Running Up the Down Escalator:
2017 CSO Insights World-Class Sales Practices Report
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INSIDE THIS REPORT

In a field deluged with new content, but short on new ideas, this report presents an original and imminently practical roadmap that begins with assessing a sales organization’s current state, proceeds through establishing both best practices and a conceptual framework for understanding and applying them, and ultimately achieves measurable results.

MAJOR FINDINGS

“Making the number” is harder than ever. Growth requires change.

Quota attainment averaged across all geographies, industries and size companies has dropped from 63% of salespeople in 2012 to 53% in 2016. The good news is that world-class companies are defying this trend, and their methods can be replicated.

Putting best practices on the map.

This report identifies the Top 12 best practices that distinguish World-Class companies from their less successful competitors. These practices can be taught, applied and measured. Here they are presented in the context of the Sales Relationship Matrix, a framework of customer relationships and sales processes that quantifies performance levels and offers a tool any sales organization can use to assess their current level and recognize the specific practices associated with reaching higher levels.

You can’t stand still.

Buyers are getting better at buying faster than sellers are getting better at selling. This creates downward momentum: Standing still (trying to maintain the status quo) is actually moving backwards. Successful companies are running up the buy/sell escalator fast enough to counteract the forces (buyer expectations, new competitors, etc.) that are combining to pull them down.

Moving up.

Downward momentum can be overcome through a strategic and intentional approach, using the Miller Heiman Sales System as a roadmap that gives clear directions to both individual sellers and to the sales organization as a whole. It’s a comprehensive model that covers every facet of the sales function: People & Organization, Operations & Enablement, and Management Execution at the broadest level, and, with the customer always in mind, then extends to Create Opportunities, Manage Opportunities and Manage Relationships.
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Section 1: Up the Down Escalator

If you are one of the early readers of this paper, there’s a good chance that you also participated in the survey that collected the data underpinning this research. CSO Insights conducts a “best practices” study annually, and when the data is in and the analysis begins, we collectively hold our breath, because we don’t know yet what we’re going to learn. Our abiding philosophy: Anticipate nothing, be ready for anything.

This year, in particular, there is uncertainty in the air. National economies around the world are in flux, and elections near and far will have a hard-to-predict impact on global trade. Technological innovation is exploding. It is not far-fetched to predict that flying cars will be commonplace before affordable housing is. A handful of global companies, notably GAFA (Google, Amazon, Facebook, Apple), are scaling dizzying heights even as each of them also expands in breadth. On the horizon, Artificial Intelligence (AI) promises, or threatens, to add a wild card to every game in the business world.

Meanwhile, back at the sales office, it is no easier to attain quota now than it was five years ago. In fact, it’s harder. Despite the new tools, the mobile devices, the potential of social, and so on, many salespeople are working harder than ever just to achieve the same old results or worse. Quota attainment averaged across all geographies, industries and company sizes has dropped from 63% of salespeople in 2012 to 53% in 2016.

You can visualize this as “running up the down escalator.” Pause for a moment, and any progress you’ve made is wiped out. Increasingly, maintaining the status quo is not an option; you’re either moving forward or moving backward.

Our focus is on moving forward, and the findings of this report hold good news for sales organizations that are determined to reach the top of escalator... and from there take the elevator to the heliport on the roof.

In a fluid, rapidly changing, twisting and turning business environment, sometimes it’s newsworthy when the research re-validates an existing tool, method or model. And that brings us to the Sales Relationship Process (SRP) Matrix. Since many readers will already be familiar with this framework, you should know that beyond validating prior years’ findings, this year, a new overlay has been added that truly represents a breakthrough in assessing and improving sales performance.

But first, for those unfamiliar with it, here is an overview of the SRP Matrix.

Overview of the Sales Relationship Process Matrix

The SRP Matrix charts the intersection of an organization’s customer relationship level and its sales process level. For example, the “best” (highest level) relationship to have with a customer is to be seen by them as a trusted partner. Speaking very broadly, the “best” (most advanced) sales process is the type we call “dynamic” and which we’ll define in a moment. Every company should be able to locate itself on the matrix: Draw a line up to your customer relationship level, and then across to your sales process level.
What follows over the next few pages is a detailed explanation of how to locate your organization on the chart and what you can expect to learn from doing so.

The matrix axes are defined by Level of Sales Relationship on the vertical (y) axis and Level of Sales Process implementation on the horizontal (x) axis.

