All That Glitters Is Not Gold:
Key Findings From The CSO Insights
2019 World-Class Sales Practices Study
EXECUTIVE SUMMARY

INSIDE THIS REPORT

Many sales organizations saw increases in quota attainment and revenues last year. However, key leading metrics decreased and adherence to many sales best practices remains low, leading us to attribute the uptick in lagging sales metrics more to the economy than to any sales transformation initiatives.

In this report, we take a fresh look at the 12 best practices that correlate most strongly with sales performance. We also provide practical recommendations for how organizations can implement these strategies to insulate their sales performance against the inevitable economic fluctuations.

MAJOR FINDINGS

World-Class sales performance requires cross-functional effort
World-Class sales organizations have a system for driving performance that aligns their strategies (go-to-market, talent, organizational design, etc.) with customer engagement processes and best practices as well as performance support (sales management, sales operations and sales enablement). Alignment of this “sales system” is a work in progress, as cross-functional teams collaborate to define and redefine what works.

The customer’s path remains a priority
Though the economy is thriving in many regions, buyers are still in control of their actions, and adding value remains key to sales success. In addition, buyers want to work with organizations that see beyond the deal. World-Class organizations put the customer’s path – including how customers use products and services after the sale – at the center of everything they do.

No sales team is an island
Five of this year’s Top 12 best practices are in the area of performance support, and all five are repeats from prior years. World-Class sales organizations do not leave the business of selling to the sales team alone. From coaching to forecasting to call planning tools, cross-functional teams work together to provide sales the support they need to have consistently positive, mutually valuable interactions with customers.

Talent strategy and data analytics make their debut
Two newcomers to the Top 12 reflect the changing dynamics of the selling environment. At a time when the majority of sales leaders recognize that they may not have the talent they need for the future, World-Class sales organizations are taking a strategic approach to talent that covers the lifecycle of the salesperson, from hiring profiles and practices to development to exit strategies. And with the amount of data being collected increasing exponentially, World-Class sales organizations also are developing clear strategies for how best to use data to drive their organizations to greater success.
SECTION I: The Deceptively Shiny State of Sales

For more than two decades, CSO Insights has collected annual data from thousands of sales organizations around the world to assist sales leaders in making decisions. As we consider the operating metrics surfaced in the 2019 World-Class Sales Practices Study, we are reminded of the story of Sir Martin Frobisher.

In the mid-1500s, Frobisher sailed to what is now Canada and discovered a treasure trove of what appeared to be gold. He ferried 200 tons of the ore back to England, returning with an even larger fleet to mine more than 1,000 tons. After initial appraisals of enormous profits and years of processing the rock, it turned out to be iron pyrite. As Shakespeare neatly summarized in The Merchant of Venice, some 40 years after Frobisher’s comeuppance, “All that glitters is not gold.”

On the surface, this year’s numbers are shiny and bright. Sales organizations increased their revenue attainment for the third year in a row, to 101%. And while not a complete reversal of fortune, the percentage of sellers making goal also increased, to 56.9%, from a record low two years ago. Yet if you look into the numbers more deeply, you see a less-sparkling reality.

2017-2019: Performance Stalls While Revenue Metrics Grow

- Customer Retention, -3%
- Customer Relationships, -4%
- Seller Retention, -5%
- Global GDP, +10%
- Revenue Plan Attainment, +7%
- Quota Attainment, +7%
- Win Rates, +2%
While lagging indicators such as revenues and the proportion of sellers making goal have increased in the two years since our 2017 World-Class Sales Practices Study, they have done so in a time of significant economic growth. At the same time, leading indicators have stayed relatively flat or started a gradual decline:

- Even including a minor 2% bump, win rates of forecasted deals remain at less than 50%, meaning more than half of all deals that are forecast to close don’t.
- Customer retention has dropped by 3%. This is not surprising when you consider that the percentage of organizations boasting deep relationships with their customers has dropped by 4% as well.
- Seller attrition has increased to 18%, resulting in a reduction in seller retention of 5% within the past two years.

This decline in performance is confirmed by both buyers and sales leaders. In our 2018 Buyer Preferences Study, less than one-quarter of B2B buyers told us that they considered salespeople to be a resource to solve business problems and saw few differences among sellers. Sales leaders in our 2018 Sales Talent Study noted serious concerns as well. A whopping 84% were unconvinced that the talent they have is enough to generate future success.

Given a skeptical view of sellers, declining customer relationships and stalled win rates, how exactly have sales leaders made their numbers? Many have taken advantage of economic prosperity to add roles, sellers and new technologies to achieve sales results through increased coverage. But those additions have not translated into productivity or performance gains. This puts sales leaders in a dangerous place when economic growth flattens or, worse yet, contracts.

To defend against such market changes, sales leaders need to look beyond revenues and quickly address the underlying performance drivers within their businesses.

**World-Class Sales Organizations Have a Sales System**

To begin the process of shoring up their sales organizations for the future, sales leaders must first step back and realize they need to take a holistic approach. The best sales organizations have a “sales system” that aligns a range of components (functions, processes, strategies) around building and growing relationships with their clients. CSO Insights has partnered with Miller Heiman Group to define the framework for a **World-Class Sales System**.

