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A Complete Guide to Forecasting and Pipeline Management for 2019

With Tips From Top Sales Executives

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Introduction

As the modern sales landscape grows increasingly complex—from artificial intelligence and automation—to comprehensive sales stack solutions and terabytes upon terabytes of customer data—one thing remains constant:

Pipeline management and sales forecasting is still at the very core of everything we do in sales. They're the fundamental processes of any successful organization.

While we seem to spend more and more time clicking around in our CRM, updating client records, or tracking deals in rogue spreadsheets to get our work done—whether you're a business leader or sales rep—we still stare at our opportunities everyday and strategize ways to close more deals.

Mastering your sales pipeline—and predicting a more accurate sales forecast overtime, is an effective way to both increase revenue and better organize your business for long term success.

We interviewed sales leaders—from small business executives—to Vice Presidents at high tech software empires, to learn about the 7 most effective habits for better managing their sales pipeline and more accurately predicting forecast.

We also explored the 4 toughest CRM challenges for sales leaders—and built a valuable checklist to help you overcome them.

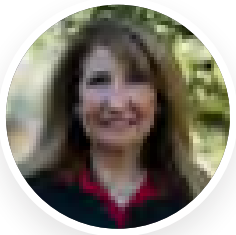
Let's get started with the effective habits we identified!

7 Habits of Highly Effective Forecasting and Pipeline Management Leaders

- Build a culture of accountability
- Ensure forecasting is a continuous process
- Centralize and simplify all data entry
- Educate and train your team
- Automate appropriate sales processes
- Increase customer data visibility
- Always concentrate on improving data accuracy

Sales Executive Q&A

We interviewed the following sales and business development executives for their thoughts on forecasting and pipeline management in 2018.



Jamie Mulkey

Jamie is an executive sales leader in the learning enablement and assessment space. She has over 20 years of experience with organizations like HP, Caveon, and Pearson Evaluation Systems. Jamie brings a mix of background from enterprise and SMB organizations.

Mike Wilson

Mike is the VP of Sales and Marketing of Blue Corona, an award-winning, analytical, inbound marketing and SEO company. He brings a wealth of experience and speaks from his recent executive agency profession.

Ryan Cannady

Ryan is the VP of Sales at Deere Credit Union in Illinois. He brings nearly two decades of sales experience from the financial sector.

—And finally, we have a Regional Vice President of Sales for a major software company in Silicon Valley. She brings over a decade of experience in B2B software and enterprise sales but has chosen to remain confidential.

We interviewed these executives with 7 questions that match the 7 habits for highly effective forecasting and pipeline management in 2018.

Onto question 1 for our panel:

How do you make sure your team is accountable to your sales forecast?

We built a process to meet once a month with each sales rep to discuss their opportunities. This provides us with an update of where their sales prospects are in the pipeline and acts as a reminder to them that they may need to follow up on sales opportunities.

Jamie Mulkey

I hold my reps accountable to their forecast by having them establish a forecast at the beginning of each period—and challenging their initial forecast by conducting weekly forecast/deal reviews. This is the lion's share of the process. Finally, we track their forecasts week over week and results against their forecast. This allows both the rep and myself to see whether they are overly optimistic and then frequently disappoint at the end of a period, whether they are a sandbagger and miraculously pull deals out of thin air, or whether they know their deals and they make commitments and stick to them.

Mike Wilson

We create our forecast from the ground up. Our front-line sales personnel submit their individual forecasts for the year. We put those through a reality test and a round of discussion, if necessary. Then we roll those cumulative numbers up to our entire team forecast.

Ryan Cannady

We use Salesforce to forecast commits and best cases and we talk about it every week in 1:1 meetings. My reps also know my commit and we talk through our biggest and smallest deals in each team meetings.

Confidentential Regional VP

How do you build a continuous process for forecasting?

Our monthly meetings are a consistent way of checking in with sales team members. At the end of each month, we produce a report for executive leadership, giving them a sales forecast update for the next few months. This helps us with forecasting revenue as well.

The greatest challenge is keeping our CRM current. To keep the records accurate, we have one person who manages CRM sales prospect entries. This way we can keep our records consistent and current.

Jamie Mulkey

We have a weekly cadence and it rarely, if ever, gets canceled. This establishes consistency and the mindset amongst the team that forecasting is mission critical to our success individually, as a team and the business as a whole.

Mike Wilson

After we create our forecast for the year, we break it down into monthly objectives and then weekly and daily activities. We measure our results against our forecast and adjust when we notice signs of any negative trends.

In general, we watch the activities for signs. By the time it hits the results, it's usually too late. When outside forces, such as a rate increase or a new player in the market, affect our production, we immediately coach our staff on how to overcome objections and obstacles. For the past five years, we have not had to make any significant forecast revisions, if any.

Ryan Cannady

We use Salesforce. My expectation is it's in the app and supported by the pipeline you have. It's also important to use proper staging to support your number. No one is allowed to forecast zero (25k/month is our goal for monthly AE participation) and they understand the expectation is to contribute.

