

Context

After adopting the Winning By Design methodology and creating consistency for your sales operations, you can leverage a common language to diagnose the macro-performance of your team. Asking “WHY” a deal is won or lost will help you forecast more accurately and prioritize time and deals more effectively to drive repeatable success.

Process

Review your “closed won” and “closed lost” opps based on the context outlined below (this does require you to have these fields defined within your CRM, or it may simply be a manual post-mortem exercise). Conduct this analysis over a full quarter or two to ensure you have a large enough sample size. Be as specific and objective as possible so you don’t have too many assumptions within your analysis. The outcome of this process for most companies is finding that you have a concentration of won and lost deals with similar or corresponding criteria.



> Situation

1. The specific personal/emotional context and view on resolution
2. Past experience with your business or the way you were introduced

Examples:

1. Champion driven to change
2. Past customer, customer referral

> Pain

1. The type and severity of the pain
2. The specific technology or process pain (e.g., incumbent tech, manual workaround, operational dysfunction, etc.)

Examples:

1. Pain is preventing work
2. Incumbent platform, operational dysfunction with CXO visibility

> Impact

1. The personal/professional importance of this impact to prospect
2. The size of the impact to the department or company
3. The strategic importance of the impact

Examples:

1. Career visibility
2. >20% improvement
3. Competitive advantage, tied to a Critical Event

As an example, you may find that when you have a newly hired champion looking to make an impact on an organization with incumbent technology X and a Critical Event date within 120 days, you win at least 50% of the time.

Equally as valuable, you may also find very clear reasons why you lost. For example, when you do not have more than two stakeholders involved, do not get through Stage 2 in under 60 days, and the incumbent was not one of three particular providers, you have a 2% close rate.



Action plan

Once you have completed this analysis, form your action plan:

1. Make any necessary data collections/data integrity changes in the CRM or tech stack. You want to make this process easier to do regularly so you can benchmark against it for trending analysis.
2. Include these learnings in the qualification process early in the sales process to ensure the field doesn't burn cycles where they can't win. Prioritize the deals where you are the right solution.
3. Leverage this insight to adjust and adapt your forecasting confidence and/or algorithms, lead scoring model, and customer expansion/account based targeting.
4. Repeat this analysis next quarter to continually refine and confirm you got it right.

➤ How do you know if you got it right?

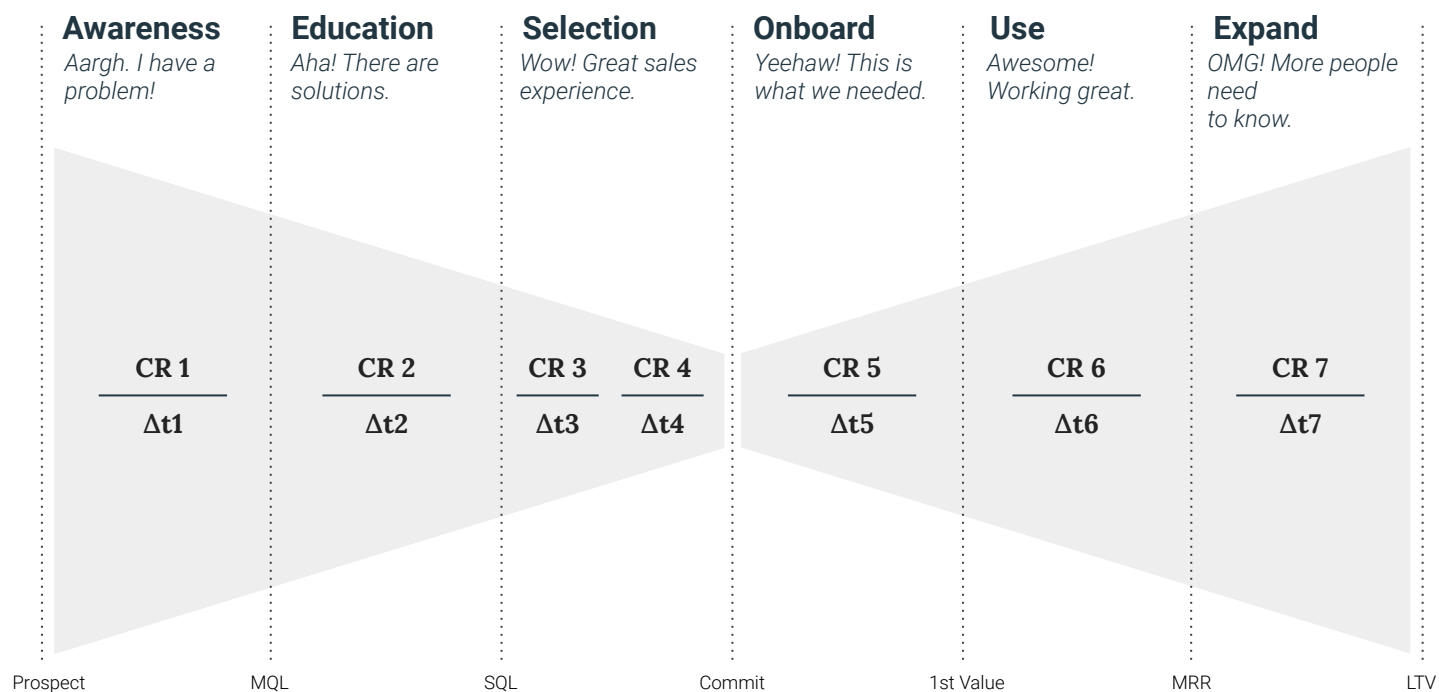


Figure 2. Performance metrics

CR3 - should decrease noticeably as the field adopts tighter acceptance criteria

CR4 - should increase noticeably as your pipeline quality increases and unqualified opps decrease

Deal Forecasting - forecast accuracy should be much higher

T4 - should normalize, and the range should shrink for a narrower sales cycle

T5 - may see a reduction because of better pain/solution fit

CR6 - should decline as you have confirmed the impact is compelling and validated

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