

# Network Security Solutions Provider Redesigns Quota Allocation Methodology to Align Quotas with Market Opportunity

**Situation:**

A network security solutions provider wanted to improve its ability to set individual sales goals that better align with market opportunity, as well as reflect a seller's book of business size and market maturity. The company observed high variability in goal attainment across markets and geographies. Lower attainment and payouts in certain geographies led to low seller morale and increased attrition.

**Challenge:**

The company's one-size-fits-all approach to setting goals (i.e., each Account Manager carries a \$1.7 - \$2.0 million goal regardless of which market or geography they cover) was the primary driver of high variability in attainment. Sellers in developed and receptive markets or geographies to network security solutions, like the US Federal Government market, systematically over-achieved on their goals, while sellers in emerging markets, like Brazil and Eastern Europe, systematically under-achieved on their goals.

Internal take-home pay equity improved across the company and cost of sales decreased due to more realistic quotas resulting in more balanced performance and higher morale across the sales force.

**Solution:**

Alexander Group worked with sales leadership to de-link minimum quotas per seller and implement a modified fair-share allocation methodology. The new approach tailored

each seller's quota to their market by evaluating several components: historical sales performance, seller experience/time in territory, and management input on market readiness.

**Benefit:**

Variability in quota attainment by market was significantly reduced under the new allocation methodology. By tailoring quotas, the company was able to allocate the same or higher total company quota in a more strategic and targeted way. Internal take-home pay equity improved across the company and cost of sales decreased due to more realistic quotas resulting in more balanced performance and higher morale across the sales force.