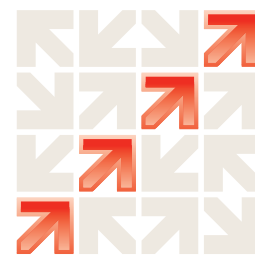


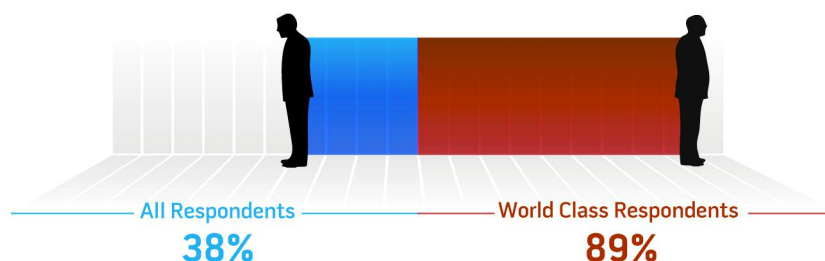
# Put Your Energy Where it Matters



## CRITICAL MOMENTS

Are you measuring something that's not mission critical?" asks Miller Heiman sales vice president, Nattalie Hoch. "If you go to an executive meeting and nobody asks about a metric or relies on a report on that metric to make critical decisions, then maybe it's not a priority to reach an organizational goal and needs to take a backseat."

**Our sales performance metrics are aligned with our business objectives.**



In the 2011 Miller Heiman Best Practices Study, 89 percent of World-Class Sales Organizations\* (WCSOs) reported that their sales performance metrics are aligned with their business objectives, compared to only 38 percent of the rest of respondents.

"Not every organisation does this as well as the WCSOs for a number of reasons," says Hoch, whose team is responsible for almost a quarter of the revenue for the global company. "What's tough is not just identifying the year-end goals, but also the strategies to get you there. Next, what performance indicators could be measured to help ensure you're on the right path? If you don't know what strategies will drive you to your goals, how do you know where and what to affect?"

For example, simply being informed that your team quota for the year is \$50M may overwhelm; but breaking it down to where that revenue will come from is where you get your metrics.

"If there are sub-categories that define where the expected growth will come from, say from existing vs. new accounts, or what product mix will get you to your goal, then the performance metrics relevant to these strategies can tell you what parts of your strategy are on plan," explains Hoch. "They are effective indicators. They tell you mid-stream if one area is over-performing or under-performing, so you can take steps to course correct."

"And then there's the noise," she adds. At one end of the spectrum are organizations that over-measure. "Stop reporting on data points that don't drive business decisions," suggests Hoch. "Given the robust data now available from CRMs, organizations tend to want to look at every single data point. "Analysis paralysis," she says, "is noise that distracts, and bogs people down."

"Priorities change year-to-year, quarter-to-quarter, month-to-month. If you are in leadership, help cut through the noise by consistently communicating what is important and what is no longer a priority. If you're on the management team, constantly validate the information you are providing to the leadership team to make sure it's helping make good business decisions. Resources saved on reporting overload can be better spent on taking corrective action to fix the shortcomings."

The bottom line is good communication can help you in becoming a World-Class Sales Organisation. Everyone in the organisation needs to understand what the goals are. Whether they're organisation-wide goals that everyone should rally behind, or metrics that each department is accountable for, publicise the goals, and how you're tracking towards the goals. Hoch likens this to keeping an eye on the scoreboard, so everyone "puts their energy where it matters."

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