The sales system consists of three interrelated focus areas:

- **Customer Engagement** – Sales starts with the customer, specifically the path[s] that customers take and the decisions they make that carry them through awareness, buying and, ultimately, implementation. In today’s selling world, it is this process that anchors the sales system and defines the processes and methodologies used to engage customers. Such engagement is complex. Every customer relationship is comprised of a series of interactions across an increasing number of decision-makers. And each of these interactions is a composite of moments created with skills [sales and service]. It’s a lot to manage.

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1 For more information on the Global World Product or Global GDP, refer to the International Monetary Fund.
When the sales organization wraps itself around these customer paths, it provides direction to customer-facing resources on precisely how to **Initiate Opportunities** (activities such as social outreach, prospecting, personal branding), **Manage Opportunities** (e.g., gaining access to decision-makers, configuring solutions to meet needs, providing perspective) and **Grow Relationships** (including account management, customer service and customer success).

- **Performance Support** – Customer-facing resources need help to effectively and efficiently execute the customer engagement approach and create the desired customer experiences. Such help comes in the form of three critical leverage points: **Sales Management** (e.g., development, account coaching, teaming, communications), **Sales Operations** (e.g., compensation, territory planning, sales process) and **Sales Enablement** (comprised of coaching, content, training and value messaging).

Much of the focus for these teams is the evolution of selling. In fact, “ineffective sales process/methodology” is the second-most-debilitating hurdle to sales success per the sales leaders in our survey. Further, these functions are tasked with helping sellers and managers make better use of their time. Often because of inefficient internal operations (#1 on the challenge list), sellers spend less than one-third of their time selling, and managers spend twice as much time on internal work as they do on coaching ([2018-2019 Sales Performance Study](#)).

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**TOP CHALLENGES DERAILING SALES LEADERS**

1. Inefficient internal operations
2. Ineffective sales process/methodology
3. Organizational misalignment

-2019 World-Class Sales Practices Study

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• **Strategy Alignment** – The final set of sales system elements is the strategic components. This is the purview of the CSO/CRO as well as executive directors. These strategies align the sales organization to the broader enterprise and provide the guidance and fuel that sales management, sales operations and sales enablement need to succeed. This focus area is responsible for addressing challenge #3: organizational misalignment. Specific considerations include the **Go-to-Market Strategy** (e.g., coverage model, segmentation and channel strategy), **Organizational Design** decisions (roles, functional alignment and culture), **Talent Strategy** (e.g., profiling and hiring through to transitions) and the **Data & Analytics Strategy** (e.g., predictive analytics, governance and more).

As leaders think about how to evolve their sales systems, it’s important to remember that it is not a linear process. There is no one right starting place. Start with whichever area is causing the most pain, then work on aligning all of the related components. For example, start by changing the sales process, then ensure that the compensation system, tools and methodologies support (rather than inhibit) the newly required seller actions. Or start with the coverage model, then change hiring profiles to align to it. The options are limitless.

As such, the sales system is a constant work in progress – as it should be, because it is based on the customer, and customers don’t stand still.

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**Not All Organizational Practices Are Created Equal**

An infinite number of organizational practices underpins each of the three layers of the World-Class Sales System. It is surely impossible to actively evolve all of them at once. We analyzed 53 practices across this system in order to identify which, at present, are the most connected to quantifiable results. We looked carefully at two factors:

- **First, how strongly is the practice correlated to operational metrics?** Specifically, does an increase in practice efficacy align to higher operational results?
- **Second, how broad is the impact?** How many of the sales metrics (revenue attainment, quota attainment, win rates, loss rates, no-decision rates, voluntary attrition and involuntary attrition) are impacted?

The result of that analysis defines our “Top 12” list of World-Class sales practices for 2019. This list includes several practices that have appeared in the Top 12 more than once during the time that we have been doing this analysis (articulating value, assessing talent, coaching and development-oriented culture). These longtime stalwarts are joined by many new entries such as talent strategy and data & analytics strategy.

By no means does this analysis indicate the other 41 practices are unnecessary. Unfortunately for sales leaders they, too, carry weight and have impact. There is no shortage of work to be done. The purpose of the Top 12 is to provide a place to start when determining how to spend limited resources to drive the most impact.

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2 Contact your CSO Insights analysts to learn more about the 53 practices or to have your organization benchmarked against them.
As we reviewed the practices in aggregate, several themes emerged:

- **The power of the interaction** – Many practices within the Top 12 focus on the need to prepare for and execute superior customer interactions across a range of customer-facing roles. In our 2018 Buyer Preferences Study, B2B buyers shared how important it is for every meeting and every message to be crisp, concise and compelling. Sellers are afforded fewer and fewer opportunities to interact with prospects and customers, and each touchpoint has to be that much more impactful. Individual interactions matter.

- **The partnership of operations, management and enablement** – The second theme is the three-way alliance being formed among sales operations, sales enablement and sales management. While each has a distinct purview, none can succeed without deep collaboration with the others. And with each carrying a larger and larger mandate, a more focused and proactive effort is required to keep them aligned with each other.

- **The new strategic framework for CSOs and CROs** – The topmost levels of the sales organization are tasked with defining the go-to-market strategy and aligning it with the overall business strategy. They own building a sales organization capable of executing on that strategy. In today’s world, that also includes
a much deeper involvement in a sales-led talent strategy as well as a strategy for how to use data as an asset for the sales organization. In the past, those two latter areas may have been largely driven by HR and IT, respectively, but in a World-Class sales organization, they are increasingly the domain of sales. Both data and people are the resources needed to fuel the strategy, and they can’t be left to happenstance or outsourced to other departments.

