



SFE Navigator™

Guiding the Way to a Customer-Focused Growth Engine

ZS Associates | 855-972-4769 | www.zsassociates.com

SALES+MARKETING

Impact where it matters.



Contents

§ SFE Navigator™ Drivers

§ Using the SFE Navigator™

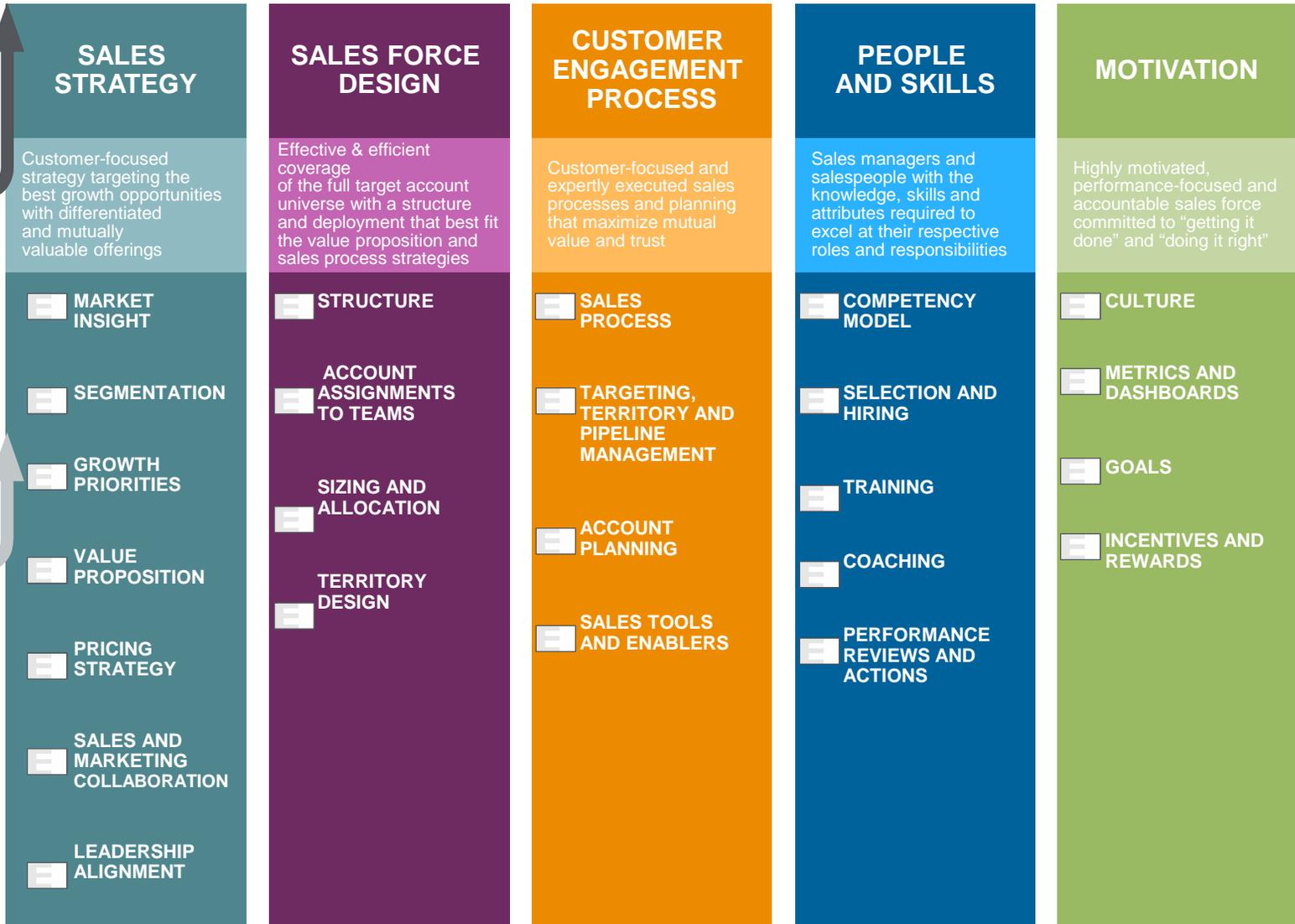
1. Overview
2. Getting Started
3. Directions
4. SFE Navigator™ Dashboard
5. What's Next?

