Sales Operations Overview

The unit, role, and activities that support, enable, and drive the frontline sales team to sell better, faster, and more efficiently.

What is the goal of Sales Operations:

[The Company] exists to... [mission statement]

The goal of Sales Operations is to find the most effective way to do this.

Through strategically implemented training, software tools, process improvements, and engagement techniques, sales operations strives to enable sales managers to focus on coaching and developing talent and enable sales reps to focus more on selling in order to drive business results.

When you really think about it there are only two types of activities for sales operations: Ensuring that the current system is running smoothly and finding ways to improve the current system.

The 2 Pillars of Sales Operations

1) Ensure the Current System Runs Smoothly

Any large sales organization is a complex web of people and systems. Maintaining homeostasis through thoughtful design and constant maintenance. Anything required to keep the lights on can fall under the purview of sales operations.

- **Budget**
    - **Hiring / Staffing Model:** Ensuring that the sales team is appropriately staffed at all times. Working with recruiting to ensure that there are the right number of people in every role. This means that we should always be looking at least 6 months out so that there is adequate time to hire and ramp new salespeople.
    - **Month-End Reconciliation:** Ensuring that all data in the CRM is accurate and up-to-date at the end of every month. This requires working with our accounting team and partners to cross-reference data in our systems with theirs. Part of reconciliation also includes enforcing any rules and honoring any incentives.
    - **Sales Compensation + Bonus Emails:** It is critical that every sales rep gets paid correctly every single month. Due to the nature of sales, their paychecks will vary from month to month. This starts by making sure that every rep has the right base and variable compensation in our payroll system. This means that any

promotions must be processed and accurately reflected. At the end of every month, bonuses must be communicated accurately and with enough time for reps to review prior to payroll locking. Any issue or discrepancy should be addressed immediately by sales operations.

- **Discretionary Budgets:** Sales has a discretionary budget for things like team building, sales incentives/competitions & general incidentals. Managing this budget effectively allows Sales Leadership to maximize the impact of this budget.

- **<u>Sales Tools</u>**
    - **Software:** In a modern sales organization there is an immense amount of software used to streamline and optimize the sales process. Making sure that all of this software is working as intended is critical to allowing sales reps and sales managers to focus on what they need to be focused on. This includes our CRM, phone systems, email, and everything else a sales rep may need.
    - **Hardware:** Despite the immense amount of software and cloud technology that has been built in the last decade, we still live in a physical world. Sales reps require physical hardware from computers to desk phones to do their job. These things should work as intended and if not, sales operations can step in to help.
    - **Armory:** Access to information is critical. Maintaining an accurate central repository of information will allow the team to become self-sufficient and get answers to their questions quickly. It is also very important that all rules and guidelines are clearly communicated and stored in one place so there is a clear source of truth that everyone is working off of. In [The Company]'s case that is the Sales Armory. Therefore, if any rules change they must be updated in the Armory.
    - **Offshore Support Teams:** In an effort to drive efficiency for the sales team, [The Company] has employed the service of an offshore support team to handle administrative tasks. From the perspective of the sales team, this function should work and it is the responsibility of sales operations to ensure that it does.
- **<u>Process</u>**
    - **Rules of Engagement + Enforcement:** Clearly defined rules with fair and consistent enforcement are a fundamental tenet of any high-functioning group. Sales at [The Company] is no exception. Everyone should know what is allowed and what is not. And everyone should have confidence that the rules will be uniformly enforced. Over time these rules will evolve as needed, however, it is very important that the rules are always enforced and that they are thoughtfully designed.
    - **Lead Routing + Segmentation:** The distribution of new leads is a critical function for any inbound sales organization. You must always balance equitable distribution with conversion optimization. Well-designed lead routing rules and segmentation has historically led to some of the largest conversion jumps in [The Company]'s history. Once designed it is very important that the distribution

