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EBOOK

5 Signs for RevOps that the Sales Pipeline Needs Repair

Executive Summary

Revenue operations (RevOps) teams face numerous challenges when partnering with their counterparts from sales, marketing, and enablement to create and convert pipeline today. Budgets are shrinking, resources are often constrained, and customer acquisition costs are on the rise, squeezing profitability and margins.

The key is for RevOps to work with other go-to-market (GTM) teams as a well-orchestrated engine that capitalizes on every opportunity across key accounts. Enabling that seamless integration of efforts starts with of allocating resources to the accounts and personas displaying the highest level of purchase intent. Yet many organizations struggle to do so because they lack the necessary visibility into coordinated investments and ongoing execution.

In this eBook, we explore 5 of the biggest roadblocks that impact RevOps execution and prohibit GTM teams from achieving revenue goals.

1. Your CRM is a data wasteland and requires too much manual upkeep
2. Limited account-level visibility hinders strategic sales plans
3. You can't measure the impact of your standardized sales qualification methodology
4. Too many deals are stalling, but you can't pinpoint why
5. You're not empowering sales coaches to be data driven

We'll also outline proven ways to clear these obstacles in pursuit of building and unleashing a high-performing RevOps engine.

Warning sign 1: Your CRM is a data wasteland and requires too much manual upkeep.

Companies invest significantly in—and rely heavily on—CRM systems as a single source of truth about prospects and customers. Yet most realize little return on their investments because reps must populate CRM manually. Seeing no value in this activity that distracts from their selling, most salespeople let it fall by the wayside.

Here are two signs that your organization is challenged in this way—and a proven approach to end the struggle.

Red alert #1: There's a sharp contrast between the perceived importance of CRM, and how well it's maintained.

CRMs remain a top investment for most organizations. Today, 97% of sellers consider it to be an important or very important part of the sales tech stack.[1] However, data quality issues diminish ROI, interrupt revenue recognition, and hamper seller productivity.

Manual data entry is an oft-cited culprit preventing sales teams from unlocking more value from their CRM. It introduces human error and poor data quality—either because information is miskeyed, or because the rep neglects to enter updates in the first place. As a result, almost half (44%) of companies estimate losing 10% or more in annual revenue due to poor-quality CRM data.[2]

Red alert #2: Reps are selling less because of manual data entry.

It's not just a matter of poor data quality. When reps spend too much time on mundane administrative tasks like data entry, it takes them away from their largest impact zone—engaging and servicing key accounts. In fact, 68% of sales people feel they would be more productive if they didn't have to manually update their CRM.[3]

Getting the all clear: Eliminate heavy data entry using automation.

While CRM data is essential to selling, data entry is a time suck. In response, best-in-class GTM organizations don't require sellers to perform heavy data entry. Instead, these forward-looking organizations invest in solutions that automatically capture sales activities from sources such as reps' emails and calendars, filter out non-business activities, enrich valid data using AI, and match it to the appropriate account, opportunity, and contact record in CRM.

1 LinkedIn, State of Sales: 2022 United States and Canada Edition

2 eWeek, Study Looks at CRM Data, from Accuracy to Business Impact, May 3, 2022

3 Futurum Research, Reimagining the Sales Process—Are You Ready?, June 17, 2022

Warning Sign #2: Limited account-level visibility hinders strategic sales plans.

RevOps leaders are only as effective as the data they have access to. To more proactively plan winning strategies and maneuver around potential deal barriers, they need to trust that insights surfaced in CRM are backed by real sales engagement. Otherwise, their decisions will be misguided.

For example, it's impossible to plan accounts and design territories in an informed manner without knowing whether reps have achieved a meaningful amount of account penetration. Simply put, poor-quality CRM data (or no data at all) combined with a corresponding lack of insights into engagement with key personas in key accounts prevents teams from executing these downstream activities successfully.

Red alert #1: Sales territories are starting to feel out of balance.

Many sales territories fail to live up to their promise of driving higher productivity and revenue. One key reason is that territories are often inequitable—and it's easy to see why. During territory planning, sales executives and sales ops leaders weigh several factors, including prior year performance, growth targets, and number of reps.