The lowest to highest relationship levels (as perceived by the buyer) are:

- Approved Vendor—You have acceptable products/services and are generally one of several companies the customer can buy from.
- Preferred Supplier—You have a successful track record of delivery, typically an expanded number of contacts in the buying firm, and knowledge of how customers use your products/services.
- Solutions Consultant—You may or may not have this word in your title, but this level is characterized by a decreased focus on your products/service offerings and increased awareness/knowledge of the customer’s business, issues and challenges.
- Strategic Contributor—Similar to the prior level but having additional industry and/or domain expertise; this knowledge is recognized as true added value to buyers, and as a result, you are often asked to participate in and contribute to internal discussions.
- Trusted Partner—Today, a “partner” may also be thought of as a Trusted Advisor. In addition to all the product/service, application, business, industry and domain knowledge, you have a unique understanding of both your own and the buyer’s organization and decision-making.

These five levels of relationship are cross-indexed with four levels of sales process implementation:

- Random—Salespeople determine for themselves what the most appropriate actions are to advance/pursue individual sales opportunities; there is no documented or adopted overarching sales process.
- Informal—There is a documented sales process that salespeople are exposed to and expected to follow, but this use is not enforced, reinforced or monitored.
- Formal—The adopted sales process is documented, and sales reps’ adherence to this is expected and inspected on a regular and ongoing basis; this represents the standard operating procedure (SOP), reinforced and enforced by sales management.
- Dynamic—In addition to all included in the Formal level, analytics and additional technologies (e.g., collaboration, CPQ) are also used to consistently and early on to identify changes in process metrics (e.g., period-over-period results, time in process stages).
The relationship and process levels are shown in the SRP Matrix illustration below (see Fig. 1).

**2017 Sales Relationship Process Matrix**

![2017 Sales Relationship Process Matrix](image)

In addition to defining the levels comprising the axes of the matrix, we have identified three *performance levels* defined by the metrics shown in Table 1. These defining metrics were chosen because they reflect key sales performance measures and are generally accurately known by respondents. The three performance levels are shown below (see Fig. 2).

**2017 Sales Relationship Process Matrix**

![2017 Sales Relationship Process Matrix](image)

*Figure 1: Sales Relationship Process Matrix*

*Figure 2: Three Performance Levels*
We now have a decade’s worth of data, and it remains both consistent and compelling: “moving over and up” on the matrix improves performance against the key metrics. This year’s figures are shown in the table below.

### 2017 Sales Relationship Process Metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Performance Level 1</th>
<th>Performance Level 2</th>
<th>Performance Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Plan Attainment</td>
<td>84.1%</td>
<td>84.2%</td>
<td>88.9%</td>
</tr>
<tr>
<td>Quota Attainment</td>
<td>46.6%</td>
<td>53.6%</td>
<td>59.5%</td>
</tr>
<tr>
<td>Win Rates of Forecast Deals</td>
<td>41.3%</td>
<td>46.6%</td>
<td>53.3%</td>
</tr>
<tr>
<td>Loss Rates of Forecast Deals</td>
<td>37.1%</td>
<td>31.1%</td>
<td>25.4%</td>
</tr>
<tr>
<td>No-Decisions of Forecast Deals</td>
<td>21.6%</td>
<td>22.3%</td>
<td>21.3%</td>
</tr>
<tr>
<td>Voluntary Turnover</td>
<td>10.1%</td>
<td>8.1%</td>
<td>8.5%</td>
</tr>
<tr>
<td>Involuntary Turnover</td>
<td>6.1%</td>
<td>5.9%</td>
<td>5.5%</td>
</tr>
</tbody>
</table>

Table 1: SRP Performance Metrics 2017

However, our research also shows that improving or even maintaining performance means countervailing the forces of change: more informed and demanding buyers, economic and political uncertainty, new disruptive technologies and more. These forces power and accelerate the downward moving escalator. In testimony to this relentless adverse pressure, quota attainment has fallen off for yet another year even as revenue attainment has improved.

![Sales Performance Comparison 2009 – 2016](image-url)
Further, while some firms moved up, from Performance Level 1 to 2, others rode the escalator down, from 3 to 2. There are fewer performers in Level 3 as compared to last year. This only reinforces the point that there is nothing static in today’s business environment, and there are no guarantees that you’ll stay at a given level once you’ve attained it.

Still, there are patterns that continue to hold true. Performance Level 1 is not a sustainable position. There are instances where an extremely small business may succeed and even thrive with random processes and transactional relationships. Yet, this isn’t scalable. Organizations looking to grow revenues profitably must move towards the upper right. With a pure commodity product, relationship potential may be limited. However, sales process is wholly within your organization’s control. Functioning with a random or informal process is a recipe for unsatisfactory results and a surefire going-out-of-business formula.