You might look at the list of practices and read it as a heavy lift. You’d be right, of course. In fact, less than 9% of the organizations surveyed against these practices excel across the full body of them. Importantly, this elite World-Class segment of organizations significantly outperforms its peers.

Those gains are notable and, while a transformation to “World Class” can’t be achieved overnight, there undoubtedly are both short- and long-term actions that can be taken to drive toward sales system excellence.

As sales leaders review these practices and consider their action plans, they should beware the complacency that is born of successful times and carefully examine their whole sales system for future resiliency. Otherwise, they risk finding out the hard way that the foundations of their sales organizations are forged of iron pyrite vs. the kind of sales gold that ensures long-term success.

In the next three sections of this report, we provide more detail on each of the 12 practices along with specific recommendations for evolving them to the level of World Class.
SECTION II: Customer Engagement

In the age of the customer, it’s essential to master the art of connecting with, inspiring and engaging customers. Customer engagement covers the way organizations and their customer-facing professionals interact with their prospects and customers along their entire customer’s path.

Customer engagement is not solely a sales issue, nor is it exclusively a marketing or service issue. Rather, customer engagement can only be effective if it is tackled from the customers’ perspective, the “path” they take from awareness to buying and use. By definition, that means all functions that engage with customers have a role in customer engagement, and it means that customer engagement starts before the typical lead-to-close sales process and continues long after.

The main goal of customer engagement is for customers to perceive every interaction, whether with or without human contact, as relevant, valuable and differentiating.

Three customer engagement practices had the most significant connection to sales performance:

- “Customers have consistently positive interactions in every channel they use to engage with us.”
- “We consistently conduct mutually-valuable sales calls with customers and prospects.”
- “Our sellers effectively communicate value messages that are relevant to buyers’ needs.”
“Customers have consistently positive interactions in every channel they use to engage with us.”

KEY INSIGHTS
Most organizations provide a range of channel options that prospects and customers can use to connect, engage and conduct business: inside sales, field sales and channel partners as well as various e-commerce and online tools. As the marketplace has moved to “omni-channel,” it is common for a buyer to interact with multiple channels within one buying process.

For example, the customer might follow a path with numerous touchpoints: engaging with the website – emailing with an SDR – speaking live to a salesperson – conducting implementation meetings with a project manager – handling challenges with customer service – and renewing business with a customer success manager. Each individual (or system) involved in those touchpoints likely reports to a different function, uses different processes and is supported differently.

Despite all of the moving parts, World-Class sales organizations ensure customers enjoy a seamless experience among these various touchpoints and their expectations are met or exceeded regardless of when and where they engage.

WHERE TO START
• **Map out your customer’s paths, including all potential interactions and touchpoints.**
  Start by building a map of the customer’s path – from awareness to buying and (eventually) implementation. Identify the touchpoints for common scenarios (e.g., new customers interested in a quote, existing customers looking to change solutions, channel partner customers looking for service). For each, identify how much weight it carries with the customer, how the interaction takes place and who is involved. This will help you clarify possible points of friction from a customer point of view.

• **Optimize all of the critical interactions, not just those with a person.**
  Not all interactions are live sales calls. Filling out marketing automation forms, requesting service or even using e-commerce (B2B e-commerce is expected to soon outgrow B2C e-commerce) count as interactions too. These should be evaluated to determine whether they add to or detract from the overall customer experience. Some sales organizations are experimenting with using bots as a mechanism to schedule appointments with prospects. This may be a great boon to productivity, but only if those interactions are consistently positive.

• **Expand your enablement scope.**
  Our [4th Annual Sales Enablement Study](#) points out that it is rare for sales enablement to provide services to customer service, customer success or channel partners. This can leave many unsupported holes in a series of customer interactions. Using your customer path maps as a guide, look to expand your sales enablement audiences to ensure you are covering the bulk of interactions involving your brand.
"We consistently conduct mutually-valuable sales calls with customers and prospects."

KEY INSIGHTS

The concept of a “sales call” is as old as sales itself. But there is not much in common between today’s sales calls and those of even five years ago. Sellers don’t get as many chances as they used to. Today’s “calls” are shorter, harder to get and often virtual. They may even be deconstructed into a time-spaced email exchange. Our 2018 Buyer Preferences Study revealed that 70% of B2B buyers prefer to engage sellers late in the purchase process. That puts even more pressure on sales calls to result in valuable outcomes.

Regardless of the modality, length or context, World-Class sales organizations ensure that all calls are consistently executed in a way that is relevant, differentiating and brings value to both buyer and seller. That value comes in the form of helping the buyer move to the next phase of their purchasing path. For example, in an early-stage call, a seller needs to understand the specific problem the buyer wants to solve and the outcomes they want to achieve. The buyer wants to understand how the seller will help them, determine their credibility and decide whether future conversations make sense.

WHERE TO START

- **Don’t assume sales call skills are inherent.**
  Organizations often hire sellers who possess high emotional intelligence or who may be naturally good at interpersonal conversations. That doesn’t always translate to sales call success. Buyer interactions that are mutually valuable have to be designed, prepared and practiced. Sales enablement plays a vital role by providing valuable and relevant content, related training services to develop the desired new behaviors, and ongoing coaching services to drive adoption and reinforcement.

