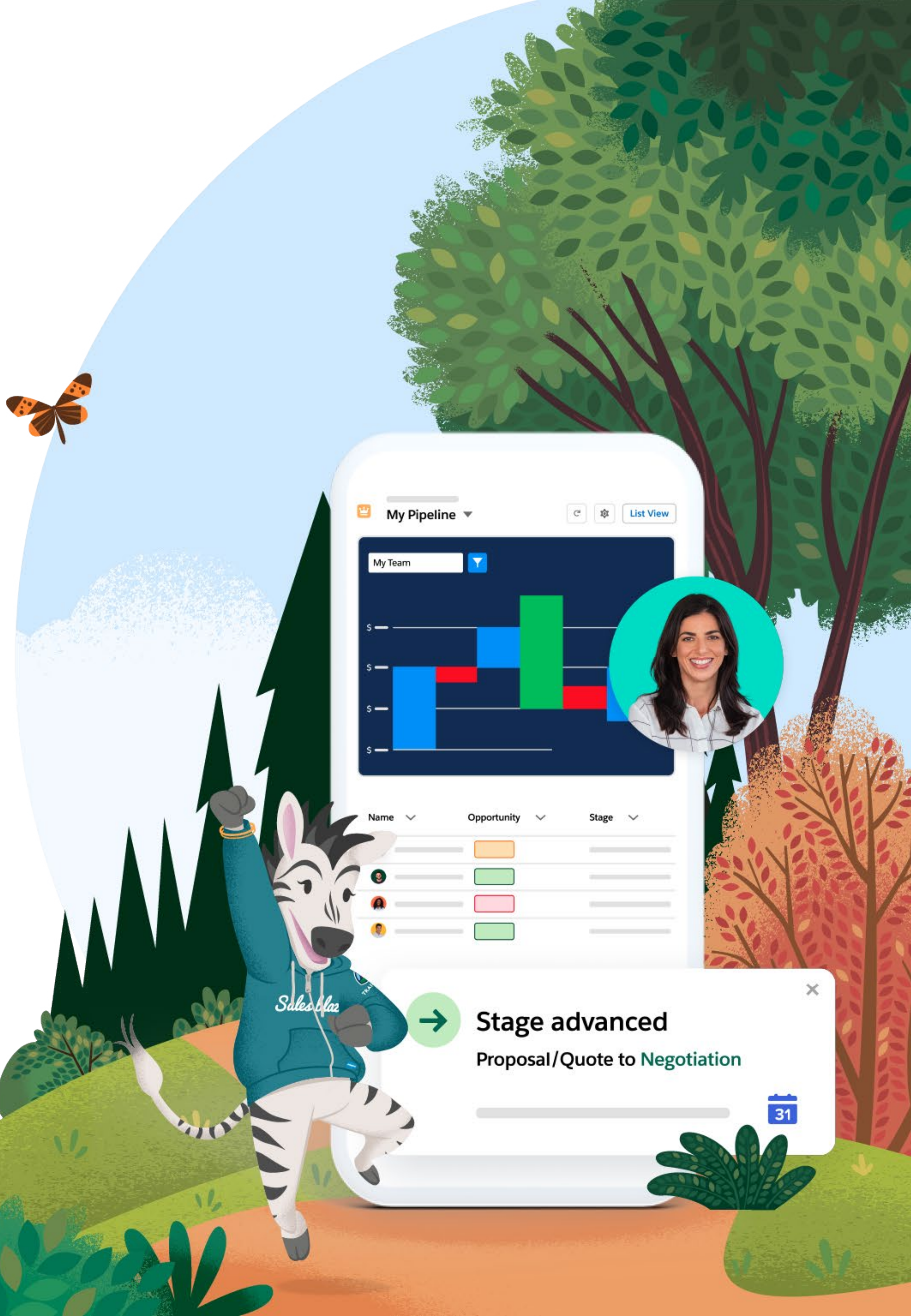
How Salesforce Manages Pipeline and Forecasts with Confidence



See how we bring people, processes and technology together to drive sales success.

Introduction

Consistent success is the sum of many small things coming together to create something larger and more impactful. Nowhere is that more apparent than at Salesforce.