The main challenge is— is 25k always realistic? It becomes a bit harder as you move up in a segment and you see run rate deals dwindle and the velocity of deals slow down.

Confidentential Regional VP

Do you have any tips to centralize and simplify sales data entry? Do you have a single view of your sales data?

We use a cloud-based CRM to manage our sales pipeline data, with one person managing the database. Keeping all sales prospects in one location is helpful. It gives us a snapshot of the sales pipeline, allows us to review sales history, and gives us status of each sale's progression.

Jamie Mulkey

We use our CRM system for all things pipeline management. We use excel for forecasting. It is purposely standalone and not integrated because it forces the rep to create (initially), review and manage their forecast on a weekly basis. To be clear, I do not forecast based on % of revenue based on stage in the pipeline, I forecast based on a sales person saying - I will close $X this period, here are the deals that will get me there... I also have these backup deals that will either allow me to exceed/increase my forecast or cover my forecast should one of my roadmap deals fall out.

Mike Wilson

Sadly, we are resigned to using a set of fairly intricate Excel spreadsheets. Over the past 5 years, we've refined our spreadsheets annually to the point where now most of the data we need to see is extracted from one main spreadsheet and the formulas do the work in the background.

The two most important tips I can give are: 1) Start with the end. Think about what you want the data to tell you and work backwards. 2) Be consistent. Every rep needs to input data in the same manner. When people customize a spreadsheet to their liking, you lose the ability to aggregate data which is where the real insight comes from.

We had to create spreadsheets then lock down the ability to edit them.

Bonus tip: If you're going to insist on a uniform data entry spreadsheet, you must interview your staff to find out what they value most and incorporate as much of those preferences as possible across the entire platform.

Ryan Cannady

We only use Salesforce. The amount for the opportunity, the next steps, the staging, and the close date are expected to be updated in near real time. We also use the forecast tab in Salesforce to list commits and best case.

Confidentential Regional VP

Do you have a standard process to educate your team on forecasting and pipeline management?

We've been working on this. The process is evolving and as we find new ways to improve the process, we implement them.

Jamie Mulkey

Yes and no. I have a system and I set clear expectations. But, I would say that much of the learning comes from dissecting their deals during our weekly calls.

Mike Wilson

Every September we provide a breakdown of each position and their production for the previous 12 months—as well as the average production for similar positions.

We also talk about trends in the market and what we expect to see from a growth standpoint. This helps them create their forecasts. The reality test and ensuing discussion between front-line forecaster and manager are critical pieces to the process.

For pipeline management, we are starting to garner data that shows us application volume and aging. That will help us standard a process going forward.

Ryan Cannady

We talk about it often. As usual, I'm constantly reminding them to update things. But, app rigor is highly regarded and very important to our senior leadership. It's culturally well known that having the app updated is table stakes.

Confidentential Regional VP

What can you do to automate sales processes—and what should remain manual in the forecasting and pipeline management process?

One thought that comes to mind is to send system-generated emails reminding sales team members to let us know of changes to any sales prospect's status.

Jamie Mulkey

We could apply a formula to historical trends and - PRESTO! - we have a forecast. I believe the forecast needs to come from the individual producers first. This gives them buy-in and ownership in what we are trying to accomplish as a team. It helps them connect to the overall goal and helps them realize they are the reason that big number is going to happen.

Ryan Cannady

Our sales strategy teams use forecast math to produce a projected finish every week. There's some sense of automation in that based on staging of the opportunity. We also have an Einstein (AI score) to give us the probability that something will close.

Everything else is still a manual process. As you move up market (versus small business where forecast math is generally pretty accurate), it becomes more manual because there are less deals and more reliance on manager forecast judgement.

Confidentential Regional VP

How do you increase the visibility into your sales data? Do you feel like you have the visibility you need?

Monthly communications of the sales forecast are sent to both executive leadership and sales team members. We also report on our numbers weekly at the staff meeting. This allows the company to be informed of the sales teams' progress and motivates employees to have vested interest in how the company is performing.

Jamie Mulkey

Through the combination of our CRM system and my Exel system, I believe we have excellent visibility.

Mike Wilson

We need to add a data warehouse and data visualization tool so our staff has an attractive dashboard they can see on a daily basis to measure their effort and production against their forecast.

Ryan Cannady

I believe we do. Everything lives in our Salesforce CRM.

Confidentential Regional VP

Do you have any tips for ways to improve data accuracy in your CRM?

Make sure there is a good communications channel to understand the sales numbers as they truly are. Review your numbers on a regular basis to understand what sales are coming in and when they are coming in.

Jamie Mulkey

Audit for accuracy: You get what you inspect, not what you expect. Not only do you have to audit for it, you have to make it matter when inaccuracies happen. In an extreme case, I think one could make an argument for rewarding employees for data accuracy. In fact, maybe that shouldn't be in the extreme case. It should just be the case. Data accuracy, in the long run, is more important than executing the sales process correctly in an individual sales opportunity.