§ Additional Support and Resources

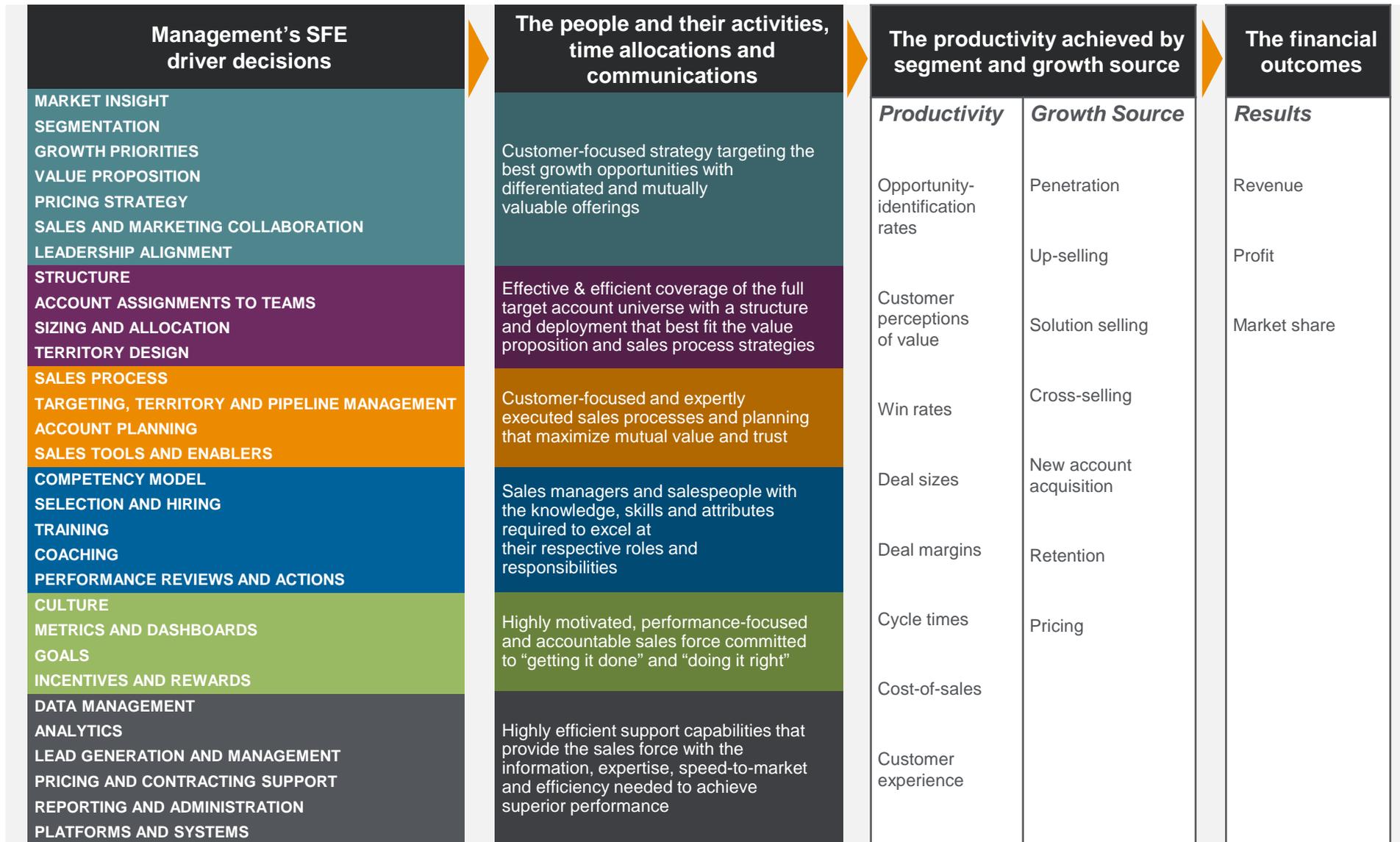


SFE Navigator™

Guiding the Way to a Customer-Focused Growth Engine



Sales performance is a consequence of decisions about the drivers



Using the SFE Navigator™ (1 of 5)

Overview:

SFE Navigator™ is a rigorous framework and set of tools for developing sales force effectiveness priorities in today's selling environment. ZS Associates is making these frameworks and tools openly available to all sales practitioners and academics. We are a committed partner to the sales profession and will continue to support SFE Navigator™ on behalf of this community.

SFE Navigator™ provides a number of powerful advances over other models and approaches:

- 1. Greater objectivity, accuracy and specificity.** *SFE Navigator™ combines a more comprehensive framework with uniquely granular leading-practice benchmarks, more objective rating scales, and more explicit assessments of driver interdependencies.*
- 2. Increased business impact.** *SFE Navigator™ explicitly links prioritization decisions to the sales force's most important growth opportunities, key pain points and costly competitive disadvantages.*
- 3. Broader applicability.** *SFE Navigator™ is specifically designed to support any industry, region and combination of sales models (e.g., key account program, field sales, inside sales, etc.).*

The SFE Navigator™ exercise will provide you with a clear and focused sales force effectiveness roadmap. The main steps in the exercise are the following;

Step 1

Evaluate effectiveness in each driver relative to leading practices. You may use the deep dive section at the end of this document to better assess the effectiveness scores for a driver

Step 2

Identify and Rank the short list of drivers for which improvement would result in an especially large increase in performance.

Using the SFE Navigator™ (2 of 5)

Getting Started:

Determine who will be involved in the exercise.

- § In general, the right group to be involved is the combination of individuals who collectively have deep insight into how the sales organization is approaching each of the drivers.
- § In some cases, evaluation teams choose to meet together and go through the entire exercise as a single group. In other cases, they choose to have sub-teams complete certain sections and then get together as a larger group to review and refine the evaluation.
- § Under any scenario, the process must be facilitated in a way that mitigates any grade inflation or deflation resulting from lack of objectivity or insufficient awareness of current practices.

SFE Navigator™ Directions:

Step 1: On pages 7-9, evaluate the organization's current effectiveness relative to leading practices for each driver (e.g., market insight, segmentation, etc.).

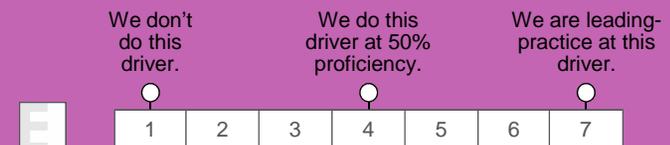
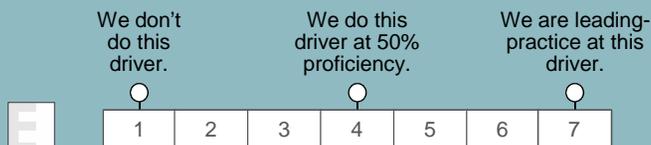
1. Provide scores for each of the leading-practice statements in the open squares next to the statement.
2. You can use the deep-dive questions on pages 23-28 to determine the scores for individual drivers. This is an optional but recommended step.

SALES STRATEGY

- MARKET INSIGHT:** We have deep and centralized insight on customer needs and buying processes, on competitors and on other environmental forces critical to the success of our business. The quality of our insights provides us with a significant strategic and tactical advantage.
- SEGMENTATION:** Our segmentation strategy is factually based on important differences in customer potential, needs and buying processes. Our segmentation includes detailed profiles for each segment, is well understood company-wide and is instrumental to our value proposition, structure, and sales process strategies and execution.
- GROWTH PRIORITIES:** We clearly define and communicate strategic growth priorities at a granular level (e.g., by segment, market offering, region and source of growth—where source of growth includes increased penetration, up-selling, solution selling, cross-selling, new account acquisition, retention & pricing). Our detailed growth priorities are quantified and strongly impact our sales strategies and tactics (e.g., sales structure, sales process.)
- VALUE PROPOSITION:** We have detailed and summary-level, segment-specific value propositions that are aligned with customer needs, buying preferences and account potential. Our value propositions are superior to alternatives, can be effectively tailored, communicated and proven by the sales force, and result in mutual value for customers and our company.
- PRICING STRATEGY:** Our pricing is executed consistently, differentiated by segment and based on the value of our solutions relative to next best alternatives. Our pricing appropriately increases and decreases as we add or remove elements to our offerings, and achieves a profit-maximizing balance between price (margin) and win rate/volume.
- SALES & MARKETING COLLABORATION:** Our sales and marketing groups collaborate effectively on market insight, segmentation, growth strategy, value proposition, pricing strategy, sales tools, content and lead generation and tracking. Both sales and marketing are equally committed to our go-to-market strategy and operate as customer-focused partners
- LEADERSHIP ALIGNMENT:** Our leaders respect sales, lead by example and effectively participate in the sales process. Our leaders across business units, regions, segments and product groups are well aligned such that we fully capitalize on the value of our company's complete product/service portfolio and customer relationships.

SALES FORCE DESIGN

- STRUCTURE:** Our sales force structure (roles and reporting relationships) aligns with how customers want to buy. We have the right level of specialization and our sales and sales management roles and responsibilities are clearly defined and understood across the organization. Our structure allows us to effectively and efficiently execute critical selling activities necessary to profitably sell our desired value proposition to each of our target customer segments.
- ACCOUNT ASSIGNMENTS TO TEAMS:** We assign accounts to teams based on a periodic, objective and fact-based process that precedes sales force sizing and allocation decisions. Assignment of accounts to key account teams includes detailed review of account potential, partnership orientation, strategic importance and our ability to serve.
- SIZING & ALLOCATION:** We determine sales force sizing and effort allocation based on fact-based estimates of workload and financial return on sales force effort. We have the optimal number of salespeople by team, segment, region and product/service group to maximize our profitable growth.
- TERRITORY DESIGN:** All of our territories have approximately one person's worth of workload considering the target accounts within each territory. Consequently, we optimize the coverage of the target account universe given our sales force capacity and maximize our growth potential in each and every territory.