Our commitment to these smaller, pre-planned actions has driven more than 20 years of growth. It's what helps our account executives think about what deals to pull in each month or quarter. It enables our managers to assess growth over the course of a year. And it allows our sales leaders to plan for not only the business of today but also 5 years into the future.

In this guide, you will learn how we manage pipeline and drive predictable forecasting at Salesforce with best practices for you to get started in your sales organization.

3 Key Pillars of Pipeline Management & Forecasting

At Salesforce, we break down our pipeline and forecasting process into three key pillars.

When these things work together, they create predictability, which makes it possible to increase forecasting accuracy.

People

Process

Data & Technology

01

Treat selling like a team sport

At Salesforce, selling is a team sport. Our go-to-market model is complex, making it impossible (and ill advised) to work in silos. We take a highly collaborative approach in which our account executives are supported by an ecosystem of partners.

With so many people involved, the potential for crossed wires is high. To address this, every individual at Salesforce uses our CRM as our single source of truth. If data is not in Salesforce, it doesn't exist. This centralized record provides visibility and drives accountability across all levels. It ensures that all relevant information is shared and that each deal ladders up to the overall health of the business.

If any individual fails to do their part, the data will be outdated and forecasts will be inaccurate. The visibility within the CRM incentivizes team members at all levels to hold each other accountable and ensures our global forecasting process works optimally.

Sales Flow

Providing visibility and accountability at all levels

Account Executive

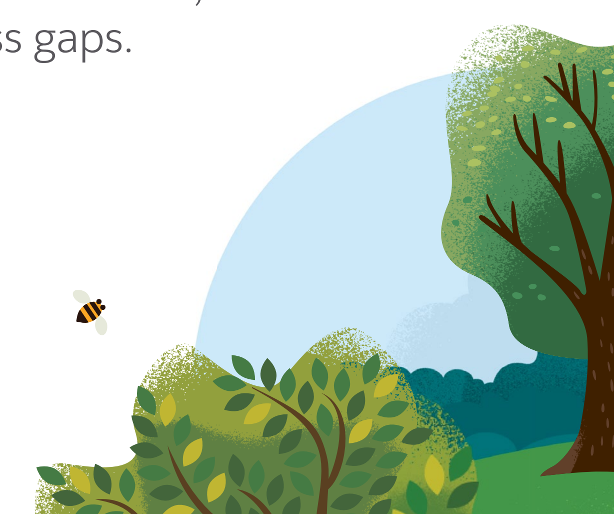
Identify, create, and adjust opportunity data in a timely manner.

Sales Manager

Review this data, monitor pipeline changes, and add their own judgement and commits.

Executives

Further review the sales manager's commits, investigate trends, redirect resources, and guide action to address gaps.



02

Establish a set of ground rules

We start our forecasting process with the end in mind. We pick a goal, then define key metrics that can act as indicators of whether or not we are on track. Because Salesforce is a B2B SaaS license-driven business, the key indicators we monitor on a daily and weekly basis are Pipeline Generation (potential sales opportunities), Open Pipeline (potential opportunities to qualify), ACV (annual contract value), AOV (annual order value), and Attrition (lost AOV).

Once we've identified our core metrics, we outline our deal stages. This standardizes the process and makes it easier to track each opportunity as it moves through the pipeline. It also allows us to identify any issues or bottlenecks and collect valuable data and insights at each stage of the process. All together, this improves the predictability of both our pipeline and our forecast. It also works to guide our sellers, as our sales stages are designed to help reps think through where they are in their sales process.

Define & Align: Deal Stages & Language

1. Identify an Opportunity
2. Determine Problem & Impact
3. Validate Benefits & Value
4. Confirm Value with Power
5. Negotiate a Mutual Plan
6. Finalize Closure

02

Your sales stages don't necessarily have to emulate ours, but we strongly recommend that your entire sales team understands what each stage means so they can use it as a checklist as they get closer to winning a deal.

Following the clearly outlined process allows our leadership teams to easily jump in and see both daily and weekly metrics. It also enables them to ensure teams are on track toward any defined performance goals and course-correct strategy as needed.

