Connecting the dots and removing barriers! ™

Tying Individual BD Metrics to Company Goals

If you are like many business owners and executives, you might believe any BD effort advances your company toward profitability. However, you also probably realize any success you achieve comes in spite of missing opportunities and holes in your BD processes.

Day-to-day demands often keep organizations from digging deep to find and fix problems with BD processes. Finding those opportunities could help you avoid time wasters and unnecessary costs, and your BD process would operate more efficiently. The result is likely to be BD acceleration and increased profit.

This is the one of the most common challenges I hear around my networking tables from business owners and BD professionals. The typical measurements of success would be mostly pipeline focused. These metrics are absolutely necessary. The rest seems so intangible….not so.

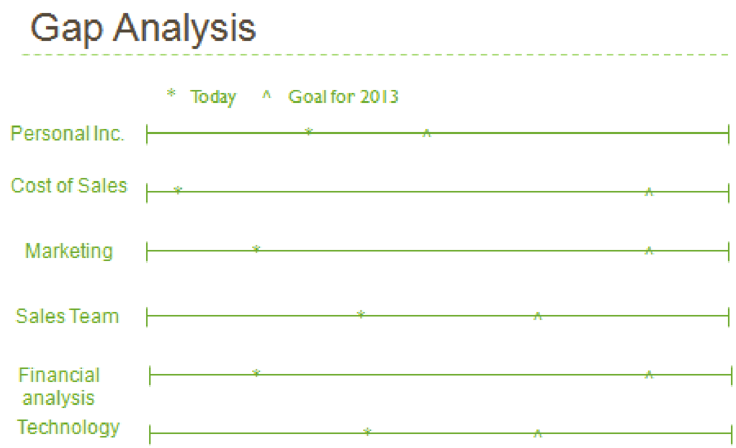
An audit of the entire BD process is necessary before you can focus on your people. I look at BD as the inner workings of a Rolex watch. In order for the watch to work, all parts must be working perfectly in sync; otherwise the watch will not keep time or perhaps not work at all. I use this analogy as I had done some work under the tutelage of a watchmaker back in the day. I'm like a sponge when it comes to learning new things. Look at the image of the Rolex, do you see how intricate and perfectly matched each part is? Each of those parts is interdependent upon the others to work together at peak performance. That is the way BD should work in a company. It is not solely focused on the BD professionals. If there is one area broken inside a company, seemingly far from the BD professionals' reach, it will still have a negative impact on the BD process.

What is an audit of BD?

No different than a financial audit which measures the health of a company's financial position, a BD audit finds all the gaps in how a company generates revenue and profitability. At times these gaps are gaping holes, other times they are small cracks. Either way, they lose revenue just as a tire loses air over time.

Where do you start?

It starts with the foundation and goals. A company without a unified and clear direction will struggle. That direction is a point well beyond near term. Part of this process is developing a gap analysis. A metric to determine where your company is at now and where you want to me in one year in areas such as revenue, profitability, market share, number of employees, market presence, brand recognition, etc. All of these can have applied metrics and be tracked on a consistent basis – no longer than monthly.



Stay with me….I will get to the BD professionals. This front-end work MUST be done first before we can apply accountability and metrics to any single person. Guessing at these metrics simply is an exercise in futility. Accountability and metrics of individuals must tie back to the company with a specific and validated purpose and connection.

How do your current customers and those in your future buy YOU?

Not your products as much as why do they buy from you. Take Starbuck's and Dunkin' Donuts as an example. They both sell coffee. That's where similarities end. Why their customers buy each of them is unique. That is what we need to find out about your company. It does exist and yes metrics can be applied. The steps in the buying process of your company are determined. The steps of your current selling process are also defined. We then find areas where buying and selling are disconnected as well as areas where you have opportunities to upsell and cross sell services. This process becomes the heartbeat to your BD process. Everything and everyone ties back to how well this is being executed.

Key Performance Indicators	**Target**	**Actual**	**Time Reference**
# of no show appointments			Monthly
# of prospect first calls			Monthly
Average Transaction in $			Monthly

Total sales	Monthly
% of no show appointments	Monthly
% no show re-schedule	Monthly

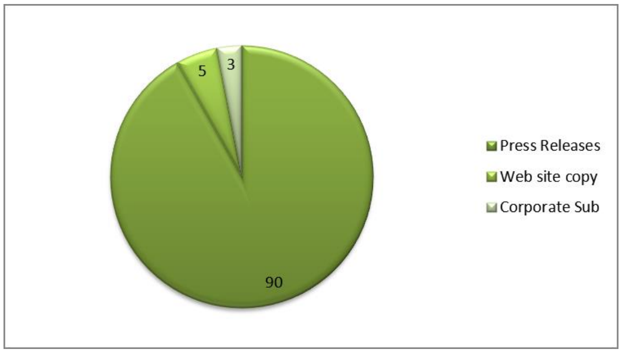
Marketing, the most confusing area in BD (in my opinion)…