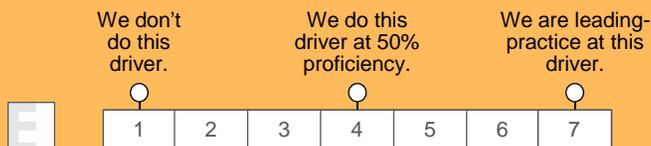


CUSTOMER ENGAGEMENT PROCESS

- SALES PROCESS:** Our sales process stages, activities, roles and metrics are well-documented. Our sales process is customer-focused and results in: clear identification and validation of customer needs, tailored offerings, communication of compelling value propositions and proof points, mutually valuable terms and conditions, and reinforcement of value actually delivered.
- TARGETING, TERRITORY & PIPELINE MANAGEMENT:** We provide our salespeople with quality data, analytically driven insights and the tools necessary to optimize targeting, territory and pipeline management. Our salespeople consistently allocate their time to the right accounts, activities and opportunities to maximize sales success and business results in each territory.
- ACCOUNT PLANNING:** Our account planning process is customer-focused, starting with customer needs, objectives, relationship maps, buying processes and preferences, followed by our objectives and tactics. We consistently define and frequently review and refine appropriate objectives and tactics at the account level. The planning process ensures that account teams and other internal stakeholders are aligned and well-coordinated.
- SALES TOOLS & ENABLERS:** We have defined the critical information and tools required at each stage of the sales process. Our sales force has, and effectively uses SFA/CRM, mobility, value-based selling, social selling tools, and other information and support required to execute our sales process and optimize their effort allocation. Our tools significantly increase the effectiveness and efficiency of our sales force and are regularly and appropriately used by all of our sales people.

PEOPLE & SKILLS

- COMPETENCY MODEL:** Our sales and sales management competency models are customized to sales, have rating dimensions that are explicitly aligned to our sales and sales management processes, and provide an objective picture of proficiency at basic, advanced and expert levels. Our performance-review model, coaching tools, and training modules are mirrored to our competency models. As a result, our competency models play a powerful role in ensuring that we attract, motivate and develop the right talent and skills.
- SELECTION & HIRING:** We fully capitalize on our internal talent pool when filling vacant roles-while at the same time demanding the right fit between requirements and capabilities. We recognize that the best salespeople are not always the best sales managers and promote accordingly. We consistently identify, recruit, evaluate and attract top-quality talent-matching desired traits per our competency model.
- TRAINING:** We place significant emphasis on continuous learning. Our training is organized around our sales process and provides our salespeople and sales managers with the knowledge they need to excel in their respective positions. We have mechanisms in place to ensure our sales force is committed to learning and applying what we teach them.
- COACHING:** We understand that both sales reps and sales managers need coaching and recognize what skills can be trained vs. those that must be coached and apprenticed. We have a well-defined and rigorously applied coaching process explicitly tied to our competency models. Our sales managers are expert in our sales process and value proposition strategy, and spend about 50% of their time developing and apprenticing their team members.
- PERFORMANCE REVIEWS & ACTIONS:** Our performance-review model is explicitly tied to our competency and coaching models with the addition of appropriate measures of financial performance. Performance reviews are valuable events for our sales people, not a “check the box” administrative exercise. We celebrate success of high performers and take meaningful action with low performers.

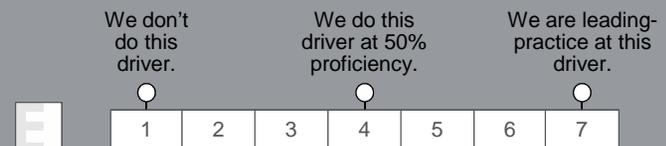
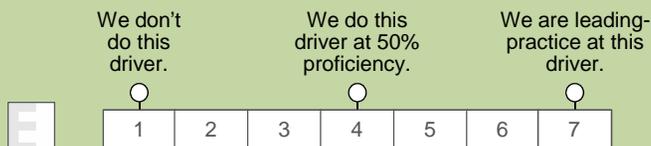


MOTIVATION

- CULTURE:** We have a performance-focused, highly accountable sales culture. Our culture ensures that our salespeople consistently do the right thing in accordance with our strategy and values. Our culture differentiates us in the market place, allowing us to build stronger relationships with our customers, and enabling us to attract and retain top sales talent.
- METRICS & DASHBOARDS:** We have clearly defined and well-understood key performance indicators and dashboards that create a high level of transparency and allow leaders and salespeople to understand and manage performance effectively and in a timely manner.
- GOALS:** Our goal-setting process is based on territory opportunity, not the salesperson. Goals are fair and ensure that we pay for performance. The goal-setting process is well understood and accepted by the sales force and motivates high achievement.
- INCENTIVES & REWARDS:** Our incentive plan motivates the right behaviors relative to our sales strategy and contributes to attracting and retaining the right individuals. We make appropriate use of nonmonetary rewards. We focus our recognition on top performers who are both “getting it done” and “doing it right”.

SALES OPERATIONS

- DATA MANAGEMENT:** We maintain a comprehensive, integrated and accurate database that provides a complete view of our current and prospective account profiles, sales histories and potential. Our database is a competitive advantage that strongly supports our marketing and sales strategy design, tactical planning and execution.
- ANALYTICS:** We apply rigorous analytics to maximize sales force effectiveness including: 1) estimating account potential, propensity to buy and messaging response, 2) establishing granular growth priorities and 3) optimizing targeting, sizing, effort allocation, territory design, pipeline and territory management, incentive compensation design and goals setting.
- LEAD GENERATION & MANAGEMENT:** We leverage cost-effective channels to generate leads, we employ quality analytics and tools to dynamically score, qualify and prioritize leads and we effectively manage lead tracking. Sales and marketing agree on the definition of a good lead and the sales force follows up appropriately and in a timely manner on all leads generated by or provided to them.
- PRICING & CONTRACTING SUPPORT:** The pricing and contracting support provided to the sales force results in rapid turnaround and in high-quality, effective and efficient pricing decisions, proposals, contracts and terms.
- REPORTING & ADMINISTRATION:** Our dashboards, incentive compensation administration and territory administration are governed by clearly defined, well-understood and well-executed processes that result in a high degree of accuracy, efficiency and timeliness.
- PLATFORMS & SYSTEMS:** The platforms and systems infrastructure employed by the organization provide the effectiveness, efficiency and flexibility needed by sales operations, marketing and the sales force to execute its activities with high quality, quickly and cost effectively.