Each Stage Is a Decision or Checklist to Winning the Deal

OMITTED	**1 Identify an Opportunity** I've identified the...	✓ Business challenge ✓ Compelling event ✓ Sponsor ✓ Competition
	Stage 2 Flag Pipe Generation	
EARLY STAGE/PIPELINE	**2 Determine Problem & Impact** I've determined the...	✓ Budget ✓ Timeline ✓ Decision criteria & process ✓ Deal team
	3 Validate Benefits & Value I've validated the...	✓ Customer stories & references ✓ Solution ✓ Business benefits ✓ Political influence map
	Stage 4 Flag Pipe Progression	
BEST CASE	**4 Confirm Value with Power** I've shared the...	✓ Business case ✓ Mutual close plan ✓ Budget ✓ Sales references
	5 Negotiate a Mutual Plan I've secured the...	✓ Internal approvals & delivered proposal ✓ Project implementation plan ✓ Pricing agreement from customer ✓ T&C's agreement from customer
COMMIT	**6 Finalize Closure** I've received the...	✓ Final proposal agreement from customer ✓ Confirmation that customer PO & signatures in progress

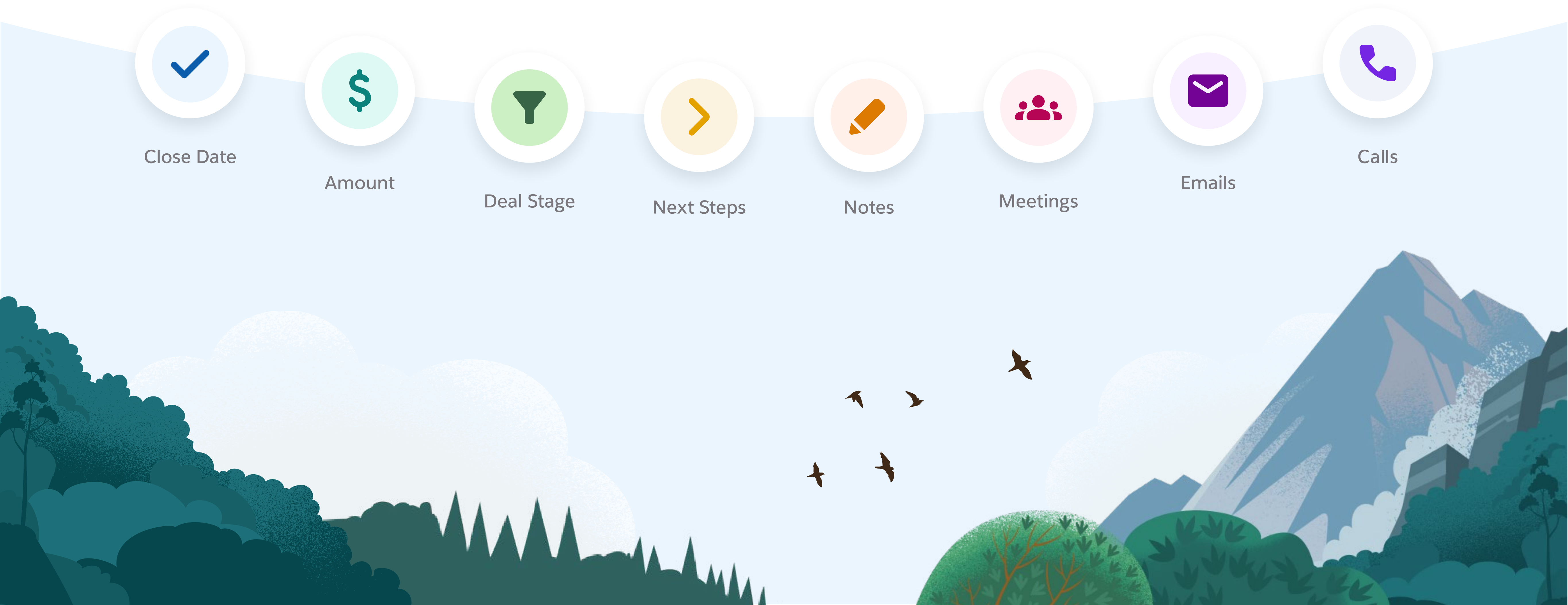
02

Successful pipeline management and forecasting requires consistency in every way. Sales stages, required fields, review cadences, and recurring meetings set a standard and form a process. They allow everyone to understand both what is expected of them and what they need to contribute to the process.

