kvadrant

Impact Case

Building & Connecting KPIs to ensure results

Inspirational material

To connect behaviour to results,

Use the KPI impact map

ABOUT THE KPI IMPACT MAP

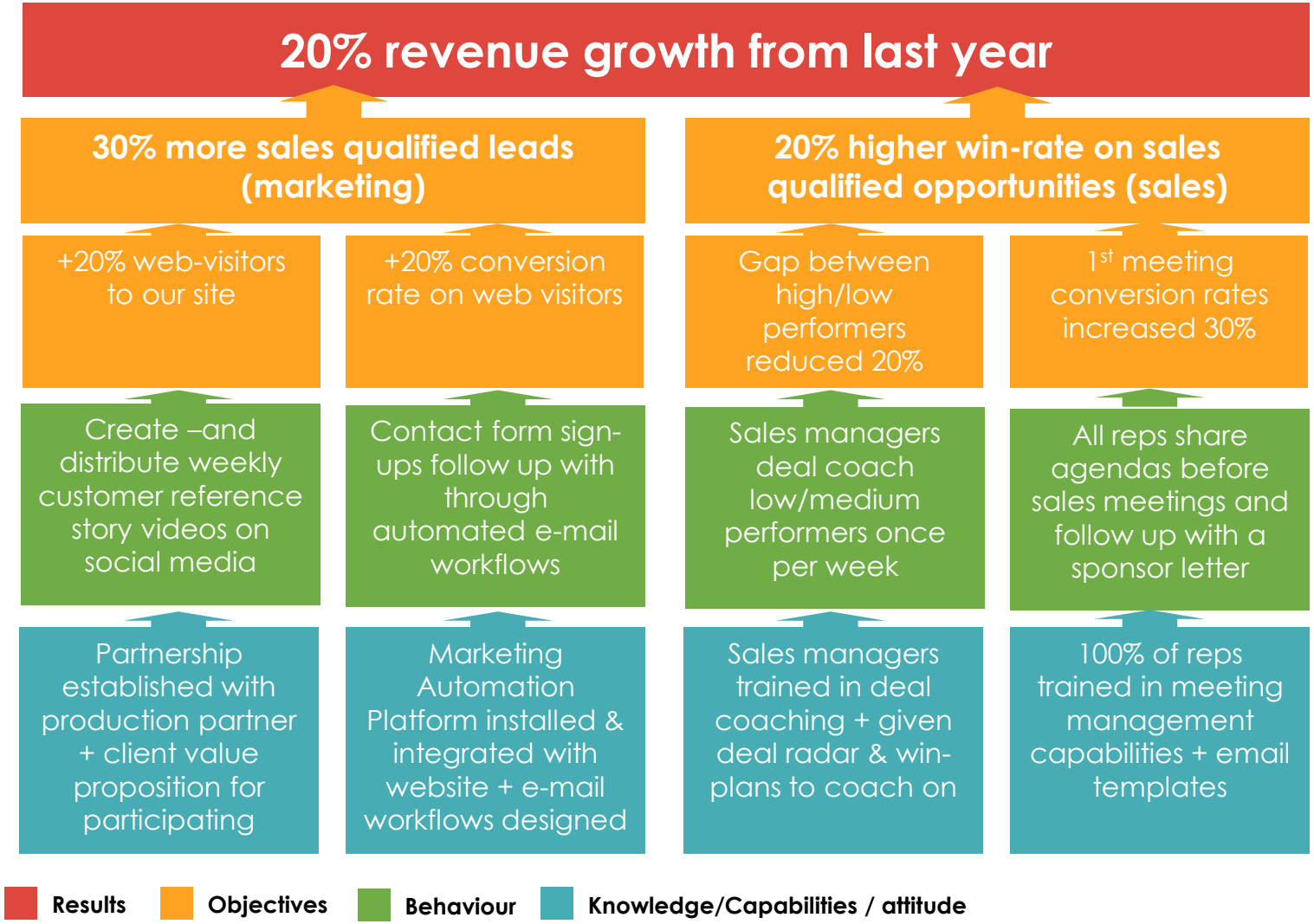
The KPI impact map is used to connect knowledge and behavioural key performance indicators (i.e. those that we can directly influence) with the results and individual components of realising those results (i.e. those KPIs that are realised as a result of different capabilities and actions)

