THE DEFINITIVE GUIDE TO CONQUERING CRM

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AN INTRODUCTION

It's hard to believe that modern CRM tools have only been with us for 20 years. During that time, every large sales force has embarked upon some version of a CRM odyssey, stopping along the way at Siebel, Oracle, SAP, Salesforce, Microsoft, and many other CRM destinations. Companies typically stay in one spot for 5 to 7 years before moving on to the next stop, never lingering anywhere too long. Twenty years of wandering, with no end in sight.

When CRM first arrived, the grand promises of the technology foretold a new era in sales management… Accurate forecasts, healthy pipelines, insightful reports, rigorous management, and disciplined effort. It seemed too good to be true. And it was. Within months, sales forces realized that their sales processes were not ready to automate. Data was sloppy. Implementation was flawed. User adoption was slow. The business impact was unclear. Essentially, the initial CRM euphoria was doused with information technology reality.

Every sales force we know still struggles today to find its happy place with CRM. In fact, it's practically common knowledge that selecting and implementing a new CRM platform will be an unpleasant experience.

In this e-book, we shed light on the key challenges that brought sales organizations to their current perspectives, as well as the best practices that create better outcomes. We offer seven insightful articles from Vantage Point executives, as well as CRM experts from EY and SunTrust Bank. We hope the following pages clarify, inspire, and motivate, so your company's lingering odyssey becomes a quick sprint to CRM bliss.

The Vantage Point Team

FIGHTING THE BATTLE FOR BETTER SALES MANAGEMENT

by Jason Jordan and Michelle Vazzana

"We discovered that field level metrics are manageable, metrics tracking corporate results are unmanageable, and those that track objectives are somewhere in between."

So, there we were… The War Room.

Our Fortune 100 client was showing us the sequestered conference room where their senior leadership gathered weekly to review business performance and set strategic direction. On the walls hung a sea of performance reports with everything from current financial projections to the number of customer-facing calls the sales force had conducted year-to-date. Literally, hundreds of data points culled from their CRM tool were reported in vividly colored charts for their leadership team's real-time consideration.

Looking at the walls, it was easy to envision a typical weekly War Room meeting. It would resemble the classic scene from a World War II Hollywood movie where analysts scurry about the room updating information on the walls, while the generals take it all in and formulate a strategy to outflank the enemy. Except in this case the generals were VPs of sales, the soldiers salespeople, the battlefields sales territories, and… The numbers on the wall were not enemy head count, but product sales, pipeline size, sales rep activity, win/loss ratios, profit margins, and of course, revenue forecasts. Anything and everything that could be reported had a spot reserved on the War Room walls.

At Vantage Point over the years, we've done a lot of head scratching over the War Rooms we've observed. How could all this reporting benefit our Fortune 100 client, and for that matter, any sales force? The truth is, all this readily available data has become the equivalent of comfort food for leadership: A real-time view of sales force performance which makes leaders feel in touch with their organizations. Increased transparency into field-level activities gives leaders the satisfying sense that they are somehow in control of their sales force's behaviors.

However, visibility into an action does not equate to control over it.

What Can We Really Manage?
With all this CRM data at our fingertips, we are surely able to proactively influence sales force performance a little bit more today than we were billions of dollars ago. We are more enlightened about what's happened – and even about what is currently happening, but we have little more control over the future than we did in the past. What then are we missing?

What we are missing is quite fundamental: We are missing the operating instructions for a sales force. How do the numbers on the War Room walls 'work?' Of all the data points that we see in our many reports, which are the inputs, and which are the outputs? Which are the causes, and which are the effects? If I want to move this number, should I push that one or pull another?

How do the numbers work together to help manage sales forces?

To answer the question, we partnered with the University Sales Education Foundation to survey its corporate constituents. Specifically, we asked sales leaders to provide us with the data points they found the most meaningful in driving the performance of their sales forces. We then expanded the scope of the research to include our own client base, adding data from management reports being used at both the executive and field levels. In sum, we gathered 306 metrics that were considered by leadership to be the keys to effective sales management.

The Question
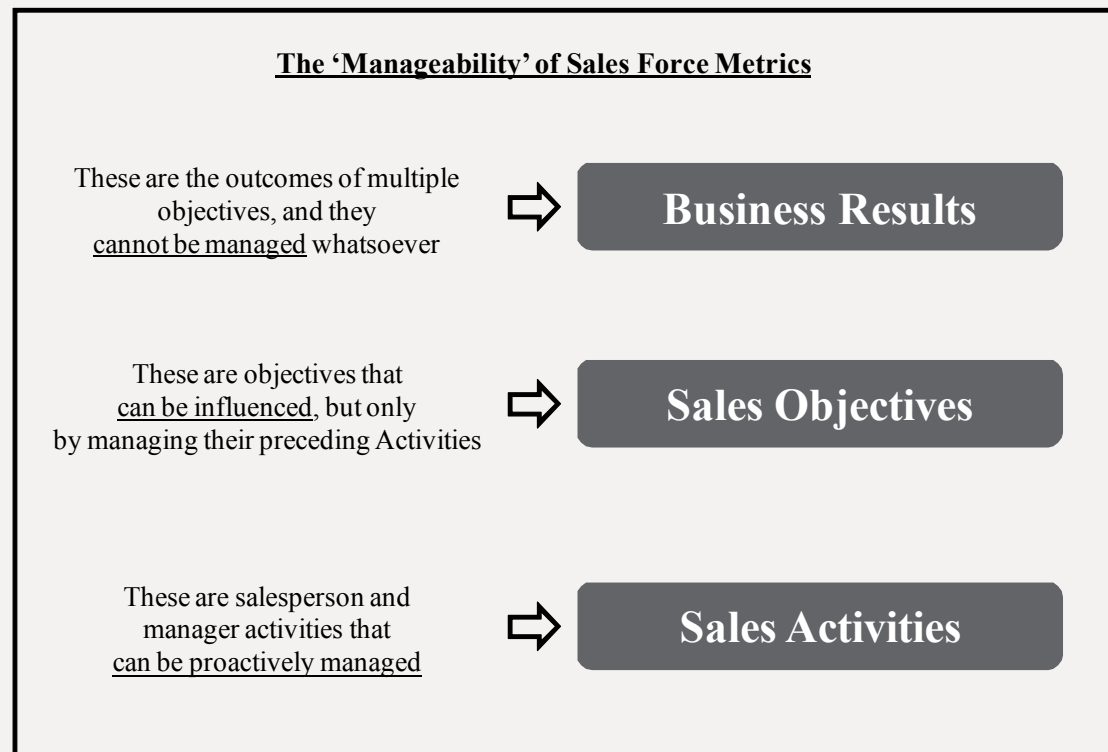So, there we were ... Our own War Room.