**Melding World-Class Practices with the SRP Matrix**

In the past, when we released the operational performance metrics, clients would ask, “What do we need to improve to move up and/or over?” We could speak in generalities: moving “over” reflected greater process orientation, more coaching, more collaboration, greater leveraging of technology and adding analytics. Moving “up” meant shifting from products to solutions, to greater business acumen, increasing industry/domain expertise and, ultimately, intimate knowledge of both the buying and selling organizations.

In a separate report, we also released our annual Top 12 sales behaviors/practices that defined “World-Class.” These were determined through statistical analysis, with the Top 12 behaviors “bubbling up,” and then, by identifying those respondents that either agreed or strongly agreed they exhibited all 12 of these behaviors. We labeled this group World-Class.

This year, for the first time, we were able to meld the separate approaches of the Sales Best Practices Study (SBPS) definition of World-Class and the Sales Performance Optimization (SPO) Study’s SRP Matrix. By tying the SBPS behaviors to the SRP relationship and process axes, the statistical analysis reveals those specific practices that most directly correlate with moving in the desired direction—up or over.
We again identified the Top 12 practices and the World-Class performers who exhibited those practices. This year, we overlaid those World-Class performers (6.9% of the survey population) over the SRP Matrix, represented by the dots in Figure 4 below.

**World-Class Performers Overlay: 2017 Sales Relationship Process Matrix**

<table>
<thead>
<tr>
<th>Trusted Partner</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Contributor</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solutions Consultant</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preferred Supplier</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Approved Vendor</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Random Process** | **Informal Process** | **Formal Process** | **Dynamic Process**

Figure 4: World-Class Performers Overlaid on SRP Matrix

The overlay reveals an interesting and important point. World-Class is not simply “the upper right-hand corner of the upper right-hand corner” of the matrix. World-Class performance is certainly more concentrated (as visualized in the clouds of dots above) in the upper right of the SRP. However, individual World-Class performers exist at each of the levels. This is interesting because while ever-higher locations on the matrix may be aspirational and generally desirable they may not be strictly necessary. Take the example of a commodities business. Their clients may not deem them Trusted Advisors by virtue of their product set. Their objectives may be best served by driving to the upper-right of Level 2 performance. We’ll talk more about this in later pages.

First, let’s get into detail on these top practices and what they mean for your own strategic planning and execution.
Section 2: Leveling Up in Performance

As shown in the SRP Matrix, sales organizations must focus on two dimensions to achieve success: relationship and process. Each is driven by a large set of organizational practices.

When we analyzed the impact of more than 60+ organizational practices on the SRP performance metrics, we considered two factors. First, we looked at scope, that is, we measured how many of our key performance metrics were impacted by each practice. The more, the better. Second, we looked at those practices that had a “statistically significant” impact on performance. With all organizations struggling with prioritization of limited resources, we wanted to avoid low-impact practices and focus on the ones that most improve performance.

We arrived at a set of Top 12 practices: six related to the Process dimension and six related to the Relationship dimension. These 12 practices stand out because they all have a significant impact on three to six performance metrics and they have high statistical correlations. Heading up the 12 practices is a clear winner with a correlation significance score of 111.9: “Our salespeople consistently and effectively articulate a solution that is aligned to the customer’s needs.”

The following chart shows the strength of the correlation between these practices and the sales performance metrics.

**Top 12 Practices: Correlation Significance Score**

Note: See Table 2 on the following page for the full text for each practice.
Table 2: Correlation Significance Scores

<table>
<thead>
<tr>
<th>Practice</th>
<th>Correlation Significance Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Our salespeople consistently and effectively articulate a solution that is aligned to the customer’s needs.</td>
<td>111.9</td>
</tr>
<tr>
<td>2. We deliver a consistent customer experience which lives up to and aligns with our brand promise.</td>
<td>108.7</td>
</tr>
<tr>
<td>3. We continually assess why our top performers are successful.</td>
<td>106.7</td>
</tr>
<tr>
<td>4. When we lose a salesperson (voluntary/involuntary) we consistently determine the reasons why.</td>
<td>104.2</td>
</tr>
<tr>
<td>5. We effectively collect and share best practices across our sales and service organizations.</td>
<td>100.9</td>
</tr>
<tr>
<td>6. Our sales managers are held accountable for the effective use of sales tools and resources by the sales force.</td>
<td>92.0</td>
</tr>
<tr>
<td>7. Our salespeople consistently and effectively communicate appropriate value messages that are aligned to our customers’ and prospects’ needs.</td>
<td>89.0</td>
</tr>
<tr>
<td>8. Our culture supports continuous development of salespeople and sales leaders.</td>
<td>87.9</td>
</tr>
<tr>
<td>9. As part of our performance review process, our organization consistently develops, and ensures implementation of, personalized performance improvement plans.</td>
<td>86.7</td>
</tr>
<tr>
<td>10. Customers have consistently positive interactions with us regardless of which channel(s) they use to work with us.</td>
<td>70.1</td>
</tr>
<tr>
<td>11. Our sales teams are effective at surfacing the specific reasons why certain customers stop doing business with us.</td>
<td>65.0</td>
</tr>
<tr>
<td>12. We (our salespeople) are effective at selling value to avoid discounting, or gaining comparative value in return for price concessions.</td>
<td>54.3</td>
</tr>
</tbody>
</table>