KPIs at every level must be clear and measurable, so they can be tracked and followed up on

1. **Results**: What is the end goal that your organisation is aiming to realise? (Revenue growth, profitability, market share etc.)
2. **Objectives:** To realise results, what underlying components need to change by how much? (e.g. x% more leads, x% higher conversion rate, x% lower cost/unit etc.)
3. **Behaviour:** To realise individual objectives, what behaviour is needed in our organisation? (e.g. x% more sales meetings/rep, sales reps receive weekly coaching on top 3 sales opportunities, always send agendas for sales meetings etc.)
4. **Knowledge/attitude/capabilities:** To conduct desired behaviour, what do we need to know and feel? (e.g. Sales managers trained in deal coaching, Avg. employee satisfaction score of 85%, sales reps trained in managing complex customer buying processes etc.)

Simplified, illustrative

Example



THE LOGIC

If we have a goal of 20% revenue growth from last year (Results) we ask,

"What has to be true for that to happen?" (Objectives)

And in order to realise those individual objectives, "what behaviour do we need to have? (behaviour)

And in order to have that behaviour, "what capabilities, knowledge or attitude is needed?" (knowledge/capabilities/attitude)

THE KPI STRUCTURE IS DECOMPOSED INTO ITS ACTIONABLE COMPONENTS, TO REALISE THE FINAL RESULTS

From Client Marketing function

Impact case example

WHAT WE ARE FOCUSED ON ACHIEVING

RESULTS

- **Number of sales qualified leads passed to sales**
- **Share of revenue from new services**
- **Top line revenue growth**

OBJECTIVES

- Higher number of leads regularly captured via digital
- Higher conversion rate on leads going into the funnel
- **Market perception** of AA as strategic partner
- **More leads** leading to new services
- Avg. **win-rate** on opportunities in the pipeline
- **Avg. value of opportunities** in the sales pipeline

BEHAVIOUR

- Consistent distribution of engaging content & messages via social media
- Content connected in strings of increasing value exchange
- We make available high value content for free, in return for contact information
- All content leads towards contact capture forms & all leads are nurtured
- Elevate relevant messages on digital communication to CxO level
- Distribution of messages and content that leads to new services
- Talk about buyer personas pains and interests, not or services
- Earned content in digital media that leads to new services
- Assist sales rep to win identified must-win deals
- Nurture captured leads with valuable messages and content
- Activate existing customers with regular emails

CAPABILITIES

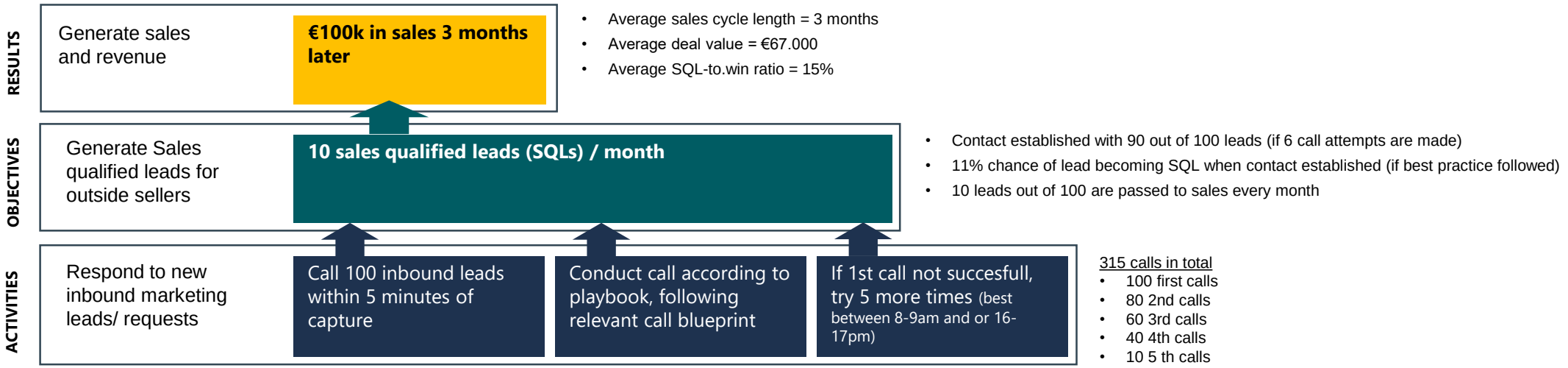
- Digital platform for
  - Lead management
  - Marketing automation
  - Tracking
- Firm understanding of target audience (buyer personas) and their pains, interests and buying process
- Ability to consistently create buyer persona oriented content & messages for different phases of the buying process
- Ability to design & hardwire (in automated workflows) lead generation, capturing & nurturing processes

