KORN FERRY

THE NEW CRO PLAYBOOK:

7 SALES TECHNOLOGY AND DATA CHALLENGES

> *The current B2B sales environment is at an inflection point, emerging from a tumultuous two years. The sales function has had to cope with many transformational changes in a short period of time. This shift has long been underway, driven by increasingly digital-first buyer preferences and changes in the buyers' journey.*

As CEOs grapple with novel challenges that have arisen from the pandemic, social justice movement and world and market upheavals, they've added new seats at the executive table to help them manage their growing responsibility. One of these new roles is the Chief Revenue Officer (CRO).

The CRO role grew in popularity by 37% from September 2020 to August 2021, according to research from LinkedIn.[1] This growth isn't surprising, as organizations have struggled to maintain, much less increase, sales in a difficult market amid lockdowns and supply chain issues.

Unlike Chief Sales Officers who focus on revenue generation, optimizing revenue is a small part of the CRO's mandate. Rather, the CRO focuses on the entire customer lifecycle. CROs must ensure their sales organization is prepared to respond to changes in the market and customer preferences. They must help their sales teams adopt formal, dynamic sales methodologies and sales technologies that capture more buyer insights. CROs must lead this charge while also breaking down silos; connecting sales, marketing and customer success to the organization's overall business strategy and delivering fresh thinking to address the most pressing challenges in today's sales environment.

Using tech stack to manage the customer lifecycle

An early challenge that CROs must solve is managing the sales organization's technology and data. A recent study from Gartner showed that only 2% of sales executives are very satisfied with their sales technology stack.[2] And 7 of 10 sales executives plan to increase technology spending this year to provide more sales tools to sellers.

If you're a new CRO, you may be tempted to join them. But before you do, you should explore whether you're getting the most out of your organization's current sales tech stack. You should also check whether you've integrated your current sales solutions and platforms. It is also important to review how easy it is for sellers to extract insights from your CRM and other sales tools — and their current level of adoption.

At the end of the day, sales technology should improve results and save everyone time. Here are seven common sales technology and data challenges, along with their solutions, to help you do just that.

Only 2% of sales executives are very satisfied with their sales technology stack

1 https://www.linkedin.com/pulse/from-diversity-data-10-roles-rising-fastest-c-suite-hiring-anders/
2 https://www.gartner.com/en/newsroom/press-releases/gartner-survey-finds-73--of-chief-sales-officers-expect-sales-bu

1

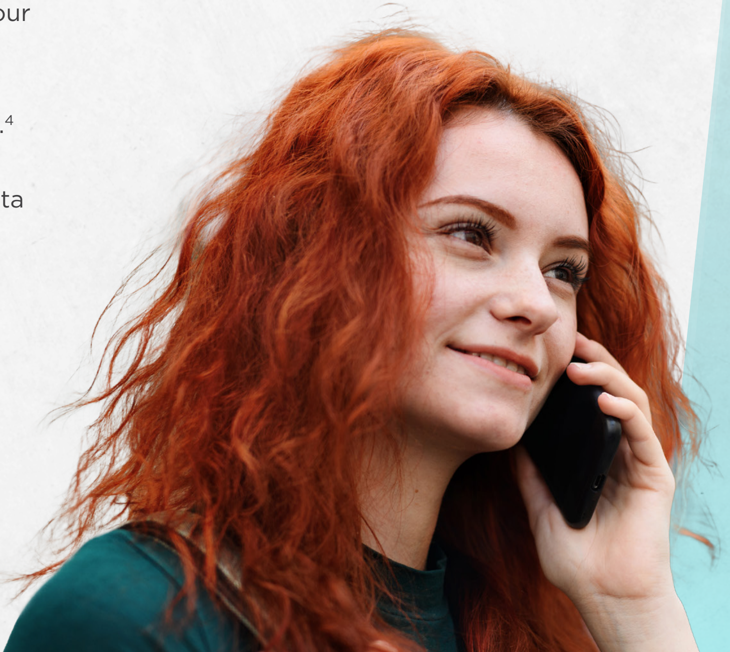
Your sales team hasn’t fully adopted your customer relationship management (CRM) system

The CRM is a baseline technology that fuels many other selling tools. Unless everyone is on board and using your CRM fully, your other sales tech will suffer.

