Uncertain Times, Indeed

Why did I ever hire this guy?

How much does this guy get paid?

Oh crap! Is my resume up-to-date?

How much does this guy get paid?
Executive Summary

• Key issues
  • Revenue attainment for many sales organizations is defined as the only indicator of productivity
  • Sales leaders lack critical data indicators to determine where to focus productivity initiatives
  • All productivity indicators are not weighted equally, but sales leaders lack a defined formula that aligns to growth objectives

• What you will walk away with
  • Introduction to the SiriusDecisions Sales Productivity Quotient
  • Insight on productivity indicators that sales organizations should measure
  • An understanding of how to use your quotient to help prioritize initiatives
Productivity: Foundational Growth Pillar for Sales

SiriusPerspective: Every sales leader is asked to grow year over year, but without defined indicators pointing to improvement in productivity, their confidence is very low.

1. Markets
2. Buyers
3. Offerings
4. Acquisition
5. Productivity

- Most controllable pillar
- 100 percent of sales leaders are expected to grow year over year
- Majority must grow by double digits
- Only about one-third have high confidence of reaching growth goals
- **Growth potential will be hindered without proper multifactor analysis**
The Sales Productivity Quotient: The Structure

**SiriusPerspective:** In order to improve productivity, sales leaders must perform diagnostics across a set of elements, using multiple data indicators.

**Categories**
Defines a set of productivity areas that go beyond mere revenue attainment

**Indicators**
Data points that create in-depth insight for each category and can be used for correlation

**Scores**
Your data compared to benchmark data within each data indicator

**Quotient**
The average of all scores, with a quotient of one defined as best practice
Sales Productivity Quotient

**SiriusPerspective:**
Sales leaders require a model that can categorize productivity elements and allow for ease of data correlation.
Polling Question

• How does your sales organization measure productivity?
  • We just focus on revenue or results
  • We use one or two factors to determine productivity
  • We use multiple factors
  • Um, I don’t know
Productivity Quotient

Breaking down the model and applying research
Data Demographics

**SiriusPerspective:** Benchmark data within the model helps sales leaders compare their organizations to a finite peer set.
**Activity: Data Discoveries**

**SiriusPerspective:** High-performing organizations focus on the time spent with buyers and clients; they use this as the denominator when measuring sales activity.

<table>
<thead>
<tr>
<th>Key Stats</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>37%</strong></td>
</tr>
<tr>
<td>Meetings and Buyer Interactions for high growth</td>
</tr>
</tbody>
</table>

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**Indication:** Outcomes and buyer progression

**Net/Net:**
The results of measuring activity outcomes are only as good as the organization’s understanding of the buyer’s journey.
Sales Navigator Activity Impact

More Activity
- Complex search and alert criteria enables deep targeting
- First mover alerts on job changes and mentions
- More interactions

Better News
- Target accounts mentioned in the news plus...
- What the prospect is sharing plus...
- What there people are saying and sharing

Better Prepared
- Insights that spark discussion
- Acquisitions
- Divestitures
- Major announcements
- Never be Blindsided

Average team SSI (score out of 100 possible points)
- Establish your professional brand: 17.51
- Find the right people: 17.71
- Engage with insights: 15.92
- Build relationships: 24.75
### Pipeline: Data Discoveries

**SiriusPerspective:** The idea of having more opportunities to work from fits a set of beliefs tied to the law of averages, but it does not correlate to productive sales reps.

<table>
<thead>
<tr>
<th>Key Stats</th>
<th>32%</th>
<th>4X or greater pipeline to quota ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Lower Than Average Win Rate</td>
</tr>
<tr>
<td></td>
<td>3X</td>
<td>3X sales pipeline</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Higher Than Average Win Rate</td>
</tr>
</tbody>
</table>

**Net/Net:**

It’s about efficiency, not hitting the “more” button.
Enablement: Data Discoveries

**SiriusPerspective:** The value of time to competency and time to productivity are negated when organizations are in a constant process of rep replacement.

<table>
<thead>
<tr>
<th>Key Stats</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>45%</strong> Rep Turnover of over 30% or greater</td>
</tr>
<tr>
<td>Creates Low Performance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Time to Quota</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Certification</td>
</tr>
<tr>
<td>• Hiring Practices</td>
</tr>
<tr>
<td>• Retention</td>
</tr>
</tbody>
</table>

**Net/Net:** Enablement accelerates performance through time efficiency and accelerated experience.
Sales Navigator Impact on Time to Quota

New Rep hired during Q4 – Highest SSI of our 2016 class of reps:

“Uncovered and sold a $50k+ deal before the quarter ended”

Now, 6 months into his tenure:

On our actual production leaderboard (out of 60+)

On our forecasted full year production leaderboard (out of 60+)
Performance: Data Discoveries

**SiriusPerspective:** To improve performance, a sales organization must determine how to impact the largest percentage of its sales force.