Using the SFE Navigator™ (3 of 5)

§ **Step 2:** Transfer your effectiveness scores (pages 7-9) in the Effectiveness Scores column on Page 11

§ **Step 3:** On Page 11, Identify and rank the the drivers that will have the most impact on your company's future success. In doing this, think about the drivers that will have the most impact on your company's ability to:

- achieve its growth objectives
- address particular pain points and
- address significant competitive threats

Drivers	Effectiveness Scores	High-Impact Short List (Rank)
MARKET INSIGHT		
SEGMENTATION		
GROWTH PRIORITIES		
VALUE PROPOSITION		
PRICING STRATEGY		
SALES AND MARKETING COLLABORATION		
LEADERSHIP ALIGNMENT		
STRUCTURE		
ACCOUNT ASSIGNMENTS TO TEAMS		
SIZING AND ALLOCATION		
TERRITORY DESIGN		
SALES PROCESS		
TARGETING, TERRITORY AND PIPELINE MANAGEMENT		
ACCOUNT PLANNING		
SALES TOOLS AND ENABLERS		
COMPETENCY MODEL		
SELECTION AND HIRING		
TRAINING		
COACHING		
PERFORMANCE REVIEWS AND ACTIONS		
CULTURE		
METRICS AND DASHBOARDS		
GOALS		
INCENTIVES AND REWARDS		
DATA MANAGEMENT		
ANALYTICS		
LEAD GENERATION AND MANAGEMENT		
PRICING AND CONTRACTING SUPPORT		
REPORTING AND ADMINISTRATION		
PLATFORMS AND SYSTEMS		

Drivers	Effectiveness Scores	Impact Rank
MARKET INSIGHT		
SEGMENTATION		
GROWTH PRIORITIES		
VALUE PROPOSITION		
PRICING STRATEGY		
SALES AND MARKETING COLLABORATION		
LEADERSHIP ALIGNMENT		
STRUCTURE		
ACCOUNT ASSIGNMENTS TO TEAMS		
SIZING AND ALLOCATION		
TERRITORY DESIGN		
SALES PROCESS		
TARGETING, TERRITORY AND PIPELINE MANAGEMENT		
ACCOUNT PLANNING		
SALES TOOLS AND ENABLERS		
COMPETENCY MODEL		
SELECTION AND HIRING		
TRAINING		
COACHING		
PERFORMANCE REVIEWS AND ACTIONS		
CULTURE		
METRICS AND DASHBOARDS		
GOALS		
INCENTIVES AND REWARDS		
DATA MANAGEMENT		
ANALYTICS		
LEAD GENERATION AND MANAGEMENT		
PRICING AND CONTRACTING SUPPORT		
REPORTING AND ADMINISTRATION		
PLATFORMS AND SYSTEMS		

Using the SFE Navigator™ (4 of 5)

Step 4: Transfer your Effectiveness and High-Impact Rank scores to the SFE Navigator™ Dashboard on page 13.

Some teams find it useful to use the SFE Navigator™ Dashboard as a quick reference for ongoing assessment and tracking of their organization’s sales force effectiveness initiatives.

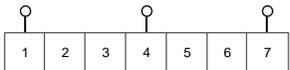
Drivers	Effectiveness Scores	High-Impact Short List (Rank)
MARKET INSIGHT		
SEGMENTATION		
GROWTH PRIORITIES		
VALUE PROPOSITION		
PRICING STRATEGY		
SALES AND MARKETING COLLABORATION		
LEADERSHIP ALIGNMENT		
STRUCTURE		
ACCOUNT ASSIGNMENTS TO TEAMS		
SIZING AND ALLOCATION		
TERRITORY DESIGN		
SALES PROCESS		
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GOALS		
INCENTIVES AND REWARDS		
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ANALYTICS		
LEAD GENERATION AND MANAGEMENT		
PRICING AND CONTRACTING SUPPORT		
REPORTING AND ADMINISTRATION		
PLATFORMS AND SYSTEMS		



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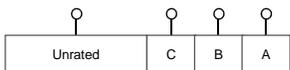
E = Effectiveness

We do some of the elements but not well. We do all and are near leading-practice at half. We are leading-practice at nearly all elements.



P = Priority

All Others Priority 3 Priority 2 Priority 1



SALES STRATEGY

Customer-focused strategy targeting the best growth opportunities with differentiated and mutually valuable offerings

- MARKET INSIGHT
- SEGMENTATION
- GROWTH PRIORITIES
- VALUE PROPOSITION
- PRICING STRATEGY
- SALES AND MARKETING COLLABORATION
- LEADERSHIP ALIGNMENT

SALES FORCE DESIGN

Effective & efficient coverage of the full target account universe with a structure and deployment that best fit the value proposition and sales process strategies

- STRUCTURE
- ACCOUNT ASSIGNMENTS TO TEAMS
- SIZING AND ALLOCATION
- TERRITORY DESIGN

CUSTOMER ENGAGEMENT PROCESS

Customer-focused and expertly executed sales processes and planning that maximize mutual value and trust

- SALES PROCESS
- TARGETING, TERRITORY AND PIPELINE MANAGEMENT
- ACCOUNT PLANNING
- SALES TOOLS AND ENABLERS

PEOPLE AND SKILLS

Sales managers and salespeople with the knowledge, skills and attributes required to excel at their respective roles and responsibilities

- COMPETENCY MODEL
- SELECTION AND HIRING
- TRAINING
- COACHING
- PERFORMANCE REVIEWS AND ACTIONS

MOTIVATION

Highly motivated, performance-focused and accountable sales force committed to "getting it done" and "doing it right"

- CULTURE
- METRICS AND DASHBOARDS
- GOALS
- INCENTIVES AND REWARDS

SALES OPERATIONS

Highly efficient support capabilities that provide the sales force with the information, expertise, speed-to-market and efficiency needed to achieve superior performance

- DATA MANAGEMENT
- ANALYTICS

- LEAD GENERATION AND MANAGEMENT
- PRICING AND CONTRACTING SUPPORT

- REPORTING AND ADMINISTRATION
- PLATFORMS AND SYSTEMS

Using the SFE Navigator™ (5 of 5)

What's Next?:

The SFE Navigator™ exercise provides you with a clear and focused sales force effectiveness roadmap. Before you move forward to address the SFE priorities and interdependencies, a few more steps may be appropriate:

1. Conduct targeted analytics for specific drivers to validate your assessment of effectiveness and opportunity. Do this when you feel that some evaluations in Step 1 need more rigorous evaluation.
2. Conduct analysis to validate and refine sales force growth opportunities. Refine SFE priorities if necessary. Do this when the growth opportunities identified in Step 2 seem too speculative or when it is hard to achieve leadership alignment on this topic.
3. Conduct analysis required to quantify costs and benefits. Prepare the business case required for funding your initiatives.

When you move forward to address your SFE priorities and interdependencies, the implementation plan should include the following:

- § The specific approaches that will be used to address the drivers in question (e.g., methodology, process and tools for each driver).
- § A detailed workplan and governance model.
- § A sales force effectiveness change-management plan to ensure desired outcomes and organizational buy-in.

Additional Support and Resources

- § SFE Navigator™ is tools of general applicability and may not entirely address your particular situation.
- § Additional support and resources are available to help you implement SFE Navigator™ at your organization.

Online at [ZSAssociates.com/SFENavigator](https://zsassociates.com/SFENavigator)

- § Online version of SFE Navigator™.
- § Frequently asked questions and responses.
- § “Building a Customer Focused Growth Engine: Establishing Sales Force Effectiveness Priorities,” by Moorman, Solem, Bernewitz, Curry (also provided in this publication).