- **Master a variety of techniques that add value.**
  Sellers can provide value through content, advice and even by asking questions that cause the buyer to better execute their purchasing process. In our 2018-2019 Sales Performance Study, we found that those who excel at providing perspective and insights during the sales process have a substantial impact on win rates compared to those who fall short of expectations – an increase of 23%. Make sure your sellers are armed with a repeatable approach and methodology for conducting sales calls that add value.

- **Ensure the content used in calls is tailored to your customer’s path.**
  Sales calls involve skills, processes and content (product sheets, presentations, use of demo scripts and more). We learned in our 4th Annual Sales Enablement Study that tailoring content to the phases of your customer’s path is crucial to driving customer engagement throughout interactions. In fact, organizations that apply this practice effectively improved win rates of forecasted deals by 11.5%.
“Our sellers effectively communicate value messages that are relevant to buyers’ needs.”

KEY INSIGHTS
A value messaging framework clarifies how the organization articulates the value it brings to its customers. Value messages are used in customer-facing content and in every sales conversation. Today, there is no such thing as a standard value proposition. Instead, value messages have to be tailored to buyer roles, the problems they are trying to solve and the different phases of their customer’s path to ensure the interaction is valuable, relevant and differentiating.

As an example, let’s say a client has a serious problem with customer success, and customer experience (CX) KPIs are decreasing. The CX leader has the most skin in the game and wants the best possible satisfaction results as fast as possible, whatever the cost. The finance leader is more interested in the overall ROI of any given solution, and the CSO is scared that this will delay deals in the funnel. Value messages for each of these three buying influences will need to be very different, although tightly aligned.

WHERE TO START
• **Build for marketing and build for sales.**
  In many organizations, marketing owns value messaging, which can result in the creation of more marketing messages than actual sales messages. There is a critical difference. Value messages for demand and lead-generation purposes are created to address a broader audience (macro perspective), especially in the early stages of the customer’s path. In contrast, salespeople need value messages that cover the entire customer’s path and address individual buyers (micro perspective).

• **Use sales enablement as an orchestrator.**
  Using the customer’s path as the primary design point, sales enablement is the ideal role to orchestrate value message creation, involving marketing, product, sales and customer experience teams to ensure tailored messages for use by both marketing and sales. In addition, sales enablement can take the lead role in training. Salespeople have to become confident in having conversations using the value messages in different situations. Role plays are crucial, and only ongoing coaching will ensure that sellers become fluent in the new behavior.

• **Tailor your value messages to buyer roles.**
  We found in our [4th Annual Sales Enablement Study](#) that those who provide their sellers with messages tailored to buyer roles have higher win rates [+8.9%] than those who leave the tailoring up to sellers. As a starting point, organizations can map out their most important buyer roles and which of these buyers’ business problems they solve.
SECTION III: Performance Support

Performance support refers to the leverage points that help frontline customer-facing teams engage customers effectively and efficiently. In the previous section, we discussed the increasing demands for more sophisticated customer engagement. Evolving the way sellers interact with their customers can’t happen in a vacuum. A robust approach to performance support is required from sales management, sales operations and sales enablement.

This year’s study highlighted the need for broader, deeper, more aligned support from these teams. Their work results in the consistent and rigorous processes, tools and direction needed to produce consistently positive interactions.

Key focus areas for performance support include a seemingly endless list: technology stack creation, sales process definition, compensation planning, territory design, teaming, coaching, internal sales communications, training and much more.

In this section, we cover five practices that can be grouped under performance support:

- “Sales management, operations and enablement are effectively aligned to drive results.”
- “Our culture supports continuous development of customer-facing professionals.”
- “Our sales managers effectively coach salespeople to higher levels of performance.”
- “We have a rigorous forecasting process that drives forecast accuracy.”
- “We effectively use call planning tools to prepare for customer interactions.”
WHERE TO START

• **Keep management, operations and enablement distinct.**
  
  Each of the three disciplines has a different scope of responsibility and a unique lens through which to view problems and opportunities. In some organizations, operations and enablement are still viewed as one function because there is not enough headcount to justify separate teams. Even in small organizations, there is a benefit to dedicating at least one individual within operations to becoming an expert in enablement and to owning enablement orchestration. Doing so ensures the problems that derail sales can be addressed from a number of angles.

• **Collaborate and communicate on an ongoing basis.**
  
  The more distinct the functions, the harder you have to work at keeping them aligned. The three functional teams need to ensure ongoing collaboration and communication. Collaborating on a project-by-project basis is not enough. Sales managers need to continually provide feedback to the sales operations and enablement teams on potentially needed adjustments to processes, updates to tools and skills gaps that may need to be bridged. Similarly, sales operations and sales enablement should partner with sales managers and keep them informed of any future changes being made so that they can provide clear guidance, direction and support for their sales teams.

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“**Sales management, operations and enablement are effectively aligned to drive results.”**

**KEY INSIGHTS**

Sales management, sales operations and sales enablement have an endless list of responsibilities. With all three functions running at full speed to meet the common goal of more and better sales results, it’s not unusual that they get out of sync. This damages both productivity and performance. World-Class sales organizations, on the other hand, use proactive alignment of these functions to provide more consistent deliverables and experiences for their frontline sales teams.