Top 12 Practices

The Top 12 practices, in order of significance:

1. **Our salespeople consistently and effectively articulate a solution that is aligned to the customer’s needs.** *(Relationship practice)*
   This nicely summarizes what a winning practice looks like: working backwards from the customers’ context, challenges and desired outcomes and then presenting a tailored solution. While it’s hardly a new requirement, it remains elusive. As products sets become increasingly large and complex, configuring the right solution becomes more challenging. Further, as customers’ familiarity with products increases, truly engaging them requires providing perspective beyond standard features and benefits.

2. **We deliver a consistent customer experience that lives up to and aligns with our brand promise.** *(Relationship practice)*
   Customers begin their journey with your organization at the point of their first brand impression. That relationship continues throughout marketing interactions, the sales process, and if all goes well, implementation. Over the course of a relationship, your customers may interact with a dozen different associates in different departments. The best have strong collaboration between Marketing, Sales and Service in order to ensure that each and every one of these interactions lives up to the promises made to the customer, starting with their first impressions.
3. **We continually assess why our top performers are successful.** *(Process practice)*
   Every organization can name their top performers. Knowing *why* they are top performers is much more challenging. Even if you asked them, they often wouldn’t know. Understanding the profiles of your high performers (attitudes, skills, knowledge) and their behaviors (what they say and do) creates a template for cultural fit and success. Armed with this knowledge, you can optimize hiring practices, refine enablement activity and shape your organization to build, not inhibit, success.

4. **When we lose a salesperson (voluntarily/involuntarily), we consistently determine the reasons why.** *(Process practice)*
   Turnover, whether voluntary or involuntary, isn’t always negative. Separating from a sales organization may well be the best decision for all parties. However, attrition is always expensive in terms of money, time, lost productivity and customer impact. Therefore, it’s vital to understand the root causes. Is the hiring profile correct? Are sellers being set up for success? Is performance being managed? Are people quitting jobs or managers? Are we terminating based on a holistic view or just the lagging indicator of quota? Top performers learn from these experiences to ensure that their hiring and enablement approaches continuously improve.

5. **We effectively collect and share best practices across our sales and service organizations.** *(Process practice)*
   Sharing knowledge and best practices within and across sales and service teams doesn’t come naturally in many organizations. In fact, it often goes against decades of encouraging people to operate in functional silos and compete internally. However, World-Class performers know when it is time to be competitive and when it is time to be collaborative. When it comes to sharing, culture comes first. As great a help as technology is, it doesn’t “solve” sharing unless the culture supports and rewards it.

6. **Our sales managers are held accountable for the effective use of sales tools and resources by the sales force.** *(Process practice)*
   Success requires consistency and consequences on all levels. Managers must coach salespeople to ensure that they use the available sales tools and resources most effectively. Importantly, this is about more than just compliance with a set of prescribed practices. The key is helping salespeople use the tools in a practical way to improve productivity, changing behaviors versus minimal activities to check boxes.

7. **Our salespeople consistently and effectively communicate appropriate value messages that are aligned to our customers' and prospects' needs.** *(Relationship practice)*
   This focuses on the need to communicate tailored value messages that address the needs of various buyer roles along their customer’s journey. While generic value propositions help develop a shared vision of future success in the early stages of the customer’s journey, unique and specific value propositions are required in the actual buying phase, followed by value confirmation messages in the implementation and adoption phase.
8. **Our culture supports continuous development of salespeople and sales leaders.** *(Process practice)*
   
   It’s important to demonstrate a culture of continuous development at all levels: salespeople as well as sales managers and leaders. Organizations who are truly committed to development invest time and resources for development activities, and they expect their people to do the same. Development activities and coaching aren’t just reserved for new hires or people with performance problems. They are for everyone and are core to the way the company operates.

