kluster intelligence

The guide to Sales Operations:

The fundamentals of sales ops, where to start, and how to measure success

2nd edition

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Introduction

The modern role of sales operations in Europe is fast evolving.

New backgrounds enter into the profession, from sales professionals, to finance, operations, consulting and analysts. All bring a different mentality and approach to the role.

Considering the fact that **80.5% of tech businesses now have a dedicated sales ops team or person** (Miller Heiman), perhaps it's time we take a look at what the fundamentals of sales operations really are.

As we embark on a series of interviews with sales operations leaders, this eBook collates their ideas, principles, and approaches to this ever-changing role.

Although we have experienced a melting pot of ideas, there are common themes emerging which boil down to four key areas: **sales process, sales enablement, analysis, and relationships**.

Throughout this eBook and others in the series, we'll be picking the brains of your peers in how and why they approach these areas as they do, sharing some best practice and experiences along the way.

Rory Brown, Co-Founder & CCO,
Kluster Intelligence

Meet our contributors

Brandon Bussey, Director of Revenue Operations, Lucid

Gilles de Clercq, Business Operations Analyst, Showpad

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Robin Yeoman, Director of Sales Operations, Snowflake Computing

The Fundamentals of Sales Ops

Gilles de Clercq,
Business Operations Analyst, Showpad

The key areas for me are the metrics. What are we looking at, and why are we looking at it? For every department, there are basically three or four metrics. For sales it's average sales cycle, average deal size, pipeline coverage at the different weeks per quarter and lastly, target attainments, both individually and across teams.

Since we have quite aggressive targets quarter over quarter every year, we cannot have a bad quarter. So we need to scale as fast as possible and this needs a lot of input from the whole organisation. Hence why the key metrics are the most important to us.

The moment our average sales cycle drops, or our average deal size drops, or our pipeline coverage is not good in certain geographies, we will soon have a problem. So if we don't monitor this day by day and report as such to the executives, then they will have a problem sooner rather than later.

It's about giving them visibility to make their key actions and responsibilities even more transparent than they already are.

Anna Inman,
Sales Operations Director,
Tungsten Network

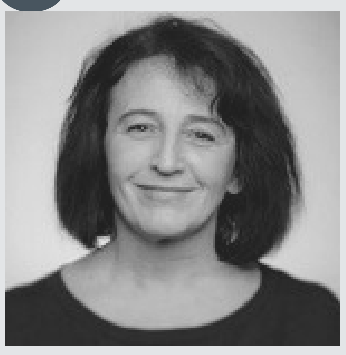
For me it's about planning, process and measurement.

Put in a simple sales process that is easy to measure and these will ultimately enable you to see how successful your sales plan is for the month/quarter/year and how and where you need to change things.

Previously sales ops used to operate in isolation as a support function to sales. It still very much is that but I have multiple stakeholders now across sales, finance, product, HR, marketing and customer success. It's pretty much the full sales cycle from first campaign to signing and everyone that touches in between.

It all ties up. **Making sure we are managing our ongoing book of business and ensuring people are appropriately incentivised on this front is a core part of the role.** There's both a strategic and operational element to this, in terms of coming up with the right incentive structure and then delivering on both this and the associated reporting to ensure we are continuously benchmarking ourselves against industry standards.

Will Dean,
Global Head of Sales Operations, Persado



Claire Maisonnave-Couterou, EMEA Sales Operations Manager, Kyriba

The most important pillar is to understand the business and the needs of the customer. This is really important for each analysis you perform. Everything you do should be geared towards aligning your solution with the customer's needs. After that, the priority is revenue but first of all it's the customer. **In sales ops, you need to be customer centric.**

The second pillar is to define the win win between sales and sales ops. An example of a win win is asking the sales reps to clean their pipelines and in turn, sales ops will help them drive more business by analysing your territory. It's a trade in some way. It's selling internally!

Catherine Mandungu, Director of Sales Operations, Ometria

I always say there are four parts to sales ops.

The first part is data. As a society we're becoming more data driven and that really sits at the heart of sales ops.

The second part is processes.

The third part is technology.

Then the fourth part, but certainly not least, is people – they are the drivers of the business.

Sales operations is about building a better eco-system for a business. Work backwards and start by thinking what kind of insights you want to get out of the data that will help the business make strategic decisions. Then look at the processes – what processes do you need to capture the relevant data. Then uncover where these processes sit, which means looking at the technology. Throughout this process sales ops need to understand and consider the affect this will have on people in the business. Making sure that any process and system implementation is efficient, fixes a challenge and enables the people in the business.