At Salesforce, our reps know that every opportunity in Sales Cloud must have the following information: close date, amount, and deal stage.

Similarly, our managers are responsible for adding their forecast judgment, which indicates the status of the deal and/or how close it is to closing, to every open opportunity.

Both managers and account executives are then responsible for communicating progress as the deal proceeds. These include next steps, specialist notes, and success selling. They are also expected to note any meetings, emails, and follow-up calls. This not only enables anyone looking at the opportunity record for the first time to gain a full understanding of the opportunity in question, it also supplies the data needed to fuel things like AI and advanced analytics.



02

At Salesforce, we also have a weekly forecasting cadence, which runs throughout the fiscal year and involves each level across the sales organization. For example, on Monday mornings our CEO and COO start with a review of week-over-week changes, the quarterly outlook, and influential deals. Each day, the forecast is reviewed at a different level from region and country managers to industry managers to individual territory managers. Alongside these meetings, sales reps are concurrently taking action and updating their pipeline data. These weekly cadences feed into our monthly cadence, which in turn helps guide the quarterly, biannual, and annual cadences – driving alignment throughout the entire process.

It cannot be overstated that this approach hinges on complete alignment throughout the sales organization. We ensure this alignment through our regular forecast calls. We never miss a week – we believe the frequency of these forecast calls plays a huge role in our success by ensuring that we stay on the same page, working toward the same goals.

Weekly Forecasting Process

Keeping a consistent system and cadence

	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
SVPs+	**CEO/COO Forecast Calls** **Review:** Week-over-week changes Monthly/quarterly outlook Big deals/bets Submit forecasts		**Senior Vice Presidents Forecast Calls** **Review:** Week-over-week changes Monthly/quarterly outlook Big deals/bets Submit forecasts	**Executive Vice Presidents Forecast Calls** **Review:** Week-over-week changes Monthly/quarterly outlook Big deals/bets Submit forecasts	**President Forecast Calls** **Review:** Week-over-week changes Monthly/quarterly outlook Big deals/bets Submit forecasts
AVPs			**Assistant Vice Presidents Forecast Calls** **Review:** Week-over-week changes Monthly/quarterly outlook Big deals/bets Submit forecasts		
Sales Managers		**Regional Vice President/ Sales Managers Forecast Calls** **Review:** Week-over-week changes Monthly/quarterly outlook Update manager notes Submit forecasts			
AEs	Update opportunities	Update opportunities & plan to close Submit forecasts			Update opportunities

03

Bring people and processes together

The Salesforce approach to data and technology is what powers our people and processes.

We center our pipeline and forecasting efforts within our CRM, an integrated system and single source of truth.

Our technology gives the sales organization the ability to manage and inspect the forecast in real time. It also allows us to deliver standardized, real-time reporting – fueling a culture of transparency and accountability. In other words, it's how we create the sales team "dream scenario."

Principles that inform how we build the technology:

