



3 STEPS TO BUILDING A HIGH-PERFORMANCE SALES TEAM

STRATEGIES TO COMPETE AND WIN IN
THE AGE OF THE EMPOWERED CUSTOMER

ORACLE®



Sales professionals who rely on traditional, time-worn selling methodologies—like selling on features and functions or unstructured cold calling—are having trouble keeping up.

As they compete to meet closed revenue targets and territory penetration objectives, sales leaders need to implement new initiatives and inspire their teams to succeed in today's customer-driven marketplace.

THE CHALLENGES

Almost 95 percent of Chief Sales Officers (CSOs) reported higher revenue targets, but nearly 86 percent are not very confident they can reach them¹. Unfortunately, numbers are not the only moving targets. With only 20 percent of salespeople generating most of the revenue, and long lead times to get new sales reps up to speed, effective sales performance management is more critical than ever. Changing dynamics mandate the rapid evolution of sales strategies—although more than half of sales organizations struggle to adapt their sales processes to changes in the market.

Customers now have more choices to source the products and services that they need. They're empowered to educate themselves about what is available in the marketplace, thanks to vast amounts of insightful content, customer reviews, and analyst reports that are widely available online. In fact, a customer may wait until they are as much as 70

percent of the way through their product or service evaluations before engaging a sales rep.²

In recent years, only about 58 percent of sales reps met their quotas.³ But what are the reasons behind that trend? Is there a skills erosion in the sales profession as a whole? Or are quotas unrealistic, considering the evolving marketplace and changing customer behaviors and attitudes?

Sales managers are constantly asked to reduce costs, and do more with less. With many industries experiencing shrinking margins, sales managers are focused on the bottom line as much as—or more than—the top line. They need detailed, real-time insight into performance to identify and react to the issues that are preventing their team from hitting their numbers. Most importantly, they need to know what is standing in the way of achieving their company's strategic goals.

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1. CSO Insights, "Sales Management and Optimization Study" and Accenture, "Powering Profitable Sales Growth"; 2. CEB, "The Digital Evolution in B2B Marketing"; 3. CSO Insights, "Sales Performance Optimization Study"



THE COMPETITION

Competitors that find ways to engage customers early in the evaluation process (through thought leadership website content, trade shows, or strategic relationships) are often difficult to displace once they are perceived as a trusted advisor—as opposed to just another vendor option to consider.

For many industries, new market entrants and nimble industry disruptors are using technology to level the playing field and capture market share that was historically monopolized by Fortune 1000 companies. Such competitive changes mandate a shift in sales strategy.

Modern sales teams need to adjust to this disruption of their profession. Consequently, sales leaders need to understand the new realities of their dynamic selling environment, and adopt new tools and management styles which empower their teams and foster an agile, insight-driven culture. Making instinctual decisions on critical strategies like territory assignment and sales incentives is a strategy fraught with risk. The most successful sales leaders find ways to adopt Sales Performance Management (SPM) applications so they can make confident decisions based on quantifiable facts.

MODERN SALES PERFORMANCE MANAGEMENT (SPM) DEFINED:

Technology solutions that support the end-to-end data collection, analysis, workflow creation, and overall management of sales operations in order to systematically improve individual and team sales performance.





“Companies must become more agile and insight-driven as products, markets, regulations, and customer needs evolve at an increasingly rapid pace.”

– Gartner

A MORE DYNAMIC SALES ENVIRONMENT DEMANDS MODERN SALES PERFORMANCE MANAGEMENT TECHNOLOGY



THE VALUE OF AUTOMATING SALES PERFORMANCE

Our culture is becoming increasingly data-driven—and sales is no different. Sales performance data needs to be processed into information and insights in order to yield better results. With SPM technologies, the world's best-in-class companies are recruiting, developing, and rewarding their high-performing sales teams in ways that drive the right behaviors and align sales execution with corporate goals.

SPM uncovers insights into sales rep behaviors and incentive effectiveness, so sales management decisions can be based on accurate information, not guesswork. Sales leaders can take swift action to either coach their team to abandon losing tactics, or

adopt new strategies which are working for peers, partners, or even competitors.

"Companies must become more agile and insight-driven as products, markets, regulations, and customer needs evolve at an increasingly rapid pace," according to a recent Gartner study. This is where the true value of SPM technology comes into play.

Reports show many companies are missing out on the equivalent of 4 to 11 percent of their annual sales revenues, just by ignoring the opportunity of SPM technology adoption.⁴ That's a significant opportunity cost, and far exceeds the price of adopting the right tools to maximize, motivate, and mentor sales teams more effectively.

