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Sales Operations

Sales operations has been around since the 1970s, when Xerox first established a sales ops group. Since then the function has taken on increased importance, especially in the era of extended buying cycles and sophisticated sales technologies.

Once mainly number crunchers, sales ops professionals are now charged with handling an array of behind-the-scenes activities and tasks. Its mandate: free the sales team to focus on selling and equip them to sell as efficiently as possible. Perhaps Michael Gerard, formerly VP of IDC's Sales Advisory Practice, said it best: "Sales ops started as a team whose role was to put out fires wherever they erupted. In time, it's become more strategic and proactive, with sales ops looking for ways to avoid problems before they arise."

Let's delve into just what sales operations is and does, and what makes a sales operations team successful.

What is Sales Operations?

The definition of sales operations varies by organization, depending on what this group is tasked with doing. That said, at a high level, Sirius Decision describes sales operations as "a force multiplier" and "the critical link between the development and the execution of the sales strategy and go-to-market strategy." In most cases, this boils down to helping increase the productivity or effectiveness of the sales team by reducing friction in the sales process.

Think of it this way: Your sales professionals are like a team of thoroughbred racehorses. They might be incredibly powerful and experienced, but without the guidance of a jockey (aka sales ops pro), they won't move as efficiently to the finish line.

Some confuse sales enablement and sales ops but they are separate functions. Sales ops evaluates options and makes decisions, while sales enablement puts those decisions into play. Some also split the responsibilities along the buyer's journey, with sales enablement involved earlier and sales ops handling more of the later-stage aspects (negotiations and compensation for example).

In their roles, sales ops can handle a range of tactical and strategic responsibilities, including:

- Compensation/incentive plans
- Territory structuring and alignment
- Sales and revenue strategy
- Lead management
- Process optimisation
- Sales technology and methodology evaluation
- Pricing and contract support
- Hiring and training
- Data modelling, analytics, and reporting

Sales Operations Team Structure

The reporting hierarchy of a sales operations team will depend on the company size and overall structure. That said, standard sales operations positions include the following:

Sales operations representative: This entry-level sales operations role is often assigned tasks like generating reports and managing the sales tech stack.

Sales ops analyst: In this more experienced, data-driven position, the person is commonly charged with modeling, analysing, and reporting on data to sales executives and cross-functional peers.

Sales operations manager: With responsibility for the sales ops team, the manager needs a solid knowledge of sales

methodologies, sales behaviour, sales processes, and data modelling and analytics.

VP or director of sales operations: This person will manage the sales ops team and work closely with the company's senior leaders to ensure strategic alignment.

Because sales ops handles both tactical and strategic activities, it's helpful for team members to be adept technically, strong operationally, collaborative in nature, and skilled at project management. While certain aspects of the job require very structured approaches, other areas benefit from creative, out-of-the-box thinking.

Bottom line: the team needs a balance of skills, including the ability to see the big picture around strategy and also get into nitty-gritty process details. In fact, diversity is crucial for efficient sales operations. To that end, it's wise for sales leaders to build teams comprising a wide range of specialties, interests, and backgrounds.

Sales Operations Challenges

A variety of internal and external factors can cause challenges. While sales ops challenges vary by organisation, the following are more common:

Unclear charter. Unless everyone in the organisation understands the role and responsibility of sales operations, confusion, overlapping efforts, and wasted cycles rule the day – leaving sales operations, sales enablement, and marketing to wonder who is responsible for what.

Balancing the tactical and strategic. It's no small feat managing the range of responsibilities typically assigned to sales ops, while also managing a team with a diverse set of skills, all while the buyer's journey befriends complexity.

Problematic sales process. If the company hasn't already adopted a clearly structured sales process, it's challenging for sales operations to optimise it.

Undefined reporting structure. In many companies, existing employees move into the role of sales operations manager or director. As a new role in the corporate structure, the sales ops manager or director does not always have the authority to enact strategies or decisions without the involvement of someone like the VP of Sales.

