

SAP's Multifaceted Curriculum Tackles Sales and Leadership Gaps in the Digital Age

SAP

Best Use of Learning and or Talent Technologies

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Company Background



Company-at-a-Glance	SAP
Headquarters	Walldorf, Germany
Year Founded	1972
Revenue	\$30.8 billion
Employees	101,150 in 140-plus countries
Global Scale	Worldwide operations in all regions (North- and South America, Asia-Pacific and Japan, Australia and Europe).
Customers/Output, etc.	440,000 customers in 180-plus countries around the world. As the market leader in enterprise application software, helping companies of all sizes and in all industries run at their best: 77% of the world's transaction revenue touches an SAP system. SAP's Machine Learning, Internet of Things (IoT) and advanced analytics technologies help turn customers' businesses into intelligent enterprises. SAP's end-to-end suite of applications and services enables its customers to operate profitably, adapt continuously and make a difference.
Industry	Software
Stock Symbol	SAP SE (XETRA — Frankfurt Stock Exchange)
Website	www.sap.com

Budget and Timeframe

Number of (HR, Learning, Talent) employees involved with the implementation?	Four
Number of contractors involved with implementation	None
Timeframe to implement	Two months
Start date of the program	Q2 of 2016

Business Conditions and Business Needs

It's a universal struggle faced by nearly all account executives: finding the time for training/development while meeting customer needs and achieving bottom-line results. The struggle is especially real for those in the highly competitive IT industry, where rapid strategic and industry change demand increasing time and effort to stay in-the-know.

For example, in late 2016, sales metrics for SAP Account Executives (AEs) — while in line with or slightly above industry standards — were not meeting sales management expectations. The “Digital Transformation” (a fundamental rethinking of customer experience, business models and operations) was in full swing and SAP AEs had the difficult task of helping customers understand and implement emerging innovations as part of their transition to a digitally enabled business.

To ensure AEs were equipped for success in the Digital Age, SAP's Business Operations and Sales Learning Team set out to improve upon an already robust sales learning curriculum, which includes everything from formal, in-person workshops to MOOCs, experiential learning, simulations and virtual live classes (nearly all of which have been received international learning awards).

However, even the best training in the world will not effect change if no one takes it. In fact, AE feedback at the time suggested that they wanted to learn, but — due to their hectic schedules — only had time for training that was easy-to-consume. Surveys also revealed that, to maximize the time spent learning and the transfer of knowledge, SAP needed to provide training that most both easy to consume and tailored to individual learning needs.

Meeting this challenge led to the development of SAP's Skills Assessments and Personalized Learning Program — an approach that blends data-driven skill gap analysis with highly relevant, personalized learning plans to maximize impact for both AE and First-Line Sales Manager (FLSM) enablement in the Digital Age. These programs have

helped SAP unlock new insight into the needs of their sales learning audience and given thousands of learners easy access to the learning they need, when they need it most.

It's also worth noting — given the COVID-19 pandemic — that the bulk of recommendations provided in personalized learning plans are virtual. Therefore, SAP's enablement efforts have been largely unaffected by our employees' need to work from their home offices.

Overview

SAP's Skills Assessment and Personalized Learning programs form a two-pronged approach designed to uncover and address Account Executive (AE) and First-Line Sales Manager (FLSM) skills gaps.

It begins with separate self-assessments, held once per year for both AEs and FLSMs. The AE assessment (the "Sales Skills Assessment" (SSA)) asks AEs to self-assess their proficiency on a scale from 0-4 (Novice to Expert) across skills critical to their success such as pipeline management and deal closure (to name two of nearly 60 standard and role-specific skills). Once complete, their managers (the FLSMs) rate the participant AE across the same skills.

SAP then compares the results and identify gaps between how a given AE perceives his or her skill level versus their manager's rating. The Sales Leadership Assessment (SLA) follows the same concept except FLSMs self-assess their proficiency across leadership and coaching skills and their manager (the Second-Line Sales Manager) provides the secondary assessment.

With gaps identified, AE and FLSM participants receive a Personalized Learning Plan with training designed specifically to close identified skill gaps. Additional, targeted training based on participant gaps and changes in strategy/market conditions are added throughout the year following the release of the personalized learning plans.