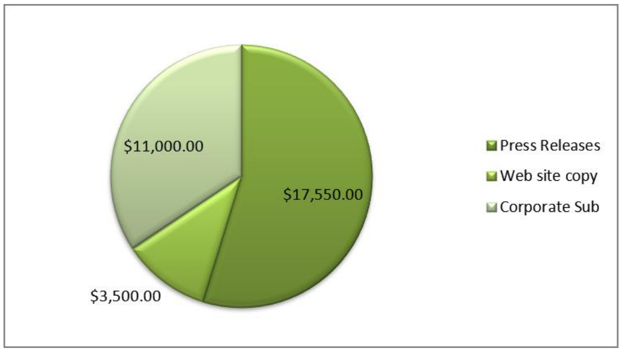
As internet marketing has taken its place in BD, marketing has become an area of challenge and confusion for companies. Should we be on social media? What should our website say about us? Why do we have a website? Should we sell online? How should our BD people be marketing our services?

The answer to these questions right now is "I don't know." Back to my coffee analogy, Starbuck's and Dunkin' Donuts have spent time, money, and resources to figure out where to market effectively. Dunkin' Donuts in on TV with commercials on a regular basis…"*everything runs on Dunkin'."* Starbuck's has commercials, have you seen them? I found them on my tablet computer when I was playing a Solitaire game. Strange place for a commercial you say? Not really, Starbuck's customers are the tablet owners of the world who would rather DVR TV shows and watch them without commercials. Imagine the money that Starbuck's saves everyday by not advertising on TV. They discovered this by understanding how people buy their products not just how they buy a cup of coffee.

What is the marketing strategy that will match up with the steps of the BD process for you? Much effort is put into marketing research, competition, brand, target, etc. All of these areas are places where metrics can be applied.

The graph on the left shows sales by service. The graph on the right shows revenue by service. There were 3 sales in the corporate substitution area that generated a third of the revenue. This company needed to expand their efforts in corporate substitution both through marketing as well as the BD department's efforts in order to capitalize on significant growth. A plan and metrics were developed which resulted in growth of well over 30% in one year.





What are the gaps in your talent management?

This can be focused solely on the BD department or on the company as a whole. I advise looking at the company because if there are breakdowns in fulfillment, finance, HR etc., they do have a negative effect on growth. Let's focus on accountability for a moment. Accountability is not a one size fits all proposition. Employee engagement assessments coupled with individual assessments go a long way in identifying just who is on your bus and who is not. It also identifies weaknesses where engaged people may lack in skills. Skills and engagement are two different things. These analytics will also provide some indication of team dynamics and culture issues.

Hiring and turnover are other areas than need attention. This data (all measurable) when joined together with the data above will lead you to creating accurate and realistic accountability and BD metrics for your professionals.

Compensation for success is another necessary gap analysis. Are you compensating your people for success? This is not measured in dollars totally although monetary compensation is a large part of this examination. Not every employee is money driven. A solid compensation plan will drive the accountability and metrics of the BD process. These are highly individualized from company to company.

Measuring the BD professional's performance is not an exercise in micromanagement. If you want to demotivate your people, go ahead and micromanage them. You will be sending them off to work for the competition! Upfront agreements with the KPIs, goals, expectations, etc. are agreed upon and signed by all parties. Consequences for breaking the agreement, missing targets, lack of accountability, etc. are spelled out on the agreement. Don't set a consequence that you do not have the courage to execute with any employee. It is possible to ask you employees what the targets, goals, etc. are to see what they produce. This can be a good indication of your talent in your company. You can match that with the company's targets that have been determined by the initial audit steps. You can also identify your employees who may overshoot their abilities to identify areas where coaching, mentoring, and skills development are needed.

Your systems must support the accountability and metrics.

It is impossible to expect your BD professionals to be successful if the systems are not in place to support their efforts. A stellar customer relationship management (CRM) system must be in place. The operations to fulfillment must also support the team's efforts to bring in new business projects.

Any part of the systems that is misfiring is like one gear of a watch missing one of the teeth on the gear. It will not tell time accurately.

Tactical measurements, competitive analysis, and key performance indicators result in an actionable Strategic BD Plan which will then lead you to developing those same measurements for your BD team. This will create sustainable growth that you can validate at any level in your company. The tangible intangibles will be a positive and engaged team of employees keeping time like a Rolex.