Microsoft
World Class Selling
Scorecard Update

Overview

- Great progress towards an overall WCS Scorecard – thank you!

- Short-term Scorecard work (End of April)
  - Working with each Segment to identify existing scorecard measures that "tie into" each of the 8 WCS metrics
  - Working with Ken Myers team to automate this if possible

- Long-term Scorecard work (FY08 – FY09)
  - Normalize measures where feasible across all Segments
  - Add new "WCS specific" measures if warranted across all segments

Summary

- Contact and initial scorecard analysis completed with the following sectors:
    - Commercial Sector (Annoscia)
    - Public Sector (Ryan)
    - Communications Sector (Selin)
    - SMS&P (Yoakum)
    - OEM (Breysse)
    - DPE (McBreen)
- Initial contact made working on initial scorecard analysis with the following sectors:
    - BMO (Ellis / King)
    - Services (Higgins)

Commercial and Public Sector

- Contact: Annoscia / Ryan
- Status: Work in Progress, Link to existing scorecard measures
- Source: GRS, Next-Gen GRS, Account Planning Dashboard, Integrated Reporting

Trusted Advisor
- All elements from the GRS, Next Gen GRS and FRI
- Covers Managed Major, Unmanaged Major, Managed Partners and CAS
- Alignment of specific questions to the Trusted Advisor elements is next step

Sales Excellence
- Account Plans
  - Account Planning Dashboard (i.e. % of account plans)
- Conditions of Satisfaction
  - Account Planning Dashboard (i.e. % of Customers with completed COS)
- Pipeline and Close Rate
  - Integrated Reporting (i.e. New adjusted pipeline Coverage ratio)
- Quota Attainment
  - Integrated Reporting

- Roll-out of Next Gen GRS will determine timing of capability to directly measure "Trusted Advisor"
- Work planned for April 3rd to align existing measures to WCS metrics
- May add specific measures for Public Sector

Communications Sector

- Contact: Selin
- Status: WCS Index in development
- Source: GRS, Next-Gen GRS, EBR, FRI , Account Planning Dashboard, Integrated Reporting

Trusted Advisor

- "Quality of My Account Team"
  - Taken from most recent GRS or Next Gen survey wave (EPG & MP)
  - "Quality of my Microsoft Account team" (GRS) Unmgd Maj + CAS
  - "Quality of my Partner Account team" (GRS) Managed Hosting Ptnr.
  - Account team satisfaction (Next Gen) – Managed Major
  - Non-weighted score aggregation
- FRI + additional CS specific Training reqt's

Sales Excellence

- Account Plans and COS
  - Measured through Executive Business Review Quality
    - Pre-customer meeting quality review
    - ATU manager or CS lead scores
    - Quality score averaged across all reviews & divided by # of MAL accounts
- Pipeline and Close Rate
  - Integrated Reporting (i.e. New adjusted pipeline Coverage ratio)
- Quota Attainment
  - Integrated Reporting

- WCS Index will be R/Y/G depending on targets set within each measure area
- Specific questions used in line with Commercial Sector and Public Sector
- Roll-out of Next Gen GRS will determine timing of capability to directly measure "Trusted Advisor"

SMSP

- Contact: Yoakum
- Status: Work underway, Focus on PAM Excellence, expand to Tele, Breadth, Marketing.
- Source: Existing scorecard measures

Trusted Advisor
- Understanding of Customer's agenda
- Proactive Dialog
- Product and Solutions Knowledge
  - Existing measure s i.e.
    - "World class PAM Excellence" (tenure, completing multi-year curriculum)
- Relationship Selling
  - Existing measures i.e.
    - Partner touches
    - Mid-market relationship touches
    - Small business PR

Sales Excellence
- Account Plans
  - Existing measures i.e.
    - "Partner Business Plans"
- Conditions of Satisfaction
- Pipeline and Close Rate
- Quota Attainment

- Next step to work with additional SMSP resources to identify and align specific existing measures to the WCS metric elements
  - Jones, Nelson, Hamilton

OEM

- Contact: Breysse
- Status: Initial links to existing questions
- Source: Existing OEM Survey

Trusted Advisor

Understanding of Customer's agenda
- Understands your business and unique value proposition(AM)
- Is an advocate for your business within Microsoft(AM)
- His/Her understanding of your business? (SE)

Proactive Dialog
- Has discussions with you about new business opportunities (AM)
- The level of engagement on possible technical, strategic collaboration projects with Microsoft? (SE)
- Advance notice required to participate in marketing programs (Mktg)
- The degree of collaboration with Microsoft on the development of joint marketing plans