1. Selling is a team sport

2. If it isn't in Salesforce, it doesn't exist

3. Transparency and accountability at every level

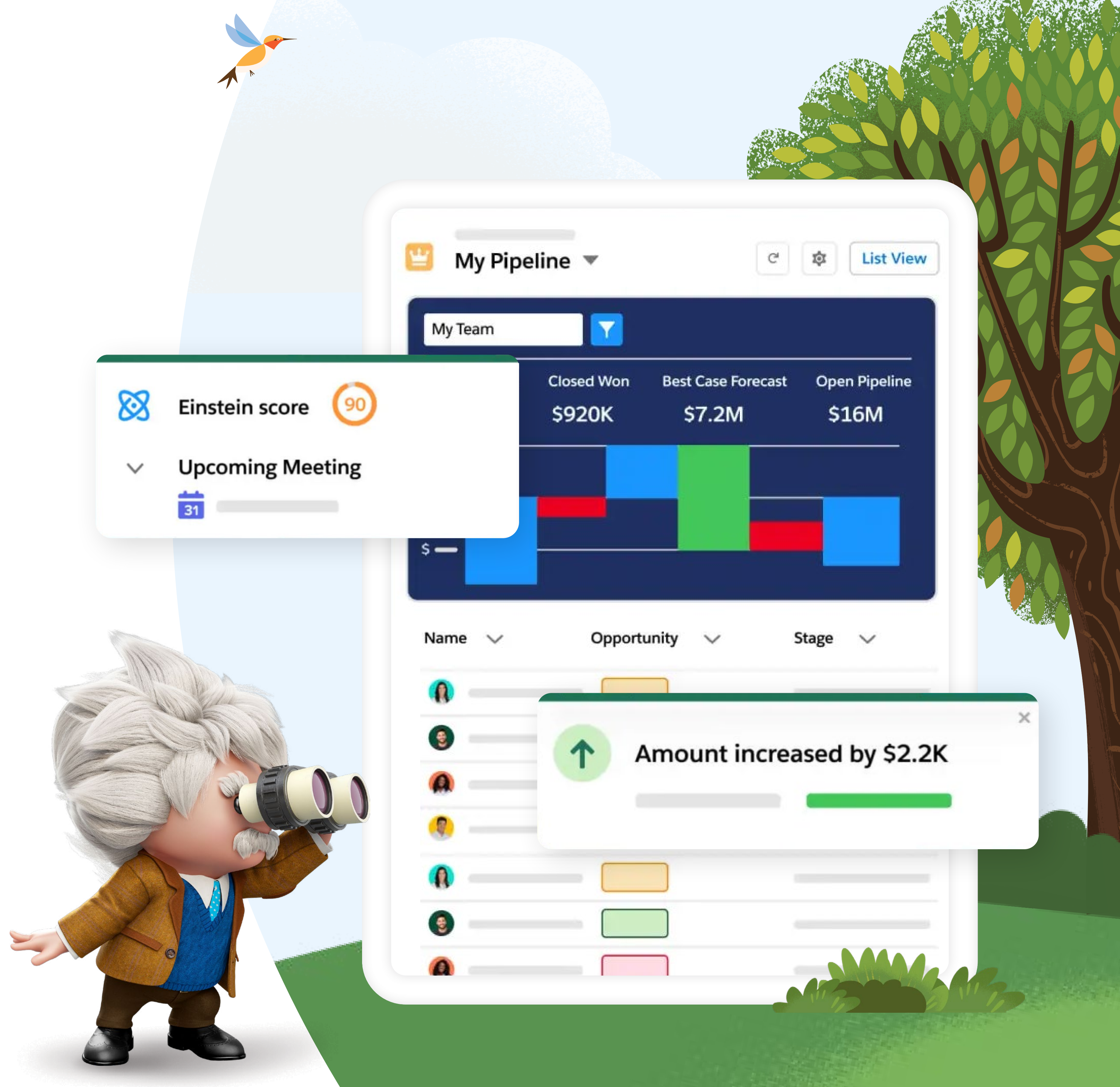
03

Sales Cloud

Our entire process starts in the Sales Cloud, when a rep creates an opportunity. Reps and managers can then make adjustments in real time from anywhere. These opportunities are rolled into a collaborative forecast, native to Sales Cloud, to show respectively by sales team, period, or product family and territory.

From there, the sales manager can use Pipeline Inspection and the deal insights panel to inspect pipeline health and get insights on their deal.

Pipeline Inspection enables our sales team to quickly and easily see recent changes, including opportunity amounts, close dates, and AI-based opportunities, and they can also dive in deeper from the Pipeline view by clicking on any opportunity to view deal insights. In this side panel, reps can get insights about deal progression, trends from voice and video, context from relevant emails, service case status, and more.