Or at least that's what it resembled with our 306 metrics hanging randomly about the walls. Except that unlike the real War Room generals, we were not there to lead – we were there to follow. We would follow

those seemingly random numbers wherever they took us, as long as we ended up with a coherent frame-work of sales force metrics. But how to begin our journey?

We chose as our tour guide a single question that would we hoped would lead us to crack the sales management code: *Can we 'manage' this number?*
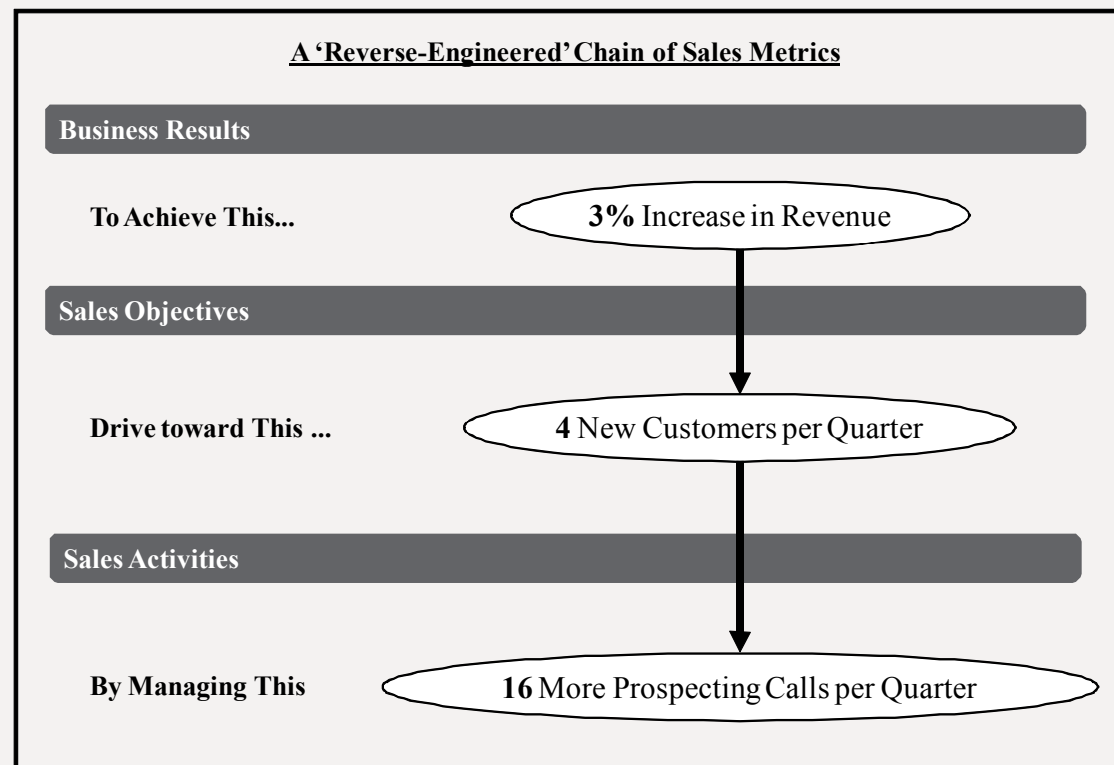
The Answer

In the end, we discovered that some sales numbers are in fact quite manageable. These are metrics that relate to field-level activities. At the other extreme, we determined that many numbers are completely unmanageable. These metrics track high-level corporate results. We then teased out a third category of numbers that lies somewhere in between – not really manageable, but vulnerable to influence. These middle-ground metrics refer to a sales force's objectives and serve as a pathway from activities to results.