Expert Assistance

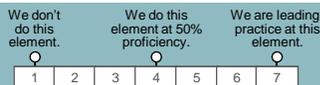
- § ZS provides a range of consulting services related to SFE Navigator™.
- § Customized SFE workshops that include training on SFE leading practices and that can be coupled with facilitated sessions focused on SFE evaluation and priority setting.
- § Quantitative assessments of SFE drivers using leading techniques to validate current effectiveness and to quantify the impact of effectiveness improvements.
- § SFE deep-dive audits across the full spectrum of drivers or for a specific subset of drivers.

- § In addition, ZS provides expert consulting, capabilities building and outsourcing support across the full spectrum of SFE drivers. We welcome the opportunity to speak with you to understand your situation and to connect you with the appropriate senior members of our team who bring deep expertise in the specific SFE issues you are considering. Companies desiring expert support for their SFE initiatives can contact ZS at SFENavigatorInquiry@zsassociates.com or 855-972-4769.
- § Finally, ZS has published many books and white papers discussing best practices on various sales force effectiveness topics. Please see zsassociates.com/publications.aspx for information on how to obtain copies of these materials.
- § We hope that you find SFE Navigator™ and the ZS resources supporting them to be helpful in your efforts to improve sales force effectiveness at your organization. Please give us your feedback at zsassociates.com/SFENavigatorFeedback so we can continue to improve these tools to meet your needs.

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Deep Dive Questions

SALES STRATEGY



MARKET INSIGHT: The quality of our customer and competitor insight provides us with significant strategic and tactical advantage.

- We have centrally maintained & deep insight into customer needs & buying processes encompassing all constituents influencing the decision.
- We know the addressable potential & propensity to buy at the account, segment & region levels on both a one-year & three-year basis.
- We know & systematically measure key drivers of customer experience, satisfaction & loyalty. We systematically capture the sales force's insights.
- We have centrally maintained & deep insight into the strengths & weaknesses of our competitor's offerings, value propositions & sales force strategies.
- We have a comprehensive social listening program to understand the attitudes, perceptions, needs and questions of customers, prospects, and key influencers towards us and our competitors.

E Effectiveness Overall

VALUE PROPOSITION: Our value propositions are superior to alternatives, can be effectively tailored, communicated & proven by the sales force, and result in mutual value for customers and our company.

- We have documented all product, service & program elements in our market-offering basket. We know the customer value vs. cost-to-deliver & differentiation for each element by segment & region.
- We have a customer-driven strategy that specifies which market offering elements will be offered to each segment, which will be standard vs. optional & the degree to which customers & sales can pick & choose.
- Sales force feedback & purposeful experimentation play critical roles in our new product development.
- We have compelling "30-second elevator pitches" that succinctly summarize our value propositions in terms of benefits & economic worth relative to customer needs & priorities.
- We have detailed "baseline" solutions & associated value propositions that sales can tailor to specific opportunities. These baselines are industry, account-type, decision-maker & selling-role specific.
- We actively engage in social communities, that are relevant to our customers and prospects, to ensure that our value proposition is clearly communicated and understood.

E Effectiveness Overall

SEGMENTATION: Our segmentation strategy and profiles greatly inform and enable our value proposition, pricing, sales force design and sales-process strategies & execution.

- Our segmentation strategies differentiate accounts based on: (1) needs & buying processes, (2) addressable potential, (3) relationship with our company & (4) other important factors that predict win rate, deal size, margin & sales force effort requirements.
- We have detailed & documented profiles for each segment that specify: (1) number of accounts, (2) needs & priorities in relation to existing & potential elements of our market offering, (3) potential for each of our offerings, (4) critical aspects of the buying processes.
- We are able to identify to which segment all accounts belong.
- Our segmentation strategy is well understood across our organization.

E Effectiveness Overall

PRICING STRATEGY: We are able to command the prices that ensure differentiated value to our customers while achieving our revenue and profitability objectives.

- Our pricing strategy reflects the value our offerings create for our customers relative to next best alternatives & customer willingness to pay.
- Our pricing appropriately increases & decreases when additions & deletions are made to our solutions.
- Our pricing guidelines achieve an effective trade-off between expected win rate & margin contribution.
- Our salespeople clearly understand & adhere to our pricing strategy.

E Effectiveness Overall

GROWTH PRIORITIES: Our sales force knows at a detailed level what our key levers are to achieve profitable sales growth and we are confident that our sales strategies & tactics (e.g., sales structure, sales process) always align with our most important growth opportunities.

- We define sales force growth priorities at a granular level around segments, market offerings, regions and growth source - where possible growth sources are delineated as: (1) penetration, (2) up-selling, (3) solution selling, (4) cross-selling, (5) new account acquisition, (6) retention & (7) pricing.
- When defining growth priorities we systematically & factually consider both the size of the opportunity & relative attractiveness.
- We limit the priorities to those that are the most important while not precluding growth in other areas.
- We clearly communicate growth priorities for the sales force on an annual or more frequent basis.

E Effectiveness Overall

SALES & MARKETING COLLABORATION: Both sales and marketing are committed to a common go-to-market strategy and they operate as customer-focused partners.

- Our sales & marketing organizations work closely & collaboratively to develop our segmentation strategies, our market offering & value proposition strategies & our pricing strategies.
- Our marketing team provides relevant content that can be utilized by the sales force throughout the sales process. Our sales force provides marketing with timely feedback on content usage and effectiveness.
- Marketing & sales work hand-in-hand to develop & support product, segment, region & sales role specific value proposition collateral & tools.
- There is a high degree of mutual respect & empathy between our sales & marketing groups. Marketing listens well to sales & sales is committed to providing marketing the time & support they need.

E Effectiveness Overall

LEADERSHIP ALIGNMENT: We maximize the company's overall success while also achieving the objectives of individual business functions, product/service groups, business units & regions.

- Our leaders visibly support our sales strategy, articulate clear expectations & lead by example.
- Sales is well respected in the company & recognized as critically important.
- We have instituted senior leader committee(s) & management processes that ensure support for our sales strategies across business functions, product or service groups, business units & regions.
- For key accounts, we employ an Executive Sponsorship Program that ensures coordinated executive involvement in the account, as required, for strategic partnerships & internal resource prioritization.

E Effectiveness Overall

SALES FORCE DESIGN



STRUCTURE: Our structure allows us to effectively and efficiently execute the critical selling activities necessary to profitably sell our desired value proposition to each of our target segments.

- Our sales force structure (roles and reporting relationships) achieves appropriate product, industry, account type & activity specialization & coordination necessary for us to consistently and cost-effectively win in the market.
- Our structure achieves cost-of-sales efficiency required for profitability in all target segments.
- Our sales roles are clearly defined in terms of product/services, segments, activities, accountabilities & authorities. We have no role confusion & do not burden our sales people with activities that could be better accomplished by others.
- We have designed the first-line sales manager role purposefully, with clear expectations of how managers should allocate their time across the key elements of coaching their people, assisting with or pursuing key sales opportunities, and managing the business aspects of their region.
- Our sales force structure & channels are well aligned with the ways in which our customers want to buy.
- We experience minimal destructive channel conflict but allow constructive tension.
- Our sales force structure allows us to maximize the leverage we achieve from our limited bench of true experts in all aspects of complex sales.
- Our structure is attractive to new recruits & facilitates retention of top talent.
- Our key account management positions are well branded across the organization as necessary to enable key account leadership. We approach key account management as an organization-wide program & not just a sales position.

