Rules of Engagement for Inbound and Outbound Teams

Gradient Works

Rules of Engagement Toolkit

Let's talk about rules of engagement. The kind of rules of engagement that dictate how your sales team interacts with prospects — and with each other. We're talking about the rules between sales reps, between inbound and outbound, between new leads and old opportunities, between geographically distributed prospects, and on and on.

Rules of engagement (which we'll often refer to as RoE) are challenging. And we know that the fallout of unclear rules of engagement is conflict that impacts attainment. So how can you improve your RoE and increase attainment? This toolkit will guide you through creating new RoE or improving your existing RoE.

TABLE OF CONTENTS

This toolkit can be used piecemeal or all together. To keep things simple, here are a few quick links to this kit's contents to help you navigate.

RULES OF ENGAGEMENT OVERVIEW

Rules of engagement define everything about ownership on your customer-facing teams — from routing new leads, assigning opportunities, allocating customer accounts, and everything in between. It's partially about ensuring a smooth experience for your customers throughout their lifecycle with your company. It's also about making sure your reps have clear guidelines about who owns which accounts when, so that everyone is working together to close new business, retain existing customers, and make a good living in the process.

This is particularly important if you have reps focused on inbound leads and others focused on outbound prospecting. Keeping inbound and outbound teams in sync is tricky, and almost every team has room for improvement.

Rules of engagement can be complex and will constantly change; it's best to assume that from the beginning. But they're also vitally important - because they dictate who has ownership over accounts, who gets credit for deals, and how sales teams work together. When done well, effective RoE makes productive, happier teams, smoother customer interactions, and improved close rates. But bad RoE will destroy your team's morale and efficiency. It will slow down your revenue velocity, confuse customers, and generate internal conflict.

So how do you manage your RoE? It might be a dusty old Word doc, or an unwieldy shared Google doc. Maybe you have rules codified in Salesforce. You might even have some flowcharts. No matter what, you likely have something written down, but it's probably not in as good shape as it could be. If you don't have something written down, knowledge about ROE is probably shared across key members of your team (usually the ones who've been there a while).

And that's okay - literally every sales team on the planet struggles with rules of engagement. Especially right now. So we're here to help.

This toolkit contains a few things to help you straighten out your rules of engagement. If you're just starting out with your team's RoE, this kit will walk you through all the different areas you should consider documenting. If you have existing RoE and they need some cleaning up, this document will help you figure out what to update and what to add.

Ultimately, rules of engagement address issues of ownership and accountability. Who owns which accounts when? Who's responsible for doing what? It sounds simple, but it's not.

So let's get started. Grab a pen.

PLANNING EXERCISE

The goal of this exercise is to get you thinking through everything — all the sales scenarios and workflows and potential issues your team may encounter. We're going to ask you a bunch of questions, and hopefully these will spark some good ideas as you plan. Take detailed notes. It's going to start off messy, but we'll clean up that mess shortly.

1. **WHO**. This section is about determining the criteria for **which reps** own **which accounts**.

    1.1. **Reps**. Who can own what kind of account (or opportunity or lead)?

    1.1.1. *Inbound vs. outbound*. Where do your new leads come from? Which reps are responsible for inbound lead generation and which are responsible for outbound prospecting? Are some responsible for both? How do you ensure reps don't work the same accounts? For example, if you have outbound reps and an inbound marketing program, what rules and matching have you set up to ensure outbound reps aren't working inbound leads or vice versa?

    1.1.2. *Quota coverage*. Do all your reps have an opportunity to hit quota? Do you need to think about rebalancing rep books or changing distribution rules? Do your outbound reps have the right number of accounts under their ownership and do you have a plan on how to cycle through those accounts?

    1.1.3. *Leads vs opportunities vs accounts*. Do different reps own different stages of the customer lifecycle? How do you define each stage?

    1.2. **Customers**. How will you segment your customers and prospects?

    1.2.1. *Territories, segment definitions*. How do you divide up your customer accounts? You likely use one or more ownership criteria like geographic territory, market segment, industry or vertical, company size, and so on. How do you keep those segments balanced so every deal gets the attention it needs? How often do you review book sizes?

    1.2.2. *Sales cycle stages/customer lifecycle*. Where is the customer in your sales cycle, and how does this relate to ownership? You'll likely need rules for net new business (a prospect or new logo), customer expansion (through upsell or cross-sell), customer renewal, winbacks (recently churned former customers), referrals. You may have other prospect or customer types, depending on your business. What are the stages that matter to how your team is structured?

    1.2.3. *Multiple entities*. Think through how you'll handle accounts with parent and child hierarchies, mergers and acquisitions, geographically distributed HQs, holding companies, etc... How do you decide ownership for accounts that may have multiple distinct entities?

1.2.4.*Named accounts*. Are there certain named accounts that will never change ownership? How do you define those?

1.2.5.*Partners, referrals*. How do you handle referrals? Do you have partners or channels that bring in leads? How are those handled? How do you ensure externally-sourced leads don't conflict with internally-sourced leads?