9. **As part of our performance review process, our organization consistently develops and ensures implementation of personalized performance improvement plans.** *(Process practice)*
   
   There is always room for improvement, even among those who achieve their quota. By creating relevant and individualized performance improvement plans for all individual performers, World-Class organizations further cultivate a culture of continuous development. Too often, sales managers are tempted to view performance reviews as busy work or an HR form.

10. **Customers have consistently positive interactions with us regardless of which channel(s) they use to work with us.** *(Relationship practice)*
    
    These days, most organizations provide a number of different channels through which customers can choose to interact and do business: inside sales, contact centers, outside salespeople, implementation and support specialists, as well as channel partners and online tools. World-Class performers take an omni-channel approach in which customers don’t feel any friction between these various touchpoints and have their expectations met or exceeded regardless of when and where they engage.

11. **Our sales teams are effective at surfacing the specific reasons why certain customers stop doing business with us.** *(Relationship practice)*
    
    It’s incredibly expensive and disappointing to lose existing customers. World-Class organizations learn from these departures by identifying indicators of likely churn and making improvements to maintain and elevate existing relationships. It’s important to note that the best source of this information is the customer themselves. Don’t make assumptions.

12. **We (our salespeople) are effective at selling value to avoid discounting or gaining comparative value in return for price concessions.** *(Relationship practice)*
    
    This practice is a natural consequence of the first and seventh practices on this list. Effectively selling value is a result of tailoring solutions to address specific needs and communicating the appropriate value messages to different buyer roles. In turn, selling value allows them to gain comparative value in return for price concessions.
Identifying World-Class Performers

With the Top 12 practices identified, we then identified a set of World-Class performers. We asked study participants to respond to statements corresponding to the Top 12 practices by answering from 1 (strongly disagree) to 7 (strongly agree). World-Class performers are those who responded “agree” or “strongly agree” in at least 10 of the 12 practices. The result of this qualification process is that 6.9% of our study population is in this year’s World-Class segment.

These World-Class performers significantly outperform other study participants. The difference in the percentage of salespeople who achieved quota is remarkable. Overall, the percentage of salespeople attaining quota is decreasing year over year: from 63% in 2012 to 53% in this year’s study. However, World-Class performers have defied the trend by focusing on the right practices and implementing them extremely well. A full 69.8% of this group achieved quota: 17 points higher than average.

![World-Class Performance Versus All Respondents](chart)

**Figure 6: Revenue and Quota Attainment**

Overall win rates are stable. In our 2016 Sales Enablement Optimization Study, we saw an average win rate of 46.2%, and here we see 46.9%. However, the World-Class segment achieved a win rate of 57%, which is a full 10 points higher than average.
The results for no-decisions are also interesting because there seems to be no real difference between World-Class and all respondents. This is a problem that all organizations struggle with. No-decisions can be a result of misaligned value messaging, poor or inconsistent opportunity qualification and misalignment between the buying and selling process.

Finally, let’s turn our attention to the impact World-Class performance has on voluntary and involuntary turnover – a vital but often-overlooked metric. As our data shows, World-Class performers are better at retaining their sales staff year over year. This confirms an observation we’ve made before: Top performers leave when they feel their current environment limits what they can achieve.
When an organization is World-Class, the top-performing salespeople are more likely to stay. That improves overall performance levels and, at the same time, reduces the cost of hiring and onboarding new recruits. It also follows that World-Class performers have less cause to let salespeople go as compared to all respondents.

**Figure 8: Attrition Rates**

**Context Defines World-Class Performance**

Now, let’s return to our map from Section 1 in which we overlay these World-Class performers onto the SRP Matrix (each represented by a purple dot). As you would expect, there are more World-Class performers as you travel to the upper right of the matrix. However, World-Class performers exist in each level. World-Class doesn’t look the same for everyone.
Consider a product-based, commodity business that sells products for use in production, like bolts or screws. While vital, these products are not a strategic piece of the supply chain. Sales teams may create highly valued relationships, but it’s still unlikely their clients will consider them to be Trusted Advisors. Being seen as a Solutions Consultant is perhaps as high as that organization could reasonably expect to climb on the relationship axis. So, what does movement look like in these types of organizations? Even though their product is commoditized, they can still look for ways to better meet their customers’ needs by bundling product sets, adding services or partnering with upstream suppliers. Within the sales process, they can focus on providing value-added implementation advice. If nothing else, movement along the process axis is always possible and within the control of the sales organization.

Another example is a small two-person consulting organization. If they are very skilled and expert, clients may see them as Trusted Advisors. Yet, each consultant may use entirely random sales processes. Could they be World-Class? Yes. But this model isn’t scalable. They could not expand to a 20-person team without substantial investment in process.
Conclusion: Context matters.