Even with these inputs, territory planning can be daunting. The problem starts with relying on inconsistent, incomplete data in the CRM system to analyze account engagement. While manually entered data often lacks the details leaders need, anecdotes from reps ("trust me…") are too subjective a measure to assess account engagement or identify untapped opportunities.

This challenge is only exacerbated as companies grow and the process for designing territories grows increasingly complex. In the end, many decisions are based on gut instinct. The results? Imbalanced sales territories, diminished sales capacity, and lower revenue.

62%

According to the Time Management for Sales study, approximately 62% of a sales rep's time is spent using sales technology (not actively selling). The top two frustrations of sales teams are doing repetitive administrative tasks that could be automated and updating multiple systems that ought to be connected.[4]

4 Spiceworks, 5 Considerations for Deploying a Digital B2B Sales Approach, February 18, 2022

Red alert #2: You can't validate that account plans are being executed because they're not tracked in your CRM

Best practice for an effective pipeline generation strategy starts with an effective account planning process. Ideally, reps develop account plans following your chosen sales methodology and prescribed process in the CRM system. However, in many organizations, sales leaders and reps must navigate multiple systems, spreadsheets, and offline reports during the planning process. Moreover, most account planning software is disconnected from CRMs where reps usually work.

As a result, these plans are typically only updated during deal reviews or at QBRs, when it is too late to rescue at-risk accounts or revenue. The majority of the plan gets scrapped because RevOps and sales leaders have no way to measure their effectiveness.

The inability to reinforce plans and validate that they've been executed against is a common shortcoming and a major issue. So it's not surprising that 56.5% of sales organizations don't take advantage of account planning to grow their strategic accounts.[9]

It Pays to Optimize Sales Territory Designs

Sales organizations that thoughtfully design and optimize sales territories can realize 10%-20% increases in sales productivity.[7]

Research shows that optimizing sales territory design can increase sales by 2% to 7%.[8]

5 Alexander Group, "Territory Design—the Gateway to Increased Sales Productivity"

6 Harvard Business Review, "Why Sales Teams Should Reexamine Territory Design"

9 LinkedIn, "Account Management Part 2: Why You Need A Formal Approach To Account Planning" Jan. 3, 2017

Getting the all clear: Use account engagement data and CRM-native scorecards.

To move away from decision-making based on gut feel, teams must act upon insights from comprehensive account data. Using account engagement data that is automatically captured and stored in the CRM can help RevOps and sales leaders confidently design sales territories.

Now freed from relying on reps to self-report their activities—and from using disparate tools to capture and correlate the right information—sales leaders can instead review low-engagement accounts and reassign reps as needed.

Adding account planning capabilities that are native to your CRM is also important. These should include account scorecards that capture customer or prospect health and engagement, and whitespace maps that help visualize what products have been deployed, cross-sell opportunities, and additional business units that qualify as prospects.

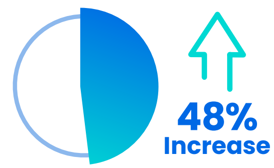
These account insights open the door to new, easier, and more effective ways of account planning. Imagine being able to answer these critical questions:

- Which accounts are getting the right amount of engagement?
- How do we define the optimal level of sales rep engagement?
- Who are the people we engage with—and how often?

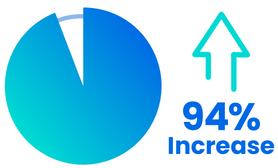
Lastly, with management reports generated directly from the account planning process—enabled within the CRM—sales leaders can measure the impact of account planning on the business. QBRs and deal reviews are far more constructive and productive—rather than a time for telling stories—and sales training costs decrease since reps won't need to ramp up on another tool outside of the existing CRM.

The Positives of Proper Account Plans

Teams using account planning to connect with customers and uncover areas for improvement raise their chances of growing that account by 48% and increase the likelihood of renewing or retaining the same amount of spending by 94%.



A **48%** increase in the likelihood of growing accounts



A **94%** increase in the likelihood of customers renewing their existing spend

Unfortunately, only 28% of sales leaders report they "routinely met their cross-selling and account growth targets."[10]

10 Gartner, "Position Sales Teams to Grow Accounts, Not Just Retain Them," Dec. 21, 2018

Warning sign 3: You can't measure the adoption, compliance, and impact of standardized sales qualification methodologies.

