

Financial Service Industry Solutions Provider Implemented New Quota Allocation Redesign

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The Situation



This top solutions provider to the financial services industry had

no systematic approach to quota allocation across business units. They needed to review their sales quota approach and make focused improvements to the method in 2015. Specifically, the company wanted to improve the handling of large deals, with respect to quota inclusion and crediting rules.

Quota Development Inputs: What should the team consider when allocating quota across the sales force?

Territory Sales Growth Expectations:

- Total Market Volume
- Predicted Market Growth
- Prior Sales
- # of Accounts
- Market Share
- Sales Growth Trend
- Current Revenue Base
- Competitive Intensity
- Workload Constraints
- Geographic Differences

The Challenge

This provider needed to develop a better process to launch quotas on time for their sales team. They habitually dealt with late roll-outs. The company needed to identify optimal way to credit large, lumpy, multiyear deals. The company had treated large deals differently over the past three years and felt a better solution was possible. They recognized that large deal treatment must fit into a holistic quota program that ties directly to the company's overall goal, as well as sub-goals for businesses, sales teams, and product groups.

The Solution

The Alexander Group asked the company "What should the team consider when allocating quota across the sales force?" After interviews and assessments, the Alexander Group recommended a modified fair-share methodology with exceptions for the largest accounts. The company would lead at least three allocation sessions with each of the five business units to fully allocate their 2015 goals.

The Benefit

After implementing the Alexander Group-created communication collateral, quotas rolled-out on time. This new roll-out affected \$160+ Million in quotas across 200+ individuals. With the new redesign, the company also aligned payout curves across the organization.

Individual Quota Change: Provided an overlay of quota change relative to Y/Y performance