KPIs (GOALS AND MEASUREMENTS)

- **#of SalesQualifiedLeads (SQL) passed to sales:** Number
- **$top line revenue growth:** +Number
- **% conversion rate (win-rate) on leads passed to sales:** +x%
- **$Avg. value of deals closed:** +$x
- **%Share of leads positioning new services/products:** +%
- **1 weekly emai to commercial about content for the week**
- **Updated Content distribution calender, always accessible to all**
- **3 insights + 3 SOME posts shared / week**
- **1 article in earned media / month**
- **Participation in must-win pipeline meetings**
- **Share of lead management activities automated (%)**
- **Buyer personas dossiers (updated quarterly)**
- **Level of engagement with content distributed**

From Client Sales function

Impact case example



- Average sales cycle length = 3 months
- Average deal value = €67.000
- Average SQL-to.win ratio = 15%

- Contact established with 90 out of 100 leads (if 6 call attempts are made)
- 11% chance of lead becoming SQL when contact established (if best practice followed)
- 10 leads out of 100 are passed to sales every month

315 calls in total

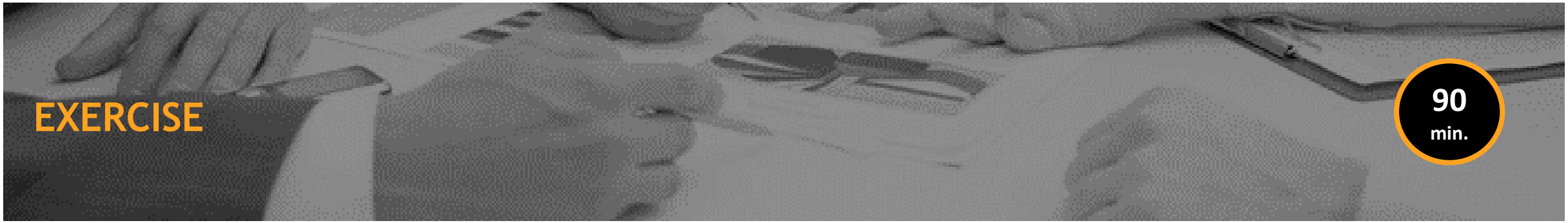
- 100 first calls
- 80 2nd calls
- 60 3rd calls
- 40 4th calls
- 10 5 th calls

REQUIREMENTS

- 100 inbound leads per month
- 2 Inside sellers (1+2)
- Best practice inside sales playbook with call blueprint
- Instant notification of incoming leads
- Ability to instantly see lead profile and activity

ASSUMPTIONS

1. It will take an estimated 315 calls to process all 100 leads
2. Each inside seller can do an average of 160 calls/month
3. If a warm lead is called 6 times there is a 90% chance of establishing contact
4. 11% of leads where contact is established become SQLs, 59% are not interested in buying right now and 30% are disqualified
5.

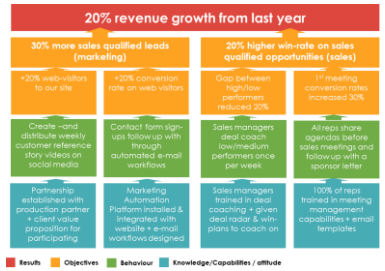


! SET YOUR GOALS AND BUILD THE KPI STRUCTURE

In the leadership group

1. Define the end goals (Red, results) for the year (10 min)
2. Break the results into it's individual components (Yellow, objectives), "what needs to be true to realise results?" (20 min)
3. Clarify what behaviour and capabilities (green+blue) you believe is needed to realise the defined objectives (20 min)
3. Review KPI Impact map to make sure that each KPI can be measured and tracked (so it can be followed up upon) (10 min)
4. Define who is responsibility for each KPI and how it will be measured, tracked and reviewed by leadership (30 min)

Material



Use colored cards to build the structure on a wall

Use a flip chart to write down KPI, goal, how to measure /track/review and who has the responsibility for it