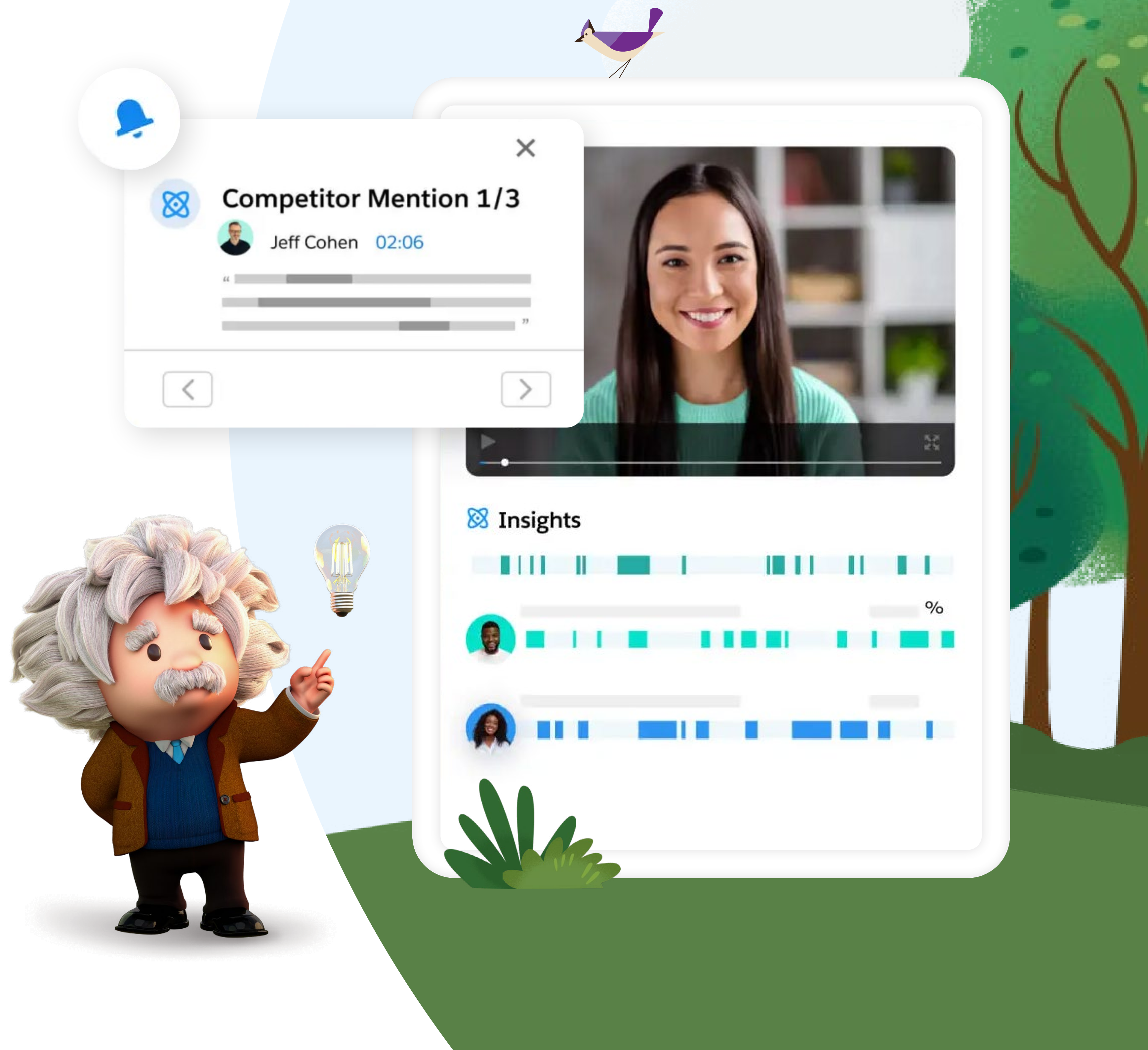


03

Our technology also features Einstein Conversation Insights, which allows managers to listen to call recordings and gain an understanding of what happened to a particular deal and/or where a particular deal may have gone sideways.

Both Pipeline Inspection and Einstein Conversation Insights can facilitate sales coaching moments by surfacing the information managers need to quickly identify gaps and help a rep create an action plan.

Altogether, the technology functions as our go-to for all deals and data. This allows our teams to assess upside and risk or pivot strategy when needed.