These programs help SAP pinpoint and close major skill gaps impacting learners at various levels (e.g., the individual level, market unit, region or role level) and shape the creation of future training. Recommendations made through the program have improved AE performance, including:

- 79% more value in their pipeline opportunities
- 33% increase in annual bookings
- 17% decrease in the time needed to close a successful deal

- **Target Audience** — SAP Account Executives (Sales Skills Assessment) and SAP First Line Sales Managers (Sales Leadership Assessment)
- **Program KPIs** — KPIs were identified through an extensive needs analysis as being vital to SAP's sales success:
 - Value of pipeline opportunities
 - Unique accounts won
 - Conversion ratio
 - Annual bookings
 - Time to close a successful deal

SAP created a series of ambitious goals for the Skills Assessment and Personalized Learning programs, including:

- Improve upon the Key Performance Indicators (KPIs) listed above
- (Closely tied to point No. 1): Improve AE and FLSM performance and productivity and help drive quota attainment
- Empower sales leaders with data that can be used to help coach their teams
- Maximize and scale enablement offerings to drive business impact

Achievement Status of SAP's Goals

The dual approach of using Skills Assessments and Personalized Learning have created a significant business impact across all KPIs listed above.

Design and Delivery of the Process

Program Design

SAP began its design and delivery process by researching the latest enablement trends/innovations, analyzing results and benchmarking capabilities against the best in the industry. Then, SAP ran a comprehensive needs assessment approach to identify:

- Business and Performance Needs
- Learning and Program Requirement Needs

The Business and Performance Needs Analysis included meetings and interviews with sales leadership to discuss options for boosting quota attainment rates and, subsequently, revenue for the organization.

SAP also set out to identify the KPIs and skills (such as forecasting, pipeline management, territory planning) that, if improved upon, would help us reach SAP's quota and revenue targets. Interviews were also held with top-performing AEs to identify what they were doing differently along with the characteristic skills they employed when winning deals.

For First-Line Sales Managers, SAP sought to identify the key leadership and coaching techniques that have led to success in their teams.

The Learning and Program Requirement Needs Analysis focused on surveys and interviews with members of SAP's target audience (AEs and FLSMs) in an attempt to better understand a typical day/week in the life of an AE or manager as well as to gauge their interest in receiving personalized learning recommendations designed to boost their performance.

Findings

The Business and Performance Needs analysis uncovered a variety of KPI areas that needed improvement to meet SAP's revenue goals, including:

- Value of pipeline opportunities
- Unique accounts won
- Conversion ratio
- Annual bookings
- Time to close a successful deal

From this analysis, SAP was also able to create a globally standardized list of skills that are crucial to AE success in the field, such as prospecting, territory planning, account planning, business and financial acumen (plus many more).

Role-specific skills were also developed in conjunction with Line of Business leaders. Standard/role-specific skills were also defined for FLSMs and were geared toward coaching and leadership skills.

With this information, SAP was also able to form a preliminary view on how existing sales enablement, resources and events could be recommended to AEs and FLSMs via personalized learning plans to close skills gaps.

Learning Program Requirements

SAP's internal research also revealed a demand by AEs and their managers for tailored learning, driven both by their individual skill gaps as well as the pressing issues facing the field and/or their customers. It was also clear that sales learners wanted training that was easy to consume and limited in number.

Program Delivery: Technology in Action

With needs identified, SAP's sales enablement team turned its attention to the programs' delivery. In close collaboration with global and regional stakeholders, surveys were created to give AEs the opportunity self-assess their own, perceived proficiency level across the standard and role-specific skills described above.

A manager version of the survey was also created to allow participating sales managers to assess their AEs across the same skills, providing a knowledgeable, third-party perspective. By comparing the results — that is, the difference (if there is one) between the AE and manager rating — skill gaps were identified.

Note: The same process was then used later in the year to allow FLSMs to assess themselves (as part of the Sales Leadership Assessment), with Second-Line Sales Managers providing the complimentary assessment.

The surveys were delivered using an advanced internal platform called the “Skills Assessment Framework,” allowing AEs and Managers to quickly and easily take the assessment and then view their results, skills gaps and associated learning recommendations.

In other words, the same platform used for the assessments was also designed to deliver the personalized learning plans — creating a “one-stop-shop” for all assessment and personalized learning plan-related content.

As part of the Sales Skills Assessment managers have access to a “Manager View” — also located in the platform described above — that allows them to compare skill gaps across each of their team member AEs. Both AE and manager can also view “top skill gaps,” which are the skills that share the highest correlation to quota attainment and overall performance.

The ability to view these top skill gaps, gives AEs and their managers a clear starting point on which skill gaps to address first in their quest for overall proficiency development.

Lastly, the same platform is then used throughout the year to deliver personalized, timely learning recommendations as they become available on top of training included in Personalized Learning Plans.

Change Management

As predicted, SAP faced initial challenges when it came to encouraging AEs and FLSMs to complete their self-assessments. Given that the assessments were purely voluntary, a well-orchestrated communications effort was used to increase adoption.