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The 'Manageability' of Sales Force Metrics

These are the outcomes of multiple
objectives, and they
<u>cannot be managed</u> whatsoever ⇨ **Business Results**

These are objectives that
<u>can be influenced</u>, but only
by managing their preceding Activities ⇨ **Sales Objectives**

These are salesperson and
manager activities that
<u>can be proactively managed</u> ⇨ **Sales Activities**

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Eventually, we uncovered some very important insights into the challenges and limitations of sales management:

- We discovered that not all sales metrics are on par – some of the numbers on War Room walls can be managed with the degree of control that leadership expects, but more than 80% of those numbers can only be influenced indirectly
- We established a series of causal relationships that can be used to coerce those unmanageable numbers with a high degree of certainty – managing Sales Activities leads to the achievement of Sales Objectives, which in turn leads to the attainment of Business Results
- We identified a means to reverse engineer high-level corporate goals and connect them to sales force activities – beginning with the end in mind allows us to architect a series of interrelated metrics that enable us to manage toward our desired outcomes

<u>**A 'Reverse-Engineered' Chain of Sales Metrics**</u>

Business Results

To Achieve This...   (**3%** Increase in Revenue)

Sales Objectives

Drive toward This ...   (**4** New Customers per Quarter)

Sales Activities

By Managing This   (**16** More Prospecting Calls per Quarter)

Fighting the Battle for Better Sales Management

The Result? An Operating Instructions for a Salesforce

Our own War Room experience and the insights revealed above allowed us to tame the metrics monster and contribute a few pages of the desperately needed operating instructions for a sales force. If you follow our guidance when you set up your own sales 'headquarters' and architect your CRM system, you'll likely make fewer initial mistakes than our Fortune 100 client and more readily achieve your sales goals.

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Jason Jordan is a founding partner of Vantage Point. Jason's extensive research into sales performance metrics led to the breakthrough insights published in the book, Cracking The Sales Management Code. Jason is a recognized thought leader in the domain of business-to-business selling and conducts on-going research into management best practices for building and managing world-class sales organizations. Jason is a visiting faculty member in the Executive Education and MBA programs at the University of Virginia's Darden School of Business. Jason received an economics degree with honors from Duke University and an MBA from the University of Virginia.

CRM YOU CAN BANK ON: SUNTRUST'S STRATEGIC TRANSFORMATION

by Eric Larkins

"With the evolution of predictive analytics, artificial intelligence, systems integration and other capabilities, we saw the potential of CRM to become a powerful tool that could help advisors to be far more proactive and effective with clients – and help SunTrust achieve its strategic goals."

CRM is transforming. Once a data-entry vehicle that simply amassed information, today it is rapidly becoming more predictive, driving seller behaviors that are leading to the outcomes CRM has promised from the beginning – stronger customer relationships and improved revenue growth. At SunTrust Bank, CRM is the platform behind a major evolution in the way we serve and interact with clients, driving everything from more efficient operations to more meaningful conversations.

Our desire to bring in new clients and grow existing relationships prompted SunTrust to take a hard look at the nature of its client relationships and its strategies for future growth. Like all banks, we had a suite of good products to deliver – wealth management, banking, loans, investments – and we had teams of smart, caring people to deliver them. How, we asked ourselves, do we gain advantage and stand out in such an intensely competitive industry? How do we grow a base of loyal, highly satisfied clients when other banks are trying to do the same?

As we grappled with questions like these, we recognized that our future lay in our client relationships. We needed a platform that would enable us to deliver our advice and solutions in a way that better helped

clients meet their goals and allowed them to interact with well-informed advisors in the way they most preferred. We needed a way to give clients a 360-degree view of their assets, no matter where those assets were located. We needed a way to really get to know our clients and their financial priorities – and then account for those priorities in the advice we offered. And alongside all this, we knew we needed to streamline administrative requirements and make it incredibly easy for clients and advisors to do business with SunTrust. We quickly identified CRM as being a critical component our technology environment to support these kinds of improvements and drive our growth strategy.

SunTrust was no stranger to CRM. We had used CRM around our company for about 15 years. Until a few years ago, however, CRM was simply about entering activities and managing pipelines. Advisors would input the opportunities they were working on, identify what type it was, where they were in the sales process, whether they closed the business and so on. We used this kind of traditional data to monitor and measure performance, but that was about it.

With the evolution of predictive analytics, artificial intelligence, systems integration and other capabilities, we saw the potential of CRM to become a powerful tool that could help advisors to be far more proactive and effective with clients – and help SunTrust achieve its strategic goals.

For example, we recognized that CRM could not only provide advisors a list of their planned calls for the day, it could also tell them who they should be talking to and why. Maybe Mary Smith just updated her financial priorities and, based on the changes, her investments are no longer in alignment with her goals. Today's CRM could recognize this and alert an advisor to call Mary; embedded AI capabilities could guide the call in real time to ensure the best outcomes; and system integration could allow advisors to see Mary's complete financial picture, enabling smarter, more holistic advice. These kinds of solutions can truly transform the types of relationships we have with our clients.

We are about three and a half years into this five-year effort and it is already paying dividends for SunTrust. We have completed system integration; now we are evolving workflows. In the last year, we have overhauled about 60 workflows to streamline processes, eliminate redundant steps and either completely automate or centralize operational activities. For example, the process of opening of an investment account can be initiated through CRM and documents required for execution can automatically be presented to the advisor for client execution. Account maintenance requests, which used to require a lot of paperwork and a lot of calls back and forth between teammates, are now handled with nearly zero defects by robotics and skilled centralized teams. These efficiencies have not only led to significant savings, they have freed advisors to focus more fully and effectively on providing advice and service to clients.

Thanks to embedded best practices and application partners, we have managed this with a relatively small amount of customization to the major components of CRM. This means we've been able to keep spending down on standard CRM activities, which work well for us as designed, and instead are directing the bulk of our investment to advice, workflows and analytics because that's our secret sauce. That's where we gain true competitive advantage.

