Xactly
Inspire Performance

How to Use Data to Drive Sales Performance

The Sales Leader's Guide

GUIDE

THE NEED FOR A DATA-DRIVEN STRATEGY

Today's competition is increasing at an unprecedented pace. Sales leaders must make strategic decisions and plan agilely to drive performance in order for their organization to survive.

The problem? They lack access to a single source of truth. With data housed in multiple spreadsheets and homegrown systems, you can't be efficient or aligned—because everyone on your team is accessing different data.

Aligning your organization around a single datasource solves this and helps you make smarter decisions, agilely adjust sales plans, allocate quotas properly, and drive higher performance.

THE DATA ADVANTAGE

CHAPTER 1

THE DATA ADVANTAGE

To leverage your sales bookings, commissions, and financial data effectively, you first need to get it in order. With the right tools and technology, you can use it to your advantage to design agile, strategic sales plans and hit your goals.

Your Most Valuable Asset

The business landscape is growing more competitive, and every company needs to make strategic decisions to stay ahead of the competition. As a sales leader, you need to be well informed to analyze performance and plan accurately. That means you need access to the right data.

The first step in adopting a data-driven strategy is getting your data in order. This means you need to know what data you already have and where information gaps exist to get a true understanding of where your organization stands.

It's not just about data. According to Harvard Business Review, companies that adopt digital technology see nearly 20% higher gross margin.

You need a tool to manage your data effectively—and the best option is a sales performance management (SPM) platform.

According to Gartner, "Sales Performance Management (SPM) software comprises tools and process functions that automate and unite back-office sales processes. It is implemented to improve sales execution and operational efficiency."

Unfortunately, more than 75% of organizations use manual processes, spreadsheets, and homegrown systems to house their data. They might seem good enough at first glance, but manual processes actually hold you back more than they help you.

Spreadsheets are error-prone, 80% contain at least one error
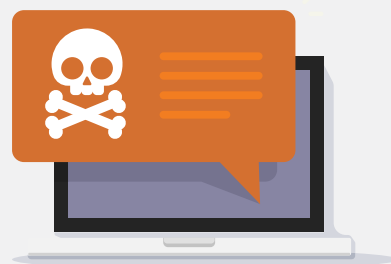
DID YOU KNOW?

Human error in spreadsheets causes more harm than good.

Spreadsheets impede agile planning and performance analysis because they must be manually managed and updated. Not to mention, they can easily be riddled with errors. All it takes is one comma in the wrong place to create an erroneous formula and completely throw off your planning and performance data.

CHAPTER 2

HITTING YOUR GOALS

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A data-driven strategy let's you see what's going on "under the hood" of your sales team. With a single source of truth you analyze performance more effectively in real-time and stay on track to hit goals.

The Impact of Greater Visibility

Hitting your goals takes more than a gut instinct of how you think your team is doing—you need to be able to pinpoint deals that should be moving quicker and identify when to hop in to close a deal. This isn't possible in spreadsheets and manual sales performance management.

It starts with a mindset shift from "what we've always done" to "how we can improve what we've always done—even if it's working." To be a data-driven sales leader, you can still use your gut to guide decisions, but you use data to back and validate your assumptions. Plus, with a single source of truth, you can access all of your data in one place to get a more holistic picture of sales performance.

How Automation Improves Sales Performance Analysis

Real - Time Insights

More visibility means you can pinpoint performance dips sooner

Agile Sale Planning

A single source of data helps you course correct plans in real-time

Stronger Performance

You're aware of every deal in the pipeline and can gauge if you need to help close a deal

DID YOU KNOW?

An integrated (sales performance management) SPM suite improves sales productivity by 12.5% – **Simon & Kucher**

With a single source of truth, every member of your team accesses the same data, so you are more aligned. This gives you more time to focus on strategy and performance instead of tactical planning measures.

IMPLEMENTING AGILE SALES PLANNING

CHAPTER 3

IMPLEMENTING AGILE SALES PLANNING

Access to data gives you access to real-time performance insights. When everyone in your organization accesses the same data, you have the ability to proactively course correct sales plans and maximize productivity.

STRATEGIC PLANNING

Greater Visibility for Stronger Performance

57% of sales reps are expected to miss their quota this year.

- 2019 Salesforce State of Sales

Your sales plan is the map your organization follows to drive revenue and growth, and it needs to be effective to ensure your sales team is productive and stays on track to hit their goals. This is extremely important considering more than half of sales reps are expected to miss their quota this year.

Why aren't sales reps performing? There's several factors that can impact performance, but one of the biggest culprits is poorly-designed sales plans, which leads to lower sales productivity. Data-driven sales planning touches every part of your organization by maximizing sales rep coverage and opportunity.

When you automate this process with sales performance management (SPM) technology, you gain deeper visibility into performance and ensure your sales plans are scalable. Real-time analytics help you ensure you're consistently on point to hit objectives. If a problem or change occurs, your single source of truth keeps you aligned with finance and sales operations to adjust sales plans and forecasting.