Trusted Advisor (Continued)

Product and Solutions Knowledge
- Provides relevant product roadmap information regarding Microsoft's strategy and direction (AM)
- Has a thorough knowledge of Microsoft's products(AM)
- Is able to explain the license terms and the business rationale behind those terms clearly (AM)
- His/Her ability to articulate Microsoft's long term software strategy? (SE)
- His/Her integration with the product group? (SE)

Relationship Selling
- Has a good understanding and good working relationships with the right people(AM)
- Has integrity (ex. trustworthy, honest, etc.)(AM)

- Next step to link Sales Excellence Elements, rationalize OEM measures with other Sectors
  - Working with Chris Acker on Sales Excellence

DPE

- Contact: McBreen
- Status: Initial draft, direct alignment of measures to WCS metrics
- Source: Existing Scorecard measures

- **Trusted Advisor**
  - Understanding of Customer's agenda
    - Existing measures (i.e. Student's to business wins)
  - Proactive Dialog
    - Existing measure - Engagement index
  - Product and Solutions Knowledge
    - Existing measure – Early adoption rhythm
  - Relationship Selling
    - Existing measure – "Net Favorability" towards Microsoft (issued bi-annually)
    - Existing measure – "Influencers" (measure through Circle of Influence)

- **Sales Excellence**
  - Account Plans
    - Participate in account planning for managed ISV's
    - Account planning for top 20 websites and 50 ISV's
  - Conditions of Satisfaction
    - Audience plans
    - Role and Play books
  - Pipeline and Close Rate
    - No measures appropriate
  - Quota Attainment
    - No quota's in place

- No real Sales Quota for DPE resources
- Rationalize / align across other Segments where possible

Backup
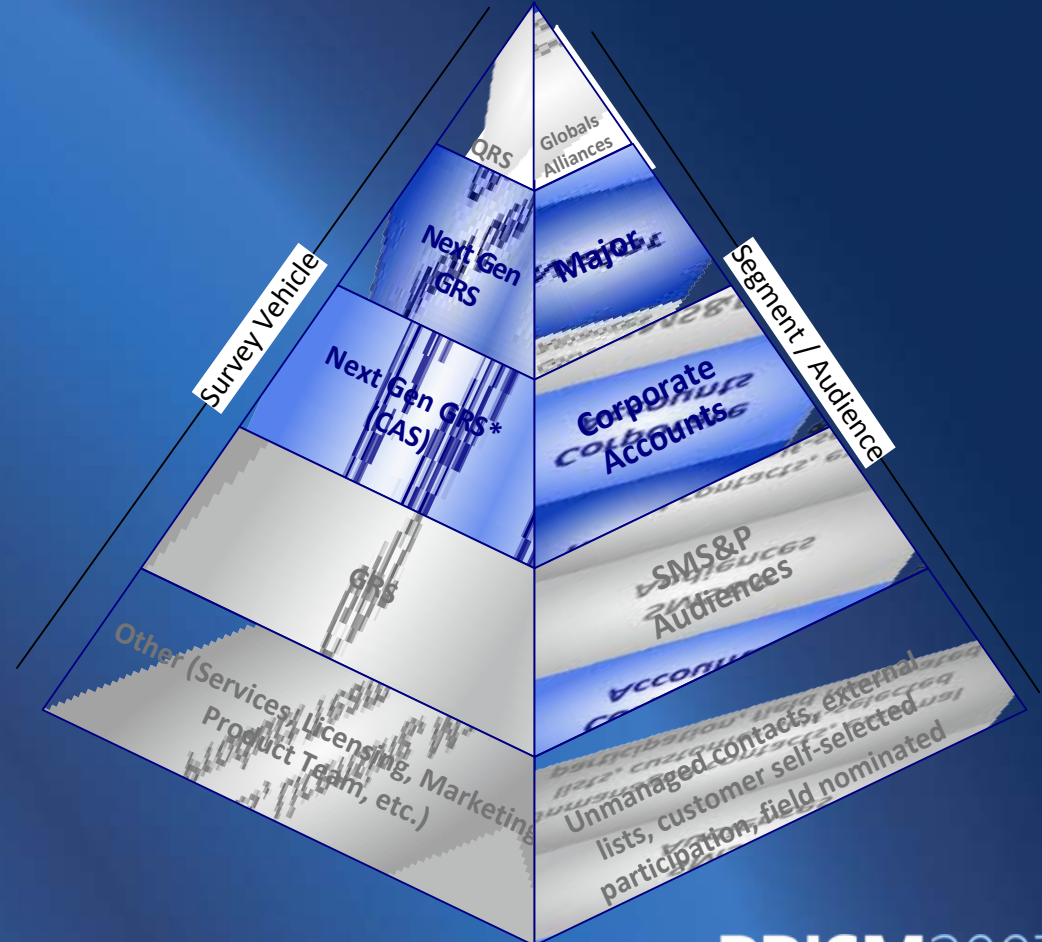
Commercial Sector and Communications Sector