In a surprisingly short amount of time, CRM has evolved from an administrative tool to a critical strategic weapon for SunTrust. The technology's newest capabilities are driving client experiences that are coordinated, that anticipate needs, and that holistically assimilate all relevant data – a far cry from the simple data entry platform it used to be. Customers everywhere are looking for an easy way to do business with companies. If you can enable that through CRM, you'll be well ahead of the competition.

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4 WAYS SALES LEADERS SCREW UP CRM

by Michelle Vazzana

"What is it about CRM that has so bamboozled some of the most talented sales executives around? Research shows that sales leaders need to consider the business challenges presented by CRM."

Since CRM burst onto the scene in the late 20th century, research organizations have consistently reported that between 50-70% of all CRM implementations fail. Almost 20 years later, even successful sales organizations continue to struggle with maximizing CRM's impact. What is it about CRM that has so bamboozled some of the most talented sales executives around?

We spent several years observing how companies measure and manage their sales forces during the writing of our book, Cracking the Sales Management Code. From this research, we were able to identify several issues relating to the connection between CRM technology and sales management practices.

The results of the research demonstrate that sales leaders' thinking about CRM requires change in four primary ways if successful CRM implementations are to take place. Bottom line? Sales leaders need to consider the business challenges presented by CRM.

1. **It's About Sales Management, Not Customer Relationships**
Let's be honest: We use CRM systems to manage our sales forces, not customer relationships. What we really want is software to automate important selling tasks such as aligning territories, managing pipelines, winning opportunities, and generating forecasts. Perhaps we should be using the abandoned term Sales

Force Automation (SFA) instead of CRM because the latter describes the real goal. If we started calling CRM software what it is, then we could begin to think more specifically about how we need it to support our selling efforts.

2.   CRM is an Expense – Forget about ROI

For many, the principal failure of CRM is a low return on investment. In our opinion, ROI analysis should be dispensed with completely. ROI analyses were developed in CRM's early days to help evaluate competing alternatives for capital investment, but CRM is no longer an investment alternative. CRM is now an essential part of corporate infrastructure, as are e-mail, mobile phones, and laptops. Try searching the internet for articles on the "ROI of e-mail." You'll find nothing because e-mail is not an investment – it's a necessity and therefore, an expense. So too is CRM.

Perhaps a decade ago, careful consideration needed to be given to CRM as a strategic investment, but these days you'd be better served considering it a business expense, while looking for more meaningful ways to measure its business impact. That's the business challenge: Identify business metrics you want to monitor and set up your CRM to accomplish the relevant tasks.

3.   Provide Excellent Functionality – Forget about User Adoption

User adoption is a common metric for successful implementation, however, it shouldn't be. User adoption is an outcome of good CRM, not a measure of it. Someone once said, when you lead a horse to water, your goal shouldn't be to make the horse drink – it should be to make the horse thirsty. Similarly, when you lead a salesperson to a CRM, your goal shouldn't be to make them use it – it should be to make them want to use it. Reporting low user adoption implies that salespeople are somehow to blame when the real issue is a tool that isn't compelling to its users. The business challenge is to get users to log in by providing them with irresistible and unavoidable functionality.

4.   Train CRM Data Usage – Forget About the Latest Technology

Better technology will not solve your problems. Even though today's CRM technology is exponentially better than it was 15 years ago, research says it's just as big a failure from a business perspective as it was in the beginning. No-one needs another iteration of CRM technology. What we really need is to teach sales forces what to do with it.

Sales organizations have done the equivalent of teaching millions of people how to get in and out of their cars, but failed to teach them how to drive. Sellers know how to log in, but not how to use the data to win more deals. Their managers know how to log in too, but not how to use the data to coach more effectively. While CRM technology has advanced over the last 20 years, business practices linked to its usage have not.

CRM has been with us for several decades, but it remains underleveraged because we approach it in the wrong ways. Let's concede that we don't really use it to manage customer relationships – we use it to manage our sales forces. Our goal shouldn't be to achieve ROI or to boost user adoption – it should be to provide an invaluable service to our sellers. And the focus shouldn't be on revolutionizing the technology – it should be on revolutionizing the sales force's ability to use the data provided. If we can't put CRM in the right context now by examining the business issues that beg for solutions, we'll be reading about CRM failures for another 20 years.

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Michelle Vazzana is the CEO and a founding partner at Vantage Point. She co-authored Cracking the Sales Management Code and recently completed Crushing Quota: Proven Sales Coaching Tactics for Breakthrough Performance, due out in October 2018. Michelle earned a bachelor of science degree in computer science from Florida International University, a master of science in organizational effectiveness from Marymount Loyola University and master's certificates in both Instructional systems design and total quality management. Michelle earned her Ph.D. in Organizational Psychology from Walden University, with a focus on sales management practices.

IMPLEMENTING CRM? HERE ARE 5 PITFALLS TO AVOID

One-on-One with EY's Chris Hergesell

"While there is never one 'right' answer to questions like these, Hergesell says he finds that five things crop up again and again as the root causes of disappointing CRM implementations."

CRM systems have a long, glorious tradition of failing to meet expectations. It's the same story every-where: business leaders begin a CRM implementation project with visions of their sales reps fastidiously entering data, leadership gaining a detailed view into every sales opportunity, and the technology driving improved relationships and revenues. Inevitably, none of this happens. After decades of "rinse and repeat," it's no surprise that organizations are feeling a little jaded by CRM right now.

As the leader of Ernst & Young's sales effectiveness consulting practice, Chris Hergesell has talked with countless frustrated leaders who know they need a CRM system but are struggling to understand how to get the technology to live up to its promises. Every day, he hears questions like, How do I get reps to use our CRM system? Do I need a different system? Should I re-design my existing system? What's the right solution?

While there is never one "right" answer to questions like these, Hergesell says he finds that five things

crop up again and again as the root causes of disappointing CRM implementations. If you're struggling to get your CRM system to live up to expectations, check to make sure you haven't made one of these five common mistakes. And if you have, follow Hergesell's expert advice for fixing it.

Error #1: The "Feed Me" Interface

Good CRM data starts with sales reps entering information into the system. But sellers are generally much more interested in being with customers than they are in data entry. So how do you get a group that's pre-disposed to avoiding administrative work to want to use the system? "Most companies go wrong here by designing a user interface that, above all else, demands to be fed," says Hergesell. "Reps open CRM and what greets them is a blinking cursor that wants information while offering little perceived benefit in return."

Hergesell's remedy: Design your CRM interface so that it first provides information and incites action. When reps open the system, they should get a view of how they're doing with their customers, what their pipeline looks like, which customers haven't been contacted in a while, which deals aren't progressing and so on. Sellers are hungry for information, but most CRM designs force them to dig through multiple screens and reams of reports to get what they want. When CRM gives them the critical information they need to succeed, reps will naturally engage with the system and be motivated to keep it up to date.

Error #2: TMI Up Front

Related to the "feed me" interface, another common problem is requesting too much information up front. Hergesell once worked with a company whose CRM system demanded that reps fill out more than 180 fields in order to create a new opportunity. Not surprisingly, no one entered a deal until it was sure to close, which meant all the information in the system was about closed deals. "The company had no visibility into deals in progress, where reps were spending their time and all the other data that's critical to improving sales effectiveness," says Hergesell.

Hergesell's remedy: Determine what information you really need at which point in the sale and trickle out the information requests accordingly. When the EY team re-designed this client's system, it shrunk those 180+ fields to 37. As the sales process moved forward, more information was gradually fed in – often by lower-cost sales support personnel – keeping the workload manageable for reps, which immediately drove improved usage of the system.

Error #3: Automating Dysfunction

Good CRM systems have built-in best practices. They work, and the CRM systems are designed to support them. Too often, however, companies fall into the "snowflake" trap. "Thinking they are different and special," says Hergesell, "they customize the heck out of their system, automating dysfunctional processes and creating a host of downstream problems." One client with which EY worked had customized its CRM platform so heavily that it could no longer upgrade the system. The platform was basically stuck in time, unable to handle modern capabilities like AI and social media integration.

Hergesell's remedy: Avoid customization unless it's absolutely necessary for driving competitive advantage. Best practices are best practices for a reason. They work. Stop looking at how your processes have always been done in the past and be open to considering that there might be a better way of doing things. The more you stick to the in-built best practices of the tool, the better your CRM system will run, the lower your maintenance costs will be, and the easier it will be to modernize the system as new capabilities become available.

Error #4: Scope Management

Without proper scope management in a CRM implementation, it's easy to end up with feature creep. Companies will keep adding more and more capabilities into the system, delaying launch until everything is ready and can be rolled out at once. This approach, warns Hergesell, "delays usage, delays realization of value and often overwhelms users when the system is finally launched."

Hergesell's remedy: Understand your MVP – your minimum viable product. What's mission critical to get your system up and running quickly? If you have 1,000 requirements for your CRM system, you'll find that just a portion of those are absolutely critical for the system to go live. The rest will fall either into the "nice to have" category or the "critical, but not right away" category. Prioritize the capabilities you are enabling in the system based on business value, not on whim and opinion, and launch the system when your minimum criteria for generating value is ready.

Error #5: Going Rogue

When the IT department leads a CRM implementation – which usually happens when companies view CRM first and foremost as technology – the system often fails to reflect the reality of what's useful to sellers. Frequently when this happens, rogue sales managers create their own shadow CRM systems and run it independently of the IT department. "At one client of ours, we discovered more than 100 different instances of their CRM system," Hergesell recalls. "That's basically 100 different systems running in different parts of their organization. None of them were connected, which meant no one knew what anyone else was doing."

Hergesell's remedy: When implementing a CRM system, make sure you have the voice of IT, the sales team, marketing, customer service, legal, finance and any other stakeholders in the system. These teams need to work together to design a tool that works in both the IT and business environments. Such an approach requires inclusive implementation and design, robust governance processes and solid change management.

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WHY YOUR TOP PERFORMERS DON'T USE CRM

by Leff Bonney

"Very few companies using CRM have given much thought to the question, 'What are we giving the salesperson in exchange for key information?' Companies that have seen success with CRM answer this question with prescriptive advice on how to win."

If you have been following our ground-breaking Agile Selling research, you know top-performing sales people shift their sales approach to match whatever buying situation they face. Almost unconsciously, they use their company-mandated sales methodology when it works and ditch it when it doesn't. Maverick? Tough to manage? Sales leaders used to think so, but they are coming to understand that this flexible, situation-based approach to selling actually means more closed business and a shorter sales cycle.

Recognizing these benefits, a growing number of businesses are shifting to an agile sales approach in which sellers are trained to quickly identify the type of buying situation faced and apply the best sales approach for that situation. In making this shift, however, companies are leaving something behind: their CRM systems.

Frankly, I'm amazed at how archaic sales organizations are when it comes to collecting, sharing and

interpreting key pieces of information about customers and best practices that drive front-line sales effectiveness. Their systems are not architected to support a flexible sales approach; in fact, they are rarely architected to support sellers at all. Usually CRM is just a database with little association to a selling motion. When I bring this up with sales leaders, most are quick to blame sales people. "Better information would be great," they tell me. "We've implemented a CRM system, but our reps just won't input information into the system."

I hear this complaint repeatedly when talking with companies about the technology and information factors necessary to drive agility. But is "adoption" really the problem?

No.

CRM Fails When it's Just a Reporting Tool
The problem is that your CRM technology is not organized around how your best people sell. Look at your system – my bet is that it is organized around a single rigid, linear process or around customer segments or product types. I'd also be willing to bet that it is diagnostic in nature. What I mean is that it is probably reporting results of sales of efforts. This kind of information might be helpful for senior leaders but simply tracking "what happened" provides absolutely no value to front-line sales reps and mangers. They were there; they know what happened. And they don't see any benefit in devoting time and effort to reporting it simply so the folks at HQ can check up on them.

To drive agility in the sales organization, owners of CRM systems must begin to think about how to move the system from a rigid diagnostic tool to a flexible prescriptive tool that provides guidance for sales people on how to best approach a situation. Real value is exchanged when the salesperson enters key information into the system and, in return, the system provides valuable information to the salesperson on how to increase individual performance. Very few companies using CRM have given much thought to the question, "What are we giving the salesperson in exchange for key information?" Companies that have seen success with CRM answer this question with prescriptive advice on how to win.

CRM Should Give Advice on Selling Situations
This doesn't mean generic, one-size-fits all advice. It doesn't even mean advice based on product line,

customer "type" or industry vertical. Remember: one of the foundational tenets of the Agile Principle is that high-performing sales people don't think in terms of verticals or industries or products. They think in terms of situations.

Here's what I mean. Say a customer in the healthcare industry calls a medical products rep and says they need a standard, off-the-shelf product right away. The customer is in a hurry, so they are calling only your rep and one other company, and the caller is the sole decision-maker. Tomorrow, someone else from the same company calls that same rep to say they have an important, strategic purchase to make. A committee will be looking at eight different suppliers and there will be multiple rounds of evaluation. They aren't even sure what the right solution looks like but they're working on it. It's the same industry vertical and the same customer "type" because it's the same customer, but these are two very different sales. If your CRM system is set up to offer "Healthcare Customer Sales Success" type of advice, it's going to provide the same advice for both situations. And if the rep follows the same advice for both situations, they will lose one or both sales. Can you begin to see why your reps – especially your top reps – aren't using your CRM system?

Architecting an Agile CRM

For your CRM system to drive real value for both sellers and leaders, the system must support the natural, agile, situation-based selling motion of top performers. I know one company that did this successfully. They programmed a "Situation" diagnostic into the CRM system where sales people answered a few brief questions about new opportunities and, based on what they entered, a diagnostic tool presented insight on the best strategies to win for that particular selling situation. When it came time to close out the opportunity, reps answered some simple questions about whether the opportunity was a win or loss, whether the situation was really what was diagnosed at the beginning of the sales cycle, and whether the rep followed the recommended strategy or adjusted the strategy in any meaningful ways.

The company's CRM team configured a standard report that showed managers the types of situations each of their reps were facing as well as historical win rates for each type of situation at the rep level. This report gave managers insight into what reps were facing and the situations with which they were most likely to struggle. The system was easy to use and provided value to both reps and managers. This drove better CRM usage… which enabled the company to collect data on the different types of situations the sales

team faced and the strategies that worked or failed… which enabled them to make the system even more valuable to users… which drove reps to the system – a truly virtuous cycle.

I'm always astounded when companies spend millions to implement a CRM system and then don't pay a few more dollars to configure it in a way that unlocks significant returns on their investment. When companies learn to subscribe to the idea that CRM systems should support agility versus trying to push reps to become perfect, one-size-fits-all sellers, they will be much more successful – and much more satisfied with the return on their CRM investment.

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WANT AWESOME CRM? DOWNSIZE IT!

by Jason Jordan

"We cannot overstate the impact of having minimalist, relevant reports in the hands of your sales team. Several of our clients have adopted this strategy, and the results have been transformative."

As professionals who specialize in sales management training, we hear constant complaints from salespeople and their leaders that they are overwhelmed by their customer relationship management tools (CRM). They are drowning in perpetual streams of data -- data they put into computers, and the data that then comes out. Interestingly, we've come to accept this state of affairs as an unavoidable reality of living in the modern world. However, it doesn't have to be this way.

I know a handful of maverick sales organizations that have taken exactly the opposite approach -- slashing the number of sales reports to only a vital few. And guess what? Their sales teams love CRM! Their users voraciously consume CRM because it contains all the data they need to do their job -- and nothing else. Sellers and managers quickly find data that informs rather than overwhelms. And life in CRM is good.

If you are bold enough to envision a leaner CRM, the question then becomes: Where do you begin? How do you identify the information that you really need? What information is safe to take away from the field without hobbling your team's performance? When does the data "fat" become the data "bone"?

Why Do We Even Have CRM?

When trying to identify which data is a necessity for your sales force, you must first put CRM in the proper perspective. Foremost, CRM is a decision-making tool. We use those data points to make better decisions about how to spend our time, where to allocate resources and when to sound the alarms. To repeat, CRM is nothing more than a decision-making tool.