2. **WHAT**. Here you'll discuss **who sells what,** which may or may not be part of your RoE.

   2.1. **Products and packaging.** What can your reps sell?

      2.1.1.*Pricing*. What are your guidelines for pricing and packaging? How about discounts? Are there different pricing tiers for different customer segments or products? What about add-ons? All of these can impact rep compensation, and may come up in RoE discussions.

      2.1.2.*Product lines, cross-sells*. Who sells which product? Do some reps sell one product and other reps sell another? How do you handle cross-sells when one customer or prospect wants multiple product lines? What about when an existing account inbounds about a new product?

   2.2. **Definitions**. How do you define each stage of your sales cycle?

      2.2.1.*Deal stages*. What are your rules for moving deals through stages? What makes something a qualified lead or opportunity? Are there different rules for marketing qualified leads vs sales qualified? What about PQLs (product qualified leads)? Be sure it's clear when an account moves from one stage to the next, and which rep is eligible for ownership at each stage.

      2.2.2.*Customer lifecycle*. What are your lifecycle stages? Does ownership change as a customer moves from one stage to another? For example, when a prospect moves from an unqualified lead to a demo request, what happens to ownership? How do you handle handoffs?

      2.2.3.*Account types*. Do you have other types of accounts that need to be handled differently? This may be based on firmographics like revenue or employee size.

3. **WHEN**. Think carefully about issues of **timing**, and when accounts change ownership.

   3.1. *Ownership changes*. What would cause an account to change ownership? When do you rebalance books? And how do you rebalance books? Are there extenuating circumstances you may need to account for? What if a customer account changes tiers based on spend after a successful upsell?

3.2. *Rep transitions*. What happens when a rep leaves or is promoted? This is especially important in territory models when you have to handle an empty territory for some period. Who owns something temporarily?

3.3. *Length of ownership*. How long does someone own an account? Does ownership ever expire? If so, under what circumstances? When do inactive accounts become eligible for new ownership? This is important for winbacks after churn, and for closed/lost opportunities. When does ownership expire for churned customer accounts and closed/lost opps?

3.4. *Timing signals*. Are there certain signals or triggers that result in a change of ownership? For example, if an SDR documented a get-back-to-me date on an account, does that account come back into their name as that date approaches? Think about other timing signals like contract renewals, changes to a prospect's business, intent signals, and more.

4. **WHY**. Think about **what contributes** to the need to document rules of engagement to begin with.

   4.1. *Credit*. How do you want to handle deal attribution? How will these changes impact rep compensation? In what circumstances do you allow splits, if any?

   4.2. *Past conflicts*. What issues have come up in the past that you should address now? Are there wrongs you need to right?

   4.3. *Growth and complexity*. What specific organizational factors are contributing to your need to think about RoE right now? What's coming up in the next few years? How complex is your organization? Why?

   4.4. *Stakeholders*. Who will be impacted by these rules? Who needs to be involved in planning?

5. **HOW**. This section explores how you'll **distribute and update** RoE moving forward.

   5.1. *Sales enablement*. What kinds of enablement will you need to roll out? How will you train your team on the new rules? What other stakeholders will you need to involve?

   5.2. *Sales engagement tools*. Do you need to make any changes to your sales tech stack as a result of these changes? What additional enablement will you need to support those changes?

   5.3. *Automation*. What parts of these RoE can you automate? Do you already use a tool to route leads or manage assignments? If so, is that working effectively? What about the other assignments and handoffs - can you automate anything else?

5.4. *Conflict*. What happens in case of conflict? Where do reps go to resolve disputes? This is extremely important. Who will be the final decision maker? What are the expectations for how a case is made and resolved?

5.5. *Changes*. How do you change the rules later? What's the process for deciding when a change needs to be made? Who needs to be involved? Is there a regular review process?

6. **WHERE**. This section helps you decide ***where you document*** your rules of engagement.

6.1. *CRM guidelines, requirements*. What do you codify in your CRM? What fields and workflows do you need to update?

6.2. *Visualizations*. Do you create visualizations of your RoE? For example, do you have flowcharts to show how an account moves through the customer lifecycle and ownership stages?

6.3. *Accessibility*. Is there a central document anyone can access? How do you share it? How do you ensure it's kept up-to-date?

7. **LAST THINGS**. Just a few more questions to make sure you didn't miss anything.

7.1. *Outliers*. What other edge cases should you document? Have you missed any outliers or unusual situations?

7.2. *Objectives*. Do you have any overarching guidelines or objectives that can guide teams when something is unclear?

7.3. *What else?* Is there anything else to discuss? Should you talk to anyone else?

At the end of this exercise, you should be able to clearly — though probably not concisely yet — explain what criteria you use to assign account ownership. Next, you need to start to clean them up, and start revising. Help on that in the next sections.

POTENTIAL ISSUES

There are a few areas that could make your RoE more complex. Be sure you've thought through these potential challenges.