4-11%

of annual sales revenues are lost, just by ignoring SPM technology adoption⁴

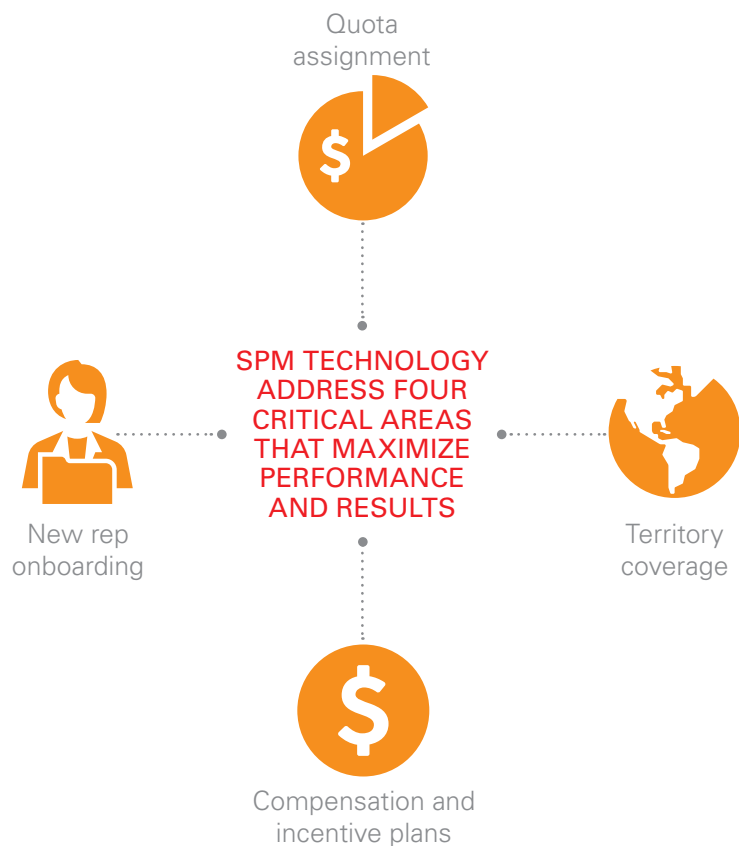


3 STEPS TO BUILDING A HIGH-PERFORMANCE SALES TEAM

1 MAXIMIZE RESULTS

Ensuring the right sales territory coverage is critical. Assigning top performers to must-win regions and industries plays a significant role in a sales team's ability to achieve their short- and long-term goals.

For sales leaders to effectively manage performance of their sales team, they need reliable data on how their team is performing at any given time. Sales leaders need the ability to define what their go-to-market universe should look like, and balance those predictions across a wide variety of variables (such as geographical coverage, depth of industrial expertise, etc.). Sales leaders must also be able to assign meaningful quotas, so reps understand what it will take to be successful, along with a roadmap to get there.



33%

of sales leaders don't trust the sales information they have available⁵

40%

rely on instinct to make territory, quota, and incentive decisions⁵

54%

still use spreadsheets to calculate incentive compensation⁵

2 MOTIVATE PERFORMANCE

3 STEPS TO BUILDING A HIGH-PERFORMANCE SALES TEAM

Driving the right behaviors, keeping your top reps motivated, and getting underperforming reps to improve their performance require different tactics. You can't just let poor performers slide into oblivion, as it affects team morale. When morale is low, sales teams can churn and may need full replacement in two years, eroding any efforts to train and mentor for long-term success. Top performers shouldn't be isolated—they should be like a lightning rod that energizes their colleagues.

MODERN SALES REPS ARE MOTIVATED BY FOUR TYPES OF INCENTIVES:



1 COMMISSIONS AND BONUSES

The best sales reps readily admit they are highly motivated by their commission payouts. Compensation plans which are uncapped with opportunities for multipliers or accelerators are strong incentives. The sales compensation function of SPM technology automates commission payments, and can be tailored to facilitate a variety of performance-based commission plan types. The tools also offer mobile, on-time updates on how a rep is performing against their plan and their peers on a leaderboard.



3 GAMIFICATION WITH POINT SYSTEMS OR REWARDS

Cash incentives may be king, but gamification is starting to rule in modern selling. Just as FitBits and WeightWatchers programs bring out the competitor in all of us to strive for better health and fitness, the gamification functionality of SPM rewards sellers who reach goals like customer satisfaction metrics, new customer acquisitions, or existing customer renewals. Visually stimulating and rewarding, game mechanics like contests, games, and leaderboards drive team and individual quota attainment.



2 PROMOTIONS INTO LEADERSHIP ROLES OR TACTICAL TEAM LEADS

Salespeople are often very ambitious and eager to use their achievements to advance into senior sales positions or management roles. SPM technology can provide performance metrics against targets, captured in visual dashboards and based on real-time data. By seeing where they rank relative to their teammates and their proximity to their plan targets, reps can use the data to set defined goals and career path milestones.



4 PEER AND EXECUTIVE RECOGNITION

The best coaching plans use analytics to identify activities that drive performance, award points based on that performance, or rank achievement levels via leaderboards. Through SPM's interactive dashboards and social and mobile integration for contextual coaching, sales leaders can set non-monetary incentives so that salespeople are reminded of their success and achievement on a personal level, among their peers, with executives, and even with their customers. This ego boost is the ultimate objective. Sales leaders must strive to build a team that wants to perform at high levels and has the confidence to make it happen.