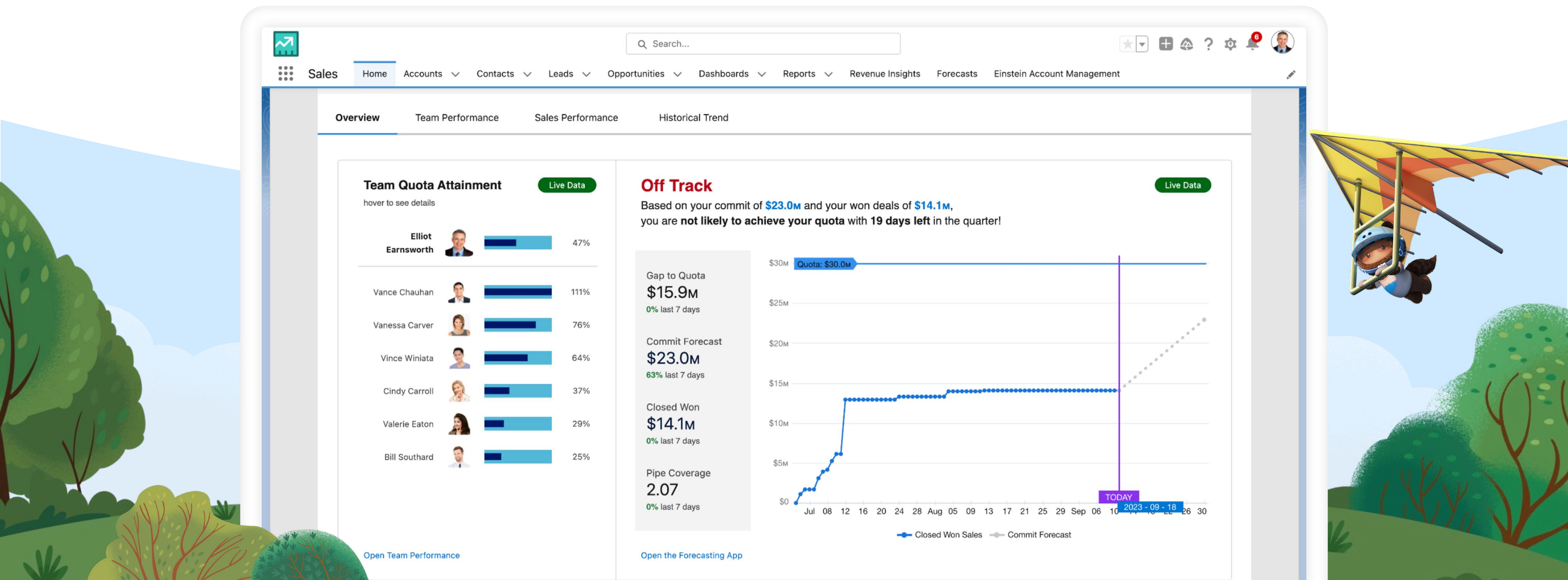


03

Revenue Intelligence

Once a pipeline has gone through manager inspection, Revenue Intelligence, powered by CRM Analytics and Sales Cloud, becomes incredibly valuable. Revenue Intelligence can be used to deliver powerful insights almost immediately. Its out-of-the-box, intuitive set-up enables teams to quickly and easily integrate it into the rest of the Salesforce platform. Revenue Intelligence allows you to connect to data all across your organization, including data that is external to Salesforce. And because it is native to Salesforce, sales teams can access insights in the flow of work in Salesforce and readily take action at the point of insight.

One of our most commonly used views is our **Global Forecast Dashboard**, which provides a birds-eye view of every important sales metric. It also allows users to dive deeper through an array of filters, including time periods, specific sales leaders, and customer segments. Color-coding intentionally calls attention to the most impactful changes. This makes reviewing things like commits, bookings, ACV, year-over-year trends, and pipeline coverage easier and more efficient. And, because Revenue Intelligence is built directly into the Salesforce platform, users can drill down and take action with a single click of a button directly from the dashboard.