But less than half of sales teams report widespread use of their CRM.[3]

Why is adoption poor? It may be because your sellers are overwhelmed by the technology. In many sales organizations, sellers spend less than a third of their time actually selling.[4] Instead, they spend two-thirds of their time on administrative tasks, such as inputting data into CRMs and other sales tech.[5]

It may also be because your sales managers aren’t coaching your sellers on how to use their sales technology properly. A lot of sales organizations don’t have a formal coaching process in place, which can lead to inconsistency in coaching session approaches and timing.



How to address this challenge:

Set the tone from the top. Show that you buy in to the value of your CRM and how sellers and sales managers alike can use it to their advantage. Describe how spending time entering data can be used to save time in gathering insights about sales on the back end. Have sales managers reinforce this message. You can also investigate solutions that can capture data from other systems and automate data entry to reduce the burden on sellers.

To further encourage tech usage, organizations need to make the data in these systems actionable. Adding a sales analytics platform that integrates with your CRM can not only reinforce your sales methodology in day-to-day activities but also predict the actions that sellers should take to advance deals through the sales funnel.

3 2018 Sales Operations Optimization Study
4 Korn Ferry 2018–2019 Sales Performance Report
5 Korn Ferry Sales Operations Optimization Study

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Your sellers suffer from tech tool overload

Many sales organizations have invested heavily in sales technologies. In fact, the average sales organization uses 10 different types of sales technologies and plans to add four more.[6] Even so, only 25.9% of organizations report having a sufficient set of tools to supplement CRM functionality and support sales.[7]

Despite going all-in on tech, many organizations aren't seeing a return on their investment. Only 20% of sales organizations in a recent study indicated that their sellers have sufficiently adopted the sales technologies they've deployed.[8] Plus, deals don't always close as forecasted, and customer retention isn't as solid as predicted.

So, where's the disconnect between the technology and sales results? It comes down to a piecemeal, unfocused approach to tech acquisition.

If your sales team is using technology to address a specific problem, you may have an assortment of different technologies that don't work together. An individual salesperson or business development rep may want to test out a new tool, so they get a free trial. Or a sales manager may pilot a new analytics solution to reduce the time they spend analyzing data and compiling reports. The next thing you know, you have a patchwork of disconnected sales tech.

Whatever the reason for your tech overload, asking your sales team to use too many tools at once may cause the team to reject all of them. They're already spending too much time on non-selling activities, and all they want to do is close deals, not sit behind a screen. Your sellers might also be suffering from analysis paralysis, feeling overwhelmed by the amount of data the tools have made available.

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How to address this challenge:

Implementing many tools, each of which serves a specific function, without integration is a recipe for disaster. A better approach is to create a structured roadmap to technology acquisition.

A sales technology roadmap is a documented plan that outlines the current and future state of sales technologies. It's not just an inventory of your tech stack. A roadmap determines how each technology will support the organization's sales strategy, sales objectives and productivity and efficiency goals. You should develop the roadmap with input from sales leaders, IT and your sales enablement team.

With a roadmap, you can qualify and prioritize sales technology procurement throughout the sales organization. A roadmap will also help you outline future capabilities so you can plan how to augment your team's capabilities and productivity. Finally, a roadmap can help ensure that your technology integrates with other platforms, both inside and outside the sales organization, to avoid IT headaches.

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You're relying on outdated sales tools

Almost all sales organizations (94%) have implemented CRMs.[9] But less than half of sales teams report widespread CRM usage.[10]

In many instances, that's because sales organizations are still relying on legacy solutions. Older CRMs, despite their name, were designed to help sales managers manage their sellers, not help sellers manage customer relationships.

Legacy CRM software focuses on tasks like aligning territories, managing pipelines, winning opportunities and generating forecasts. It's not designed to inform individual seller moves that can win specific deals.

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How to address this challenge:

Organizations that choose the right technology and reinforce its usage consistently outperform the competition. The keys to success are integrating technology and ensuring your tools help sales leaders and sales managers as well as sellers.

Only a quarter of sales organizations have integrated their sales technology with their existing tools and processes.[11] Those that have tightly integrated sales technology report higher quota attainment and win rates than those that don't. Your sales technology needs to mesh with your sales methodology and your sellers' daily routine. It also needs to integrate with other tools to prevent seller frustration with duplication of efforts and the need to switch between multiple applications. Simplifying the user experience for sellers is critical.

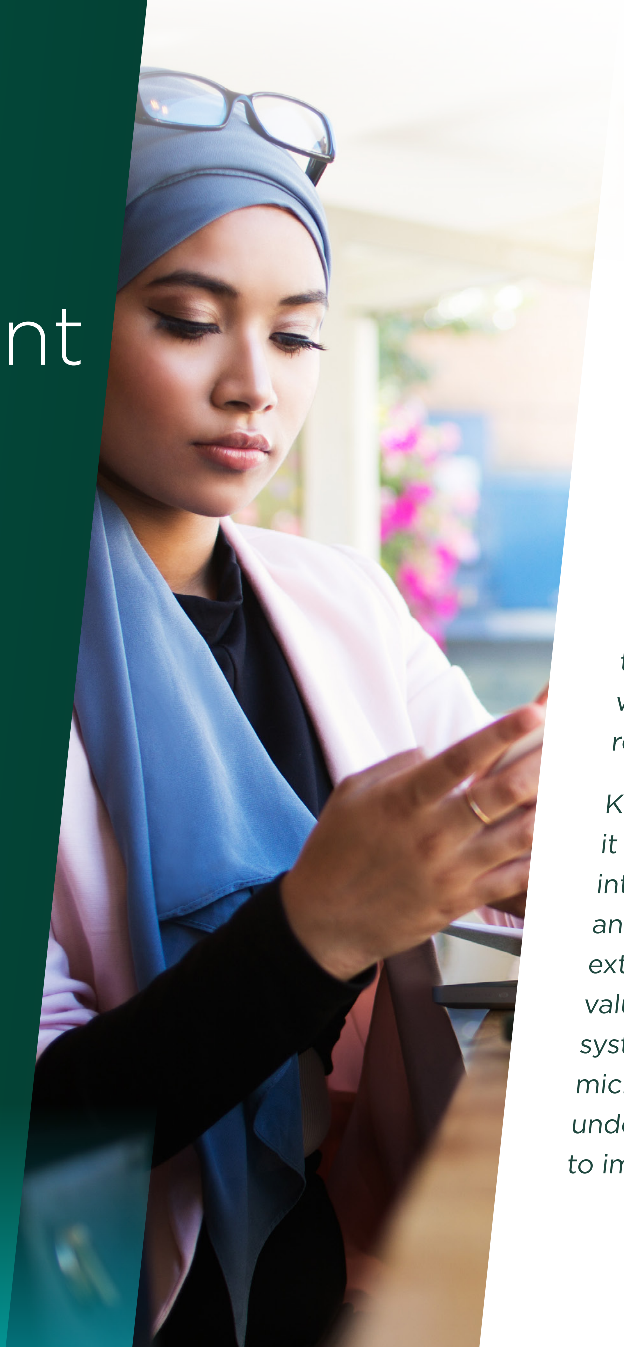
Your tech should also address the entire sales organization. It should give sales leaders insights into the deal pipeline and help them forecast sales. And it should help sellers move deals forward, not serve as just a backward-looking repository of their sales history.

4

You're implementing technology without sufficient training and coaching

As sales technology increases in complexity with AI-based tools and integrations, it can be intimidating to sellers and managers alike. Because some sales tech can be cumbersome and time-consuming to use, sellers might see technology as an added burden, not a benefit. That's often because of a lack of training and coaching.

Even sellers who are trained in how to use new sales technology often don't understand the why behind the tech. If they don't see any value in using CRM, they won't invest the time to use it. And when sellers don't consistently use a CRM or other sales tools, these systems won't generate enough value.



How to address this challenge:

All the tools in the world won't improve sales if your team doesn't know how to use them or understand how they fit into your workflows. The key is to ingrain in sellers and sales managers that sales data and the insights available through analysis are invaluable assets that will help them win deals and predict future opportunities.

Organizations need their sellers to buy into their CRM. If sellers spend time manually inputting data into a sales system, only to have that data disappear into a black hole, they won't be inspired to invest additional time and energy into making their CRM's data as good as it could be. Training on how to use the CRM should occur during onboarding and again whenever new technology is rolled out. Ensure that reinforcement happens during coaching sessions.

Keep in mind that if your CRM is just a data dump, it won't offer much value to your sellers. But if you integrate the CRM with a sales intelligence platform and ensure sales managers coach sellers in how to extract insights, your sellers will start seeing the value of spending time with the system. Advanced systems also integrate just-in-time instruction with microlearning bursts that strengthen sellers' understanding of sales methodology and helps to improve their skills.

5

Your CRM is full of bad data

Every level of your sales organization needs access to high-quality data in order to accomplish the following:

- Understand the status of deals and which deals need more of their time
- Know what steps to take to close deals
- Help coach sellers so they make the best decisions about the right approach to earn more sales
- Determine how to compensate and reward top sellers
- Assess the potential need for quota relief, compensation plan redesign and restructuring

The effectiveness of any sales technology depends on the quality of the data fed into it. Dirty data sends your sellers down the wrong path of action, hurting your chances of closing deals. No matter how deep your sales technology stack is, your salespeople don't want to spend their time entering data into a system when they could be selling instead, so they enter data haphazardly or not at all.

As a result, in many organizations, the CRM platform is a matter of "garbage in, garbage out."

Fewer than 25% of sales organizations express a high degree of confidence in the data from their CRM system.[12]

It's no wonder that only 39.3% of organizations say their CRM increases their sellers' productivity.[13]

If salespeople carelessly enter data into your CRM, or if your CRM is full of outdated or duplicative information, you may as well not have a CRM. If your salespeople don't get any value from your CRM, they won't spend the time required to input meaningful information into the system, creating a vicious cycle.

How to address this challenge:

Turning a data dump into a data-driven sales solution requires you to scrub your data. First, analyze your system for duplicate records and delete them.

Then create a standardized protocol for entering data into your CRM, such as capitalizing names, writing business titles and using the a uniform structure for entering area codes, phone numbers and email addresses. To make it extra easy for your sellers, embed this protocol into the user interface of your CRM.

Look for missing or incomplete data and ask the sales team to fill in any existing records that they own — or hire someone for data entry to save your sellers' time. Make sure your sellers have entered all contacts, reconsidered the next steps for their accounts, recalculated their opportunity scores and updated their sales objectives. Encourage your sales managers to validate this information with individual funnel reviews.

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Your organization hasn't invested in a data strategy

If your sales data strategy consists of pulling a report from your CRM and using it to analyze your salespeople's results, you're missing a critical opportunity to guide decisions that go beyond performance.

A formal sales data strategy is a documented framework that collects information from sales technology tools. Sales organizations with a formal data strategy position themselves to better manage and mine their sales data for useful insights that inform their business decisions, whether it's designing coverage and territory models, building talent profiles, optimizing pricing, or focusing their coaching and selling efforts.

World-class sales organizations have a robust, formal data strategy. As a result, these organizations achieve better quota attainment, higher deal rates and deeper customer relationships than those that don't. But only 30% of sales organizations have a data strategy.[14]

How to address this challenge:

Take ownership of the end-to-end sales data strategy. This means you'll need to assign ownership of different elements of the strategy, define how data will be used and create a structure for the data strategy.

The first step in meaningful data collection is to identify the business challenges you want to solve. Then you can decide what metrics to measure, how to collect data and what technology you need to analyze this information.

Depending on your needs, gaps in technology may exist. A CRM on its own likely isn't sufficient to understand and analyze sales data. But a predictive analytics tool fueled by artificial intelligence adds context to sales data by highlighting the methodology-backed actions that correlate closely with higher win rates, larger deal sizes and faster close times. With this information, you can replicate best practices across sales teams.

You can also ensure you have the right framework to capture the data from your sales tech stack. You'll need a data governance process that sets responsibilities for day-to-day data ownership and management, such as data entry and updates. The process should define where you store your data and manage your data quality. Finally, it should help you determine which tools and resources, such as dashboards and predictive analytics, to invest in.

14 Korn Ferry 2019 World-Class Sales Practices Study

Your sales tech isn't integrated

Historically, sales tech stacks have been an island unto themselves. So, when considering and implementing technology, sales leaders have invested in tools that meet a particular need without considering the needs of the rest of the organization.

But now, customers are more discerning than ever. And they expect a highly personalized, connected experience. Delivering a high-touch, personal experience requires alignment between technology throughout an organization, from sales to marketing, IT, product teams and human resources.

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How to address this challenge:

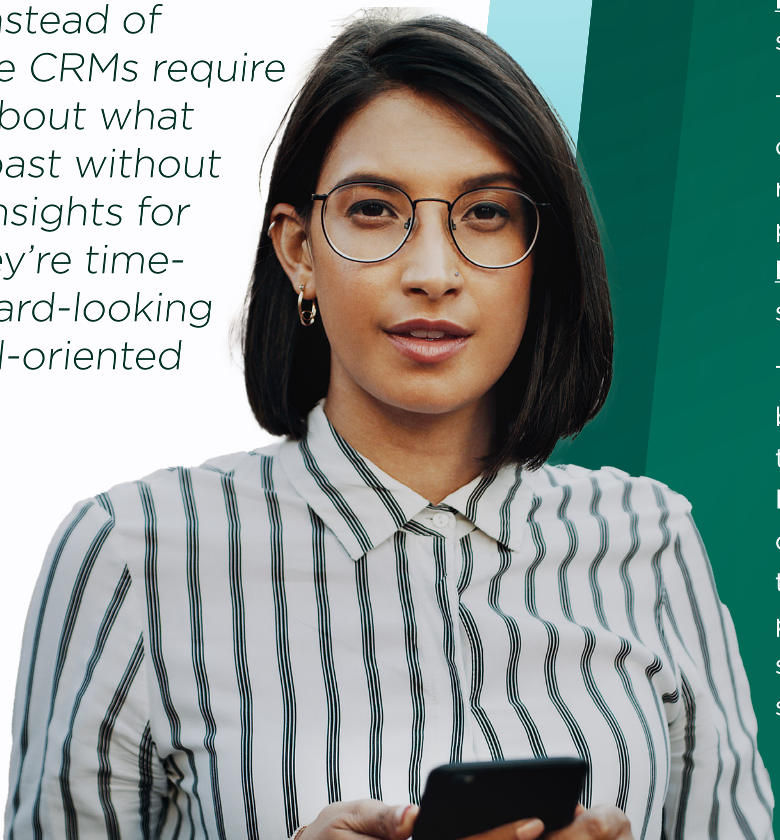
You have to focus on an integrated solution that unites not only sales but all of the departments together. A recent Korn Ferry study of top-performing sales teams found that 96% were aligned with marketing and customer service on client wants and needs.[15]

But most sales organizations (63%) aren't even confident that they've integrated their tools with their sellers' daily routine.[16] Less than a third agreed that their tech stack was integrated with their CRM.[17] While quicker to deploy, standalone tools and a disconnected stack suffer from duplicated efforts, mismatched data and spotty usage. The more integrated the tech stack, the better the win rates (+9.4%) and quota attainment (+8.1%).[18]

On a macro level, enterprise-wide integration through a single platform can help sales organizations build a repeatable, scalable sales process. Leading platforms integrate talent acquisition, management, strategy and mobility solutions with sales effectiveness tools built on a proven sales methodology. The best tools integrate with leading CRMs, including Salesforce and Microsoft, to deliver actionable insights that help sellers close more opportunities faster, improving predictability and driving sales performance.

Effective sales starts with effective sales technology

Too many sales organizations have a tech stack with no clear roadmap or streamlined plan for implementation. And while most have a CRM, they're often little more than a glorified electronic Rolodex. Instead of facilitating sales, these CRMs require sellers to enter data about what has happened in the past without providing actionable insights for the future. In short, they're time-consuming and backward-looking — which isn't what deal-oriented salespeople need.



To transform your sales organization, you need to add an integrated decision-making platform fueled by artificial intelligence.

In the past, a seller's insights were based solely upon their own experiences and intuition. Today, artificial intelligence can capture the experiences and insights of a broad universe of interactions, providing sellers with deeper, more precise insights that lead to better timed and targeted — and consequently more meaningful — communications with their customers.

Enter Sales Effectiveness Solutions powered by **Korn Ferry Intelligence Cloud** - a crystal ball for sellers and sales managers.

The Intelligence Cloud adds a layer of sales intelligence on top of your sales information, guiding sellers to the right next action to take. Sellers focus their sales using a proven, repeatable methodology, **Strategic Selling with Perspective®**, that emphasizes the key touchpoints of the sales process.

The Intelligence Cloud extracts key insights including buyer-influence patterns, competitive positioning and the chances of success with different selling behaviors. It can also produce a scorecard that predicts a deal's outcome and inform sellers what their next move should be to close the deal. For sales leaders, the Intelligence Cloud pinpoints which seller actions lead to wins and which don't, so they can replicate winning behaviors throughout the sales organization.

When you connect sales technology with sales methodology in the Intelligence Cloud, you get more than information. You get actionable insights, housed in a repeatable, consistent framework that can help your sales team manage their time, prioritize the right deals and close more sales.

To learn more about Sales Effectiveness Solutions powered by Korn Ferry Intelligence Cloud, contact us

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Powered by **Intelligence Cloud™**

About Korn Ferry

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