Nikesh Shah, EMEA Sales Strategy Analyst, Salesforce

There are a few fundamentals we can narrow it down to.

Firstly, there's strategy. An example of this could be focusing in on the total addressable market, gathering the data to understand the value of a new customer, knowing the ideal profile and how to target them in an efficient manner.

The second fundamental is enablement – making sure there aren't any barriers to closing a deal or prospecting. Whether it's at the top of the funnel or in the funnel, making sure the whole team has everything they need to be as good as they can be and making sure processes are working. It's also important to regularly present back metrics on an individual basis so the team and managers have visibility on things like pipeline and conversions and know what they need to do to improve.

And then the final element of sales ops is continuous processes and improvement. This doesn't always have to exclusively be for the sales team. There could be a wider commercial initiative that sales ops will often be involved in.

Jay Khiroya,
Head of Operations
Doctify

I'd split the fundamentals into 3 different areas:

Firstly, answer some key questions.

1. "What does your pipeline look like?
2. What do you define as the different stages in your sales process?
3. Where are you in terms of conversion rates between each sales stage?
4. What's your win rate?
5. Where do you drop off in the pipeline?

As soon as I know where our pipeline drops off and why, that data-point is what I'd then go to the VP Sales with to advise on how we improve that. And, if we improve that by 2-4%, you can say "Hey, I've been here for two to three months and I've already helped you convert x amount."

Don't over-complicate things. Many Salesforce instances you see will have 600 reports and they're all over the place. What does this report do? What are you getting out of it? What are you going to do with it? Three simple questions... why do you have 600 reports?

Keep it simple then you'll make the best decisions that drive results.

In terms of turning this into improvements, it's all about small % gains. Create some marginal gain and move onto the next bottleneck.

Too often in SaaS, if you miss your number for two or three quarters you're out, right?

But this is where we need to think about sales enablement. Are we looking at the areas of the pipeline? Are we helping and coaching in the right areas?

I tend to look top down when it comes to structuring my approach. Here is the area within the business where the biggest loss is, now let's look at the individual and those who have a great % of doing that versus the ones who don't and say: "Hey, what are you doing that makes you so good at converting at this stage?"

If you then share or replicate what's working, hopefully, you've then fixed that person's metric.

Secondly, understand the priorities of the VP Sales, General Manager, whoever you're supporting.

Thirdly, how do you get the business to become predictable?

The sales function pays everyone's salary in the business. Pressure is always on.

Use data to become predictable. First point around, using conversion rates between each stage.

Then down to metrics.

Set up Salesforce in a way where you can record these activities.

If you know your sales cycle is say 30 days, you know by the end of July, "Okay team, we should have already done x amount of activities, because we know that's going to lead to x amount of meetings and that will lead to x amount of opportunities, which should then set you up for success in the next month."

Where to start & what to tackle first

Jay Khiroya,
Head of Operations, Doctify

My advice for someone starting their first sales ops role would be to keep it simple. If you're moving from sales to sales ops, take all the things that have frustrated you about that role but keep it separate from what you're about to do. Take it easy and start at the top line. Look at pipeline, look at sales stages (to find bottlenecks) and how can you help the team update the system.

Speak to your VP Sales and understand their top three priorities that you can support. Typically, they will be about growth, so then you'd go back and look at pipeline and your six stages and what is required.

"Keep it simple and start at the top line"

"Reverse engineer"

Anna Inman,
Sales Operations Director,
Tungsten Network

Reverse engineer. Look at how existing customers have come into the business. Think about how those sales processes were managed and go backwards from that point. What happened during each point of those sales processes that worked well, and how do we learn from that and replicate the activities.

Start from the end and work out where everything drops off. It is important to review if and where opportunities drop out of the sales cycles, how long sales stages are, and so on, to be able to assess pipeline health.

You need to understand the sales data, what your CRM is telling you and what could that mean to the sales team. Then in parallel implementing a sales process.

In terms of implementation, you have to demonstrate how it will work for the sales team. There are always teething issues you come across and have to troubleshoot. You have to implement something that works now. **Even if you would really like to hold off implementing once it is perfect, it's about recognising that process building will always be an iterative activity.** Remember that good is okay. It doesn't have to be perfect.

I would **focus on the fundamentals**. You have to get these right in order to be successful. If, for example, the sales team doesn't close enough this will probably be related to pipeline.

