



Key Questions Addressed by BenchSights for Software Sales

BenchSights for Software Sales will help you address how to make the best decisions you can regarding your AEs and their compensation plan in order to optimize performance.

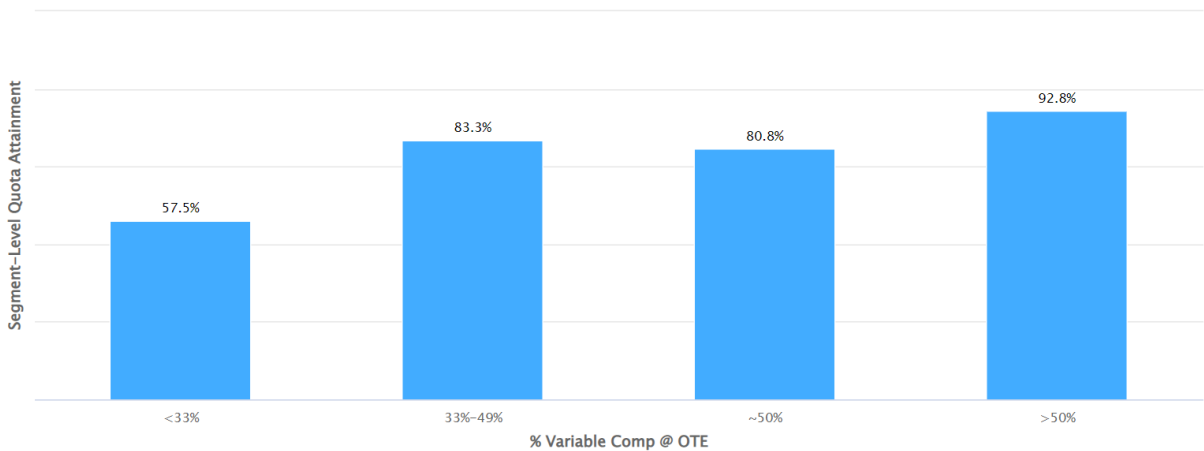
Specific questions we will address include:

- How does the **Level at Which I Set Quota** correlate with performance?
- How is **Quota-to-OTE** correlated with performance?
- How does the **Commission Rate at OTE** correlate with performance?
- How is **% Variable Compensation at OTE** correlated with performance?
- How do **Different Levels of Accelerators and Decelerators** correlate with performance?
- How does the **Use of Caps** correlate with performance?
- How does the **Use of a Separate Farmer Team** for all Upsells/Expansions correlate with performance?
- How do **Different Staffing Levels for Sales Mgmt** correlate with performance?
- How do **Different Levels of SDR and BDR Support** (\$ and people) correlate with performance?
- How do **Different Levels of SE Support** correlate with performance?
- How do **AE Hiring Criteria** correlate with performance?
- How do **AE Ramp Criteria** correlate with performance?
- How does **AE Ramp Success Rate** correlate with performance?
- How does **Where Leads Come From** correlate with performance?
- How does **Effectiveness of Leadgen** correlate with performance?
- How does **AE Turnover** correlate with performance?
- How do **AE Performance Measurement Criteria** (e.g., ACV vs. TCV) correlate with performance?
- How does the **Importance of Equity Compensation** to AEs correlate with performance?

And so on.

For every question, the answer lies in a bar chart, with each bar corresponding to a group of your peers that made a certain decision, and the height of the bar set to the aggregated median, of a KPI for that group. For example, the chart below depicts the median rates for quota attainment for companies who have made different decisions on variable compensation paid at OTE:

Median AE Bookings % of Quota Capacity



Now imagine adding filters to the chart by only considering companies of similar size, or selling products with similar average deal size. Or both.

Next, imagine being able to perform the same exercise across dozens of decision metrics and KPIs, using a wide variety of filters to create your comp set.

The next few pages provide a list of the sales metrics we are starting with. Over time, the possibilities are endless.

Decision Metrics for Compensation & Team

(Collected at the segment level – e.g., Enterprise separate from SMB)

- **AE Compensation**
 - On-Target-Earnings (OTE)
 - Average OTE
 - Quota-to-OTE Ratio
 - Percent Variable Compensation at OTE
 - Commission Rate at OTE
 - Quota
 - Quota amount
 - What's included in measuring performance against quota? ARR or TCV? P.S.? Renewals?
 - Over what period do you measure performance against quota? Annually? Quarterly? Hybrid?
 - Accelerators, Decelerators & Caps
 - Did you have accelerators for AEs performing over quota? If yes, at what effective commission rates for achievement of 125% and 150% and 200% of quota?
 - Did you have decelerators for AEs performing below quota? If yes, at what effective commission rates for achievement of 50% and 75% of quota?
- **Team**
 - Account Executive Team (AEs)
 - # of AEs
 - Growth in AEs
 - Hiring criteria (years experience)
 - Time to ramp
 - Turnover
 - Sales Organization
 - Use of "farmers" for upsells/expansions
 - Where do leads come from?
 - Effectiveness of XDRs in hitting their quotas
 - Team Supporting AEs
 - Ratio of AEs-to-Sales managers
 - Ratios of AEs to each of SEs, BDRs, and SDRs
 - What was the ratio AE cost-to-total sales cost
- **Selling Strategy**
 - Sales cycle
 - Where leads come from (e.g., outbound, inbound, PLG, etc.)

Performance Metrics

- **Segment-Level Quota Attainment**
 - For example, 10 AEs with \$1M quota each, delivering \$8.5M would correspond to 85% segment-level quota attainment

- % of AEs Achieving Quota
 - % delivering 100% of quota
 - % delivering 75%+
- Growth Metrics
 - Segment-level Bookings Growth
 - Segment-level Bookings Growth as a multiple of the growth in AEs
- Cost/Efficiency Metrics
 - Total AE Compensation % of AE Bookings
 - Total AE Compensation % of Total Sales Costs
 - Total Segment Sales & Marketing Costs % of Bookings
- Win rate
- Overall Performance Rating (subjective)
- Performance vs. Plan

Other Attributes

- Software category
- Size of company (ARR)
- Average selling price (ACV)
 - Overall
 - New sales
 - Expansion sales
- Profitability
 - FCF
 - Gross margin
- Retention/Churn profile
- Ownership profile
- NPS
- Geography
- FTEs