$52K

NET PROFIT LOST PER SALES MANAGER VACANCY

Greg Werner
Founder, On A Wait Hospitality
National Sales Manager, on-site hotel sales, GM & F&B experience · PDM · MBA

onawaithospitality.com
info@onawaithospitality.com
727.655.9511

Summary

The seat is empty. The cost is not.

Hotel companies treat an open sales position as a recruiting problem — a requisition, a posting, a pipeline of candidates. It is also a revenue problem, and a measurable one. This brief puts a number on it.

$17–19K in bookings a Sales Manager seat at a 250-room full-service hotel produces every week (Director of Sales: $29–32K)	**10.7** lost-week equivalents per vacancy: ~45 days to fill plus a 60-day ramp at half productivity	**$52K / $89K** net profit lost per Sales Manager / DOS vacancy after conservative haircuts

Two independent methods land within 10% of each other. A bottom-up estimate applies HSMAI's sales-manager ROI benchmark to federal wage data for hotel sales roles. A top-down estimate divides a model hotel's group-driven revenue across a typical sales office. Both put a Sales Manager seat at roughly $1 million a year in bookings.

The loss during a vacancy is real rather than theoretical because group leads have a shelf life. Cvent's planner research shows 83% of meeting planners expect an RFP response within four business days; hotels already leave about one in three corporate RFPs unanswered when fully staffed; hotel RFP win rates run 5–7%, which makes response volume the decisive variable; and 90% of corporate programs re-award incumbent hotels, so an account lost during a gap tends to stay lost.

> **Bottom line.** At the most conservative reading, one week of an empty Sales Manager seat costs a 250-room hotel more than a month of interim coverage. For a Director of Sales seat, interim coverage costs under 7% of the profit exposure. The number a VP should carry into the next staffing conversation is the weekly one: about $18,000.

How to read this brief

Sections 1–4 build the model and state every assumption. Section 5 explains why unanswered leads convert directly to lost revenue. Section 6 places the vacancy problem in the current labor market using federal and association data. Section 7 shows how the answer moves when assumptions move. Section 8 lists what the public data cannot tell us. Sources are listed in full at the end; every figure in the text is traceable to one of them.

1 · The model hotel

A 250-room full-service property in a mid-market

The analysis uses a representative property rather than a specific one: 250 rooms, 65% annual occupancy, and a $165 average daily rate. That produces approximately $9.8 million in annual rooms revenue. The figures sit inside the national range reported through 2025 and describe a typical branded or independent full-service hotel with meeting space in a secondary or tertiary market — the kind of property most often run by a regional management company.

Group share of revenue

Group business "runs in the teens" as a share of demand across all U.S. hotels, from economy to luxury (Kalibri Labs, via CoStar). Full-service properties with dedicated meeting space run materially higher, and STR reported group demand in luxury and upper-upscale hotels rising 20% year over year in late 2025. The model uses 25% as a base case and tests 15% and 35% in the sensitivity section.

Group rooms revenue drives banquet and catering revenue alongside it. CBRE's 2025 food-and-beverage survey of 866 properties reports banquet food revenue up 4.0% in the first half of 2025, with F&B department margins at 29.1%. The model attributes banquet and catering revenue at 50% of group rooms revenue — a moderate assumption for a full-service hotel with meeting space.

GROUP SHARE OF ROOMS REVENUE	GROUP ROOMS REVENUE	BANQUET & CATERING (50%)	GROUP-DRIVEN REVENUE	PER SALES SEAT (3.5 SEATS)
15%	$1.47M	$0.73M	$2.20M	$0.63M
25% (base case)	$2.45M	$1.22M	$3.67M	$1.05M
35%	$3.43M	$1.71M	$5.14M	$1.47M

A typical sales office at this size is a Director of Sales, two Sales Managers, and a Catering Sales Manager; the DOS carries a personal book alongside leadership duties, so the group-driven revenue is spread over roughly 3.5 producing seats. This is the top-down estimate: about $1.05 million per seat in the base case.

2 · Seat productivity

What one sales seat is expected to produce

The bottom-up estimate starts from what the industry expects a sales manager to return on cost. HSMAI's 2023 practitioner roundtable on sales productivity and ROI reports that expected return on an on-property sales manager falls "within the 11–12:1" range, with catering managers slightly lower. The ratio is applied to fully loaded cost, so the wage data matters.

Federal wage data for hotel sales roles

The Bureau of Labor Statistics publishes occupational wages by industry. For Traveler Accommodation (NAICS 721100, May 2023), two occupation codes cover hotel sales:

OCCUPATION (BLS CODE)	TYPICAL HOTEL TITLE	EMPLOYMENT	MEAN ANNUAL WAGE	LOADED COST (+31.4%)
Sales Representatives of Services (41-3091)	Sales Manager, Group Sales Manager	22,560	$61,500	$80,800
Sales Managers (11-2022)	Director of Sales, DOSM	8,880	$105,170	$138,200
Meeting, Convention & Event Planners (13-1121)	Catering / Event Sales Manager	7,910	$61,870	$81,300

Benefits load of 31.4% is the BLS employer-cost share used in the standard SHRM-derived cost-of-vacancy formula. Wages are national means for the industry; mid-market wages run somewhat lower, which would reduce both the cost of the seat and its expected production proportionally.