As you consider your organization, keep in mind that only the relationship dimension is limited by the strategic relevance of an organization’s product or services. Therefore, when seeking to improve sales productivity and performance, always aim to improve process maturity before focusing on the activities and practices that lead to higher-level relationships. Recognizing that companies can achieve World-Class performance at lower than maximum levels of relationship and process implementation eases the burden of reaching for the clouds, but increases the responsibility to “be all that you can be.” Being clear-eyed, setting a strategic target that is realistically within reach, maintaining a consistency of effort and continually measuring/improving are all things sales leadership and management must deliver—and be held accountable for.

In the next section, we look at these practices in context of the sales system and recommend ways for you to take this data and apply it to your own sales organization.
Section 3: Moving Your Organization

We’ve established that doing nothing is not an option as it means a rapid descent to lower levels of performance (down the escalator). Now, as a sales leader, you have to decide how best to move forward and upward.

Applying the Findings

Due to time and resource limitations and a tendency to be opportunistic, most sales organizations go about their upward journey in an ad hoc fashion. This misses a critical point: sales effectiveness is a result of integrating and aligning functions and processes. It is rarely derived from a set of disconnected tactics. We recommend a strategic and intentional approach:

1. **Establish a starting point.**
   Plot your sales organization on the SRP Matrix. Where are you today? Be sure to look at your organization overall. Assuredly there will be outliers in both directions, but you need to decide what the norm is in your organization, not the exception. Furthermore, evaluating your placement on the relationship axis requires putting yourself in your customers’ shoes. How do they see you?

2. **Agree on a realistic goal over a 12-18 month time frame.**
   Now, ask yourself where you need to be to establish a position of competitive strength. Specifically, what can you realistically achieve in the next 12-18 months? It is rare to move more than one performance level at a time. Aim for progress within a performance level or to move from one to the next. It may not be possible for your organization to move to the next level if you are constrained by business model factors that limit your movement along the relationship axis. However, you can still strive for movement toward the upper right by focusing on processes.

3. **Benchmark your organization against the World-Class practices.**
   Consider the 12 World-Class practices that are linked to the greatest levels of success. How successfully and consistently has your organization mastered these practices? Be sure to consider your context as you think about implementing these practices. There is no universal approach, and there is no right answer as to how many you should attempt to implement at once, but doing one or two well will outdistance doing several sporadically.

4. **Finally, build out a systematic action plan.**
   To plot a course for your organization, consider these practices in the context of a Sales System. This allows you to assemble an integrated set of initiatives versus a piecemeal approach.

Using the Sales System as a Roadmap

The following framework, the Miller Heiman Group Sales System®, will help you evaluate all the components necessary for conducting business as a World-Class sales organization. Each component of the framework must be present, optimized and aligned with the others.
Let’s break it down. At the center is the customer. The mission of a sales and service organization is to efficiently and effectively facilitate the customer’s journey. Everything the organization does must be inextricably linked to this true north.

Think of the components of the inner ring as the methodologies, customer relationships, processes and skills necessary to elevate you on the vertical axis of the SRP Matrix.

To move from an Approved Vendor to a Trusted Partner, you must consistently implement the sales methodologies and possess the superior skills and ability to do the following:

- Create Opportunities – Penetrating the marketplace to generate leads. Targeting and gaining access to prospects, scoping their needs and qualifying opportunities.
- Manage Opportunities – Allocating resources to qualified opportunities and managing the sales process through closing.
- Manage Relationships – Protecting and growing clients by deepening existing customer relationships over time.

Think of the components in the outer ring as the enabling functions, technologies and processes needed to implement greater levels of sales process discipline along the horizontal axis of the SRP matrix:

- Sales Operations – Providing infrastructure and operational programs to increase sales productivity (e.g. sales process, CRM installation, territory assignment, pipeline management, forecasting).
- Sales Enablement – Providing integrated content, training and coaching services to increase sales productivity for salespeople and their managers.
- Management Execution – Aligning the organization and reinforcing the behaviors, processes and methodologies essential for success.
- People & Organization – Organizing, staffing and deploying a high-performance sales force.
Each component of the Sales System has a corresponding series of practices, metrics, technologies and behaviors. The following shows how the Top 12 practices identified in our 2017 CSO Insights World-Class Sales Practices Report and outlined in Section 2 map to the Miller Heiman Group Sales System (R) for 2017.

As you can see, 2017 shows a heavy concentration on the Management of Existing Customer Relationships and Sales Operations & Enablement.