E Effectiveness Overall

ACCOUNT ASSIGNMENTS TO TEAMS: Accounts are assigned to the appropriate sales teams or channels based on objective and appropriate criteria and a disciplined business process.

- We have an objective fact-based approach & annual business process for assigning accounts & other decision influencers (e.g., consultants, agencies, etc.) to sales teams.
- Our key account selection process is objective & considers a range of facts including addressable potential, existing relationship strength, strategic-relationship orientation, our talent bench & our ability to serve & deliver.
- Likewise, we have specific criteria in place to deselect accounts from our key accounts program when they fail to meet our criteria.
- We assign accounts & other decision influencers to sales teams before making decisions about sales team sizing & deployment.
- We do not have large numbers of accounts jumping from one team or channel to the next year-to-year.

E Effectiveness Overall

SIZING & ALLOCATION: We have the optimal sales resources by team, region and product/service group to maximize our company's profitable growth.

- We have a good understanding of the workload required for each sales role to execute their relevant activities of the sales process and we understand how this workload varies for different products/services and segments of customers across each stage of the sales process.
- We have fact-based estimates for the relationship between sales force effort and the incremental return it generates at the product/service & segment levels.
- We quantify the impact of different sales force effort levels, team sizes & allocations on overall revenue & profit for the company. We make our sizing & allocation decisions based on these return on investment insights
- For inbound inside sales teams, we have optimized the team's size to achieve the service levels we want to provide (e.g., wait times, etc.).
- For key accounts, we customize the type & level of sales resources for each account, as appropriate, based on each account's unique needs, buying processes, workload, geographic footprint & value to our organization.
- Our sizing & allocation processes explicitly consider the sales resources being provided by our channel partners.
- We do not rely on financial ratios (e.g., sales per rep), competitor benchmarking or "championing" to make our sizing & allocation decisions

E Effectiveness Overall

TERRITORY DESIGN: All of our territories are balanced on workload and potential such that we maximize our coverage of the target account universe given the sales force size in which we have invested.

- Our sales territory design process is fact-driven & explicitly reflects the segment targets, account targets & associated account workloads resulting from our sizing-optimization analysis. We do not employ design methods such as equal sales potential per territory or equal number of accounts per territory.
- Our territories each require approximately one person's effort to appropriately cover the targeted accounts in the territory. We do not have territories that have too much workload or too little workload relative to the average salesperson's capacity.
- Our territory-design process allows sales managers to refine territories based on local knowledge of accounts. This stage of the process is closely managed to ensure territories remain well balanced in terms of workload allocations.
- Our territory-design process reflects the account coverage being provided by channel partners.
- Our territory designs & associated resource deployment processes enable resource coordination & flexibility necessary to get the right resources against the right opportunities at the right time.

E Effectiveness Overall

CUSTOMER ENGAGEMENT PROCESS



SALES PROCESS: We have a well-defined process for identifying & validating customer needs, educating & motivating our customers, developing tailored solutions, communicating & proving compelling & differentiated value propositions & reinforcing value delivered.

- Our sales process details defined stages. For each stage, specific activities, advance metrics, participants (internal & partners), individual roles & enablers are specified. Our sales process is end-to-end, encompassing the very early stages of account identification through on-going account management & value maximization.
- Our sales process is customer-focused & ensures that our salespeople develop a deep understanding of each customer's buying process & that they understand & validate the customer's needs prior to forming and communicating offerings. Our process also ensures we reinforce value actually delivered.
- Our sales process ensures our salespeople are not just information providers & that they bring compelling new ideas & add value through the selling process itself. Our sales process creates a unique customer experience.
- Our sales process appropriately addresses all decision influencers within target accounts as well as those external to the account (e.g., consultants, agencies, etc.).
- Our sales process establishes a shared commitment between us & our customer early in the process.
- Our sales process for our more strategic key accounts includes "co-creation" & "co-resourcing".
- Our sales people leverage social media tools to "listen" to what is happening in our industry and with their customers (both the companies and the individuals in them) to identify signals indicating readiness to engage or buy.
- Our sales people thoughtfully leverage social media to build their personal brand with customers by sharing value-added content and perspectives with their customer networks
- Our salespeople & other roles (e.g., executives, technical support, marketing, service, etc.) engaged in the sales process clearly understand & have fully & consistently adopted the sales process. We effectively leverage our service & customer support in the sales process.
- Our salespeople are highly committed to rigorous call planning throughout the sales process, & recognize that call planning is one of the sales activities most directly tied to performance.

E Effectiveness Overall

TARGETING, TERRITORY & PIPELINE MANAGEMENT: Our salespeople optimally allocate their time to their account universe and opportunities to achieve maximum productivity in accordance with our capacity to deliver on our promises.

- We provide our salespeople with the quality data & analytically driven insights necessary for them to optimize their targeting & territory management. Our salespeople are effective at evaluating their territories to identify the accounts of greatest importance.
- Our salespeople maintain an up-to-date & accurate accounting of the opportunities in their pipeline & current status of each opportunity.
- Our salespeople are skilled at estimating readiness to buy, likely deal size, probability to win, time to win & required effort to win for each of the opportunities in their pipeline.
- Based on this assessment, our salespeople effectively schedule & sequence their account calls for maximum productivity.
- Our salespeople maintain balanced pipelines with an optimal number of leads at each stage.
- We provide Inside salespeople with insights on call times, call frequency & messaging that lead to the highest sales response.
- Our pipeline forecasts interlink with our production & manufacturing management processes. We modify sales efforts & priorities when necessary to ensure sales & delivery capability alignment.

E Effectiveness Overall

ACCOUNT PLANNING: We consistently define appropriate and customer-focused objectives and tactics at the account level. Account teams and other internal stakeholders are aligned and well coordinated.

- Our account-planning tools & process guide our salespeople to focus first on customer objectives & priorities before defining our objectives & opportunities.
- Our account-planning process & tools ensure salespeople identify opportunities that are mutually beneficial to the customer & our company, & plan effective strategies & tactics to realize those opportunities.
- Our account-planning processes are efficient while also ensuring high value to the account teams. We develop detailed plans for higher-value accounts & lighter plans for lower-value accounts.
- Our salespeople are extremely committed to effective account-planning & leverage the account-planning process to maximum benefit.
- For high-priority accounts, we engage senior leaders & cross-functional stakeholders in the review process to ensure optimal plans, organizational alignment & accountability.

E Effectiveness Overall

SALES TOOLS & ENABLERS: Our tools for salespeople significantly increase their effectiveness and efficiency and are used regularly and appropriately.