Then we ask what the drivers of pipeline are. Is it purely opportunity management or does it come from a different angle?

Gilles de Clercq,
Business Operations Analyst, Showpad

I would speak to the different leaders in different departments and ask them what they need. Ok so they need to hit their targets. What does this mean? Ok you have to get opportunities. Then you gradually get more and more granular in the key drivers. Then you can focus on improving the business.

Then you look at your business eco system. Lots of tools are purchased by each department. You have to be really critical about what has been purchased and what the money is being spent on. Of course, nowadays every tool has an advantage for someone, but you have to tailor your business. **It's better to focus on three to four tools than having 22 tools, each for one use.**

Will Dean,
Global Head of Sales Operations, Persado

One of the first things I did in my role was a health check on how things were going in the business. Salesforce wasn't configured in a way that Sales or Customer Success wanted to use it and it wasn't giving them the outputs they needed. So, we did a complete reset, put Salesforce back to its original format, configured it, and streamlined it working towards a point where the inputs going into the system were correct so that we could rely on the outputs.

A big part of it was trying to get people to use Salesforce. We did an audit to make sure we were comfortable with what we were getting out before we could start accurately leveraging the data to draw insights and recommendations for the business.

Then it comes to getting people on board with the unification of the process. You often find that, unless there's been a clearly defined roadmap, systems such as Salesforce can evolve into something that serves a number of individual use cases but does nothing particularly well overall. **Part of sales ops is ensuring that use cases don't just help one person, but they add value to the wider business.** What you tend to see when these push back and validation doesn't happen is that the Salesforce instance turns into this monolith of a huge number of fields, plugins, page layouts, outdated reports and useless dashboards. People just don't want to go in there as it has become such a mess.

You have to be a little bit patient and slowly get people bought in with some of the outputs.

We were pretty militant when enforcing usage, looking at how many people logged in and how often, making sure they were updating their opportunities and pipeline on a timely basis.

How to measure success in sales ops

Brandon Bussey, Director of Revenue Operations, Lucid

With my team, we have four overarching goals.

One of the goals is to **increase the total amount of bookings.** This is important because we have an aggressive growth target, so we need to make sure our goals are aligned with that.

The second goal is **increasing average bookings per rep across the board**. I've seen companies that increase the overall number of bookings but it's a 'the rich get richer and the poor get poorer' situation but that is not success.

The third goal is **transparency and visibility upward into our executive team.** Our exec team doesn't have a traditional sales background so a lot of it is educating them and showing them the key metrics. It's about providing better transparency and visibility upwards and across the wider organisation too.

The last goal is **creating a vibrant culture in the orgs that we support.** There are a lot of ways we can influence culture, one is how people are paid and how they're motivated. This is an area where we can have a huge impact. People want to feel successful.

One of our founders came from Google and a lot of our culture has come from the Google model, a key example being **OKRs** (objectives and key results). Every quarter, we look at what our objectives are and the results that define those. As we're studying our OKRs, we make sure they impact each of those four metrics, although culture and transparency are not as quantifiable.

One of our objectives is to create an overarching efficient book or territory strategy. And so, our key result was to deliver the timeline and training. Then from a metrics standpoint, we're tracking whether reps are able to hit their quota given their new book and secondly, looking at book penetration. We've set some basic targets using historic data. Historically they were reaching out to X many and we think they should be reaching out to Y many, depending on which segment they're in.
It's crucial to make sure you're not creating your OKRs in a vacuum but thinking of the wider company objectives and making sure your objectives align to those.

"Make sure you're not creating your OKRs in a vacuum."

Stephen Haltom, Director of Sales Operations, AppDynamics

For me, success is when I get the direct validation and the direct feedback from the sales leaders that what you've provided is truly valuable.

If you have your priorities and they're not aligned with the core concerns and priorities of the sales leader, it doesn't invalidate the work you're doing, but it's less likely to make an impact with them.

It's really important to align with what your sales leader cares about, not just what you think is important.

On the quantitative side, success comes when you provide data that leads to a decision being made.

Robin Yeoman, Director of Sales Operations, Snowflake

We are very driven by OKRs, knowing exactly what it is you're going to acheive that quarter and then being able to keep that priority list so that if another project comes in, you can very quickly rejig that list. For example, implementing a new tool can take time, but if it saves time in the long term or solves other issues it's definitely worth doing.