The concentration of practices on Management of Existing Customer Relationships is a testament to the value World-Class performers place on renewing and expanding business within existing accounts. In this year’s study, participants reported that 68% of their revenues were generated from existing customers. Yet, over half (55.9%) reported that their ability to penetrate new business units in an existing customer account needed improvement or major redesign.

To get to a point of consistent, World-Class relationship management requires Sales Operations to have done its job driving sales productivity and Sales Enablement to have provided sales professionals and managers with the content, training and coaching to execute.

Does this mean that you can ignore the other 60+ practices beyond the Top 12? Or, does it mean that Management Execution is less important than Sales Operations and Sales Enablement? Unfortunately, no. What it does mean is that while you work to keep this system moving forward to facilitate your customers’ journeys, you should emphasize the practices that differentiate high performers.
That said, other practices, such as optimizing CRM usage, deploying sales methodologies and driving forecast accuracy, are still necessary. However, these fundamentals are simply table stakes. Even though you must master these practices to achieve World-Class levels of performance, they will not provide enough momentum to climb to higher levels of performance within the SRP. Rising customer expectations and external forces will continue to push your performance to ever-lower levels.

To create your action plan, consider the entire sales system. How well do you function within each component? How well do the components align with each other? Consider both the necessary and differentiating practices within each of these functions. Prioritize areas where you are well behind the curve, areas where alignment is needed and areas that are differentiating.

You will find that some of these practices are so significant and encompassing that they will be tough to change in the near term. Think about how you might break them down into smaller milestones. A two-year planning horizon will help you create a roadmap for your initiatives. Yet, know that due to market factors and uncontrollable variables, you will likely need to make substantial changes to your plan annually if not more frequently.

Thus far, we’ve shared what the best are doing today and how to apply these practices in your sales organization. Our final section summarizes the key items to take forward as you plan for the future.
Section 4: Going Forward

Running up a down escalator is exhausting, but it is the nature of selling in today’s world. CSO Insights’ annual studies are designed to help sales leaders make informed decisions about how to grow and maintain performance in an environment where market trends are often working against them. The 2017 CSO Insights World-Class Sales Practices Report validates conclusions from the past, finds new linkages not before analyzed and adds new specificity around potential action:

- **Having better processes and better relationships continues to be linked to better results.**
  
  The SRP Matrix has been proven over ten years of testing. The more successful an organization is at implementing sales processes and building high-value relationships with customers, the more likely they will experience better-than-average win rates, higher rates of quota attainment, increased sales force retention and more accurate forecast outcomes.

- **Organizations must take extensive action to succeed.**
  
  With coming trends in selling, such as Artificial Intelligence, organizations that do not continually strive for ever-more-formal sales processes and deeper relationships will not be able to gain enough momentum to overcome the force of increasing customer expectations. Consider the SRP framework. Level 1 will not lead to sustainable growth. Level 2 may be acceptable for certain selling models. But even so, you must strive for rightward movement within Level 2, focusing on the process elements within your control. Even Level 3 is no safe haven. Maintaining high levels of customer relationships and high levels of sales process implementation requires constant refinement, constant investment and constant effort.

- **Specific organizational practices (the “how”) are most closely linked to better results.**
  
  There are dozens, if not hundreds, of relationship-building and sales process practices that can help drive an organization from Level 1 to Level 2 and ultimately to Level 3 performance. We’ve identified a short list of the 12 World-Class sales and service practices, six for each axis of the SRP, which statistically show the greatest connection to higher results. Organizations that expertly execute at least 10 of these 12 practices (World-Class performers) report significantly higher sales results than those that do not.

- **Action Planning should be focused and systemic.**
  
  Information without action is wasted. At least once per year, assess your organization against the SRP Matrix to identify current/desired positions and benchmark your organization against the Top 12 practices. Using the sales system as a framework, prioritize a short list of practices that will move you in the upper right direction of the SRP Matrix. Prioritize gaps in the Top 12 practices and add in fundamental practices that are necessary to keep your sales system aligned and effective. Keep your list narrow and your focus broad. As an example, identify a set of customer interactions during the sales process that need to be redesigned, like contracting. Yet, do so in the context of the overall customer experience.

We are happy to help you apply our research to your organization. Please talk to your CSO Insights analyst to learn more.
Appendix: Study Demographics

The data for the 2017 CSO Insights World-Class Sales Practices Report analysis was collected from 1,289 survey participants. The primary demographics objectives this year were to ensure we had worldwide participation from individuals representing multiple industries and working for a cross-section of firms from SMBs to global enterprises. In this appendix, we highlight some of the demographic breakdown of the study participants. For more specifics on creating segmented benchmark analyses, please contact your CSO Insights analyst.