- The sales force has easy access to accurate & complete account information, & efficient & valuable account-planning & pipeline-management tools.
- The sales force has been provided with leading value-based selling tools that enable customer needs analysis & validation, market-offering tailoring, value proposition development, negotiations & market-offering refinement & value-delivered reinforcement.
- The sales force utilizes social selling media and networks to engage customers, prospects and key influencers. The sales force has access to expertise and content that they can use to drive a deeper level of engagement with their community.
- The sales force is directly involved in co-design & validation of our tools. The primary goal of our tools is to improve sales force productivity, not monitoring.
- We have a knowledge-management system & collaboration tools that provide the sales force easy access to internal repositories of information, best-practices, collateral, experts & peers. We manage content by product or service, segment, role & region.
- Inside sales (outbound) has the appropriate mix of phone, web-conferencing & video technology to maximize their effectiveness & build close relationships.
- Inside sales (inbound) has an effective interactive voice response & call-routing capability to maximize the percentage of the time that callers are responded to by the right salesperson while still achieving wait-time performance.
- We provide key account managers, their team members & executive sponsors with easy to access enterprise-wide information on their key accounts, & with effective communication & collaboration tools.

E Effectiveness Overall

PEOPLE & SKILLS



COMPETENCY MODEL: Our competency models play a powerful role in ensuring that we attract, motivate and build the right talent and skills.

- Our sales competency model is specifically customized to the unique requirements of sales. We do not use generic cross-functional competency models for any of our sales roles.
- We have a separate competency model for first-line sales managers that is specifically linked to core elements of their job as a coach, people manager, customer manager and business manager.
- The dimensions of our sales force competency models are explicitly tied to the stages of our sales process to maximize meaningfulness & linkages to coaching. We have limited the number of dimensions in our model to as few as possible to ensure focus on those that are most important.
- For each competency dimension, we provide an objective picture of what basic, advanced & expert proficiency looks like for knowledge, skills & behaviors.
- Our competency model is a useful tool for our salespeople to understand “what success looks like” & to identify key areas of personal advancement required to reach the next level.
- Our competency model, selection & hiring criteria, coaching model & tools, performance management approach, & training modules are all mirrored to one another to maximize consistency & synergistic reinforcement

E Effectiveness Overall

SELECTION & HIRING: We consistently bring the right people into the sales organization, and we have placed the right people in the right positions.

- We select and hire sales team members based on our well defined competency model.
- Our selection & hiring processes directly align with our competency model & specify the innate characteristics & the competencies for which we will select or hire versus those that we must train & apprentice.
- Our internal candidate identification, evaluation & selection processes ensure that we fully capitalize on the company’s internal bench to source open sales positions while not placing in key roles individuals who lack the required competencies.
- We recognize that the first-line sales manager is the most important role in the sales organization and that great salespeople do not always make great sales managers. Sales capability is just one aspect we evaluate when selecting new sales managers.
- Our selection & hiring processes consistently provide quality sources of candidates. We use discerning evaluation methods including behavioral interviewing, testing, and screening (references, social network, social media), that provide accurate assessments of candidates. We have specific pre- & post-offer attraction processes that maximize acceptance of our offers.
- We maintain & cultivate a bench of candidates at all times to minimize open territory time following attrition or promotions.

E Effectiveness Overall

TRAINING: We achieve high return on investment from our training and maintain an exceptionally knowledgeable and skilled sales team

- We have an effective training program for our sales people and first-line sales managers that aligns with the way we have defined roles and responsibilities, the competencies required, and the expectations we have, for the individuals in those roles.
- We place significant weight on continuously advancing the business acumen & skills of our salespeople as necessary for them to be uniquely valuable advisers to their customers.
- We provide effective training on our products & services, segmentation strategy & value propositions.
- Our training program is organized around our sales process, with modules for each stage of the sales process.
- We use an effective blended learning approach, combining classroom, self-taught & on-the-job training to accomplish both initial & ongoing training. We leverage face-to-face training as an opportunity to further embed & reinforce our culture.
- The techniques & case examples embedded in our training are specific to our selling situation & generate buy-in & adoption from the sales force. All of our salespeople are highly engaged in our training & rigorously complete the suggested curriculums. We are a learning organization.
- We recognize the knowledge & skills that can be built through training versus those that must be apprenticed. Our training & coaching approaches & priorities are aligned to achieve both

E Effectiveness Overall

COACHING: We have a well-defined coaching process and tools that ensure our salespeople are receiving the feedback and apprenticeship critical to achieving high levels of proficiency in our segmentation, value propositions, pricing and sales process.

- We view coaching as the single most important role of the first-line sales manager.
- We have a separate competency model for first-line sales managers that is specifically linked to core elements of their job as a coach, people manager, customer manager and business manager.
- Our leadership recognizes that training is critical but alone is insufficient to build value-based or solution-selling skills - which are apprenticed skills & must be developed through repeated application & expert coaching. Our sales managers are themselves expert in our segmentation, sales process & value proposition strategies & are able to apprentice our salespeople in each.
- We have a defined coaching process that is rigorously applied by our first-line managers, who spend at least 50% of their time on one-on-one coaching with their direct reports. Our managers spend more time coaching mid-performers than the top performers or the bottom performers. Our managers rigorously prepare for the coaching interactions with their direct reports. As a consequence, coaching interactions are highly impactful.
- We recognize that first-line sales managers also require coaching to effectively execute their role and have a process in place to ensure sales managers are coached and developed appropriately

E Effectiveness Overall

PERFORMANCE REVIEWS & ACTIONS: Our sales leaders & salespeople find the performance review process to be a highly valuable tool for achieving superior individual and overall sales force performance. The process is not viewed as a “check the box” administrative activity.

- We have a periodic process through which each of our salespeople is rigorously reviewed & provided meaningful & actionable feedback & guidance.
- Our review model directly aligns with our competency model with the addition of goals/financial results.
- We do not tolerate low performers & are quick to develop plans to improve performance or move them out.
- Our salespeople are never surprised by their performance evaluations because our coaching processes ensure ongoing feedback per our competency model.

E Effectiveness Overall

MOTIVATION



CULTURE: Our culture differentiates our company in the market place, allowing us to build stronger relationships with our customers, and enabling us to attract & retain top sales talent.

- We have defined the aspects of culture most important to our sales success, including being customer-focused, performance-focused & accountable. We emphasize customer trust over growing at all costs.
- Our culture guides our salespeople to choose to “do the right things” & “work in the right way” at all times. Our culture ensures that internally we treat each other with a high degree of mutual respect & professionalism.
- When asked, our salespeople & management team can describe our culture in a few simple words or phrases, & these descriptions are consistent.
- We actively engage “key culture influencers” (people who the sales force routinely look to for information & advice) to help reinforce the culture. We proactively reinforce the culture through communications with the sales force, highlighting success with customers & teammates that are the result of culture-compatible behaviors & choices.
- The need to reinforce our culture is specifically considered in the decisions we make on all other SFE drivers (e.g., decisions on who to hire, who to promote to manager, incentive-plan design, performance management, etc.).

E Effectiveness Overall

METRICS & DASHBOARDS: Our leaders and salespeople are always well informed and have the information they require to manage their areas of responsibility.