Take an example where win rates are low because of inconsistent approaches to opportunity planning. All three functions may influence this issue: sales enablement through a new opportunity planning methodology, sales operations through opportunity scoring tools and sales process tweaks, and sales management through coaching. If these separate solutions are not aligned, frontline sellers may well end up with a lot more to-dos for little gain. But with alignment, a new methodology can be integrated into the sales process, reflected in the CRM and coached to in funnel reviews – providing for much better outcomes.
“Our culture supports continuous development of customer-facing professionals.”

KEY INSIGHTS

Three-quarters of leaders report rapid changes in their markets, products and processes. Organizations and individuals who rely solely on what they knew in the past or what worked in the past will certainly find themselves obsolete.

Consider the changing profile of a successful seller in this environment. Credentials such as years of industry experience are becoming less desirable than attributes such as learning agility. That new seller profile demands opportunities to learn that go well beyond an onboarding program.

World-Class sales organizations succeed in this era of change by building a culture that emphasizes the continuous development of people. They actively demonstrate their commitment to learning, individual growth and proactive change. Performance improvement is part of their corporate identity and central to their employee value proposition. Not only does this benefit the individuals, but it also drives organizational success through higher competency, increased seller engagement and reduced attrition.

WHERE TO START

- **Demonstrate visible leader commitment.**
  Culture change does not happen overnight. It starts with leadership and their commitment – through words and actions. Leaders can resolve to include development discussions in their 1:1s. They can model the way, sharing their own development plans and insights. Leaders can build development activities into every team meeting, seller workflows and recognition activities. If leader-led activities are always production-oriented (funnel reviews, account strategy sessions, annual check-the-box performance reviews), sellers will get the message that development isn’t important.

- **Invest in a development infrastructure.**
  According to our [2018 Sales Talent Study](#), only 21% of organizations had effective ongoing enablement (beyond onboarding), and less than one-fifth felt their salespeople had ample opportunity for promotion and career development. Look at building (or rebuilding) competency models for the key sales and service roles within your organization. Leverage behavioral assessment tools, and create development plans supported by coaching plans for each individual.

- **Find creative growth opportunities.**
  Not all sellers want to be sales managers. In fact, most probably don’t. So relying on traditional HR approaches to career growth has minimal impact on sales. Instead, provide opportunities such as piloting technology tools, giving feedback on new products, being an early adopter of a new market approach or joining a cross-functional team focused on an enterprise challenge.
“Our sales managers effectively coach salespeople to higher levels of performance.”

KEY INSIGHTS
It’s no surprise that sales coaching drives results. Our 4th Annual Sales Enablement Study shows that sales coaching, implemented properly, can lead to a 16.6% increase in win rates for forecasted deals. What continues to raise eyebrows is the lack of effective sales coaching in sales organizations in spite of its well-known benefits. In fact, only one-third of sales organizations reported this as a strength. And 60% said that their coaching process was informal or left up to their managers.

World-Class sales organizations have a formal coaching process. Sales managers are trained and required to coach their sellers. They are provided coaching guidelines, tools and an approach to measure success. In these organizations, coaching fits into a larger enablement framework, linked tightly to the adoption and reinforcement of the training and tools provided to frontline sellers.

WHERE TO START

• **Provide clarity on coaching.**
  Start by establishing a definition of coaching. It is more than just strategizing on an account and should cover a range of applications. Sales coaching is a leadership skill that develops each salesperson’s full potential. Sales managers use their domain expertise along with social, communication and questioning skills to facilitate conversations that allow sellers to discover areas for improvement and opportunities to break through to new levels of success.

• **Get senior executive buy-in.**
  Build a business case. Our research provides highly valuable insights on the impact of sales coaching. Put the data into your context, and create a specific and realistic business case. For some, it will take more than numbers. Senior executives who were never coached themselves will see it as a “nice to have.” After all, they succeeded without it. Even those who do believe in coaching get complacent. The lack of coaching is a longtime problem, and they are used to it. Use role-play activities, real seller quotes, a recorded failed call, feedback from customers and snippets from seller exit interviews to supplement your business case. Sell it rationally and make the emotional connection.

• **Run a coaching pilot.**
  You usually find a few sales managers within the organization who already are great coaches or natural coaching talents. Design a small pilot together, track the results, and let these sales managers present their coaching story. Tangible experiences from within the organization, especially if presented by sales managers and backed up by a business case, make the ingredients for an approved initiative.
WHERE TO START

• **Define your cadence.**
  A clearly defined cadence will help drive the right discussions in funnel reviews and minimize the reliance on outdated and duplicate reports. Forecast reviews should have a schedule (weekly, monthly and quarterly). The cadence also should include some guidelines around the what, who and when: What is the meeting objective? Who will be in attendance? When will it take place? For example, if executive reviews happen every Wednesday, other review meetings should happen in advance: Sales teams enter updates in CRM the prior Friday, sales managers review updates with sales teams on Monday, and sales leadership reviews forecasts on Tuesday.