DID YOU KNOW?

Companies can achieve a 10-15% cost reduction (or allocation) with territory optimization.

According to the Alexander Group, when you use data to match territory size with revenue and profit growth opportunities, you reduce the number of territories and lower cost channels.

How does data-driven planning maximize efficiencies?

TERRITORY MAPPING

Data-driven territory mapping uses your historical data along with third-party information to ensure your sales territories are balanced, maximize sales opportunities, and increase performance up to 30%.

SALES CAPACITY PLANNING

Using technology for capacity planning, your performance data helps you calculate a more accurate ramp up time, so you have the precise number of reps you need to cover territories effectively and hit goals at all times.

QUOTA ALLOCATION

With an accurate resource and capacity plan, you can allocate quotas more effectively. Plan modeling technology allows you to set aggressive goals, monitor performance more closely, and course correct in real-time, if necessary.

INCENTIVE COMPENSATION

Your data allows you to ensure your incentives are aligned with organizational goals and designed to drive revenue. Automating the planning and payout processes keeps reps focused and improves productivity up to 20%.

Data-driven sales planning increases sales productivity up to 20%.

MANAGING PERFORMANCE EFFECTIVELY

CHAPTER 4

MANAGING PERFORMANCE EFFECTIVELY

Data-driven sales management gives you the visibility into performance you need, and with AI technology, you can keep reps engaged, improve performance, and coach your team more effectively.

Recruiting, Engaging, and Retaining Reps

To effectively manage your sales team, you need to be able to truly understand what's going on with each individual rep and every deal in your pipeline. That level of detail and insight helps you identify who your top-, middle-, and bottom-tier performers are and develop incentives that will motivate middle- and bottom-performers to improve and help you decide when it's time to let low-performer go.

Hindsight is 20/20 and it's always easier to see the signs of poor performance, improper planning, etc. after the fact. A data-driven strategy gives you the insights to identify poor performance trends earlier. This gives you more time to intervene and course correct before performance is derailed and you miss your goals.

Companies using SPM platforms with added data-driven Insights see 10% higher performance than the average organization.

Using data insights, you can manage your sales team more effectively. With more than 14 years of aggregate sales pay and performance data, you have access to a dataset like no other to benchmark incentives, performance, and quota allocation to ensure your plans are in line with industry trends. Adding artificial intelligence (AI), gives you the insights to proactively change plans to beat the competition.

DID YOU KNOW?

Sales reps hit their peak performance between 3-5 years in a role.

One of the top reasons sales reps leave an organization is lack of career development opportunities. It's important that your reps have the appropriate pay mix and career pathways based on their tenure. As reps gain more experience, have a clear path to grow in their experience and career is vital to retaining top talent.

The Impact of Artificial Intelligence Insights

Companies that pay at the 75th percentile or higher, have 50% lower attrition rates.

Your sales performance data is the key to taking advantage of artificial intelligence (AI). AI technology uses your data to help you become a proactive sales leader and keep your team on track to hit goals.

Benchmarking Incentives	Quota Allocation	Predicting Rep Attrition
Artificial intelligence (AI) allows you to design competitive sales incentives to attract and retain top sales talent.	AI technology helps you allocate quotas properly based on historical performance and sales capacity data.	AI tech uses aggregate performance data to identify performance dips and identify reps at risk for turnover.

ADOPTING A DATA-DRIVEN STRATEGY

CHAPTER 5

ADOPTING A DATA-DRIVEN STRATEGY

Your sales performance data holds the key to success. Take advantage of your insights and use them to kickstart a transformation to become a data-driven sales organization and set your sales team up for success.

Using Your Data Effectively

Understanding the power your data holds can transform the way you think about planning. But it takes more than just having access to your data. Automating processes is step one—but in all reality, automation is table stakes. If you're not already managing your sales team with automation, you're in the dinosaur age of competition—and only falling farther behind.

A Sales Performance Management (SPM) platform is the most effective and efficient way to do this. SPM creates a single source of truth, ensuring your team is aligned, on the same page, and functioning as a well-oiled machine.

It's the difference between merely existing in your market and beating the competition.

REAL-TIME INSIGHTS	Deeper insights equals strategic decision making
AGILE PLANNING	Adjust your plans and course correct in real-time
STRONGER PERFORMANCE	Maximize productivity and set your team up to succeed

By 2020, 30% of organizations using a sales performance management solution will optimize the design and maintenance of their sales compensation plans using advanced analytics solutions provided by their SPM vendor.

- Gartner

Ready to implement a data-driven strategy? Get the next steps in our Sales Performance Management (SPM) Workbook.

GET WORKBOOK

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Inspire Performance™

ABOUT XACTLY

Xactly delivers a scalable, cloud-based enterprise platform for planning and incenting sales organizations, including sales quota and territory planning, incentive compensation management, and predictive analytics. Using this powerful sales performance management (SPM) portfolio, customers mitigate risk, accelerate sales performance, and increase business agility.

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