- We have defined the specific metrics most critical to tracking & managing the performance of the sales force – including metrics for each stage of the sales process & method of engagement, and specific metrics required for each of our segments & sales teams (e.g., key accounts program, field sales, inside sales outbound, inside sales inbound, etc.).
- We have determined how best to configure our dashboards to highlight key metrics, allow for easy interpretation & provide appropriate drill-down capabilities.
- We have designed & streamlined our systems & reporting such that each level in the sales force receives accurate & timely metrics presented in an insightful manner.
- We ensure salespeople & managers know how they are performing relative to their peers in a way that constructively drives their motivation & accountability.

E Effectiveness Overall

GOALS: Individual goals are fair, motivating and do not favor or disadvantage certain individuals based on who they are, how they have performed in the past or territory characteristics.

- Our goal-setting approach is based on territory opportunity, not the individual. Our goals are fact-based. The goal-setting method & process is transparent, rigorously managed & well understood throughout the sales organization.
- Goals at the territory level sum up to our national objectives, or our national objectives plus a small stretch. Our goals are perceived as achievable.
- Our goals for accounts in our key account programs balance short-term & long-term objectives.
- We almost never have to make adjustments to our goals during the fiscal year.
- At least 50% of our sales force achieves or exceeds their goals each year.

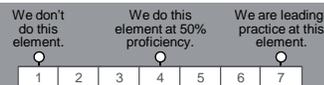
E Effectiveness Overall

INCENTIVES & REWARDS: We attract and retain the right salespeople and our salespeople are highly motivated and consistently demonstrate the right behaviors and priorities.

- The target payout, fixed versus variable pay mix & upside earning potential of our incentive plan allow us to attract & retain the talent we require.
- The incentive plan creates meaningful pay differentiation between high & low performers, creating significant motivation & improving overall sales force performance.
- The incentive plan is fair & pays for performance. It does not benefit or handicap salespeople based on their territory, role or past performance.
- The incentive plan is easy to understand, is directly aligned with our sales strategy & incorporates no more than three key elements, each of which the sales force strongly impacts.
- The incentive plan is consistent with our desired culture & is not sending mixed signals. The incentive plan motivates salespeople to sell the right products to the right accounts at the right price & with the right behaviors.
- In addition to compensation, we have programs that allow us to recognize, showcase & reward individuals that exemplify “getting it done” while also “doing it right”. We do not celebrate those who do not demonstrate our desired behaviors & values, even if they achieve significant results.

E Effectiveness Overall

SALES OPERATIONS



DATA MANAGEMENT: The accuracy & completeness of our integrated data is a key source of competitive advantage and strongly supports our marketing & sales strategy development, tactical planning and execution.

- We know & fully leverage the best sources of secondary data & we continuously mine “big data” to capture critical information related to potential, needs, buying processes & competitors.
- A complete, integrated & accurate customer-level database consisting of all customers & prospects is built & maintained centrally to support sales & marketing needs. This integrated & centralized database includes key firmographics, social insights, sales force alignment, sales history, segment affiliation & potential for each account.
- For each customer & prospect, a unique identifier is created, duplicates are eliminated & cross-references are built to link to other commercial systems.
- Effective governance & processes exist for managing parent-child & ship-to vs. bill-to relationships as necessary to provide the account views most critical to sales decisions.
- The centralized database is populated from external data sources through automated, high-quality merging & transformation processes.
- The centralized customer-level database serves as the single-source of truth to populate sales & marketing transactional systems (e.g., CRM or SFA platforms).

 Effectiveness Overall

ANALYTICS: Our sales force decisions are fact-based and optimized. We are bringing today’s best analytical science to the sales force in a way that is significantly increasing our overall sales force effectiveness and competitive advantage.

- We employ leading-edge analytics to estimate account-level addressable potential, growth opportunities, customer propensity to buy or defect, sales response to promotion, sales resource optimization, lead priorities, goal setting & sales force capabilities & effectiveness.
- We have automated & repetitive analytics that efficiently support the long-term strategic sales planning process, annual operating plans & ongoing performance tracking & decision making.
- We have flexible yet robust capabilities to rapidly respond to ad hoc analysis requests.
- Our analytics ensure salespeople spend more time making decisions & less time crunching data.

 Effectiveness Overall

LEAD GENERATION & MANAGEMENT: We identify and follow through on the vast majority of quality leads in the market.

- Marketing, sales ops & the sales force have agreed on the definition of a “quality lead” & how leads will be managed & tracked.
- We have employed cost-effective channels to identify & generate leads (e.g., direct mail, internet, social media, trade-shows, inside lead generation, etc.).
- We have employed quality analytics and tools to dynamically score, qualify and prioritize leads.
- We consider social network connections as part of our process to effectively route inbound leads to the right sales person.
- Our lead hand-off processes are seamless & ensure no leads are lost.
- We have employed effective lead-tracking & marketing automation tools as appropriate to achieve our lead-generation objectives.

 Effectiveness Overall

PRICING & CONTRACTING SUPPORT: Our salespeople are able to rapidly & efficiently turn around high-quality proposals and contracts that are competitive, and achieve company & customer objectives and that ensure mutually valuable relationships.

- Our support processes for pricing & contracting provide rapid high-quality response.
- We employ quality analytics & knowledge-management systems to maximize quality of our decisions, proposals & contracts while driving efficiencies.
- We prioritize our support based on account & deal importance.
- We regularly monitor contract compliance & status & provide our sales force with the information necessary to address compliance & contract expirations.

 Effectiveness Overall

REPORTING & ADMINISTRATION: Sales leadership and the sales force have timely and accurate information supported by accurate and efficient administration.

- Our internal administrative processes for reps, managers and sales leaders are lean and efficient, and are supported by reliable, easy to use tools thus allowing all sales professionals to spend their time on the highest value activities
- A limited & focused set of reports provide sales leadership with the information & insights they require to manage performance effectively.
- Territory-level dashboards provide key performance indicators & insights to salespeople, allowing them to make optimal decisions effectively & efficiently.
- Reports are produced using the most timely & accurate information through an automated & high-quality process.
- Ad hoc report requests from senior leadership can be created in minutes, using high-quality, integrated information & tools.
- Our incentive-operations capability & processes are efficient & result in accurate & timely reports for the sales force & internal stakeholders. These processes motivate confidence in our compensation plan.
- The administration of territories & goals throughout the year ensures that adjustments are based on legitimate business rationale & conform with predefined & documented rules & methods. Effective checks & balances ensure correct decisions.

 Effectiveness Overall

PLATFORMS & SYSTEMS: Our platforms & systems cost-effectively provide the support & flexibility needed by the sales & marketing stakeholders who rely on them.

- We have an integrated suite of platforms, systems & tools that provide the infrastructure we require to cost-effectively accomplish all aspects of our sales operations mission.
- We have a robust CRM system that is actively used by the sales force because of the value it delivers to them & that captures salesperson knowledge of the account while providing pipeline data critical to performance management & forecasting.
- Our platforms & systems support today’s leading selling tools related to customer event alerts, needs assessment, value proposition development & tailoring, value-in-use quantification & value-delivered tracking & reinforcement.
- We can cost-effectively scale & adapt our systems to ongoing changes in sales force strategy & tactics.

 Effectiveness Overall