It's almost like storytelling. You picture what could happen, you model whether this will have an effect on another department or another part of your team and you look at what you're able to roll out and what you regard as success. And then you talk about how you measure that success.

An example of an OKR we've established at Snowflake is around enablement sessions. We've committed to running a certain amount of what we call 'lunch and learn' sessions. We have to hit X number of sessions every quarter and have them documented, recorded and then put in a place where people can easily watch them. These sessions could be around rolling out changes to Salesforce or forecasting, for example. As an OKR it's simple but effective.

"It's really important to align with what your sales leaders care about, not just what you think is important."

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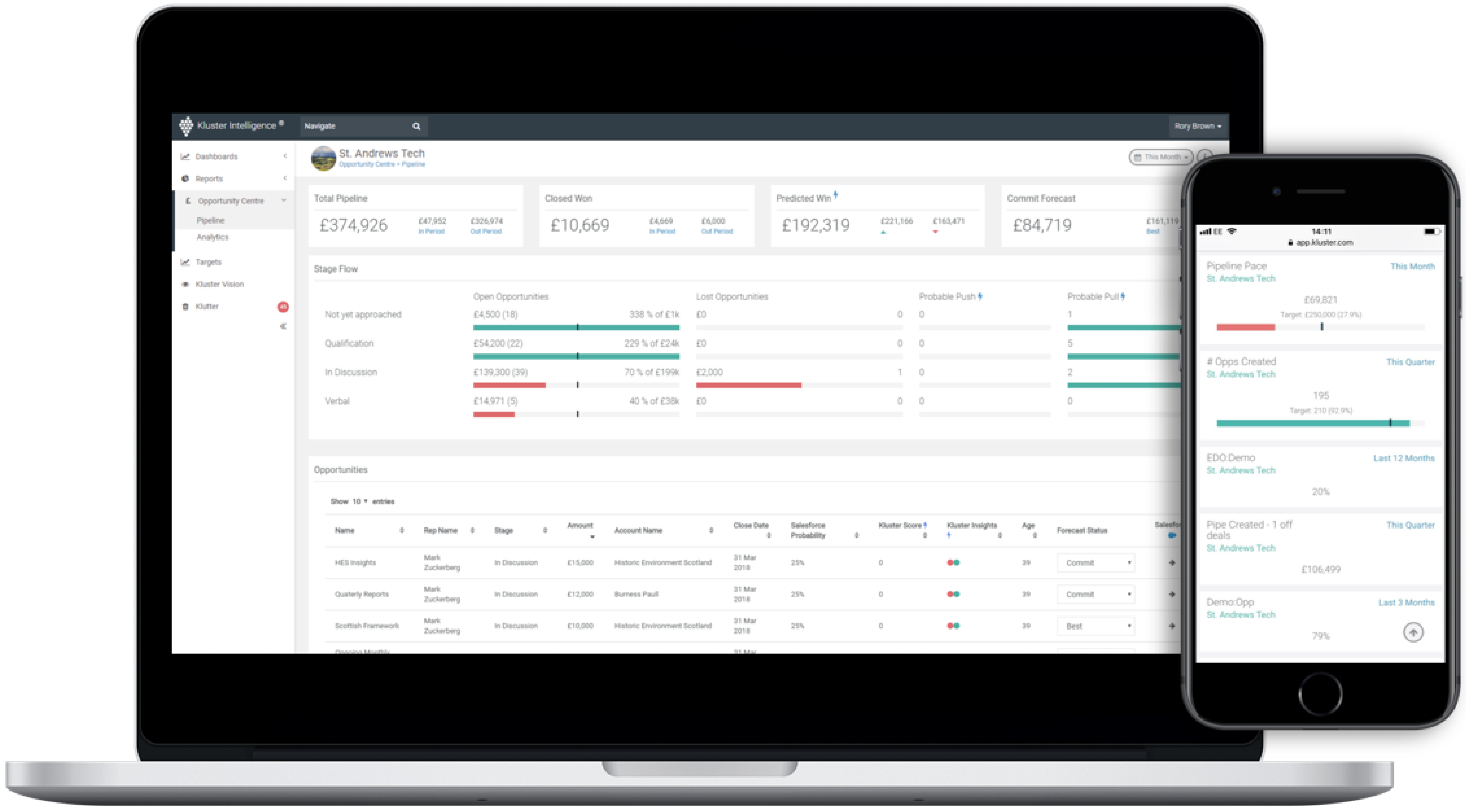

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