system works as intended. Given that lead distribution has a direct impact on a sales rep's paycheck mistakes must be addressed and rectified immediately.
    - **Funnel Guardrails:** This is a broad sweeping category that encompasses any of the rules or processes designed to optimize for conversion. Examples include current things like recommended calls, pipeline caps, activity minimums, and earned opportunities.
- **Data Support**
    - **Company Data Monitoring:** Historically, [The Company] has been reactive to funnel erosion. We have waited for symptoms before trying to diagnose problems. This stems from the vast quantity of metrics that can influence funnel performance and the different variables that can change baselines. It is the responsibility of sales operations to get ahead of these issues before they become a problem by having an intimate understanding of the metrics that drive our business and alerting sales leadership of problems brewing on the horizon.
    - **Rep Specific Data Monitoring:** Similar to how we monitor company-wide metrics, we should be looking at rep metrics as well. Proactively identifying breaks in a rep's funnel or opportunities for them to improve.
- **Tech/Process Support**
    - **Bug Support:** Sales operations should be the first line of defense for any issues that arise with sales reps' tools, software, processes, or systems. As the sales team has grown it has become increasingly difficult for sales reps to know where to send different types of issues and what is actually a bug vs. a product request vs. user error.
    - **Partner Success Support:** Similar to system errors, any issues with partners should be routed through the sales team. It is important that there is one single person that can aggregate all the issues or examples and present them to the BD/Partner Success team for action. We have found that we can be a more effective partner by strategically and thoughtfully delivering feedback.
- **Miscellaneous**
    - **Sales Contests:** Any team-wide contest should be managed by sales operations given that it can span different roles and managers. To run the most effective contest that drives meaningful results and is culturally additive requires a lot of thought and planning. In the past, it has been difficult to do this while also running a sales team. Therefore, sales operations is best suited to take this on.
    - **Training Support:** Training and development is the primary directive of managers. However, sales operations is always available to support sales leadership in their effort to cultivate great salespeople. There are two ways in which this can manifest. First, sales managers ask for help. Either because they are very busy or just want to get another voice in the room. The other way this can happen is when the data highlights an opportunity. Either way, sales operations will only train reps with the permission of their manager.

- **Floor Plans + Seating Charts:** Someone has to do this and we don't want managers or reps focused on this stuff. Sales operations will take as much of the leg work here off of sales managers' plates.

2) Drive Improvements to the System

As a growing sales organization, we must constantly be looking for ways to profitably return capital to the organization

- **<u>Process Improvements</u>**
    - **Team Structure:** There are many different ways to structure a sales organization. Should there be an opportunity to improve sales cost margin or improve conversion by redesigning the sales organization, sales operations would support that endeavor.
    - **Lead Routing:** Being a partially inbound sales organization means that the segmentation and distribution of leads is critical to our success. Some of the largest lifts in company history were driven by changes in segmentation and routing. It is important that we are always looking to optimize this system considering both fairness to reps and the need to profitably return capital to the organization.
    - **Outreach Cadences:** The medium and frequency with which we reach out to our customers is an ever-changing challenge. We must constantly strive to stay one step ahead of the competition and differentiate ourselves from the noise. Therefore, it is very important to step back on a regular basis and evaluate if we can improve on the current system.
    - **Risk Mitigation:** Part of any inherently human process is risk mitigation. To ensure predictable outcomes we need to constantly have checks in the system. This may include a mechanism for enforcing contact time or having a second rep look at recent closed lost opportunities. The fewer single points of failure in any system and the more reliable it will be in the long run.
- **<u>3rd Party Tools</u>**
    - **CRM Optimization:** Salesforce is the most powerful and most expensive tool in our sales stack. There will always be more functionality than we are capable of using. That also means that there are endless improvements and optimizations. It is important that we are disciplined in our approach and always have a business case for the investment in optimizations. However, it is also important to remember that the system can always be better. For that reason, we will always be thinking about how we can get the most out of our salesforce instance.
    - **Existing Tools:** The tools we currently pay for are always iterating and releasing new features or functionality. Given that we already pay for the service/feature it would be a mistake not to constantly be assessing how we can maximize the

products we already use. It is important that we are speaking with these vendors on a regular basis and always thinking if it is worth leveraging the additional functionality.
    - **New Tools:** Sales operations should always be evaluating ways in which they can make the team more efficient and more productive. New tools are constantly coming out and it is important to stay connected to the market, reviewing the offerings periodically.
- **Data Enhancements**
    - **Tracking:** [The Company] strives to be a data-driven organization. We want to make informed disciplined decisions. For this reason, we are always looking at ways in which we can enhance our data infrastructure. We are always looking for ways to more seamlessly and accurately track funnel metrics and activities. We predominantly focused on rep funnels, company funnels, and partner funnels.
    - **Reporting:** Democratizing the data that is captured will empower the larger sales organization to make better decisions. This can be accomplished by building out reporting infrastructure and presenting data in easily digestible ways.
- **Product / Tech Team Support**
    - **Product Roadmap:** As the Product/Tech organization works to improve [The Company]'s business they will often require input or support from the sales organization. Whenever possible Sales Operations will help and support their initiatives. Our goal is to be a multiplier on any project that we work on.
- **New Product Class / Team**
    - In the event that [The Company] wants to leverage its sales expertise to offer sales-assisted products the integration of these products into the sales funnel falls under the purview of sales operations. This can happen by either integrating the product into the current sales team or, in some cases, building a new team altogether.