Expected production

SEAT	LOADED COST	PRODUCTION AT 11:1	PRODUCTION AT 12:1	PER WEEK (AT 11.5:1)
Sales Manager	$80,800	$889K	$970K	$17,900
Director of Sales	$138,200	$1.52M	$1.66M	$30,600

> **Cross-check.** Bottom-up puts a Sales Manager seat at $0.89–0.97M a year. Top-down puts a producing seat at $1.05M. The two methods use entirely different inputs — one starts from payroll, the other from the hotel's P&L — and agree within 10%. The rest of the brief uses the bottom-up figures because they are the more conservative of the two.

3 · Vacancy duration

The vacancy outlasts the job posting

SHRM's 2025 recruiting benchmark puts median time-to-fill — requisition to accepted offer — at roughly a month and a half, and notes that executive and non-executive roles now take about the same time. The widely cited SHRM/Workable figure is 42 days. The model uses 45 days.

Time-to-fill understates the loss. A new sales hire has to learn the property, the meeting space, the accounts, the pace report, and the CRM before producing at full rate. The model adds a 60-day ramp at 50% productivity. Together they yield 10.7 lost-week equivalents per vacancy: (45 + 60 × 0.5) ÷ 7.

No public source reports a hotel-specific time-to-fill for sales roles. Hospitality sales positions in secondary markets are widely understood to take longer than the cross-industry median, which makes the 45-day assumption conservative. Section 7 tests 30, 60, and 90 days.

4 · The result

What one vacancy costs, after every haircut

Three conservative adjustments are applied before the number is reported. First, half of the seat's production is assumed to be absorbed by the remaining team — in practice the Director of Sales picks up the inbound, at the cost of their own prospecting. Second, only 65% of lost group rooms revenue is counted as lost profit, reflecting rooms-department flow-through. Third, the payroll saved while the seat is empty is credited back.

	SALES MANAGER	DIRECTOR OF SALES
Weekly production	**$17,900**	**$30,600**
Gross bookings at risk (× 10.7 lost weeks)	**$191K**	**$327K**
Unabsorbed by remaining team (50%)	**$96K**	**$164K**
Profit impact (65% flow-through)	**$62K**	**$106K**
Payroll saved during 45-day vacancy	**($10K)**	**($17K)**
Net profit lost per vacancy	**$52K**	**$89K**
Per week the seat is open (net, conservative)	**$5,800**	**$9,900**

5 · Why the loss is real

Group leads have a shelf life

A cost-of-vacancy model is only as good as the assumption that production actually disappears while the seat is empty. In many roles it does not — the work waits. In hotel sales it does, because the buyer's clock is running.

Planners expect an answer in four business days

Cvent's Planner Sourcing Report (November 2024, 600+ planners) found 83% expect a response to their RFP in four days or less, and 93% are willing to pay premium rates to venues where they have a trusted staff relationship. The 2026 edition (January 2026, 1,650+ planners) reaffirms four business days as the expected response window and reports 75% of planners now using AI tools in sourcing — which compresses the shortlist faster, not slower.

Hotels already leave a third of RFPs unanswered

ReadyBid's 2025 benchmarks, reported by Hospitality Today in March 2026, put the share of corporate RFPs that hotels leave unanswered at roughly one in three — at fully staffed properties. The same reporting puts the average corporate RFP cycle at 76.6 days and the annual cost of participating in corporate programs at about $40,000 per hotel. An empty seat does not add to the unanswered share at the margin; it moves the seat's entire inbound into it unless someone is explicitly reassigned.

Win rates are low, so volume is the lever

Knowland (August 2024) reports hotel RFP win rates of 5–7%, against a 44% average across other industries. When one in fifteen responses wins, the number of responses sent is the dominant driver of group revenue. Every lead that goes unanswered during a vacancy is a draw not entered.

Incumbency compounds the loss

Ninety percent of corporate hotel programs re-award incumbent properties annually. An account that lapses to a competitor during a three-month gap is not a one-quarter loss; it is a loss of the incumbency advantage in the following year's cycle.

> **Implication.** The model's 50% absorption assumption is generous to the hotel. It presumes someone answers half the seat's inbound at full quality within four business days while also doing their own job. The planner data suggests the true absorbed share is lower.

6 · The labor market

Federal and association data on hotel staffing

The vacancy problem sits inside a labor market that has not fully recovered. The figures below are the federal and industry-association numbers that frame it.