Commercial Sector

Next Gen GRS Planning that further enables WCS Measurement

Measuring Enterprise Customer Satisfaction – The Next Generation

A sales management process that accurately measures relationship health with Enterprise customers, surfaces deeper customer insight, and drives consistent World Class Selling behavior

Hill
Annoscia
Tong
March 19th, 2008

Survey Vehicle

Segment / Audience

QRS

Globals Alliances

Next Gen GRS

Major

Next Gen GRS * (CAS)

Corporate Accounts

GRS

SMS&P Audiences

Other (Services, Licensing, Marketing, Product Team, etc.)

Unmanaged contacts, extended lists, customer self-selected participation, field nominated

* EPG CAS will use GRS for FY'09

EPG Customer Feedback Strategy

PRISM 2007

people ready

Current Program Thinking

Our design principles:

- Produce an overall Account Relationship Health Index
- Measure effectiveness of account sales management and relationship processes
- Align account management responsibility with overall account relationship health
- Integrate relationship health information with customer licensing information to be able to predict pipeline opportunities
- Phased rollout beginning with Major Account customers

Design input:

Industry Benchmark Investigation	Field Input	Corporate Groups
SAP IBM GE CISCO hp	• US Field (select ATU Managers, Account Mangers, Relationship Marketing Managers, Field Review v-team) • WW Enterprise CPE Leads	• WW & Area CPE • Public Sector • Communications Sector • BMO, Marketing, DMO, ITG, CRM • Research, Services

Current Design:

- Closed Loop Account Management Process
- Accountability down to Account Manager
- C-Suite Roles + Managed contacts
- Quarterly survey engine, multimodal survey (web default)
- Relationship Health Index, World Class Selling measures, Satisfaction measures
- Structured Immediate Relationship Opportunity (IRO) program with executive escalations
- Integration with Relationship Management sales process and tools

Continued Feedback:

- Ongoing design feedback with corporate groups
- Customer reviews at US CIO Summit, French CIO Forum, select customer reviews
- A13 field review

Strategic Capabilities Enabled Through Next Gen GRS

1. Field accountability driven by richer, actionable, per customer insight

2. Granular relationship measures by exec role

3. Deeper market insight through more precise measurement of relationship elements

4. Deeper customer insight by comparing customer sentiment with traditional sales excellence processes (e.g. Pipeline Management, MLP movement)

5. Closed loop account planning and management

6. Structured methodology to escalate and respond to customer feedback

Accountability Framework Dimensions

What We Measure

Microsoft	Customer
Science of Selling (processes) • Account Planning • EBR • COS • IO	**Insight Into Value** • Customer Experience • Products • Account Team • Licensing / Security
Seller Capability • Right skills? • Right priorities?	**Relationship Health** • What is good? • Where are the gaps?

Measurement by Role

Project Timeline

Activity	Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08	Jul 08	Aug 08	Sep 08
Vendor Engagement Process	Kickoff	MSVP, VPA, Procurement Reqs, SOW	◆	3/24 IT Decision Checkpoint					
Data Quality and Governance	DMO Vendor	Data Analysis and Processes	Contact Governance and Management Strategy		Sample Quality and Ongoing Contact Maintenance: Data Quality / Survey Disposition Scorecard				
Design	Blueprint / Vision Scope Document	Field Design Sessions: US,Canada	Design Sessions: A13, Corp, Field, Customer Validation ◆	5/9/2008 Design Aproval					
Build Technology Infrastructure		Interface with MS Infrastructure		Build Tools: Reporting, Data Mgmt, Response tracking					
Test Survey Tools and Systems					Data Collection	Help Desk & Portal	Report automation	Internal MS Field Testing	Scalability and Performance Testing	Field Validation with Customers
Change Management		Ongoing Readiness & Training, Field Landing, Communication							

PRISM

WWSMM Landing Meetings

MGX

CPE Review w/ KT 03/12/08

WWSMM Ship Week

CPE Review w/ KT 06/26/08

Launch 09/15/08

Communications Sector

WCS Index Draft Material

PRISM2007

people ready

WCS Metric Principles (CS perspective)

