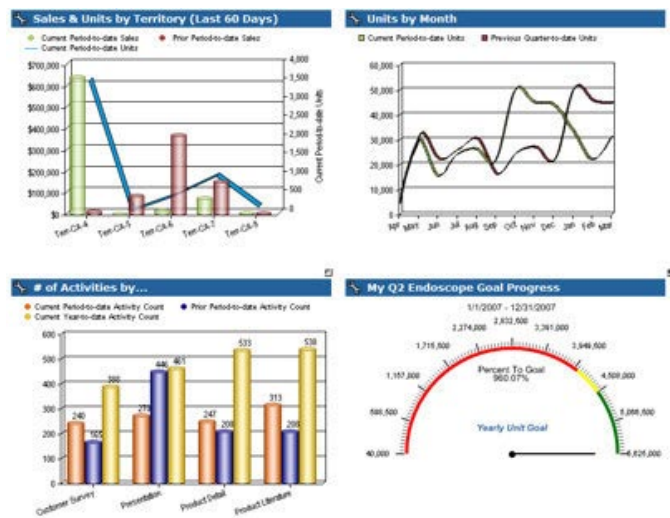
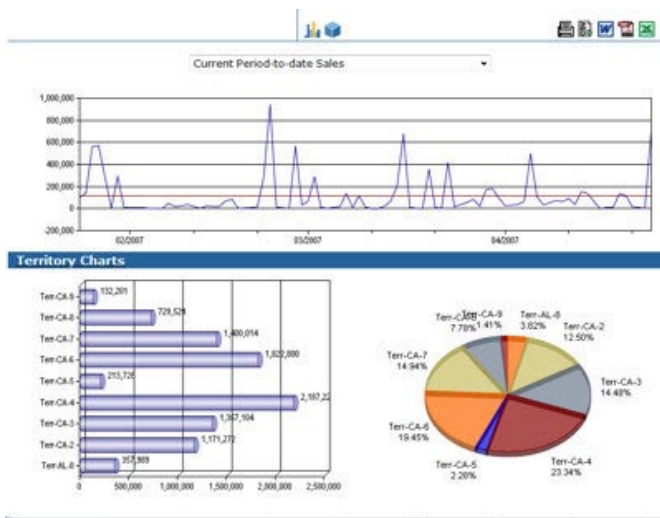


Motivating and Directing a Sales Team Using Graphical Dashboards



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Sales management is increasingly forced to squeeze greater efficiency and effectiveness out of their sales teams. Historically, the need to grow sales meant hiring more sales people. However, with new more cost-effective solutions, sales management can turn to data analysis as a way to gain more productivity out of their sales teams. Using data analysis, management can identify which activities are driving sales, better target prospects, and improve sales team incentives – instead of resorting to simply increasing headcount. While these types of analyses have long been performed by analysts in the back office, hosted business intelligence (BI) offerings are pushing these types of capabilities throughout the organization and putting actionable information directly in the hands of individual sales people.



Challenge

For many companies, sales team members receive data in excel spreadsheets that are general for the entire organization – forcing sales reps to “hunt and peck” for data that is relevant to them. With the advent of newer reporting options, however, companies are re-examining the way they communicate information seeking to make data relevant for the end user. Determining which metrics and information to display poses a challenge requiring organizations to consider both the audience and the role. The data needs of sales management versus field sales representatives are similar in that both require relevant, timely information to make better, more informed decisions. However, the specific metrics they prefer to track differ depending on the role.

Sales Management

The objective of sales managers is to improve the effectiveness of their sales teams. Their concerns are more strategic in nature. They need:

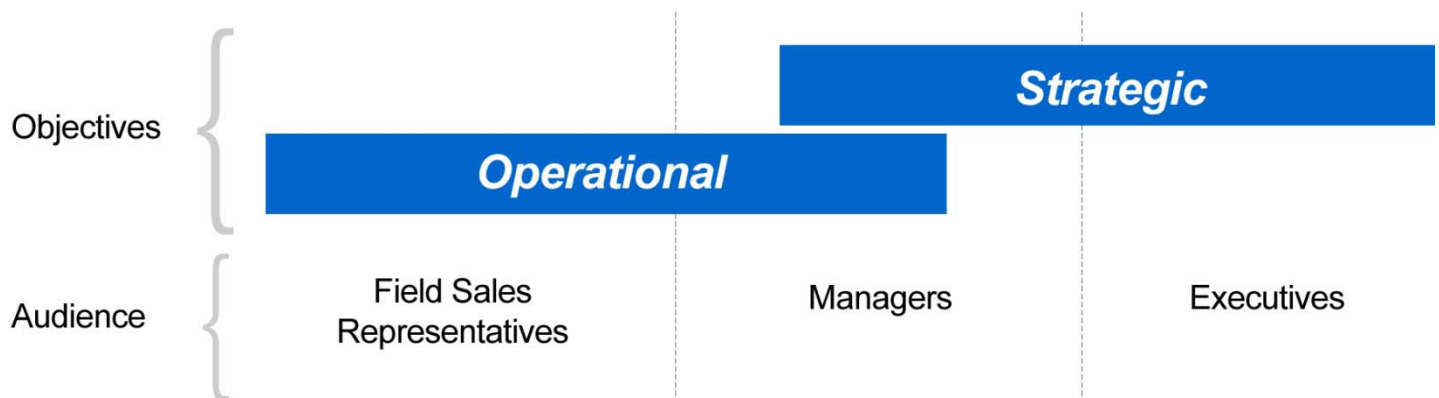
- An aggregate understanding of which activities are driving sales
- How the overall sales strategy is tracking to goals
- Managing whether representatives are performing the expected activities

Sales Persons

Sales persons have a slightly different objective from sales managers and are usually more concerned with operational information, including:

- How much money am I making relative to my compensation plan?
- How do I compare to my peers and my goals?
- Which targets represent the best opportunity?
- How are my specific accounts ordering?