SOURCE	MEASURE	VALUE	PERIOD
BLS JOLTS	Job openings rate, Accommodation & Food Services	4.6%	June 2026
BLS JOLTS	Job openings rate, Accommodation & Food Services	5.4% → 5.0%	Feb–Mar 2026
BLS JOLTS	Job openings rate, all industries	4.4%	July 2026
BLS OEWS	Total employment, Traveler Accommodation (NAICS 721100)	1.85M	May 2023
BLS OEWS	Hotel sales bench: Sales Managers + Sales Reps of Services + Event Planners	~39,400	May 2023
AHLA	Hotels reporting staffing shortages	65%	Dec 2024–Jan 2025
AHLA	Hotels reporting staffing shortages (prior survey)	76%	May 2024
AHLA	Hotel employment vs. pre-pandemic	−10%	Jan 2025
AHLA	Hotels raising wages as primary retention lever	47%	Jan 2025
HSMAI State of Talent	AHLA members reporting personnel shortfalls	97%	Aug 2022
HSMAI State of Talent	Job candidates with no interest in hospitality roles	61%	2022–23

Three points follow. The accommodation sector's openings rate has eased from its 2026 peak but remains above the all-industry rate, so competition for candidates persists. The national bench of hotel sales professionals is small — under 40,000 people across the three relevant occupation codes — and highly mobile between properties, which lengthens searches in secondary markets. And AHLA's own data shows the industry has not returned to 2019 staffing levels, with shortages concentrated in operations roles that compete with sales for the same management attention.

BLS does not publish JOLTS separately for accommodation (NAICS 721); the openings rate above covers accommodation and food services combined. The Florida Restaurant & Lodging Association operates a job board but does not publish a quantitative workforce survey; Florida-specific vacancy data would come from FloridaCommerce labor market statistics.

7 · Sensitivity

How the answer moves when the assumptions move

The two assumptions that most affect the result are how long the seat stays empty and how much of its work the remaining team actually absorbs. The tables show net profit lost per vacancy across both, holding the other inputs at base case.

> **The comparison that matters.** Interim coverage of the seat for the 45-day base-case vacancy costs about $6,400 at a flat $1,000 per week. That is 12% of the base-case Sales Manager exposure and 7% of the DOS exposure — and under 30% of the exposure in the most optimistic cell of either table.

Sales Manager seat — net profit lost per vacancy

TIME TO FILL	GROSS BOOKINGS AT RISK	25% ABSORBED	50% ABSORBED (BASE)	75% ABSORBED
30 days	$153K	$68K	$43K	$18K
45 days (base)	$191K	$83K	$52K	$21K
60 days	$230K	$99K	$61K	$24K
90 days	$306K	$129K	$80K	$30K

Director of Sales seat — net profit lost per vacancy

TIME TO FILL	GROSS BOOKINGS AT RISK	25% ABSORBED	50% ABSORBED (BASE)	75% ABSORBED
30 days	$262K	$116K	$74K	$31K
45 days (base)	$327K	$143K	$89K	$36K
60 days	$393K	$169K	$105K	$41K
90 days	$524K	$221K	$136K	$51K

Group share moves the answer in proportion: a 15%-group property cuts every figure by roughly 40%; a 35%-group property raises them by roughly 40%. Even the most favorable cell — a 30-day fill with three-quarters of the work absorbed — leaves a Sales Manager vacancy costing $18,000 net, and a DOS vacancy $31,000. There is no combination of reasonable assumptions under which the vacancy is free.

8 · Limitations

What the public data cannot tell us

- **No hotel-specific time-to-fill.** The 45-day figure is the cross-industry median. Industry experience suggests hotel sales roles in secondary markets take longer; the sensitivity table covers that range.
- **HSMAI's ROI ratio is practitioner consensus, not a statistical survey.** The 11–12:1 figure comes from a 2023 roundtable of sales leaders. It is the best available public benchmark and is corroborated here by the top-down P&L method.
- **Wages are national industry means.** Mid-market wages and the production tied to them scale down together; the ratio, and therefore the relative conclusion, is unchanged.
- **Group share is property-specific.** A select-service hotel with a boardroom and a convention hotel with 40,000 square feet of space sit at opposite ends of the range; the model's 25% base case describes a full-service hotel with meaningful meeting space.
- **Planner data is survey-based.** Cvent's reports draw on 600+ (2024) and 1,650+ (2026) event professionals; the 2024 sample is UK/European, the 2026 sample global.
- **Absorption is assumed, not measured.** No public data quantifies how much of a vacant seat's inbound the remaining team actually answers within the planner's window. The 50% base case is deliberately generous to the hotel.

9 · Using the number

What to do with it

For an owner or regional VP, the practical question is not whether the vacancy costs something but whether the recruiting timeline is being managed as a revenue decision. Three actions follow directly from the model.

Put a weekly cost on every open sales requisition. At this property size, roughly $18,000 in bookings per week for a Sales Manager seat and $30,000 for a DOS seat. The number belongs on the same report as the days-open count.

Assign the inbound explicitly on day one. The four-business-day window does not pause for a search. Name who answers the seat's leads, and measure the response time, or accept that the absorbed share is closer to zero than to half.

Bridge the gap when the search will run long. Interim desk coverage — outbound solicitation, inbound response, CRM discipline — costs a fraction of the exposure for the duration of the search and hands off cleanly to the hire. The economics hold at any cell of the sensitivity table.

On A Wait Hospitality provides interim sales desk coverage and tradeshow coverage for hotels and hotel management companies in the Southeast. Details and current terms: onawaithospitality.com/taskforce-sales.

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Every figure in this brief traces to one of these

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