



## A New Force in Sales Process and Performance Improvement

ForceLogix introduces on-demand applications for sales optimization

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### Summary

To improve the performance of their sales organizations, companies must focus on the people and the processes that can drive results. To get the information about them needed for that focus, they need appropriate performance metrics. But the sales operation may not lend itself easily to new methods of measurement, making it difficult to gain immediate access to performance data. This is not a trivial problem: Ventana Research has identified sales performance management as one of the key areas for investment by finance, operations and sales management seeking to help sales staffs reach their maximum potential. A young company, ForceLogix, earlier this year brought to market an on-demand application for sales performance management. Its application examines critical sales activities to assist executives and managers in understanding and optimizing sales performance.

### Assessment

In pursuit of better performance from their sales forces, organizations scrutinize a variety of factors, from positioning and pricing to forecasting and automation of the sales pipeline to improvement of compensation incentives. Remarkably, though, few examine how to improve the performance of the individual sales representative. One of the reasons is that they lack the capability to set key performance indicators (KPIs) at the sales level, making it difficult to drive improvement. Ventana Research believes that for sales to deliver all it is capable of, company management must first agree on how sales should be done, then identify specific sales activities that should be measured. The company then can deploy applications that establish metrics aligned with the sales objectives. Only with these metrics in place and in use can management evaluate performance and consider ways to improve it.

With this research note, Ventana Research initiates research coverage of ForceLogix, which produces sales performance management tools available as Web-based software as a service (SaaS). Its product suite is designed to help sales representatives and management improve sales performance. The ForceLogix SalesForceOptimizer application integrates with salesforce.com's applications, adding an indicator that reports on the performance of individual sales reps. Unlike sales force automation (SFA) tools, which help define sales activities, pipelines and contacts, ForceLogix's suite focuses on helping the individual rep and manager work together to improve results.

SalesForceOptimizer can deliver both individual and category performance rankings based on factors such as customer satisfaction and compensation as well as financial performance indicators. It includes built-in coaching. Through profiling, managers can compare the results of sales representatives or highlight exemplary work in the past. Unlike traditional metrics, those processed by the tool can link daily and weekly to monthly activities.

### Market Impact

Many sales professionals in the United States do not have the benefit of appropriate, accurate KPIs to use in evaluating their performance and identifying areas for improvement. ForceLogix offers a simplified approach to improving sales performance, and one that is easily accessible through SaaS, which reduces the IT and technology competencies required by the user company. It is exemplary of the emerging new approach to sales performance management, and stands in sharp contrast to the siloed spreadsheets and presentations most organizations have been using. The business intelligence tools some companies rely on to track sales performance lack a sufficient understanding of the sales process to be completely effective in this area, forcing users to settle for reports or dashboards. The challenges ForceLogix faces are to penetrate sales management, link to SFA and customer relationship management (CRM) installations like salesforce.com and others from Oracle and SAP and convince customers that its offerings will provide a solution that meets their specific sales optimization requirements. Other variable and incentive management providers like Callidus, Syngy and Varicent have begun to bring forward offerings using KPI-centric approaches as well.

**Recommendation**

One way to increase revenue is to identify daily and weekly sales activities that need to be improved. Doing so first requires building a baseline of sales performance indicators that can be used to focus improvement in sales processes. ForceLogix offers tools that use analytics, collaboration and metrics to improve these processes. Ventana Research recommends to organizations that are seriously examining how to improve sales processes that they assess how ForceLogix can help them accomplish this.

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