How We Analyze Metrics to Optimize Revenue Growth

Using Close Rates as an Example

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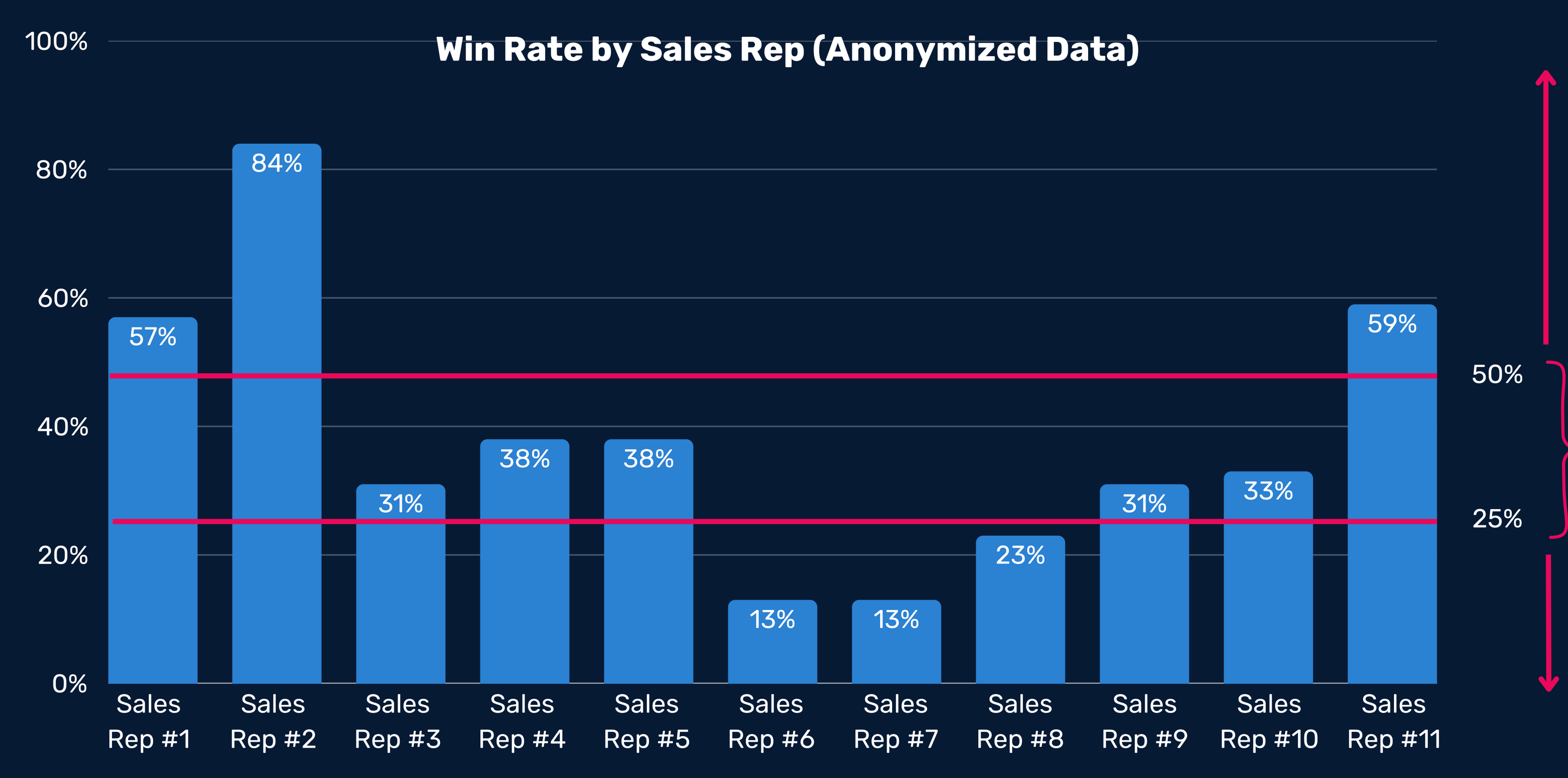