• **Expand your data sources and leverage technology.**
  *Subjective and historical* data are the most commonly used data types within forecasting. *Predictive* data is generated by applying algorithms to a broad set of opportunity data points to calculate the health of an opportunity. With advances in artificial intelligence (AI), predictive data is more easily accessible, and sales forecast discussions become more multidimensional. Better understanding your data sources also will help you determine which technology investments you might want to make to support your forecast process (e.g., standalone dashboard or integrated with CRM, mobile and email/call activity input capabilities, etc.).

• **Enable sellers and leaders to execute.**
  A sales enablement plan will help you address two areas when it comes to forecast process:
  o training the sales team on the cadence and technology use expectations
  o equipping sales managers with opportunity and funnel coaching
  This will help ensure the adoption of the new forecast process and help drive more clarity through sales manager coaching.

KEY INSIGHTS

Most organizations have a forecasting process of some kind, yet few are entirely happy with it. It’s the formality and rigor built into such a process that separates just having one from having one that actually drives forecast accuracy.

Our [2018 Sales Operations Optimization Study](#) found organizations that leverage a formal and structured forecasting review process increased their win rates of forecasted deals by 25% compared to organizations that used random or subjective approaches.

World-Class organizations drive rigor within their forecasting process by hard-coding manager involvement, leveraging technologies, and mining both historical and predictive data. They also put structure around the process (enablement, coaching, tools and cadence) to ensure that it fits within the organization’s workflow.

“We have a rigorous forecasting process which drives forecast accuracy.”

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“We effectively use call planning tools to prepare for customer interactions.”

KEY INSIGHTS
According to our 2018-2019 Sales Performance Study, only one-third of a seller’s time is spent on selling, and almost 20% is spent on call planning. In order to help sellers prepare more efficiently and convert some of that preparation time to selling time, World-Class sales organizations invest in call planning tools.

Although the idea of call planning is hardly new, even our World-Class organizations found room for improvement, with one-quarter not effectively using such tools. That’s because tool adoption of any kind (call planning, opportunity planning, account planning, pricing, etc.) takes more than just putting the tool in the hands of a seller. Organizations looking to enhance productivity with tools need to give careful thought to user experience, coaching and enablement so that their teams use the tools effectively.

WHERE TO START

• Select the right tool.
  Call planning tools can be as simple as a checklist or template or as advanced as artificial intelligence (AI) capabilities that not only record calls but also provide analysis on what defines a successful call (i.e., everything from the keywords to the competitive positioning that a sales professional uses to win a deal). Select the tool that meets your needs by first identifying what call planning improvements you want to make.

• Marry tools and methodology.
  The tool should reinforce the way you want your sellers to sell. And it should fit easily into their workflow. Consider what integrations will be needed across processes and technologies: What specific behaviors are we trying to execute? Do we want to populate the call plans with existing data from CRM? How will we embed the tool into coaching processes? Which other tools does it need to integrate with?

• Determine what types of calls require formal planning.
  Buyers tell us never to enter any interaction unprepared. That said, not all sales calls require the same level of planning. With an average of 6.4 decision-makers in an account and an average sales cycle of more than five months, a seller could easily be engaging in dozens of calls to close one opportunity. Being clear on which calls require documented planning will improve the quality of the call plans and help ensure your sales teams don’t invest unproductive time. This also will help sales managers focus their coaching efforts – all of which will help drive adoption of the call planning tool.
SECTION IV: Strategy Alignment

Strategy alignment refers to the strategies that executive leaders build and execute to align the sales organization to the overall enterprise. Such strategies not only connect sales to the broader organization, but they also serve as the framework within which performance support functions and customer engagement approaches can be successful.

As noted in our introductory section, we see major changes within World-Class sales organizations in this area. For one, the breadth of these activities has exploded, as both technologies and customer expectations have escalated. Today’s CSO/CRO is now responsible for running a data-based, people-oriented business that thrives on dynamic processes to engage changing customers. Thus, data and analytics, as well as people strategy, are as vital here as the traditional task of developing a go-to-market strategy.

Second, as with our discussion of performance support, success here starts with alignment. At this level of the organization, it means alignment among the C-suite, not only solving the age-old problem of sales and marketing misalignment, but also melding in customer service and other post-sales functions.

There are four practices within our Top 12 list that fall under the heading of strategy alignment:

- “Sales, marketing and customer service are effectively aligned on customer wants/needs.”
- “We have a clear strategy for leveraging data (operational, customer) as an asset for sales.”
- “Our talent strategy ensures we have the people capability to achieve our business goals.”
- “We continually assess why our top performers are successful.”
“Sales, marketing and customer service are effectively aligned on customer wants and needs.”

KEY INSIGHTS
Sales and marketing have struggled for years to achieve alignment, and now it’s even more challenging. For a customer, a buying decision is just a milestone on their way to what’s really important to them: realizing the value they bought.

In our 2018 Buyer Preferences Study, buyers told us that they wished salespeople would focus less on getting to the close stage and more on what happens post-sale. The new frame of reference is the entire customer relationship. Therefore, not only do marketing and sales need to get on the same page, but customer service and other post-sales functions also need to join the party.

The main blockage to effective alignment is a functional, siloed, inside-out mindset that is used to work within a single function rather than from the customers’ perspective. To ensure effective alignment regarding what customers want and need, it’s essential to make customers, their desired experiences, and their paths to decision and implementation the main design point of all alignment efforts. Once people see and feel that ONE design point, it’s easier to focus externally and line up internally.

