CRM and Sales Management: A Match Made in Heaven or Hell?

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A Sales Management Innovator

Assigned Territories

Defined Sales Processes

Assigned Quotas

Paid Commissions

Held Sales Contests

Held National Sales Meetings

Trained Salespeople
John Henry Patterson in 1893

The National Cash Register Company
Then in 1993
The Golden Age of Reporting
The Impact of CRM?
It’s Created A Culture of Inspection
... And Compliance and Anxiety

Pipeline!

Quota!
... And a False Sense of Control
Unintended Consequence of CRM…

Sales Rep HELL!
Key Question

*How should management use all that data?*
First, 4 Things about Vantage Point

Focus On Sales Management

Advancement through Research
First, 4 Things about Vantage Point

Sales Methodology Neutral

- SPIN Selling
- Miller Heiman
- TAS
- Holden
- Richardson
- Home Grown

We Simplify

“I can remember when it felt like I was constantly on fire. Now I have a better grasp on which activities will lead us to the results we need.”
Early Adopters
The Unanswered Question

*How should management use all that data?*
Answer: To *Improve* the Data

Can We Manage Data?
A Little Investigation
The Frustrating Search for a ‘Best Practice’

- Internal
- External

- Revenue
- Costs
- Sales Force Effectiveness

- Financial
- Sales Process
- Recruiting/Training
- Technology
- Metrics
Starting from Scratch... 306 Pieces of Chaos

Revenue
Market Share
Quota Achievement
Volume
Pipeline Size
Customer Satisfaction
Call Outcomes
Segment of Customer
New/Existing Customers
Ramp-Up Time
Share-of-Wallet
Skill Level
Territory Coverage
Customer Retention
New/Existing Product
Tool Usage
Up/Cross-Selling
Deal Size
Coaching
Call Volume
Process Usage
Time Allocation
Account Plan Completion
Number of Accounts
Prospect Type
IT Investment

Starting from Scratch... 306 Pieces of Chaos
Guiding Question....

Can We **Manage** this Metric?
Some…. Yes

- Revenue
- Market Share
- Quota Achievement
- Volume
- Pipeline Size
- Customer Satisfaction
- Call Outcomes
- Segment of Customer
- New/Existing Customers
- Ramp-Up Time
- Share-of-Wallet
- Skill Level
- Territory Coverage
- Customer Retention
- Deal Size
- Tool Usage
- Up/Cross-Selling
- New/Existing Product
- Coaching
- Call Volume
- Prospect Type
- Number of Accounts
- Time Allocation
- Call Type
- IT Investment
- Process Usage
- Number of Accounts
Some.... No

- Revenue
  - Volume
  - Call Outcomes
  - Ramp-Up Time
  - Territory Coverage
  - Tool Usage
  - Coaching
  - Time Allocation

- Market Share
  - Pipeline Size
  - Segment of Customer
  - Share-of-Wallet
  - Customer Retention
  - Up/Cross-Selling
  - Prospect Type
  - Call Type

- Quota Achievement
- Customer Satisfaction
- New/Existing Customers
- Skill Level
- Deal Size
- New/Existing Product
- Call Volume
- IT Investment
- Process Usage
- Number of Accounts
Some.... Maybe?

- Revenue
- Market Share
- Quota Achievement
- Volume
- Pipeline Size
- Customer Satisfaction
- Call Outcomes
- Segment of Customer
- New/Existing Customers
- Ramp-Up Time
- Share-of-Wallet
- Skill Level
- Territory Coverage
- Up/Cross-Selling
- Deal Size
- Tool Usage
- Call Volume
- New/Existing Product
- Coaching
- Prospect Type
- IT Investment
- Time Allocation
- Call Type
- Process Usage
- Number of Accounts
- Customer Retention
Our Eventual Metrics Framework

Organizational outcomes that cannot be ‘managed’ whatsoever

Objectives that require ‘consent’ but can be influenced

Salesperson and manager activities that can be proactively managed
**Aha! We Can Only Manage Activities!**