So, when you start to think about redesigning the reports that come from it, you must first identify the decisions that the consumers of CRM data need to make daily. Our observation is that this must be done for each unique role in your organization, since different roles with different responsibilities make different decisions about how, where and when to take action. Below we offer a menu of possible decisions for a few critical roles in the sales force.
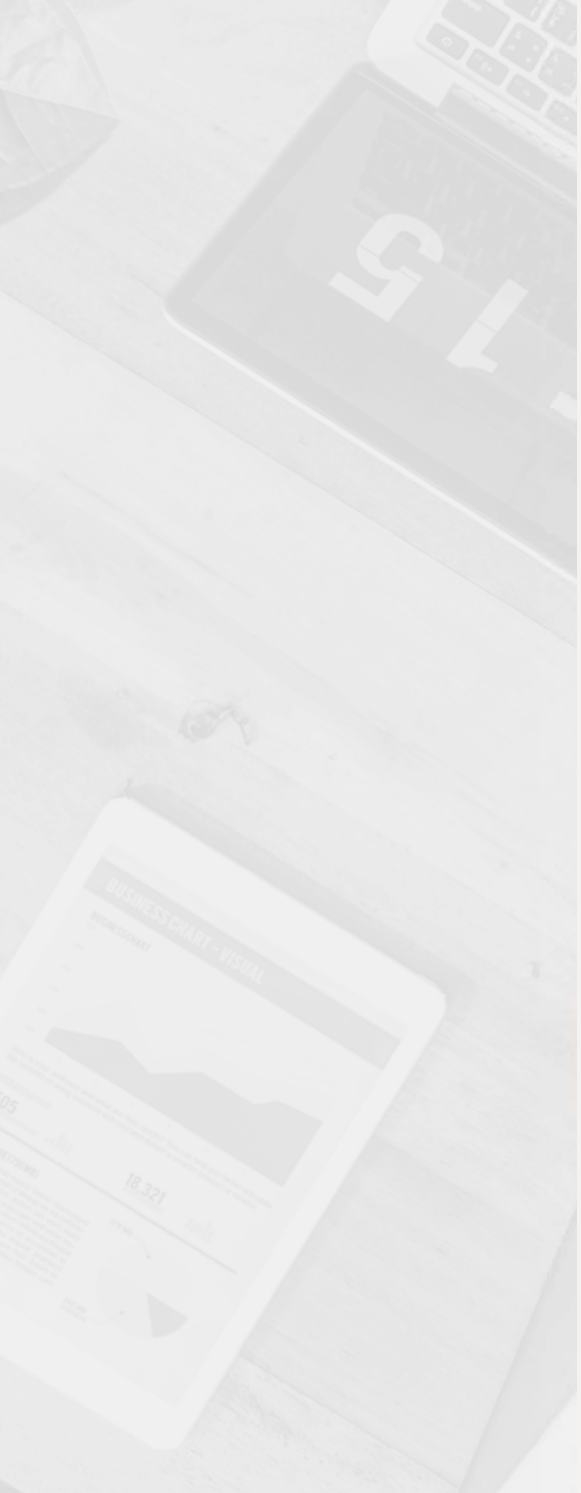
Different Roles, Different Decisions, Different Data

Salespeople are on the front lines. They are your customer-facing resources who must engage with the right customers, pursue the right deals, say the right things and sell the right stuff. Therefore, several key decisions they must make are:

- Where are my greatest opportunities currently?
- Which deals and customers should I be pursuing?
- How can I best pursue each opportunity?
- Is my sales pipeline healthy -- the right size, shape and contents?

Sales managers orchestrate and accelerate the performance of their salespeople. As leaders, sales managers' key decisions revolve around the who, what and where of how they spend their time with their sellers. Decisions they should consider might include:

- Do I have the right people in the right roles?
- Who is performing well, and who is underperforming?
- Where are the biggest challenges and opportunities in team performance?
- How should I allocate my management and coaching time?

Sales leaders are second-line managers and higher. Sales leaders primarily allocate resources to build an effective and efficient sales force beneath them. Consequently, they make strategic and big-picture decisions such as:

- Am I providing the right direction to my sales force?
- Do I have sufficient headcount to accomplish our goals?
- Does my sales team have the right training and tools to succeed?
- Are we on track to meet our goals?

Of course, there are other users of CRM -- both inside and outside the sales force. Sales operations, sales enablement, marketing, finance, consultants and many others might input or extract data from CRM to make their own operational decisions. Similarly, they would have their own sets of decisions to make, and they would require their own unique reports. But the ultimate goal is the same for each: Give them exactly the data they need to make their key decisions -- and nothing more.

Easy Enough?
The challenge in adopting such a strategy is that it runs counter to inherent organizational assumptions and behaviors. For instance, there's an assumption within many sales operations teams -- or whoever owns your CRM -- that the more reports they provide the field, the better they're doing their jobs. This is in turn based on the assumption that the more data that's published to the sales force, the better-equipped reps and managers will be to succeed. We believe that both assumptions are false.

We contend that reps and managers actually need less information than they typically have in their possession, but it has to be the right data for their roles. This, in turn, challenges the assumption that sales operations' job is to flood the sales force with reports. Rather, their job should be to work with the field to pare down the reports to the vital few -- which is hard.

Paring down existing reports can be difficult because it requires changing behaviors. With certainty, every report in CRM is being viewed by someone at some time for some purpose. Therefore, you'll unavoidably be removing something that someone somewhere currently considers precious -- whether it is or not. So, any effort to eliminate superfluous reports will involve some elements of negotiation and change management.

Worth The Effort

That said, we cannot overstate the impact of having minimalist, relevant reports in the hands of your sales team. Several of our clients have adopted this strategy, and the results have been transformative. Sellers, managers and others have the data required to make their key decisions, for sure. But the real value is in providing guidance to the team as to which decisions are important. Not everyone needs to consider everything -- only the things that are important to them.