Ryan Cannady

Unfortunately, I don't think so. Garbage in, garbage out! As they say. It's a constant reminder for folks to update Salesforce with good information. We do have some dependencies (for example, to move from stage 2 to stage 3) that require additional information to be entered first. This forces AEs to add information into the opportunities that they likely wouldn't without the requirement.

Confidentential Regional VP

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Overcoming the Four Challenges to a Successful CRM

A Helpful Checklist For CRM Leaders & Administrators

1 Quality
Get the Right Data into Your CRM

- [ ] **Identify Your One Source of Truth (CRM)**
  Ensure that all users input data into the same system. Eliminate rogue spreadsheets and notepad use.
- [ ] **Get Leadership Buy In**
  Communicate the importance of the CRM being your one source of truth with leadership so all processes are followed company wide.
- [ ] **Clearly Document CRM Process**
  Create CRM guidelines and best practices doc to make sure all users follow the same naming conventions across records.
- [ ] **Capture Only Relevant Customer Data**
  Concentrate on the most important customer fields that you must capture and consider eliminating other fields to improve data entry processes and team focus.
- [ ] **Simplify The CRM Experience**
  Measure how long it takes for your users to complete important CRM processes and eliminate any unnecessary steps to simplify their daily work and improve productivity.
- [ ] **Clean Current CRM Data**
  Regularly audit and clean your data to ensure accuracy and processes remain viable system wide.

2 Process
Complete Your Daily CRM Work - Faster

- [ ] **Create Flexible CRM Processes**
  Create your processes with change in mind. As businesses needs evolve over time, the CRM needs to adapt accordingly.
- [ ] **Define Communication & Training Plan**
  Create a plan defining who to speak with regarding process enhancements, requirements, new requests, to maximize CRM flexibility and effectiveness.
- [ ] **Set Change Request Goals**
  Create realistic turn-around goals for process improvements. Change requests must be implemented in a timely manner to maximize efficiency and build team trust.
- [ ] **Optimize Processes Regularly**
  Clean up fields and records oen; monthly or quarterly minimum. As your CRM matures, records and fields can become bloated and slow down your team.
- [ ] **Focus Prospect List**
  Hone in on prospect lists to identify accounts that are most likely to generate revenue. This keeps your reps more focused on revenue generating tasks.
- [ ] **Optimize Reports Quarterly**
  Take a look at your CRM tools to determine if they are helping your team drive more revenue or if they are adding complexity to your processes.

3 Visibility
Find the Right Data in Your CRM

- **Set Goals On Important Data**
  Focus on the 3-5 most crucial business goals to avoid over complicating your reports.
- **Create 3-5 Measurable KPIs**
  Keep your quarterly KPIs actionable concentrating on only a select few. Anymore can be difficult to track over 3 month sprints and add complexity.
- **Create Custom View Reports**
  Sort and filter the data you need most often and save custom views in your CRM for easy accessibility over time.
- **Report Metrics Regularly**
  Hold weekly or bi-weekly meetings to share important CRM metrics with stakeholders to ensure team remains on track.
- **Monitor Team CRM Activity**
  Create views to monitor how users work within your CRM to identify high performers, anticipate challenges, and surface bad process habits early.
- **Optimize Reports Quarterly**
  Keep reports focused and concise to ensure that the team can continue to take action on your findings. Too many data points can slow a team down.

4 Change
Make Changes to Your CRM Process

- **Assign Ownership For All CRM Activities**
  Identify a CRM lead that owns and monitors daily project activities and implementation timeline.
- **Establish Dedicated Data Admin Team**
  Assign a support team that helps the CRM lead manage ongoing tasks, anticipate challenges, and offer solutions.
- **Set Duplication Rules**
  Develop procedures to manage duplicate records and standardize deletion and/or merging process.
- **Log Tasks**
  Outline all tasks that team members need to complete to get a full understanding of the project scope and timeline.
- **Define Approval Process**
  Discuss who needs to be informed of CRM changes to ensure that updates are received and implemented in a timely manner.
- **Explore CRM Tools**
  Assess third party applications and tools that can help the CRM team make ongoing changes and improve productivity.

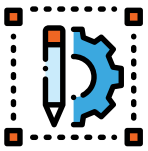
Need More Help Streamlining Forecasting & Pipeline Management?

AppBuddy specializes in helping companies solve their CRM challenges, so IT teams can spend less time on custom code and sales teams can spend more time selling.

Our experts would love to hear more about your forecasting and pipeline management needs, to see how we might be able to help.

GridBuddy—One Platform, Countless Benefits

The CRM Functionality You've Always Needed



INLINE EDITING

MASS UPDATE

CROSS-OBJECT FILTERING

CONDITIONAL FORMATTING

Learn How AppBuddy Can Improve Forecasting & Pipeline Management

Book a Demo

or get in touch with us at sales@appbuddy.com

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AppBuddy solves the challenge of working with lots of data within CRM systems. Our intelligent grids simplify pipeline management, forecasting, and other custom or complex sales processes. Unlike other sales productivity applications, AppBuddy grids can adapt to any process or specific user, providing the interface needed to quickly visualize and edit any data from a single screen.

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