Inadequate skill sets. If the sales ops team lacks the required expertise and skills to deal with the latest technologies, data sets, and sales methodologies, its impact will be limited.

Keeping pace with change. As the company scales, so does the role of sales operations, requiring continual adaptation and evolution.

Collaboration. In addition to working closely with their sales ops team members, those in sales operations must find ways to effectively engage colleagues from across the company.

Aligning with reorgs. When the sales force is reorganised, the sales ops team often needs to devise new go-to-market strategies, territory assignments and compensation models. These issues are amplified when sales and sales ops teams are dispersed geographically, such as in a global company.

Securing buy-in for new initiatives. If the sales ops team recommends a new or changed process or approach, it can be challenging to get sales management to sign off.

Sales Operations Best Practices

Now that we understand the core goals and common challenges within sales ops, here are ways to pave the way for success.

Align roles and responsibilities with your company's sales methodology. Don't operate in a vacuum. Instead, complement your sales team by creating roles and handling tasks in a way that directly impacts how your sales reps sell.

Formalize your mission. Like any organisation, a sales operations team is well served by a mission statement, which describes its purpose. The first step is figuring out why your sales operations team exists. Perhaps it's to "Optimise the sales organisations productivity," or "Free the sales team to focus solely on revenue-generating activities." Capture that reason for existing in a brief statement that gets socialised across the company.

Establish common practices. To avoid different approaches across offices and regions, establish best practices and consistent processes that guide sales ops as the company grows. This should cover everything from documenting the sales strategy and defining how to determine compensation/incentive plans and territories to how sales ops interacts with other departments and develops and socialites new (or improved) processes.

Delineate between sales ops and sales enablement. Given the common confusion about where sales enablement ends and where sales ops begins, make sure each team's roles and responsibilities are agreed upon and clearly defined, documented, and communicated. Because these two teams can directly impact one another, highlight areas where overlap is expected.

Equip sales ops to succeed. In addition to providing initial and ongoing training, provide your sales ops team with the technology and support they need to effectively do their jobs. Encourage them to explore the latest tools to enable the sales team, such as social selling tools that streamline sales operations while driving better prospecting results.

Define sales territories according to social proximity. To date, sales territories have largely been determined according to geographic proximity, with sales focusing on nearby prospects. More recently, however, sales teams have begun shifting toward social proximity as a tool for dividing up sales territories, assigning salespeople to prospects based on their social closeness. In other words, by considering how well they are connected, or how closely their social networks are aligned. LinkedIn can be a great resource when assigning by social proximity, letting sales teams view connections and degrees of familiarity for any professional contact.

Proactively communicate with other departments. Check in regularly with marketing, sales, sales enablement, and any other relevant groups to address issues and validate sales ops' contribution to overall goals. This is the time to understand impending changes that will impact sales ops' tasks, ensure sales ops is not duplicating the efforts of other departments, and surface untapped opportunities to further improve processes.

Shadow sales. Because sales ops directly impacts what your sales are doing, it's essential that they deeply understand the daily challenges and goals of the sales team. Pair each team member with a sales person for a specified time so they can witness the daily life of a sales rep and get the chance to consider how sales ops can make things better.

All technology should have a purpose. Automate manual processes where it makes sense but don't bog the sales team down with too many tools. Make sure each tool in the stack plays a critical and unique role, or sales reps won't adopt them.

Go beyond the basics. Rather than just report sales numbers and campaign results, interpret them and recommend possible next steps. Instead of just managing key processes, continually look for ways to improve them.

Be a strong bridge. Sales ops should provide the connective tissue between sales directors and their sales reps by making sure all their efforts are ultimately aligned with and supported by the right go-to-market approach and campaigns.

Gain a seat at the table. Sales ops should be given its own mandate and authority to make decisions and spearhead initiatives. Otherwise, good ideas might never see the light of day.

Sales operations plays a critical role in helping sales teams achieve peak performance. Pave the way for their success by avoiding the common pitfalls