In a way, the reports you provide to someone defines their job for them. It's what guides their thinking and actions. It's what informs whether they're succeeding or failing. It changes their behaviors for the better. And that's why we have CRM.

This article was previously published in Forbes Magazine.

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SALES OPS: TREAT SALES MANAGERS LIKE CUSTOMERS TO DRIVE CRM

by Michael Lautner

"Sales Operations must approach sales managers not as impediments to driving better CRM usage, but as customers to whom they need to 'sell' their offering."

In the 1980s, there was a popular cartoon depicting a knight charging into battle. Under a hail of arrows, he ignores a waiting salesperson with a dismissive cry: "I have no time for salesmen! Can't you see I've got a battle to fight?"
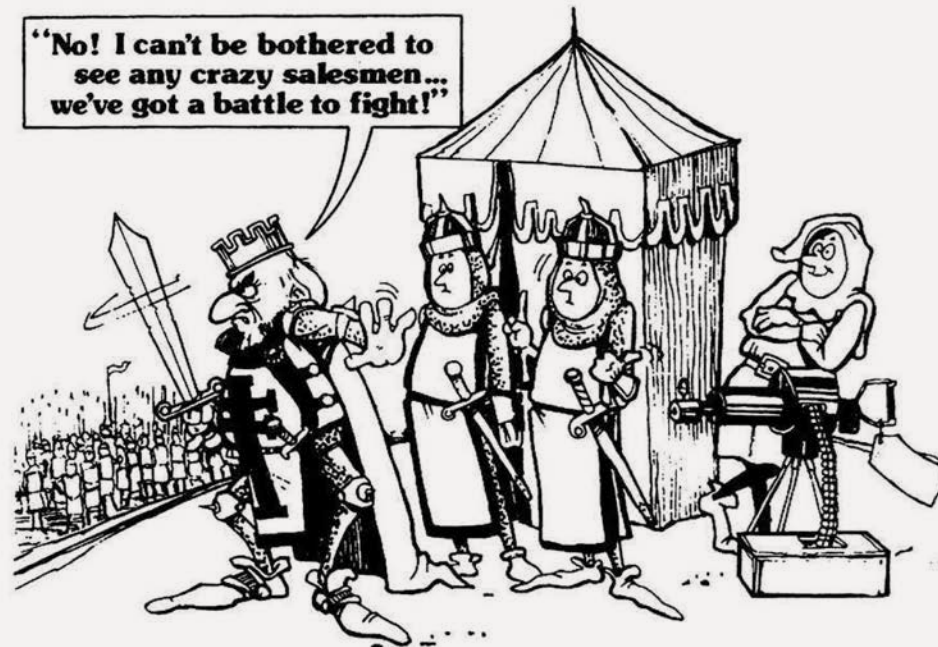
The rejected seller's offer: A machine gun.

Salespeople have long appreciated the cartoon's spot-on representation of the attitude they face in the field. But the graphic also captures the relationship between sales operations and front-line sales managers. Sales managers, like the besieged knight, constantly dodge arrows and view demands from sales ops as additional incoming fire. Sales ops, like the spurned salesman, has a solution that could eliminate many of those arrows. But also like the salesman, sales ops has not presented the product (metrics and data) in a way that captures managers' attention.

Get to Know Managers' Needs

Typically, sales operations is accountable for improving CRM usage by sales managers and reps. We see these departments deliver reams of data, sometimes without highlighting what's important and relevant to managers. And not surprisingly, we see busy sales managers deflecting sales ops in favor of more urgent issues.

Changing this dynamic to transform both sales performance and CRM usage starts with the sales ops team. This group must approach sales managers not as impediments to driving better CRM usage, but as customers to whom they need to "sell" their offering. In the same way sellers seek to understand their clients, sales ops should meet with frontline managers to understand their biggest challenges related to sales performance. The best data points can then be used to shed light on those challenges.

For instance, say a manager is frustrated by low win rates. Following an examination of pipeline data, it becomes apparent that there is a significant drop-off in deals between the stages of opportunity qualification and influencing criteria. When this data and related insights is presented to the manager, they may realize coaching is needed to help reps better determine real opportunities. After focusing on this area with individual reps, the manager is likely to see an improvement in win rates.

A Virtuous Cycle

Ultimately, it's a virtuous cycle: When sales ops takes the time to understand managers' biggest problems and then effectively package data and insights to address those problems, sales managers naturally begin to press their teams to update CRM, recognizing this as foundational to the data upon which they are coming to rely. We've seen it many times. By providing a great service to managers, sales ops often discovers managers no longer need to be pushed to improve CRM usage. Managers demand it themselves, knowing they can't get critical insights if reps don't update data in the system. As CRM becomes

ever more current and accurate, insights from sales ops become even more valuable... and on and on. You get the picture.

Keep it Relevant

When we talk about this idea with companies, sales ops often counters that it is already providing insightful data and that managers simply need to take the time to find what they need. But that's the problem—managers don't have the time. Expecting frontline managers to go line by line through all the numbers to find something significant would be like dumping all a company's sales literature on a prospect and expecting them to comb through it to find what's relevant. It's not going to happen.

By approaching sales managers as clients and delivering powerful insights that arm them to eliminate many of the incoming arrows, sales operations can create a powerful synergy that leads to improved cooperation—and improved revenues.

This blog was previously published on the Vantage Point website.

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