Uncovering a Lack of Process

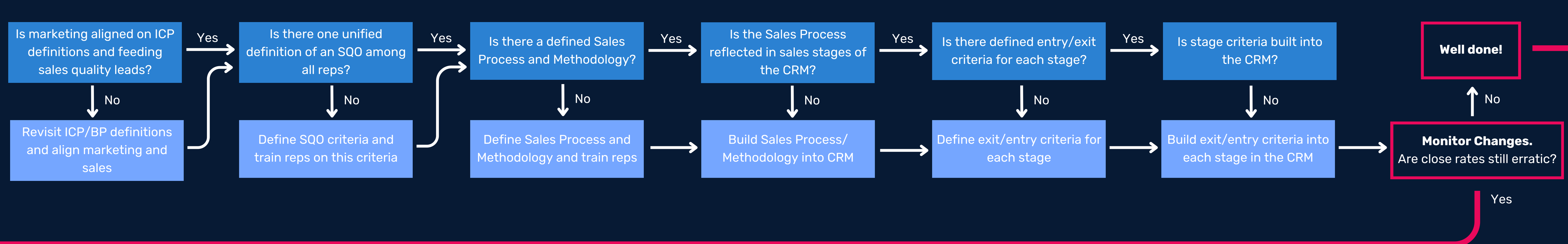
Very high or very low close rates might indicate a lack of unified sales processes across the team.

Too high: Reps might not be entering deals until they're close to closing. Or, they may still be chasing unqualified deals, but not entering them into the CRM.

Too low: Reps might be creating or chasing unqualified deals.

Just right: Close rates between 25%-50% may indicate a good sales cycle.

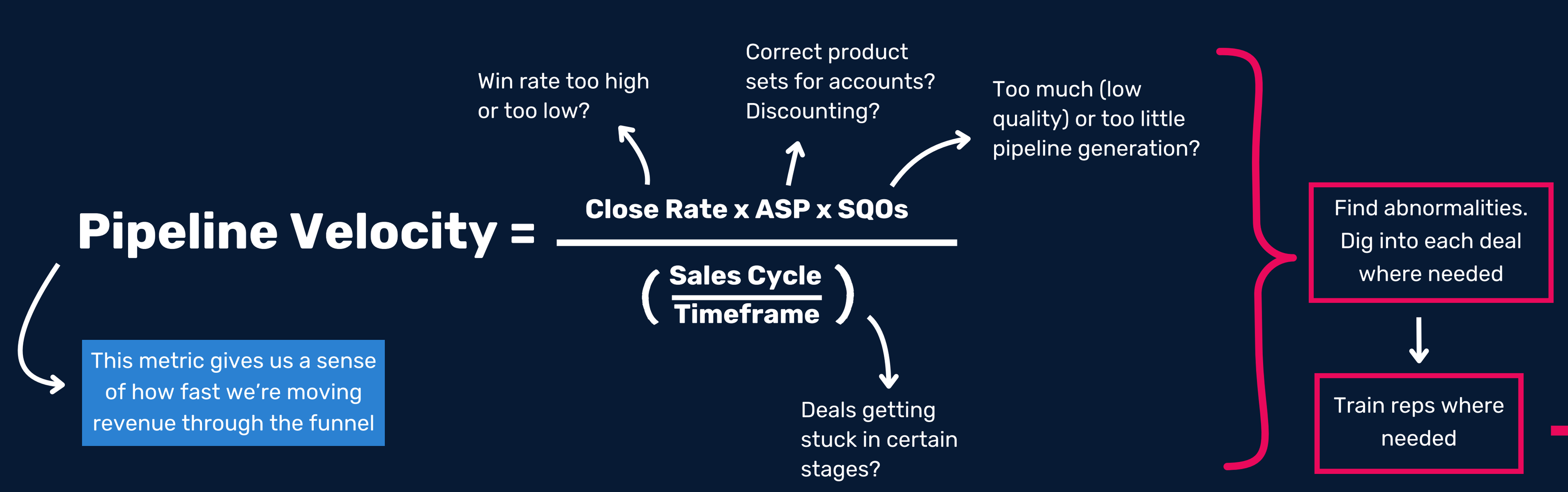
Diagnose and Solve



Identify Where Training is Needed

Our processes are sound, but are reps actually following them? We can usually see where training is needed by asking reps or looking through the CRM. If you're at this step, your CRM should already be set up properly.

