

Quota Methodology and Process Redesign for Future Quota Allocation

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The Situation



An information services company had no firm methodology

for quota allocation. Large discrepancies existed between the top down and bottom up projections.

The Challenge

The company needed to implement a more scientific quota setting methodology that is easily communicated to the field, as well as identify potential levers for future quota allocation.

The Solution

The Alexander Group, Inc (AGI) conducted a quota methodology assessment of the company's current-state quota processes. AGI created a framework and built a dynamic model for future quota allocation. After the assessment, AGI constructed a dynamic quota setting model for 2017.

The Benefit

The new quota setting model aligned sales and finance leaders to the fair-share quota methodology. The company also trained sales operations on the updated quota process and models for successful implementation.

Quota Methodology Assessment:

Conducted an assessment of current-state quota processes

RATING	COMPONENT	COMMENTS
	1. Design and Methodology	Consistency: Inconsistent practices across verticals – with varying levels of Account Manager involvement and timing Methodology: Account managers do not have the proper forward looking insight to make educated account projections
	2. Process	Approach: Large gaps exist between account level, bottom-up projections of Account Managers and the top-down growth expectations of leadership Timing: Timing for the quota setting process is not consistent year over year
	3. Accountability	Clarity: Account Managers do not understand the top-down projection methodology or reasoning, leading to sales force dissatisfaction Ownership: Accountability is clear, despite unclear processes
	4. Comms and Training	Research Now lacks training for quota setting Dedicated and understand the importance of completing the quota setting process before the beginning of the year Sales leadership is dedicated to evaluating bottom-up projections
	5. Administration and Audit	Regional and vertical managers have ownership in the process but no formally auditing process exists Lack of organized exceptions process

Working Well Room for Improvement Needs Fixing Insufficient Data

Quota methodology assessment is based on AGI quota methodology experience and multiple leadership and seller interviews.