**Organizational outcomes that can not be ‘managed’ whatsoever**

**Objectives that require ‘consent’ but can be influenced**

**Salesperson and manager activities that can be proactively managed**
Another *Aha*: Cause-and-Effect

- **Business Results**
- **Sales Objectives**
- **Sales Activities**

*Clear Chain Of Events*
Examples of Cause-and-Effect

Business Results
- Revenue
- Market Share
- Volume
- Quota Achievement
- Customer Satisfaction

Sales Objectives
- Territory Coverage
- Share-of-Wallet
- Customer Retention
- New/Existing Customers
- New/Existing Product

Sales Activities
- Coaching
- Call Volume
- Call Type
- Training
- Account Plan Completion
Examples of Cause-and-Effect

**Business Results**
- Revenue
- Market Share
- Volume
- Quota Achievement
- Customer Satisfaction

**Sales Objectives**
- Territory Coverage
- Share-of-Wallet
- Customer Retention
- New/Existing Product
- New Customer Acquisition

**Sales Activities**
- Coaching
- Call Volume
- Account Plan Completion
- Training
- Call Type
Aha #3 : You Reverse-Engineer Success

- Identify the Results you want to achieve
- Select and quantify the BEST Objectives that will lead to those Results
- Link the Objectives to relevant Activities, and manage them relentlessly
Reverse-Engineering Success

Business Results
- Revenue
- Market Share: 5%
- Volume
- Quota Achievement
- Customer Satisfaction

Sales Objectives
- Territory Coverage: 15%
- Share-of-Wallet
- Customer Retention
- New/Existing Product
- New Customer Acquisition

Sales Activities
- Coaching
- Call Volume
- Call Type
- Review Qtrly
- Training
- Account Plan Completion

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Then Focus on Execution of the Activity

Business Results
- Revenue
- Volume
- Quota Achievement
- Customer Satisfaction

Sales Objectives
- Territory Coverage
- Share-of-Wallet
- New/Existing Product
- New Customer Acquisition
- Customer Retention

Sales Activities
- Coaching
- Call Volume
- Call Type
- Review Qtrly
- Training
- Account Plan Completion

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Why Is This Important?

Sales Activities

Coaching
Call Type
Call Volume
Training
Review Qtrly
Account Plan Completion
Isn’t that M… M… M… Micromanaging?

Sales Activities

- Time Allocation
- Call Volume
- Account Plan Completion
- Call Planning
- Training
- CRM Usage
When CRM Really Comes of Age
Punch Lines...

Reverse-Engineer These

Business Results

Sales Objectives

Sales Activities

Measure It All

Manage and Coach These

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Better Management = Better Decision-Making
Suddenly, It Makes Sense

Business Results

Sales Objectives

Sales Activities
So What’s Been the Hold-up?
Reporting?
Nope
Business Results?
Nope
Sales Objectives?
A Common Problem with Sales Objectives
What to do?

Business Results

Revenue

Sales Activities

Qualify Opportunities
Call Planning
Prospecting Calls

Account Planning
Product Training
Sales Objectives Guide Sales Activities

**Business Results**

- Revenue

**Sales Objectives**

- Territory Coverage
- Close Rate
- New Customers
- New Products
- Customer Retention

**Sales Activities**

- Qualify Opportunities
- Call Planning
- Prospecting Calls
- Product Training
- Account Planning
Work-in-Progress

Business Results

Sales

-ish
Sales Activities?
Scoundrels!
Exhibit A

% of Metrics Cited

- Business Results: 28%
- Sales Objectives: 55%
- Sales Activities: 17%

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The Final Blow

- Business Results
- Sales Objectives
- Sales Activities
The Complete Sales Management Code

- **Business Results**
  - Financial
  - Market Share
  - Satisfaction

- **Sales Objectives**
  - Customer Focus
  - Product Focus
  - Salesperson Capability
  - Market Coverage

- **Sales Activities**
  - Call Management
  - Opportunity Management
  - Account Management
  - Territory Management

- Sales Force Enablement
FINALLY, Operating Instructions for the Sales Force
In Summary...
Instead of an Avalanche of Disorganized Data…
There Can Be Order and Manageability

- Business Results
  - Sales Objectives
    - Sales Activities
  - Clear Chain Of Events
Instead of Just Decision-Making Tools...
A Decision-Making Framework
The Task at Hand: Educating the Bobs
Q and A

Please remember to speak into the microphone – we’re recording!
Thank you!