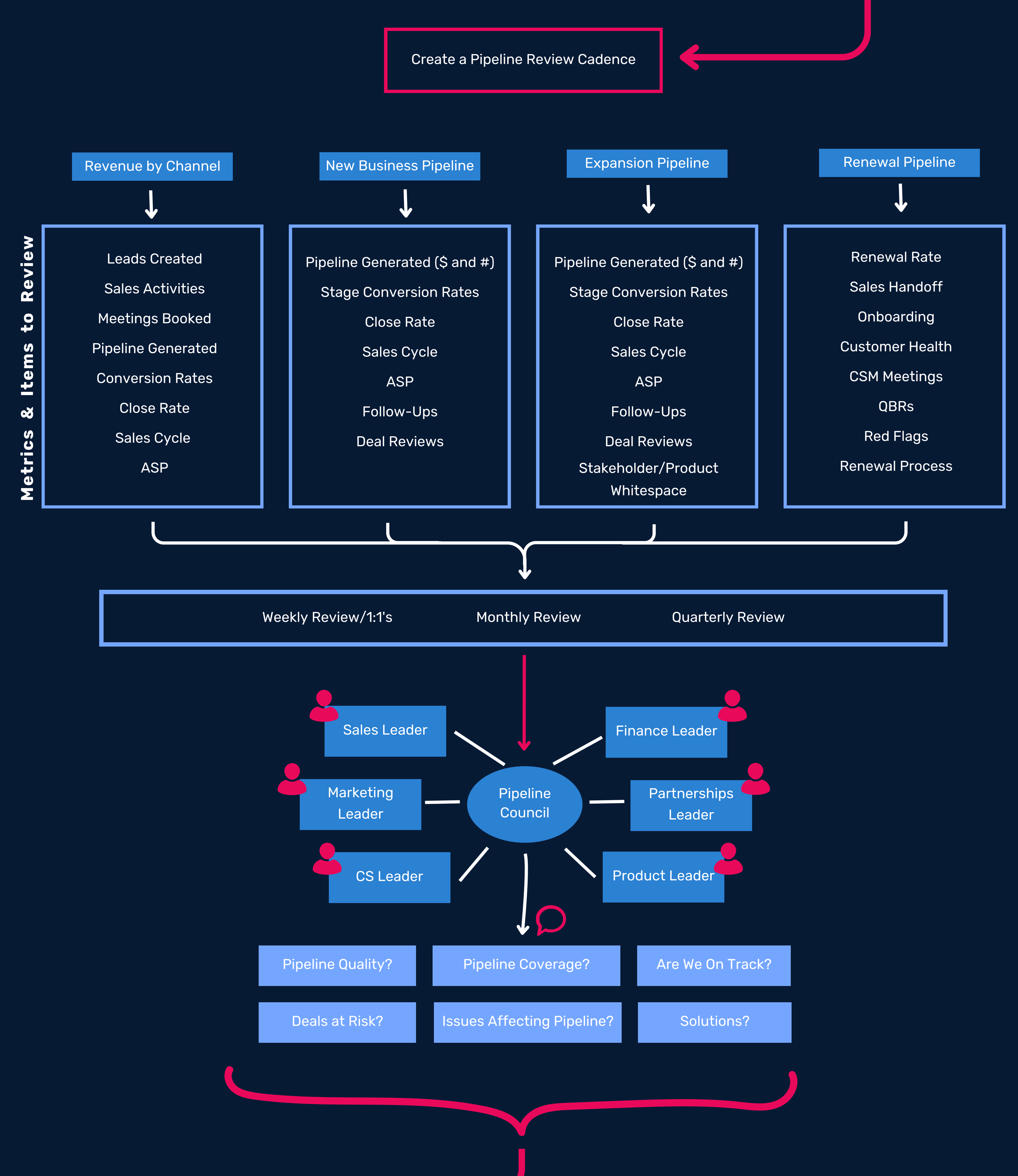
We can get a good idea of whether reps are following our processes by looking at Pipeline Velocity.



Monitor Execution

Now that we know our reps are properly trained, we can narrow it down to execution as a potential cause for low close rates (or any underperforming metric).

We do this by having a proper Pipeline Review Process and running a Pipeline Council to catch issues and coach on solutions.



Annual Planning

This all feeds back into our Annual Planning. Instead assuming we can reach next years goals by doubling headcount and marketing spend, we need to see what is actually happening in our pipeline. It's all connected!