3 Big Questions to Measure Sales Enablement Success

Get two or more sales enablement professionals in a room, and soon the talk will turn to metrics – specifically, how to measure the success and impact of their programs. **Traditional metrics** such as course completion, quota attainment and revenue earned, while all important, **don't seem to tell the whole story.**

For example, course completion is a "check-the-box" measurement – as in, "We know the rep took a course." Quota attainment can be impacted as much by quota setting as it is by rep performance. And revenue attainment, while always the ultimate measurement in sales, is a lagging indicator. None of these metrics provides the insights that enable sales leaders to make precise improvements in the sales funnel.

Rather than fixate just on symptoms of performance, look for metrics that focus on how reps actually perform.

Case in Point: Let's use sales onboarding as an example. The ultimate goal is to accelerate the time-to-productivity of a new hire, and the typical way many companies measure this is time-to-first deal. This is a valuable metric – but, in isolation, what does it really tell you? It doesn't indicate whether reps are confident, competent and able to hit first-year targets, or whether they simply happened upon a willing and eager buyer in that first deal (the proverbial "bluebird").

Rather than fixate just on symptoms of performance, **look for metrics that focus on how reps *actually* perform.**

For measuring performance and diagnosing issues at every phase of the sales cycle, it's important to develop metrics that answer the **Three Big Questions of Sales Enablement:**

1. **Are reps ready to sell?**
2. **Are reps doing the right activities?**
3. **Are reps producing the expected results?**

Exploring each question gives greater insight into the *why* behind the results.

Question #1:
Are Reps Ready to Sell?

The usual answer is "Yes – they've completed all the learning modules." But while it is important to verify that reps have completed training content, consumption alone doesn't guarantee real-world readiness.

For example, take a typical sales transformation, requiring reps to call on a new type of buyer – shifting from selling to operations, to selling to C-level executives. To make this change, reps need to show they have more than just textbook knowledge. So, before reps set foot for the first time to sell to a CXO, you'll want to see actual proof that they're ready to have the type of conversations you need them to have.

With metrics based just on learning consumption, sales enablement leaders are taking a risky guess about whether their reps are actually ready. Instead, it's important to certify rep readiness with an **assessment-based approach** focused on three core areas:

> With metrics based just on learning consumption, sales enablement leaders are taking a **risky guess** about whether their reps are actually ready

Mastery of concepts

Consuming training material is the first step – but beyond learning consumption, it is important to be able to confirm reps' mastery of concepts through online testing and other assessments.

Mastery in simulations

Managers can ask reps, for example, "How would you respond to these objections from a C-level buyer in this target industry?" Live role play, as well as video coaching and assessment tools, can be used to check readiness.

Mastery in the real world

Direct, in-the-field observation of a rep by a coach or manager is the last step. In the example of selling to C-level executives, coaches can give feedback on how well reps engaged this new level of buyer.

Question #2:
Are Our Reps Doing the Right Activities?

Once reps are certified as "ready" for a given activity, such as selling to the C-suite, it's important to make sure they're actually doing it – not reverting back to their old operations contacts. This is a common problem with transformation efforts, because humans naturally gravitate to their comfort zones. With new hire reps early in their onboarding experience, activity is the only thing you can measure before they actually begin producing revenue.

By tying metrics to activities, you can link activity-level data to results, while also giving reps clear instructions on how they should spend their time.

To ensure reps are doing the right activities, establish **a baseline benchmark of what their acceptable activity level should be.** This will vary based on the length of the sales cycle, the complexity of the buying process and the average selling price. For example, a rep selling a $10,000 product to the midmarket requires a different set of activities and activity volume than a rep selling a $5 million product to large enterprises.

The best way to create this benchmark is to reverse-engineer the sales pipeline to define the right activities:

- **Establish the pipeline-to-quota ratio –** If the goal is to sell $1 million per quarter of a new product, for instance, the typical sales organization will require $3 million worth of pipeline opportunities, or a 3:1 pipeline-to-sales ratio.

- **Calculate the right number of opportunities –** Use projected deal size to calculate the number of opportunities each rep must manage – in this case, to achieve $3 million in pipeline revenue for the new product.

- **Determine the number of sales calls required –** Once the number of opportunities in the pipeline is established, target closing rates can be used to calculate how many C-level sales calls will be required to generate the desired $1 million in revenue.

1
Establish the pipeline-to-quota ratio

2
Calculate the right number of opportunities

3
Determine the number of sales calls required

Taking this approach will **define rep quarterly metrics for pipeline revenue, pipeline opportunities and number of sales calls required.**

Some organizations are hesitant to impose these types of metrics on their reps, though, because they do not want to come across as micromanagers. However, the alternative is to discover months after the fact that reps have not been engaged in the right activities – which will create a much larger problem. By tying metrics to activities, you can link activity-level data to results, while also giving reps clear instructions on how they should spend their time.

Question #3:
Are Reps Producing the Expected Results?

Most sales enablement professionals would say, "Of course we know if our reps are producing the expected results – that's what quotas are for." But to truly understand rep production, it is critical to **move beyond traditional quotas.**

Some of the most useful metrics for understanding rep productivity include:

1. **Run-rate productivity –** Assigning goals tied to revenue run-rate provides an "early warning system" on reps who are underproducing. For example, newly hired rep goals could be tied to the average amount of time it takes reps to get to $250,000 in deals, and then $500,000, and so on. This baseline run-rate enables sales managers to understand if there are issues in productivity much faster than when measuring reps against quarterly or annual quotas.

2. **Sales velocity and conversion metrics –** Determining conversion rate and velocity for every stage of the sales funnel will provide vital information for understanding rep performance. For example, if you have a six-stage sales funnel and stage three typically has a 30% conversation rate in an average of 30 days, this can become the metric for all sales reps at this stage of the funnel.

3. **Funnel-wide metrics –** The approach above can be applied to every stage of the sales funnel, providing granular information on rep performance at each stage. This enables the identification of specific performance issues (if a rep's deals tend to stall at a specific stage, for example) and can be used to target coaching activities to deliver maximum impact on conversion rates.

The "Three-Questions" Dashboard

Once enablement leaders have established metrics that answer the three questions about rep readiness, activity and productivity, they can create **a dashboard that provides "at-a-glance" intelligence on exactly where enablement initiatives need to focus.** These dashboards can be generated from the systems-of-record for each set of metrics – such as Brainshark for readiness, and CRM systems for rep activities and results. Taking this approach to measuring rep performance can dramatically accelerate the remediation of "bugs" in the sales funnel, which will improve overall sales productivity.

With the technology tools available today, there is a tremendous opportunity to adopt metrics answering the **Three Big Questions of Sales Enablement.** This approach enables organizations to move beyond traditional "symptoms measurement," and into measuring the actual underlying factors behind rep readiness and performance.

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