WHERE TO START

• Collect, share and analyze customer data.
  Most organizations collect data, but sharing and learning from that data unfortunately is not nearly as common. Only by looking at data across the enterprise will you be able to understand the customers’ experiences from their point of view. Go beyond basic satisfaction surveys. It’s more powerful to invite customers to share their experiences and tell stories in their own words. Understand how it feels to connect and engage with your organization on a regular basis at the different stages of their path.

• Look for the unintended consequences of internal structures and processes.
  Your customers don’t know how you are organized, what systems you use or what internal processes you mandate. And they don’t care. Look out for the unintended consequences of your internal decisions. For example, if you choose to organize your sales force such that multiple salespeople call on the same customer to sell different products, how do you ensure the overall customer experience remains positive? Or if sellers close business then hand the account off to implementation, is the handoff seamless?

• Formalize cross-functional teams to break down silos.
  In strategic account management, cross-functional account teams representing sales, marketing, service and product management work together to ensure the best possible outcome for customers. That example can be leveraged to improve the customer’s experiences in different situations.
“We have a clear strategy for leveraging data (operational and customer) as an asset for the sales organization.”

KEY INSIGHTS
On average, sales organizations use 10 different technology tools. This number will only increase, as most plan to deploy another four or more in 2019 (2018 Sales Operations Optimization Study). This begs a few questions:

Do sales organizations have the right data to feed all of these tools? Are they collecting the right data from these tools? Are they applying analytics to the data to render it into useful insights?

While it’s tempting to assume that data and analytics strategy is within the purview of the IT department, World-Class sales organizations view it as the responsibility of executive sales leadership. Such organizations use data to design coverage models, build talent profiles, model territories, optimize pricing, design customer experiences, focus coaching and selling efforts, and much more.

WHERE TO START

- **Make decisions on which data to use.**
  Not all data is of equal value. With so much data available, organizations should first reflect on what data is needed to make the best decisions to run their business successfully and deliver positive customer experiences. Once you identify which data is needed, the next step is to drive clarity and alignment around definition and scope (i.e., what the data represents and what should be included). For example, “customer” data might mean different things for marketing, sales and customer success teams. Having clarity around the definition and which data should be included will help drive alignment and ensure consistency in cross-functional dialogue, engagement and execution.

- **Clarify data roles and responsibilities.**
  Determining who owns the data is just as important as determining which data is needed. Be aware that multiple teams may feel they own the data, but needing and using data is different from owning it. Create alignment on who the primary owner is for which parts of the data. But whenever a change to the data needs to be considered, involve all stakeholders identified, as even a simple data update may result in unforeseen impacts.

- **Find the data (and look beyond sales).**
  Where is the data stored? Not all data relevant to the sales organization is in the CRM system, so find out what other systems might hold the data you need. This can include systems managed by other functions such as marketing, customer service and finance. Once the systems are identified, think through whether you want a single source of truth or multiple systems to host the needed data. This is especially important when multiple owners or stakeholders are involved, as it helps avoid data duplication and conflicts.
“Our talent strategy ensures we have the people capability to achieve our business goals.”

KEY INSIGHTS

In the 2018 Sales Talent Study, 84% of sales leaders told us that they did not believe they had the right talent to succeed in the future. It’s no wonder, then, that solving for that critical issue with a talent strategy ranks among this year’s Top 12. A talent strategy covers sizing the sales organization (right roles, right responsibilities), staffing (recruiting and hiring), developing sellers and leaders to achieve their potential (onboarding, coaching and training), engaging and retaining resources, and managing transitions out of the organization.

All of those practices likely exist today yet, too often, they are managed as distinct, tactical activities (vs. an integrated strategy) and are frequently managed by other departments (HR, L&D) outside of a sales context. And they commonly rely on tradition vs. a scientific approach. World-Class sales organizations view talent strategy as a focus for the CRO/CSO, who must have a clear vision for the talent needed to propel a sales organization into the future and the support system needed to find, grow and engage such talent. World-Class sales organizations frame the talent strategy as the starting point for enabling sellers to reach their full potential and staffing the team to reach operational objectives.

WHERE TO START

• **Future-pace your needs.**
  Sales attrition runs about 18% a year. At the same time, organizations plan to grow their sales force by an average of 9%. That results in a lot of hiring – something only 23% of sales organizations claimed as a strength in our 2018 Sales Talent Study. Hire to a future-pacing profile vs. trying to hire people who fit the mold of your current organization. For example, most organizations look to hire salespeople with industry expertise. Yet those who use data-based hiring assessments find that the true differentiator is often a trait such as learning agility. Hiring to a different profile will have a dramatic impact on other elements of your strategy, such as onboarding and coaching.

• **Measure your talent strategy.**
  Sales organizations measure leads, calls, opportunities, revenues, pipelines and more. Similarly, when you put a sales talent strategy in place, you need to create a dashboard of metrics to track its success and refine it over time. Example metrics include vacancy rates, time to fill positions, percentage of positions filled from within and external to the organization, time between hire date and full-quota productivity, competency scores, engagement levels, and voluntary and involuntary attrition. Supplement that data with qualitative feedback from new hires, exit interviews and client feedback, and review it on a quarterly basis to recommend refinements.
“We continually assess why our top performers are successful.”