The key to creating and converting more pipeline is having a replicable, scalable sales process. Most enterprise organizations have selected a sales qualification methodology that provides reps, operations, and managers with an objective standard for qualifying deals, prioritizing opportunities, and jointly determining how to best proceed.

Knowing how crucial this methodology is, it's not enough to merely select and implement a sales qualification methodology. To truly streamline processes and focus on the most promising opportunities, leaders need to fully operationalize their methodology and ensure it is well adopted across the entire sales organization.

Yet many organizations struggle to understand how well—or even if—their chosen methodology is being adhered to and effectively used. Here are two signs that your organization has failed in this regard—and steps you can take to right that wrong.

Red alert #1: Qualification data is scattered outside the CRM

It's often cumbersome to capture and analyze qualification steps within CRM. Instead, qualification data stays scattered in emails, calendars, and spreadsheets. Without adequate CRM data, you have no way to track the adoption of your selected sales qualification methodology. Instead, RevOps leaders and sales managers must take reps at their word.

Red alert #2: You can't measure the impact of your methodology on pipeline or revenue

Even if revenue leaders can anecdotally validate that reps are following the methodology, there is no guarantee that reps are consistent with how they qualify and manage each opportunity. The subjective opinions of individual reps tend to vary wildly in terms of accuracy, and provide a less-than-ideal basis for leadership to make informed decisions.

As a result, sales and revenue leaders can't trust the status of an opportunity, and this creates a bloated pipeline. They also can't be confident in the actions needed to effectively move deals forward, or about redirecting resources when required. More broadly speaking, it's difficult to know if the sales methodology is helping them achieve desired objectives, such as improved efficiency, lower customer acquisition costs, or higher rep productivity.

Getting the all clear: Align GTM teams on your methodology.

So, how can organizations measure the adoption of their sales qualification methodology and correlate the impact of that adoption with pipeline and revenue health? Ideally, you enable your reps to qualify and update opportunity records where they're already accustomed to working—in your CRM. Now it's time to take advantage of real-time, accurate data to assess the strength of each opportunity.

Facilitating activity- and data-driven deal inspections helps sales managers coach reps on actionable next steps—which key stakeholders require more engagement, whether executives should be enlisted to speak to the prospect's C-suite, and if entrance and exit criteria are being met. With more consistent qualification standards in place—backed with real data in the CRM—sales teams can now pinpoint improvements to win rates, deal sizes, and buying cycles. Having this intelligence at their fingertips also helps reps and managers measure pipeline health and generate the subsequent forecast with higher accuracy.

Sales methodologies need to be put to good use

10-15%

Of a typical sales funnel consists of stuck deals, contributing to longer sales cycles.

Source: Salesforce

46%

Of reps feel their pipeline is accurate.

Source: HubSpot

Warning Sign #4: Too many deals are stalling, but you can't identify why

With decision-making units the norm, B2B sales cycles are extended until each member of the buying group gets on board with a purchase decision. The danger is not having a complete and accurate picture of the buying committee. Without that essential view, it's impossible to engage and sway each member in a concerted, effective manner that keeps deals moving and frees marketing and sales to pursue more opportunities and revenue.

Let's explore the three barriers that make it challenging to succeed in this area—and options for overcoming them.

Red alert #1: More people to convince, less time to do it.

These days, sales teams have to convince more people within each account and opportunity, but prospects are giving them less time to do it. According to Gartner, the average deal involves six to 10 decision-makers, yet sales reps get roughly 5% of a buyer's time during the sales process.[11]

As a result, knowing which buyers have the most deal influence is more critical than ever. Sales teams simply cannot invest too much time with so-called "tire-kickers" and other contacts who ultimately don't own the budget or have little purchasing power.

Red alert #2: Potential problems aren't being signaled early enough

Enterprise sales cycles can be halted for any number of reasons. One common problem: single-threading deals. Sure, reps may cultivate a strong relationship with a key influencer, but what happens if that person leaves or gets promoted? According to LinkedIn, 86% of organizations have experienced a lost or stalled deal in the last 12 months because a decision-maker changed roles.[12]

Other signs of trouble include not bringing in the extended sales team early enough—such as a solution engineer to validate technical requirements, or not having enough executive sponsorship (whether with intern executives or with the prospect's C-suite). Surfacing these and other issues as early on in the sales cycle is critical for course-correcting, but often, it's done too reactively or not at all—leading to deal slippages, lost opportunities, and missed numbers.