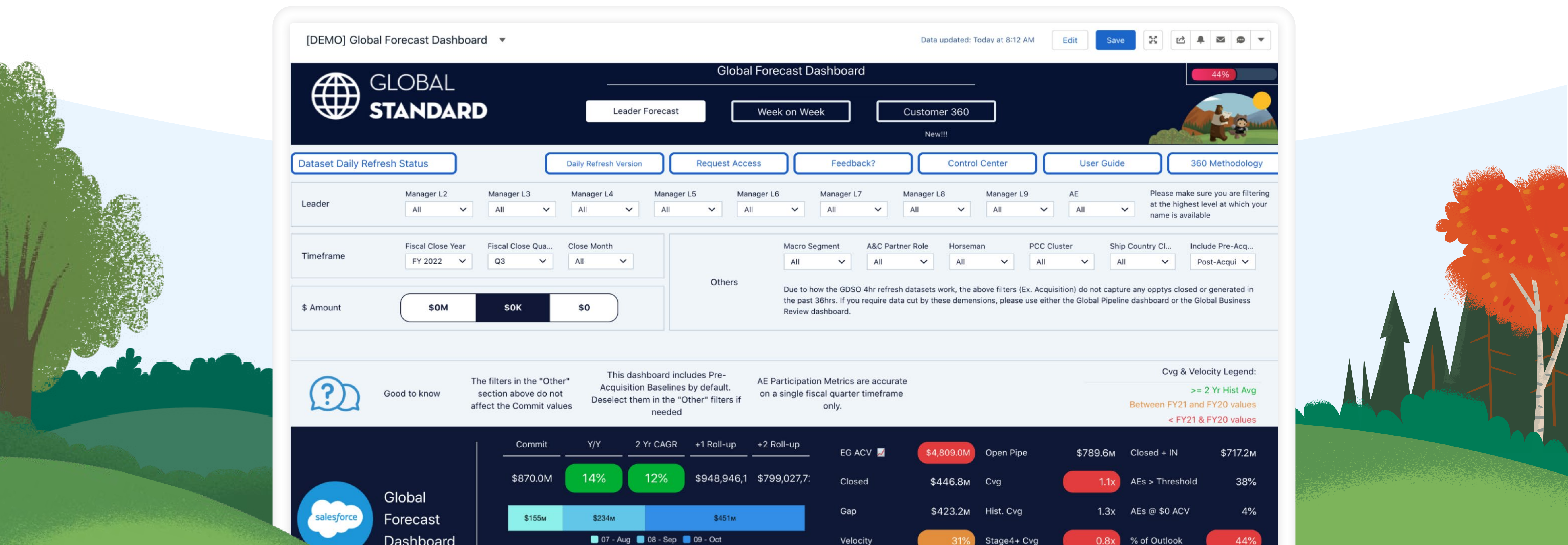
03

Fuel your data stack

This technology is only as good as the data it has to work with. The data stack, which includes functionalities like the predictive AI and real-time insights described above, needs fuel in order to operate optimally. This is why updating opportunity records are so important: They make up the pipeline, and the pipeline forms the pillars for your forecast.

If the information in the opportunity record is not accurate or is incomplete, you won't have the information you need going forward. Managing this record thoroughly and thoughtfully will ensure you have the right data inside your single source of truth. It will also enable managers to easily inspect each and every opportunity.

Managers need a way to easily see their teams' data and keep them accountable without having to go into every opportunity record. Sales Cloud makes this possible through a dedicated [Pipeline Inspection dashboard], giving managers a way to keep track of each and every opportunity. Think of it like an x-ray view into the pipeline. This view makes all changes to opportunities immediately apparent. It also enables managers to easily identify risks, make adjustments, inspect pipe changes over time, and dive more rigorously into specific deals that make up the pipeline. The fact that this can all be done from one single view is a game changer. It streamlines work and saves managers valuable time. Sales leaders can now have more visibility than ever with the ability to see manager adjustments and custom product groupings when forecasting.



A foundation for growth

We take our ability to manage pipeline and accurately forecast seriously. Doing this requires a foundational culture of alignment around people, processes, and technology that allows our teams at Salesforce to succeed. Our commitment to these pillars enables us to power first-class forecasting and pipeline management.

Want to learn more about how you can use Salesforce to confidently manage pipeline and increase the accuracy of your forecasts? Check out our Sales Analytics Demo.

WATCH DEMO