3 MENTOR EFFECTIVELY

3 STEPS TO BUILDING A HIGH-PERFORMANCE SALES TEAM

Every organization has star performers, average performers, and underperformers. Forward-thinking sales leaders need to identify the qualities in star performers, and coach those lower-performing sales reps to perform at a higher level. Imparting best practices is key, such as effective strategies for pre-sales opportunity qualification, closing techniques, and post-sales follow-up. They also ensure sales appraisal meetings accurately measure performance and growth, and tie them together with coaching scorecards to get a transparent, unbiased view of a team member's performance.

BECOME A MODERN SALES COACH

Modern sales leaders are using SPM technology to perform guided coaching on an individual basis in order to promote step-by-step, measurable improvements in performance and motivation. With built-in digital coaching models, they are proactively scheduling mentoring sessions with each sales rep, defining key tasks, providing immediate feedback, and analyzing results in realtime. Synchronizing in-person coaching with digital coaching

tools can create consistent selling strategies and help new reps get up to speed faster.

Nurturing and retaining top sales performers isn't easy; the fact that they are successful means they will be in demand by your partners and competitors. Check in with top performers regularly, and try to remove obstacles in their path. Internal social community channels and messaging apps are a great way for top sales reps to share their victories and best practices with their peers, without reducing their customer engagement.

Coaching underachieving salespeople is equally or more challenging, though SPM technology can put sales training and mentoring programs into better perspective relative to company goals. Using SPM to identify a rep on a downward slide is an opportunity to coach back to success before they hit rock bottom.

START FROM THE GROUND UP

Better manage the performance of your salespeople as you onboard them into the organization.

Assign the appropriate goals and milestones to help onboard reps more efficiently, whether their responsible for business development, or for closing deals. Foster collaboration between seasoned reps and team managers to streamline the process.

GET MORE FACE TIME

Modern sales professionals need to optimize customer face time, and equipping them with mobile-friendly apps to capture their activities and update their pipeline opportunities is an effective way to attain that goal. Coaching sales reps on social media engagement and listening tactics in their territory can prevent your existing customers from turning to a competitor, or help reps identify prospects that may otherwise be below their traditional business development radar.

| SALES MANAGEMENT MANDATE | AVERAGE COMPANIES | BEST-IN-CLASS COMPANIES |
|---|-------------------|-------------------------|
| Highly accountable to sales team's continuous improvement | 43% | <div>96%</div> |
| Provide insights into why top performers are successful | 46% | |
| Align sales compensation policies with company objectives | 46% | |



**COMPANIES
EMPLOYING
INTEGRATED SALES
PERFORMANCE
MANAGEMENT
TODAY CAN
INCREASE CLOSE
RATES BY AS
MUCH AS 10 TO
15 PERCENT.⁶**

THE NEW PERFORMANCE CULTURE: **MAXIMIZE. MOTIVATE. MENTOR.**

Creating a high performance culture requires hiring the right talent, standardizing on the right processes, and implementing the right technologies. With data and insights, sales leaders can better maximize results, motivate performance, and mentor more effectively.

When sales reps are at their best, they understand their book of business and how they will be paid if they meet their quotas and sales plan metrics. They are motivated to assist their peers, as success can have a ripple effect on team morale and goal achievement.

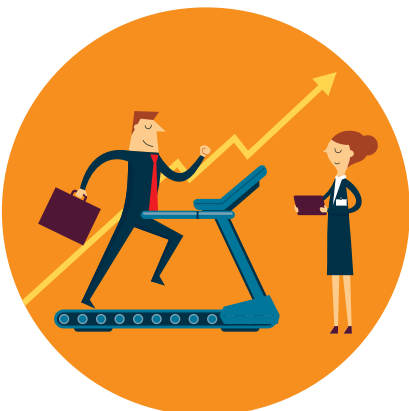
When the sales team is successful, it can create opportunities for product R&D, new channel and/or service enhancements, and improvements to the company's ability to market and compete in their marketplace.

Selling is more rewarding for reps who are confident their employer has the right plan in place and is invested in their individual success as well as corporate success. Gamification programs and other incentives keep employees involved and invested in their organization's success.

Modern sales teams are using SPM technology to provide clear, reliable insights on a company's market space, both what is happening in real time, and what needs to happen for a sales team to be successful. Sales managers can take cues from this data and build their team to generate the best possible results to address real-time market conditions.



With data and insights,
sales leaders can
**BETTER MAXIMIZE RESULTS,
MOTIVATE PERFORMANCE, AND
MENTOR MORE EFFECTIVELY.**



In addition to helping reps reach and exceed their targets, SPM tools benefit sales operations teams by:

- ↓ **REDUCING COMPENSATION ERRORS BY 90%**
- ↓ **REDUCING PROCESSING TIME BY 40%**
- ↑ **SAVING 50% ON IT AND ADMIN STAFFING COSTS⁷**

GO PERFORM BETTER

Oracle Sales Performance Management (SPM) empowers modern sales executives with advanced modeling capabilities to optimize territories, quotas, and incentive compensation plans as well as sales productivity and coaching tools to set winning teams on a path to peak sales performance. It is the only end-to-end sales performance management solution in the market that's delivered in a single cloud, on a single database, with a common UI, with a central reporting platform, from a single vendor.



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