11 Ramaswami, Rama, "Future of Sales 2025: Deliver the Digital Options B2B Buyers Demand," Gartner, March 21, 2021

12 LinkedIn, "Global State of Sales 2022"

Red alert #3: No insight into buyer engagement levels

Even when key buyers are properly identified, RevOps and sales leaders can't easily validate how well their reps are engaging these stakeholders. How many meetings, emails, and other sales activities has the rep completed with their champion or the economic buyer? Has that activity improved the buyer's purchase intent or their overall sentiment toward the company?

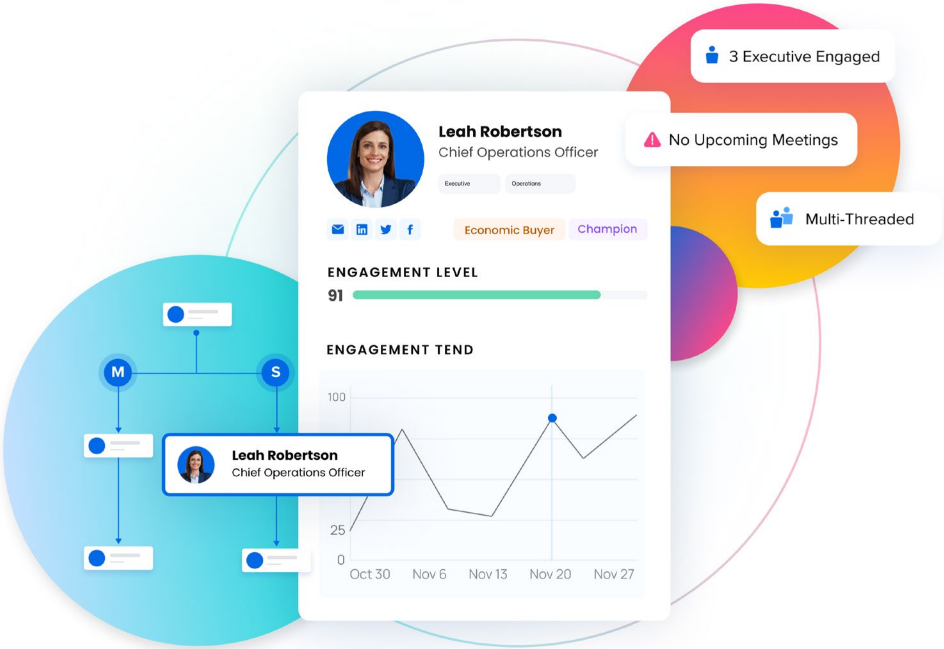
Without understanding the context of every sales activity or engagement, revenue leaders will struggle to provide adequate coaching, nor can they help plot the next best steps toward closing the deal.

Getting the all clear: Unlock better insights using AI, relationship maps, and engagement data

Regularly reviewing the sales pipeline and related activity is critical to helping determine which opportunities have been inactive or have stopped progressing toward closure. Leveraging AI-based insights, alerts, and engagement scores can immediately illuminate which deals have become stuck or stalled, surface the root cause of the issue (e.g., it's a single-threaded deal), and then provide prescriptive recommendations on the specific actions to take.

Using relationship maps that include stakeholder insights can help sales teams visualize the entire buying group, ensuring they are selling high and wide enough into the account. These visualizations can also help pinpoint which buyers have the most purchasing influence based on previous deals within that account or for those that share similar characteristics from other prospects, including the detractors who need more convincing and engagement.

Equipped with these insights and capabilities, sales leaders can take proactive steps to move opportunities forward, keep key prospects engaged, and prevent deals from falling through. This helps to ensure pipeline health and that the sales team is focusing its efforts on opportunities with the greatest potential for success, which ultimately contributes to improved performance and increased revenue growth.



Warning Sign #5: You're Not Empowering Sales Coaches to Be Data Driven

Whether it be from The Great Resignation, "quiet quitting" or layoffs, the battle to retain top talent toughens every day. Sales teams, in particular, are feeling this challenge with high rep turnover. Today, only 60% of sales hires stay with a company for at least six months.[13]

Sales leaders have to change tactics if they want to turn the tide on turnover. Securing reps for the long haul starts during the onboarding phase with the goal of reducing time to revenue. And to reduce churn amongst existing reps, it's imperative to empower them with a rewarding sales experience and opportunities for growth.

What underscores both of these objectives? If you guessed data, you're right. Unfortunately, many revenue and sales leaders don't focus enough time on the metrics, activities, or sales behaviors that matter most.

Red alert #1: More people to convince, less time to do it.

Sales coaching has traditionally relied heavily on the manager's intuition — much like sales forecasting. Deal reviews, QBRs, and other regular meetings are important, but are often too reactive and can incur a high amount of operational expense. These traditional approaches limit coaches to anecdotal evidence from their perspective, supplemented only by self-reporting from their reps.

Red alert #2: Not enough focus is on the average performers

This is by no mean any breaking news, but performance levels across your reps will vary by a wide amount. Where should sales coaches focus their time?

Typically, bottom performers have motivational issues or were never a good fit for the role. And while it may seem logical to help all-star reps further hone their techniques and skills, it's unlikely that such time and effort will yield an appreciably higher amount of revenue.

Conversely, moving the middle 60-70% of the sales team — the core, average performers — is the best way to maximize overall performance.

Red alert #3: Lagging behind on leading indicators

If someone were to ask you who your top reps were, you'd probably be able to list them right away. But what are they doing differently than the rest of your team? What types of activities do they engage in, how do they spend their time, and what personas are they reaching?

Many sales leaders struggle to answer these questions, which is compounded when they meet with reps for coaching sessions or deal reviews. That's because they often rely on lagging indicators like average deal size and number of closed deals to measure sales success. But using past outcomes to manage future success is like driving a car using only the rearview mirror.

13 Allego, "The State of Sales Onboarding," 2022

Getting the all clear:

What are the majority of high-performing companies doing to increase employee satisfaction, retention, and overall performance? For starters, they foster a culture of data-driven coaching. To put this into practice, they leverage many of they capabilities covered earlier in this eBook, including the ability to automatically collect sales activity data in the CRM and surface the insights that matter most to executives and other stakeholders in self-service dashboards.

But they also place a premium on the use of leading indicators—like the number of meetings booked or the percentage of opportunities where the economic buyer has been engaged, as these data points can be correlated to the number of closed/won opportunities and other previous sales outcomes. Equipped with this benchmarked data, sales coaches can accelerate ramp time for new reps and improve the performance of average sellers by giving them guideposts on the sales activities and processes that will yield the most success.

Knowing these historical averages, RevOps, CROs and sales leaders can further pinpoint the optimal number of accounts each rep can successfully manage. Territory design becomes easier and more effective, and sales leaders can dynamically reassign resources for high-TAM (total addressable market) accounts. In other words, they can take action to drive better results while there is still time to make an impact. Higher rates of success usually leads to happier employees, which ultimately improves retention rates, productivity, and revenue growth.

Managing with Leading Indicators

Lagging indicators are outcomes, not inputs that help project future success. Yes, they are still informative and helpful for coaching, but teams need to start prioriting leading indicators to help shape success in the moment, not once it's passed.

Lagging Indicator Examples

- Quota attainment
- Number of deals won/lost
- Average deal size
- Average deal length

Leading Indicator Examples

- Unique contacts engaged per account
- Number of meetings booked per month
- Total pipeline build and coverage
- % of opportunities engaged

Conclusion: Unleashing the full potential of your RevOps team

RevOps must partner with other GTM leaders to improve a number of sales processes, including account planning, CRM hygiene, sales coaching, and deal qualification. Leveraging some of the capabilities previewed in this eBook such as data automation, AI-powered insights, and CRM-native account planning tools can help teams address some of the prevailing challenges that are inhibiting revenue growth and profitability today.

To experience how People.ai converts data into actionable insights, pipeline growth, predictable revenue, and an unprecedented look at the big picture, request a demo.

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