Over the past few years, adoption has steadily increased due to the program's popularity — both among AEs and FLSMs who now rely on Personalized Learning Plans for their enablement and among sales leadership who use the vast amounts of skill gap data and analysis to determine how best to allocate budget and resources in the months/year ahead.

Aside from encouraging participation, change management was also needed to help AEs and managers navigate the Skills Assessment Platform — a necessary step for participants to get the most out of their Personalized Learning Plan.

SAP created a step-by-step guides and video tutorials to make understanding and utilizing the Platform as easy as possible. These guides are sent to participants via email and are always available on an internal social media site.

Measurable Benefits

2019 CRM Pipeline Data Analysis results taken from Skill Assessment and Personalized Learning Programs reveal the programs' significant impact on both AE and FLSM performance as well as SAP's bottom line.

To isolate the programs' impact, SAP compared AEs who participated in the Sales Skill Assessment and Personalized Learning programs versus a control group of non-participants. Because AEs are quota carriers, impact was measured by analyzing their performance in the field.

When compared to non-participants, AEs who participated in the Sales Skills Assessment program and, most importantly, completed at least two of the recommended learnings in their Personalized Learning Plan achieved:

Prospecting and Demand Generation

- 79% more value in their pipeline opportunities
- 68% increase in unique accounts won

Deal Qualification and Progression

- 46% increase in conversion ratio
- 33% increase in annual bookings

Closing and Negotiation Skills

- 17% decrease in time to close a successful deal

Business impact is also easily viewed (and sustained) thanks to the wealth of insight that SAP gathers in the assessments.

For example, yearly analysis conducted via the Sales Skills Assessment data (the assessment designed to uncover AE skill gaps) helps SAP pinpoint a wide range of skill gap trends at a global, regional, market unit and role-specific levels. SAP then uses that information to build specific and highly relevant training to help close gaps in the near term.

SAP also compares individual AE proficiency skill levels (gathered from the Sales Skills Assessment) against AE performance data and quota attainment statistics. Doing so, allows management to pinpoint, for example, three to five skills that have the highest correlation to quota attainment and high performance (defined as those who regularly attain at least 80% of their quota).

These “top skills” are included in Personalized Learning plans with direct links to course registration and event opportunities. The data is also shared with regional and line of business-level enablement leads to use in their performance discussions with FLSMs — information that is then reinforced during one-on-ones with AEs and used in development plans.

SAP's analysis has yielded impressive results. YoY, when comparing 2018 to 2019, SAP has recorded a one-point proficiency level growth in the “Top 5 Skills that correlate most highly to high performance and quota attainment” across all SSA participants. One point may sound insignificant, but on a 0-4 scale, moving from 2 to 3 signifies a move from intermediate to advanced proficiency and, 3 to 4, from advanced to “expert.”

SAP is also using the great benefits and insight from the program to help drive awareness throughout the organization. By sharing results via internal publications, newsletters and webinars (to name a few), SAP has secured a dedicated community of AEs, FLSMs and executives who, in fact, rely on the assessments each year as a foundation for their professional development.

Overall

The implementation of the Skills Assessments and Personalized Learning programs have taught SAP many lessons—particularly when it comes to harnessing the power of relevant data to boost sales performance. Key lessons include:

Stakeholder Management

- Executive alignment was especially helpful given the innovative/untried nature of the Skills Assessment and Personalized Learning programs
- Meet early and frequently with stakeholders to ensure alignment with changing business and learning needs.

Align with Regional and Line of Business leaders

Close alignment with both groups ensures that learning recommendations are relevant to the challenges faced by quota carriers across all LoBs.

Build Awareness

- As previously mentioned, effective promotion (from sharing participant results to simply explaining the program's basics) is key to ensuring AEs and FLSMs take the assessment —a critical first step to the program's success. Business impact can only be achieved through participation and through learning recommendations that are recognized as worthwhile and effective.

Future/Outlook

The Skills Assessments have gained so much popularity within SAP that even other departments, outside of sales, are expressing interest in replicating the approach to uncover skill gaps for their colleagues.

For sales, the Skills Assessment will continue to hone its data analysis capabilities, measuring YoY improvement in proficiency level and defining the skills that have the highest correlation to quota attainment/productivity.

SAP is also developing Learning Roadmaps for each skill assessed in the SSA and SLA. The roadmaps will clearly outline the exact path of relevant training (virtual, F2F and experiential) needed to proceed from L0 (no knowledge) to L4 (expert). Such a "roadmap" will further simplify the learning process for AEs and FLSMs.

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