Participation by Industry

At a macro level, there was a roughly even number of respondents from the Manufacturing, Service, and non-Manufacturing/non-Service industries. The table below provides a granular segmentation.

<table>
<thead>
<tr>
<th>Detailed Industry Analysis</th>
<th>16.9%</th>
<th>12.6%</th>
<th>9.1%</th>
<th>8.4%</th>
<th>7.5%</th>
<th>7.1%</th>
<th>6.1%</th>
<th>4.8%</th>
<th>3.5%</th>
<th>3.3%</th>
<th>3.3%</th>
<th>2.3%</th>
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<tbody>
<tr>
<td>Professional Services &amp; Consulting</td>
<td>Pharmaceuticals</td>
<td>1.9%</td>
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<tr>
<td>Technology</td>
<td>Transportation/Logistics/Distribution</td>
<td>1.9%</td>
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<td>Manufacturing</td>
<td>Media/Publishing</td>
<td>1.9%</td>
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<tr>
<td>Other</td>
<td>Aerospace and Defense</td>
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<td>Healthcare</td>
<td>Advertising/PR</td>
<td>1.2%</td>
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<td>Banking/Financial Services/Insurance</td>
<td>Energy/Utilities</td>
<td>1.2%</td>
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<tr>
<td>Business Services</td>
<td>Retail</td>
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<td>Industrial &amp; Chemical</td>
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<td>Education</td>
<td>Hospitality/Travel</td>
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<td>Construction/Engineering</td>
<td>Oil/Gas</td>
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<td>Telecommunications</td>
<td>Food Service</td>
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<td>Consumer Products</td>
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Table 3: Detailed Industry Analysis
Participation by Geography

This year, we significantly increased global participation in the study, with North America accounting for 43.8% of respondents, followed by EMEA (Europe, Middle East and Africa), Asia, ANZ (Australia and New Zealand), and Latin America.

Participation by Role

By surveying the various key stakeholders in sales and services organizations, we were able to collect data from a cross-section of roles that will allow us to do a deeper analysis of the challenges these groups are encountering and best practices for overcoming those issues.
Participation by Size of Organization

To segment organizations based on size, we did a two-phase analysis. The first chart below looks at the study makeup by revenues of the company, while the second chart considers the size of the sales force.

**Figure 16: Sales Revenues Analysis**

<table>
<thead>
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<th>Revenue Range</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>&gt; $1B</td>
<td>23.0%</td>
</tr>
<tr>
<td>$251M - $1B</td>
<td>11.6%</td>
</tr>
<tr>
<td>$51M - $250M</td>
<td>17.1%</td>
</tr>
<tr>
<td>$10M - $50M</td>
<td>18.2%</td>
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<tr>
<td>&lt; $10M</td>
<td>30.1%</td>
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</tbody>
</table>

**Figure 17: Number of Salespeople in Organization**

<table>
<thead>
<tr>
<th>Number of Salespeople</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>&gt; 500 Salespeople</td>
<td>13.4%</td>
</tr>
<tr>
<td>251 - 500 Salespeople</td>
<td>6.8%</td>
</tr>
<tr>
<td>51 - 250 Salespeople</td>
<td>16.5%</td>
</tr>
<tr>
<td>25 - 50 Salespeople</td>
<td>11.9%</td>
</tr>
<tr>
<td>&lt; 25 Salespeople</td>
<td>91.4%</td>
</tr>
</tbody>
</table>
Participation by Average Deal Size

To allow us to separate smaller transactional deals from larger, more complex ones, we also gathered data on the average deal size as seen in the chart below.

![Average Deal Size Analysis](image)

*Figure 18: Participation by Deal Size*

Other Metrics for Segmentation

We can segment the study data based on a number of other factors, such as level of relationship with the customer, level of sales process, number of stakeholders involved in the final decision, etc. To learn more about the options available, please contact your CSO Insights analyst.
About CSO Insights

CSO Insights is the independent research arm within Miller Heiman Group, dedicated to improving the performance and productivity of complex B2B sales. The CSO Insights team of respected analysts provides sales leaders with the research, data, expertise, and best practices required to build sustainable strategies for sales performance improvement. CSO Insights’ annual sales effectiveness studies, along with its benchmarking capabilities, are industry standards for sales leaders seeking operational and behavioral insights into how to improve their sales performance and to gain holistic assessments of their selling and sales management efficacy. Annual research studies address sales and service best practices, sales enablement and sales performance optimization.