**Reward**

77%

More than 50% of reps at or above quota for organizations above target

**Net/Net:**

Stop spending all your effort on your players and move the herd.
### Sales Navigator Correlation with Performance

<table>
<thead>
<tr>
<th>SSI Rank</th>
<th>Name</th>
<th>Performance Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Andrew Sherwood</td>
<td>Promoted</td>
</tr>
<tr>
<td>2</td>
<td>Tyler Anderson</td>
<td>#5 in bookings</td>
</tr>
<tr>
<td>3</td>
<td>Robbert Ruigrok</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Nick Adam</td>
<td>Team Leader</td>
</tr>
<tr>
<td>5</td>
<td>Floriane Malot</td>
<td>Million+ club</td>
</tr>
<tr>
<td>6</td>
<td>Maggie O’Callaghan</td>
<td>#2 in NCVI</td>
</tr>
<tr>
<td>7</td>
<td>Ryan Mettee</td>
<td>Promoted</td>
</tr>
<tr>
<td>8</td>
<td>Christian Morato</td>
<td>Exceeded quota</td>
</tr>
<tr>
<td>9</td>
<td>Robert Puntel</td>
<td>promoted</td>
</tr>
<tr>
<td>10</td>
<td>Brendan Hutchings</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Jason St. Onge</td>
<td>promoted</td>
</tr>
<tr>
<td>12</td>
<td>Daniel Donegan</td>
<td>promoted</td>
</tr>
<tr>
<td>13</td>
<td>Todd Nicholas</td>
<td>NCVI Rookie of the Year</td>
</tr>
<tr>
<td>14</td>
<td></td>
<td>Promoted</td>
</tr>
<tr>
<td>15</td>
<td></td>
<td>Promoted</td>
</tr>
<tr>
<td>16</td>
<td></td>
<td>Promoted</td>
</tr>
<tr>
<td>17</td>
<td></td>
<td>Winner's Circle</td>
</tr>
<tr>
<td>18</td>
<td></td>
<td>Promoted</td>
</tr>
<tr>
<td>19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td></td>
<td>Winner's Circle</td>
</tr>
</tbody>
</table>

**Top 20 SSI scores from over 1 year ago – what has happened to them**

- 9 of the 20 were promoted based on their performance – SSI scores are not used in performance evaluations for promotions
- Several top performers in multiple categories made the list
- The #1 rep did not make the top 20 but still had an SSI over 70
**SiriusPerspective:** The value of demand creation is properly calculated when viewed from the top of the Demand Waterfall® to conversion, then to closed business.

### Key Stats

- **44%** Effective Demand Impact on Win Rate
- **19%** Aligned organizations growth above peers

*2015 Alignment Study*

- An Effective Waterfall Impacts Sales Productivity
- Alignment = Growth

**Net/Net:**
Marketing-contributed demand creation is essential to sales productivity.
Polling Question

• Which of the five productivity quotient categories does your organization measure best?
  • Pipeline
  • Performance
  • Enablement
  • Demand
  • Activities
Productivity Quotient in Action
Profiles, scoring and the quotient
Taking Action: Profiles, Scoring and the Quotient

**SiriusPerspective:** Sales leaders must measure against a profile, score themselves, then use the data to define productivity enhancement initiatives.

**Productivity Profile**

- Industry
- Revenue
- Average Selling Price
- Average Growth
- CAC
- LTV

**Benchmark Data:**
- Peer lens
- Future view
- Cross-industry
Scoring: Using the Productivity Profile

**SiriusPerspective:** To drive focused action, sales leaders must measure against a profile, score themselves and then use the data to define productivity enhancement initiatives.

**Beat the Benchmark:**
- Better then the benchmark by > 10% = +1.0
- At or better then the benchmark by < 10% = +0.5
- Miss the benchmark by < 10% = -0.5
- Miss the benchmark by > 10% = -1.0
Productivity Quotient in Action

**SiriusPerspective**: Sales leaders desire data-driven analysis constructed through peer-set comparisons to support decisions on change initiatives.
Action Items

• Marketing
  • Recognize that demand creation and sales enablement have a strong effect on sales productivity
  • Use low scores in demand as a launch pad for generating ideas for increasing conversion

• Sales
  • Take initial quotient findings and begin cross-category correlations for deeper intelligence
  • Prioritize productivity initiatives based on capabilities and impact value to the organization
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