KEY INSIGHTS
According to our 2018 Sales Talent Study, the top 20% of salespeople account for more than 50% of an organization’s revenues. So clearly, “top performers” are vital to an organization’s success. Yet despite being a practice commonly appearing in our Top 12 over the years, only 24% of organizations in the 2019 World-Class Sales Practices Study reported consistently assessing their top performers to understand the reasons for their success. Instead, “top-performing” status is assigned on the basis of making quota.

This presents a serious issue for sales organizations: They are over-reliant on a small number of sellers, without knowing why they are top performers in the first place. And they don’t know how to replicate that success through hiring, coaching and development activities. World-Class sales organizations, on the other hand, know what drives success in their organizations and use that insight to drive hiring, coaching, development and succession planning. They also do so on a continuous basis, as what leads to success today will change as customer expectations continue to escalate.

WHERE TO START

• Critically consider what “top performer” means.
  Our 2018 Sales Talent Study also revealed that two-thirds of sales organizations judged performance by lagging indicators only. Those who make quota are “top performers.” But as you think about assessment, you should ask whether your top quota achievers are the types of salespeople you want to replicate. Are they really top performers, or are they just high achievers? They may well approach their jobs in a unique way that drives their success. Perhaps they possess an attitudinal trait such as persistence that translates into strong performance. On the other hand, they may benefit from a longtime client with a locked-in contract. Or they may require a huge amount of service and support at a high cost in order to pull in those revenues.

• Leverage both behavioral and predictive assessments.
  Behavioral assessments are conducted by the seller, the manager and sometimes the seller’s customers. Such assessments focus on behaviors – what the seller actually says and does. These assessments are great for incumbent sellers to determine gaps, pinpoint coaching topics and generate training needs. For example, you may determine that individuals (or whole teams) have gaps in product knowledge or negotiation skills. Predictive assessments are used to identify the traits that are likely to lead to success. Such traits might include learning agility, intellectual curiosity, the ability to relate to others, connectedness and more. These assessments are useful for determining how to predict success in job applicants, how to coach an incumbent in a way that benefits them and how to identify sellers who might be good candidates for sales management positions.
As sales leaders review the overarching framework of the sales system and consider the 12 practices highlighted in this report, odds are there will be many opportunities for improvement. The reason why the World-Class segment is so small – just 9% – is because most organizations have a lot of work to do to start and/or accelerate their transformation efforts. It’s not surprising, then, that the question we get most often at CSO Insights is, “Where exactly do I start?”

You can start anywhere, as long as you keep the sales system in alignment. Consider the following:

1. Periodically assess your sales organization. Use a framework such as the CSO Insights/Miller Heiman Group Sales System, and compare yourself against the best at both a practice and a metrics level. Beware the allure of shiny revenue attainment numbers, and start looking at your leading indicators for potential warning signs now.

2. Look at the big picture first, then narrow in on options. We’ve highlighted the 12 practices that most closely correlated to success in this report. It doesn’t mean the others aren’t important. Cast a broad net in your analysis before narrowing in on actions and initiatives.

3. Don’t do everything at once. As with most strategies, prioritization is key. Pick 1-2 places to start. As you do so, pay particular attention to the work required to map the customer’s path, clarify ideal customer profiles and segments, etc. Everything you do should be tied to those insights, and fixing them should be at the top of your list.

4. Don’t do one thing at a time, either. A slow and gradual approach is easier to manage; however, it also means you won’t be changing as fast as your customer expectations are increasing, and your gaps may grow.

5. Anticipate the consequences of your changes. The system should be tightly aligned. Any change you make should impact a multitude of other systems, process and methodologies that will need to be adjusted to re-establish alignment.

6. Proactively shape your culture. This is not the only study over the past two years that highlighted culture as having a strong connection to success. Does your culture put the customer at the center? How strong are your change management capabilities?

Ultimately, it comes down to having a propensity for action and a willingness to future-pace the organization. Just think of the time, money and frustration that Martin Frobisher would have saved had he more quickly determined that he was mining pyrite and not the coveted gold he thought he was.
APPENDIX: Study Parameters

The 2019 World-Class Sales Practices Study collected data from more than 1,500 respondents from January through March 2019. Analysis was conducted on responses from 949 sales leaders³. This sample was global in nature and spans across B2B industries, with particularly strong representation from the technology, manufacturing, healthcare, professional services and banking/finance sectors.

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³ For relevance to our readership, we excluded small and microbusinesses.
We utilized the following approach to identify the Top 12 practices:

- Analysts correlated practice data from 53 practices with operational metrics to identify relationships.
- Those practices with strong baseline correlations were then further examined for their strength of impact on performance metrics when executed at the highest level.
- The analysts then ranked the practices by their normalized combined impact across the seven operational metrics.
- The result was identification of the Top 12 practices based on correlation, connection to positive results and breadth of those connections across a range of success metrics.

The following method was used to identify the World-Class sales organization set:

- Efficacy responses for the Top 12 practices were averaged for each respondent. Respondents who averaged a 6 or 7 (on a 7-point Likert scale) across the set of 12 practices were designated as World Class.
- Operational metrics were calculated for the World-Class group vs. all others in the survey to validate the higher performance level of these organizations.

For more information about the study method or to compare your sales organization against World Class, contact your CSO Insights analysts, or reach out to info@csoinsights.com.
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