Inbound and outbound motions

If you're like most companies, you probably have some kind of inbound deal flow, along with an outbound prospecting motion. Some companies split this up and BDRs handle inbound lead qualification while SDRs are responsible for outbound prospect identification. Other companies use a hybrid model where a BDR or SDR is responsible for inbounds and outbounds. If you split these motions up, you're more likely to run into ownership and handoff conflicts. How do you ensure that new inbound leads aren't associated with accounts in an outbound rep's book. How do you keep your inbound and outbound efforts in sync?

Deal complexity

If your company has complex deal parameters, like channel partners, accounts with parents and/ or subsidiaries, or multiple product lines, it inevitably leads to more RoE conflict. Who takes ownership of a parent company if one of their subsidiaries is already a customer? What happens when a rep who is tasked with selling Product A learns a prospect is talking to another rep about Product B? How do you handle inbound prospects from partners? The more complex your deal profile is, the more likely you are to run into RoE issues.

Data, or lack thereof

Effective RoE relies on clean data and a tidy CRM. It means you need enough information about a prospect to know how to assign it — things like company industry, revenue, employee count, location, and more. It also means your CRM really has to be the single source of truth in your organization, and that everyone keeps opportunity data up-to-date. A lot of RoE challenges begin as data quality issues before turning into a full-blown conflict. You'll never have perfectly clean data, so think about how you defend against disputes caused by bad data.

Market segments

How well defined are your territories or market segments? It can be hard to account for every possible market segment. Even if you're dealing with geographic territories, how do you distribute those territories evenly among reps? Finding the right market segmentation — one that both is and feels fair — is hard. Further, you likely have to tweak this regularly, causing confusion about who's supposed to work which segment.

Attribution, especially as it relates to marketing

Attribution requires accurate lead-to-account matching to be sure inbound leads are always matched to existing accounts when appropriate. It also means you need clear rules about who gets credit for a deal, especially when compensation is involved. Do you use a first-touch or last-touch attribution model? Do you attempt to try something more complex and look at multiple touches? How do you track and report on that?

Dishonest rep behavior

It's not common, but it happens, especially in larger organizations; sometimes reps will deliberately break the rules to get to the better deals. That includes things like:

- Reps hoarding lost or quiet opportunities, or changing opp dates to hold onto them longer than the normal ownership time. These are the Rick Astleys of your sales team (because they're never gonna give a deal up).

- "Salesforce surfers," which is what one revenue leader calls reps who try to attach themselves to a deal in progress for partial credit. You may also recognize these reps as fairweather fans, low-hanging fruit pickers, and the like.

- Reps changing account names or other data to hide an account or make it look like an account should be in their territory even when it's not.

- Reps who work a deal through to close, and then discover a "mistake" in the data that meant that deal never should have been theirs. They should get credit since they worked it though, right? Right?!

These challenges are compounded if reps perceive scarcity in deal flow, if there are issues of trust on your sales team, if your company is growing quickly, if you have a highly competitive environment, if there's rep turnover. So many factors can contribute to RoE conflict that it's no wonder it's so complicated.

ROE TEMPLATE

Use this template to start a clean version of your rules of engagement. Keep them as clear and simple as you can. Any ambiguity could be an issue later.

Here is a basic outline for some of the more common RoE components. You can fill it in with your specific guidelines, edit as you need, and share with your team.

Section 1: Definitions

1. Territories: [Territories are defined as...]

2. Customer Lifecycle Stages and Account Types

    a. Leads:

        i. Inbound:

        ii. Outbound:

    b. Opportunities:

        i. Qualified Opps:

        ii. Disqualified Opps:

        iii. Lost Opps:

    c. Accounts:

        i. Active

        ii. Inactive

3. Reps

    a. New Business:

        i. Sales Development Rep (SDR):

        ii. Account Executive (AE):

        iii. Enterprise Account Executive (EAE):

        iv. Sales Engineer (SE):

    b. Customer Success:

        i. Onboarding/Implementation Specialist:

        ii. Customer Success Manager:

        iii. Account Manager:

Section 2: Rules of Engagement

4. General Guidelines

       a. [Example] We're all on the same team.

       b. [Example] Put the customer first.

5. Lead Assignment

       a. Inbound:

       b. Outbound:

       c. Qualification Criteria:

       d. Distribution Rules:

6. Account Ownership Rules

       a. By Stage:

           i.   New Prospects:

           ii.   Existing Customers:

           iii. Returning Customers:

           iv. Referrals:

           v.   Other:

           vi. Lost Opportunities:

       b. By Rep:

           i.   SDRs:

           ii.   AEs:

           iii. AMs:

       c. During Rep Transitions

           i.   Departure or Promotion:

       d. Ownership Duration

           i.   Ownership Expiration: [After 90 days of inactivity, a lead will be considered "expired" and move out of a rep's ownership.]

7. Conflict Resolution

       a. Dispute Guidelines: