

THE METRIC MANAGEMENT PLAYBOOK

A sales manager's guide to getting results



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with Download!**

About the Author



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"Duane is a natural-born leader, a passionate learner, and an unbelievable coach. As a leader, Duane...motivated our team from the inside out. He used metrics-based coaching to identify specific targets for each rep and helped us understand the activity necessary to hit these targets."

— Vaughn Dietz,

Senior Account Executive, ClockShark, LLC.

Hey, my name is Duane Dufault.

If you haven't met me before, there's a few things you should know:

I don't deal in B.S. Anything I have to say, I say it straight up. Truth hurts, but it's best not to skirt around the issues. If you work with me, you'll always know I'm giving you my honest opinion on maximizing results and getting your business to the next level.

I'm always in motion—and always improving. I live life at 100 mph. It's just how I'm wired. I'm constantly juggling 50 different priorities, and I like it that way. I enjoy competing against myself and seeing the progress I make from one day to the next.

And I love (read love) helping others make that same progress. At the end of the day, results matter. And there's not much in life that's better than seeing others get the results they're after.

My wife and my kids are the reason I get up every morning and eat breakfast. There's nothing about you here. I just love my wife and kids with every ounce of my being. I thought you should know.

But I will say that love motivates me every day to excel at what I do. And what I do best is help businesses grow beyond their wildest dreams... I'm guessing you're interested in that. Well, I know that's what you're here for so let's get started.



@DuaneDufault



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As a **huge thank you**, I'm gifting you the Audiobook version of the Metric Manager Playbook!

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Section 1:

Introduction

1.1 The Problem

"I see a bright future for you here."

"I see a little bit of myself in you, I really do."

"You know, I see a path for you in upper management. We just need to make sure you hit all the marks to get there first..."

Sound familiar?

The dream of one day becoming a manager is dangled in front of sales reps during every annual review. The tantalizing thought of more money or career advancement can motivate us like no other.

But what happens after you snag the coveted sales manager role?

How do you know you're on track to meet or exceed your target revenue? And how do you get the best out of your team so they're able to deliver quality results—day in and day out?

Did they ever tell you? Once you got the position, did anyone sit you down and share the secret to success?

Considering what most sales managers tell me, I'm guessing no.

Don't worry, they didn't tell me either. Once I made it to the manager seat, the only advice I ever got was to "get my total call volume up."

Yeah, okay, total call volume is important—and

it needs to be high. But it's not the only factor of success for a sales rep.

So how do you get your team to deliver stellar results? By implementing a system dedicated to metric management.

1.2 The Solution: Metric Management

There's a weapon in your arsenal that isn't used nearly enough—or, at least, it's not used to its full potential.

That weapon is data.

Yep, data.

If you know:

- The right metrics to look at on a daily basis,
- How to evaluate them,
- And how to help your team improve their metrics

You'll hold one of the primary keys to unlocking your team's maximum growth potential.

Knowing the data will help you coach your team better, fill in the holes in your pipeline, forecast revenue more accurately, and know when it's time to hire more reps.

But you have to know the exact data that will make the biggest impact in your sales pipeline. And you have to have a pulse on it every day, every week, every month, and every quarter. That's what's going to make the difference.

Ready to get started?

Let's go.

Section 2:

Two Pipelines, One Puzzle



2.1 The Sales Pipeline: Only One Piece of the Puzzle

I won't insult your intelligence by explaining what the sales pipeline is—we're all familiar it. You can take a look at the diagram above to see an example of one.

The main point I want to make is this: The sales pipeline we all know and (for the most part) love, is only one piece of a much larger puzzle. And if you aren't looking at the larger puzzle, you're missing out on an enormous opportunity to control your team's success.

So here's the deal: Most sales pipelines actually only reflect your opportunity pipeline—the stages that come after you've qualified the lead to buy.

They don't cover all the stages that come before. And if you aren't managing the metrics that come before, you aren't delivering optimum outcomes.

2.2 The Activity Pipeline: The Missing Piece

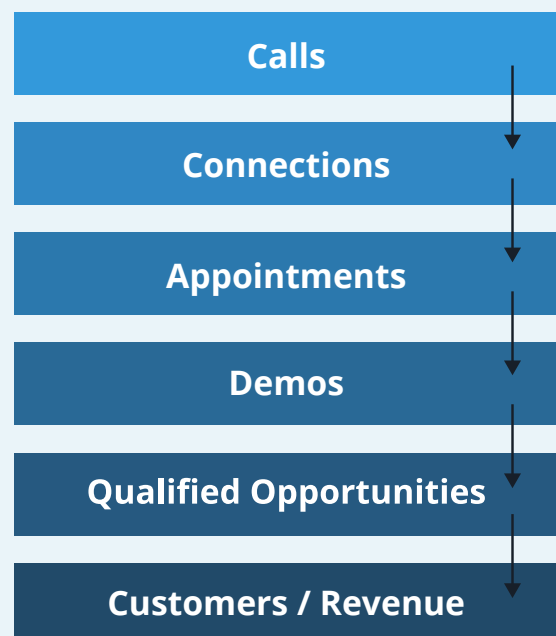
What is the activity pipeline?

It's all the activity that leads up to and creates the sales opportunity. And, when used correctly, it's a secret weapon in the fight to increase revenue.

There's a lot we could add to this pipeline. But to keep things simple, we're going to say it only contains the most popular and traditional sales activities. They are:

- Calls
- Connections
- Appointments
- Demos
- Qualified opportunities
- Customers (Revenue)

Like the diagram below shows, this is the path a prospect takes along the initial sales journey.



Section 2:

Two Pipelines, One Puzzle

Setting up a clear view of your activity pipeline

If you don't have a view of your team's activity pipeline in your customer relationship manager (CRM), find a way to set it up. And if you aren't already tracking these activities in your CRM, start doing it today.

I mean it. This is the bread and butter of metric management. You have to be able to see these numbers on a daily, weekly, and monthly basis to start making progress.

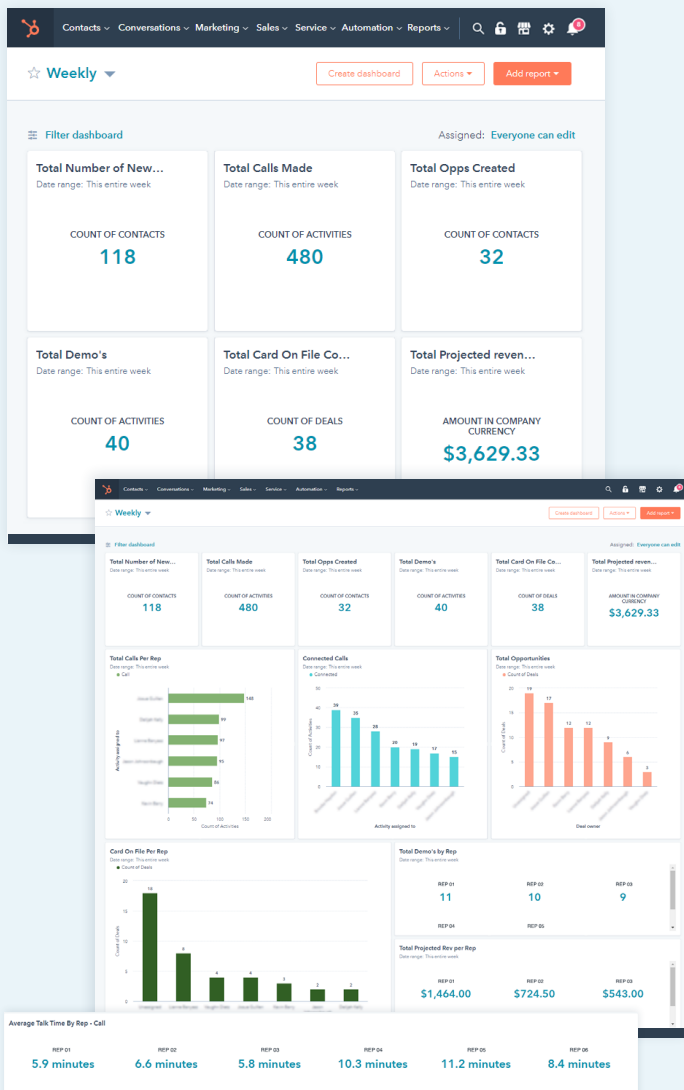
Take a look at the two diagrams again. You can see the traditional sales pipeline is a detailed view of *only one stage* in the larger activity pipeline—it's actually a breakdown of the qualified opportunity stage. And it's great. But if you don't have a detailed view of *all* the activity leading up to the sale, you don't have the levers in place to impact your bottom line.

Why is the activity pipeline so important?

The activity pipeline gives you an understanding of the overall health of your sales process. The metrics show you where you're strong—and where you're not.

When you keep vigilant track of the metrics in the activity pipeline, you gain insight into:

- Your entire team's performance
- An individual rep's performance
- The holes in the funnel and how to fix them



* Reports and dashboards seen were built by SellingSaas through Hubspot Sales Hub Enterprise



So *what* are the metrics and *how* can you use them to help your team improve?

Section 3:

Digging into Metric Management

The different stages of the activity pipeline are the metrics you need to pay attention to.

Here they are again:

Calls	Connections	Appointments
Demos	Opportunities	Customers (Revenue)

We'll dig into each of these in just a second, but first, let's talk about **why** they're important.

3.1 Indicators and Conversion Rates

I mentioned earlier these metrics reflect the path of a lead down the sales journey. Because of that, each metric acts as a leading indicator for the next metric in the funnel—and it also acts as a lagging indicator for the metric before it.

What are leading and lagging indicators and why do they matter?

A leading indicator is a data point that corresponds with the future movement of another data point. A lagging indicator is a data point that changes after another data point changes. Basically, both indicators “indicate” the success of either the next or previous stage in the pipeline.

For example, the number of leads in the call stage is a leading indicator of the number of leads in the connections stage. And the number of leads in the appointments stage is a lagging indicator of the success in the connections stage.

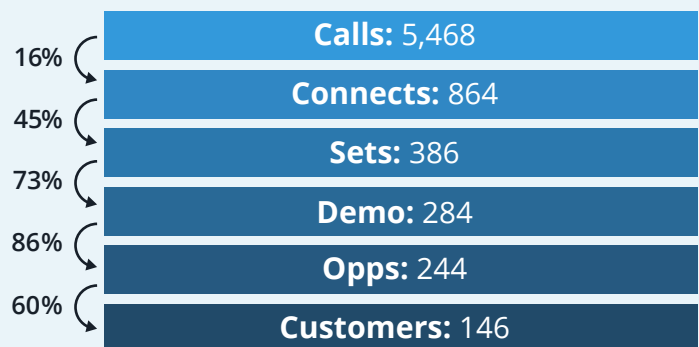
You should have a handle on these indicators at all times. That way, you'll have an early warning of any dips and how they'll affect your pipeline. You'll also be able to act quickly to help remedy the situation as early as possible.

Conversion rates

Time to break out your calculator and brush the dust off your 4th grade math skills.

Conversion rates between stages in the activity pipeline are another useful tool. Knowing them will help you identify holes in the funnel and figure out where to start when coaching your team.

To calculate the call to connection rate in our example, divide stage 2's total by stage 1's total. That's $864 \div 5468 = .158$. That's a 16% conversion rate.



3.2 Data-Driven Coaching

Drilling into these metrics on a daily basis will give you a more accurate picture of your team's performance and where they need to improve. It can also help you focus on individual team member performance. This becomes important later on when we talk about identifying holes in the pipeline.

I used to have a dashboard of daily, weekly, monthly, and quarterly metrics from the activity pipeline. It was public to the team and could be broken down by individual reps. This served two purposes: It helped me coach my team throughout the day and it provided motivation. Most of the team are paid the same, so they should be able to see who is the biggest earner for some friendly competition.

Section 4:

The Metrics



Let's dig into the actual metrics in the activity pipeline and discuss some helpful tips and tricks for each.

4.1 Calls

The calls stage consists of phone calls, dials, and conversations with non-decision makers (someone who does not have the ability to advance the opportunity). Emails, texts, social media messages, etc. don't count unless non-verbal communication is more effective for your sales cycle. If it is, substitute those activities in this category.

You must have a pulse on your team's call totals every day. It doesn't matter if you're running a strategic account executive team or a volume based small-business sales development rep team, calls are—and always will be—the most powerful tool in your arsenal.

Calls are a leading indicator of quality connections—and because they're top-of-funnel, the success (or failure) of every other stage is linked to this metric.

4.2 Connections

When a sales rep has a call with someone with the ability to advance the opportunity, they've made a connection. The call doesn't have to be with the buyer yet. A stakeholder is fine.

But don't let your reps qualify a voicemail, text, email, or live message as a connection—even if it is with a stakeholder or buyer. The rep must connect with a live human on the other end of the phone.

If you count anything else as a connection, your data won't be clean. Your numbers will be skewed. For instance, you may think you have 100 leads in the connections stage when, in reality, you only have 75. This will have a domino effect on the rest of your metrics.

PRO TIP

Keep your data clean by removing the “left live message” outcome on your connection reports.

Why? Reps can use it to beef up their connection numbers. But if they only ever talk to the receptionist, the odds of getting the owner on the phone are slim. Which makes moving the lead to the appointments phase even slimmer. If you want an accurate picture, leave this outcome in the call stage.

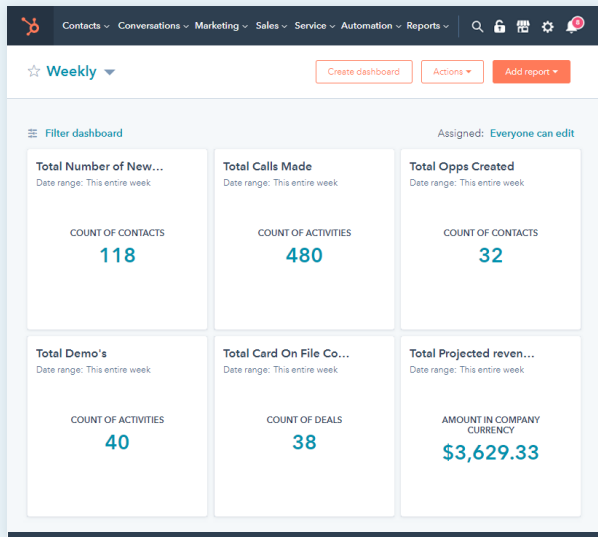
4.3 Appointments

An appointment is the next scheduled conversation. It doesn't have to be a demo. It can be a simple follow up call. The point is, it's a call that both the rep and the stakeholder agreed to.

Now, if your rep sets a follow up call on their calendar as a reminder, it's not an actual appointment. I've seen a lot of well-meaning reps do this and count it as an appointment. But again, if you let them count it as an appointment, it will muddy up your data.

Section 4:

The Metrics



* Reports and dashboards seen were built by **SellingSaas** through **Hubspot Sales Hub Enterprise**

4.4 Demos

The demos stage can include discovery, follow up discovery, a demo, or even a solution presentation for all you senior account executives out there.

While I could break each of these activities into their own stage, I'd rather keep things simple. As long as your rep has meaningful time with the prospect where they dig deep into the issues and figure out if the product can do what they need, it counts.

And again, this doesn't have to be with the primary decision maker. As long as it's a meeting with someone who can advance the deal, you're good.

4.5 Opportunities

Whoo! Congrats.

If you've made it this far, you have a bonafide lead who is qualified to buy from you!

Second only to total call volume, this metric is incredibly important. First, it's the start of the traditional sales pipeline (also known as the deal pipeline). This is where an SDR hands the opportunity to an AE or closing team. Second, it's a huge leading indicator for customers. Third, it's one of the easiest and most common metrics the C-suite—and the marketing team—looks at to determine the health of the sales pipeline and how to spend their marketing dollars to generate the most qualified opps

4.6 Revenue

We can't have a sales playbook without talking about revenue. Why? Well, it's the crescendo to the song, the icing on the cake, the pièce de résistance—and a leading indicator of company growth.

Every sales manager needs to have a daily, weekly, and monthly pulse on revenue. But not just revenue, you should have a pulse on bookings too.

What's the difference between revenue and bookings? Revenue is money that's been paid to your organization. Bookings include commitments to pay but the payment hasn't been realized yet. For example, if your free trial lasts 30 days and the buyer puts their card on file on day 20, it counts as a booking until the money is in hand.

Most companies have a stage for bookings in their traditional sales pipeline. If you don't, consider implementing it so you have a more accurate picture of your company's revenue.

Section 5:

Putting it all together

5.1 Identifying Holes in the Pipeline

Your sales pipeline is meant to look like a funnel—not a colander. If you’ve got holes in your funnel, you need to fix them pronto. But how do you know which one to fix first? Or how to fix any of them?

Let’s walk through a short scenario.



It’s Friday afternoon, you’ve finished this playbook and have a shiny activity pipeline to go alongside your deal pipeline. You even have a nifty spreadsheet that calculates the conversion rates between each stage in the funnel.

Now what?

1. Go back to the basics

What’s the ultimate goal of your team—what defines success? Is it total revenue? Is it the total number of new opportunities? Define what it is and go from there.

2. Dive into the metrics

See what the numbers are telling you. Which activity drives your team’s target outcome? Find out where you have the biggest and best conversion with the least amount of effort. (Hint: It’s probably the activity even your laziest rep crushes daily.)

3. Ask yourself what your team can control

Your reps can’t control other people’s actions but they can control themselves. They can control what they say and how they say it—two things that are highly coachable.

4. Focus on small but mighty gains first

If you’re looking at several solution options, focus on the option that requires the least amount of work first, especially if it could make a big impact compared to the effort you put in.

5. Move to more complex issues

As you go through the options and check off the simpler solutions, you’ll naturally move to more complex issues. Take your time here. Do some discovery and don’t be scared to experiment a bit. It’ll be worth it in the end.

6. Don’t forget to look at individual rep metrics

You may find only one or two reps are struggling in this area. If that’s the case, you don’t have to walk the entire team through the process, just focus your time on the individual reps in your one-on-one coaching time.

Section 5:

Putting it all together

5.2 Practice Example

I always do better with real-world examples so let's look at one together.

The setup:

You manage a team of 10 SDRs. Their goal is to call enterprise leads and hand off all qualified opportunities to an AE for a 30-day trial. They have a monthly goal of 100 opportunities (10 per rep)

The analysis:

1. The basics:

The total number of new opportunities defines your team's success.

2. The metrics:

Which activity is driving your team's target goal? Here, there's a 40% conversion rate between meetings and opportunities. Compared to the other conversion rates, this is the best one. So it looks like meetings are the most effective way to generate opportunities.

3. Your team controls:

Your team can't control whether a prospect picks up the phone but they can control what they say and how they say it once the prospect gets on there. That means we've got two potential areas to focus our efforts—either the connection stage or meeting stage.

The relevant data

Last months team totals:

Calls: 12600

Connects: 630

Meetings: 189

Opportunities: 76

Avg rep per month:

Calls: 1,260

Connects: 63

Meetings: 19

Opportunities: 7

Avg rep per day:

**21 working days in the month*

Calls: 60

Connects: 3

Meetings: 1

Opportunities: 0.3

On avg, the team's conversions are:

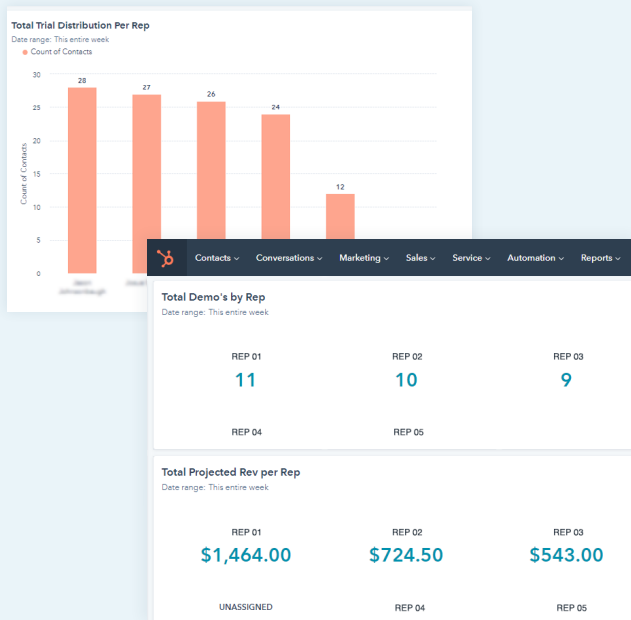
Call to connect: 5%

Connect to meeting: 30%

Meeting to opp: 40%

Section 5:

Putting it all together



* Reports and dashboards seen were built by
SellingSaaS through Hubspot Sales Hub Enterprise

4. Small but mighty gains:

With the limited information we have in this example, let's start at the earliest leading indicator of a qualified opportunity. Here, that's the connection stage. If we can get a 10% bump in the number of quality connections, that will give us an extra 20 meetings each month. And with a 40% conversion rate of meetings to opportunities, we'll get 8 more opportunities each month.

To help your team get that 10% bump, keep the target outcome of the call in mind. Is it to qualify right away? Is it to check in on app usage? Or is it to get them to trial? Whatever it is, that needs to be your focus. Find out the way your reps get to that outcome and see where they can improve their approach.

5. Move to more complex issues:

Optimizing meetings will likely be more involved than the connections. Here, you should first ask if the product justifies a full meeting or if your team can get away with a longer first call and hand off to a demo after that. Would it speed up the sales cycle and provide more opportunities to the AE team?

If you decide you do need the longer form meeting, dig into your SDRs performance. Find out how they are qualifying prospects into opportunities, how they're running the call, and what they're focusing on.

Are they digging into every possible pain point? Are they only skimming the surface and just checking the boxes? Are they truly connecting with the prospect? Are they educating the prospect properly? This includes setting expectations and letting them know the process. While that might sound elementary, it gets missed a lot—and then we wonder why they're surprised when they're asked to pay... crazy right?

In our example, I'd aim to get a bump of 5 – 10% month over month for the quarter. If we can increase the meeting to opportunity conversion from 40% to 50%—without touching the connected calls—you'd go from 78 to 95 opportunities. If you combine the connected call analysis with the meeting analysis, you'd have 100 opportunities.

That way, you hit your target goal without adding more sales reps or telling them to "just dial the phone more." And you have a tactical way to coach them using their own data.

6. Look at individual rep performance:

Before coaching the entire team, look at your individual reps' metrics to find out if it's just a few struggling in the connections or meetings stages. That way, you can conserve your energy, move the needle forward, and focus on the areas of improvement unique to the other team members.

Section 6:

Wrapping Things Up

6.1 Key Takeaways

1. Start using the activity pipeline

If you want control over your entire sales funnel—not just your deal pipeline—start using the activity pipeline. You'll be able to see the entire funnel, identify gaps, make adjustments to improve results downline, and enhance the effectiveness of your coaching.

2. Get a visual.

Set up dashboards in your CRM so you (and your team) can see the metrics on a daily, weekly, monthly, and quarterly basis. Make sure you can see the entire team's performance and the performance of your individual reps.

3. Do the math.

Make sure you have a pulse on your leading and lagging indicators, as well as your conversion rates.

4. Get clarity.

Get crystal clear on how your team measures success. This will help you ask the right questions when evaluating your team's performance and their opportunities for growth.

5. Get curious.

When identifying holes in your pipeline, the more curiosity you have, the better. Think outside the box. Do you have to do things this way or would it be better to set your sales cycle up a different way? Is everyone having a problem in this area? Why? Ask all the questions. It'll get you to where you want to go.

6. Work with your team—and with individual reps.

With the right data and the right questions, you can go in and confidently coach your team. But make sure to have one-on-one coaching too. You can hit areas of performance more personal to the individual sales rep, giving you more bang for your buck in the long run.

And that's it!

Feel free to reach out to me with any questions. I'd like to hear your thoughts on the material and if you're finding success with the principles discussed in this playbook. **If you'd like more incredible insights like those contained in this playbook, make sure to subscribe to my podcast and follow me on social media for the latest resources.**

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"Do the leg work of setting up your funnels. (Without this, you're shooting in the dark and your coaching effectiveness will be limited.) ...

Focus on direction rather than destination. You will never "arrive," so focus on moving in the direction of where you want to be.

If your goal is to be the best salesperson ever, are you daily working to move in that direction? If so, you're on the right path, even though you will never "arrive."

— Cory Kirkland



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