Creating relevant metrics and filtering information specific to the user can help answer the top concerns within each role.



While the newly revised metrics (determined by role) may specifically address the initial concerns posed by the sales team, additional questions will likely arise. Companies then face an additional challenge to balance the need for simplicity (so that all sales team members can understand what is being communicated) while adding more complex functionality (e.g., drilldown capabilities) to allow the team to dig deeper and answer their secondary questions. Drilldown capabilities, for example, enable the team to look at further subsets of information (such as going from national, to district, to territory level slices of information). The key is to offer advanced functionality but ensure that the solution is simple enough to be understood in order to avoid confusion and limit adoption of any systems put in place.

Solution: Graphical Dashboards

Graphical Dashboards are an excellent way to communicate information to a sales organization. Dashboards allow busy sales managers and representatives to focus in on the specific metrics that matter, as well as integrating data from multiple systems into one place for easy analysis. For sales management, dashboards provide an easy way to chart progress, identify opportunities/challenges, and communicate upward. For field sales reps, dashboards allow representatives to track their progress against incentive compensation plans - driving motivation and allowing for mid-period strategy changes. Dashboards also keep the sales team from becoming overwhelmed with reports by providing timely, relevant information in one location that can be easily understood.

Types of Metrics:

The metrics to be placed on a dashboard should vary according to role and sales strategy, and typically bring together information that is captured in multiple systems. Typical sales dashboards include sales information (from accounting or order entry), activities (from sales force automation), and marketing programs (from third parties or other internal systems). By bringing information from multiple sources together it is possible to identify metrics that are related and keeps representatives from having to look through multiple reports from multiple systems to get the information they need.

Typical metrics found on sales dashboards include:

- Sales volume and % growth, market share, across time periods (e.g., Current PTD vs. Prev QTD or Prior PTD), by geography, account type
- % to goal achievement for sales, activities, marketing programs
- Total calls, comparing across time periods by product, account segment, geography
- Reach and frequency (e.g., top 30% of accounts called 2x/month)
- Types of literature dropped off across time periods and/or by customer segment (e.g., brochure, sample, etc.)

Best Practices:

Audience and Objective Relevant: While a dashboard is an effective way of communicating information quickly and easily, these benefits can be eliminated by not making the dashboard audience and objective relevant. A dashboard should be role-specific, addressing the questions that are relevant for each role. Taking a one size fits all approach is likely be a failure, as end-users are not able to gain useful information from the Dashboard.

Consistency: A dashboard is intended to be used frequently and regularly to track metrics that are relevant to the user. As such, a dashboard once configured should remain consistent over time to allow the end-user to quickly and easily check metrics.

Comparisons: A metric should never exist without a point of comparison to provide context. While it may be useful for a sales person to understand that sales over the last quarter were \$500K, they need to understand what that means. Using comparison periods, such as sales for the prior quarter or the prior year can help provide this context. Metrics such as rankings, or goals are useful metrics as they are put in the context of their expected performance.

Simplicity: A dashboard should be above all else, simple to understand. Complicated functionality or configuration options are likely to defeat the purpose and overwhelm many end-users.

Available Dashboard Options

Traditional methods of deploying a dashboard are expensive, require significant I.T. involvement, and are fraught with risk. Given these challenges, many companies have attempted to create homegrown solutions that combine custom software with traditional desktop tools such as Microsoft Excel. While the software is familiar and universal, it is often highly prone to error and does not scale well as the company grows. On the other hand, for companies that find full business intelligence implementations daunting but recognize that pursuing a homegrown solution will likely not meet many of their needs, Hosted Dashboard/Business Intelligence has become a viable option for them. Hosted Dashboard/Business Intelligence solutions are highly customizable and provide many of the same capabilities at a fraction of the cost, with little risk.

Available Options

	Home Grown	Hosted	Full BI
Type	Typically Excel	Software as a Service (Saas)	Custom (like an ERP implementation)
Pros	Familiar software Standard format	Low risk, low cost Leverage best practices Timely actionable info	Completely custom Managed internally
Cons	Prone to error Not scaleable	Standardized structure	Significant IT required Extensive training needed
Cost	\$	\$\$\$	\$\$\$\$\$\$
Time	⌚⌚⌚⌚	⌚⌚	⌚⌚⌚⌚⌚

Summary

For sales organizations of all sizes, graphical dashboards provide an effective way to communicate and use information throughout the organization more effectively. Dashboards bring together information from multiple sources to produce relevant, actionable information that helps sales persons and managers become more effective. While many options for deploying dashboards exist, new hosted dashboard/business intelligence options may be a good option for small-medium enterprises that are looking for a low risk, cost-effective option.

About the Authors



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