- Area & WW Level for FY09 – add Sub level in FY10
- Focus on evolution of customer facing behaviors which impact perception
- Combination of internally (CS) and externally measured (GRS/FRI)
- Not replicating any other standard ROB review topic (i.e.: pipe multiplier)

World-Class Selling:

Trusted Advisor

- Understanding Of Customer's Agenda
- Proactive Dialog
- Knowledge
- Relationship Selling

+

Sales Excellence

- Account Plans
- Conditions Of Satisfaction
- Pipeline & Close Rate
- Quota Attainment

DRAFT – CS World Class Selling Index

People

Why use this goal?

The Scorecard's WCS (World Class Selling) index is a single number / R/Y/G color used to indicate performance against key operating metrics reflecting WCS attributes.

This metric is a key driver in increasing the field's competency and effectiveness in evolving customer and partner perception of MS as a 'trusted advisor'.

Measuring the metric

1. "Quality of my account team" (GRS and Next Gen)
2. Executive Business Review (EBR) quality score
3. Field Readiness Index (FRI)

What does success look like?

- The goal for FY09 is attainment of an aggregate WCS index above xx in each of the A13.

- To have a final rating of green, performance against each of the three metrics must be in the upper tri-tile.

- The result of the evolution of Microsoft sales behavior and culture is toward WCS standards is directly evident in CPE measurements, growth, WHI, etc…

Influencing superior practices

- Go out of your way to delight the customer
- Programmatic management of COS statements and actions
- Proactively acquire manager feedback. Set expectations on the type of coaching needed in order to increase your WCS competencies
- Establish a WCS culture within your team.
- Make WCS tangible through the quality of deliverables and each customer engagement
- Prioritize readiness. The earlier you are "ready" the faster you can be effective with your customers and partners
- Thoroughly prepare of EBR and conduct dry-runs with management to solicit feedback and further refine key outcomes

CS. Owner: Sandy Blyth

Goals - Technical Definitions

"Quality of my account team"

- Taken from most recent GRS or Next Gen survey wave (EPG & MP)
  - Detailed pillar questions could be used as alternative as desired
- "Quality of my Microsoft Account team" (GRS) Unmgd Maj + CAS
- "Quality of my Partner Account team" (GRS) Managed Hosting Ptnr.
- Account team satisfaction (Next Gen) – Managed Major
- Non-weighted score aggregation

- Green = XX% top box
- Yellow = yy% top box
- Red = zz% top box

GRS Account team questions

Quality of Microsoft Account Team
Quality of my Microsoft Account Team
Helps me understand the Microsoft software roadmap
Demonstrates an understanding of the priorities of my business or organization
Proactively helps me meet the objectives of my business or organization
Connects and communicates with me in an appropriate and relevant manner
Has the appropriate frequency of contact
Brings together the right resources
Is knowledgeable of how technology solutions can meet my needs
Works with me quickly to resolve my problems

Executive Business Review quality

Section 1: Reviewer Identification

Reviewer Name: _____

Reviewer Alias: _____

Initial Reviewer:
Initial Reviewer Alias:
Initial Review Date:

Last Reviewer:
Last Reviewer Alias:
Last Review Date:

Section 2: Review Guidance

Must Have Section	Definition	Quality Indicators	Score
Meeting Objectives	Alignment with the customers industry and business initiatives. By demonstrating our commitment, we can show that Microsoft software helps to increase system reliability, decrease support costs, and enable more effective use of resources.	**Below Expectation:** No Objectives set. **Meet Expectation:** Top Level Objectives set. Including enablers of business and technology goals through a mutually developed plan that includes: Future milestones, Relevant discussions and key deliverables **Exceed Expectation:** Detailed Objectives set for both MS and Customer. broken down by individuals in the MS ATU including from the STU, PTU and DPE perspective.	
Customers Business Objectives	Summary of customer business including mission statement, Priorities, Top Business Initiatives and IT Projects.	**Below Expectation:** Incomplete description of customer business or not synthesized copy of Annual Report. **Meet Expectation:** Description of customer business, major markets, financial profile, primary competitors, growth strategy, drivers and trends. **Exceed Expectation:** Comprehensive description of customer business, environment, drivers and priorities. ATU demonstrates industry expertise, thought leadership and ability to perform additional analysis going beyond publicly available data but gathering information directly from the Customer.	
MS Business Value and Engagment	Summary of historical and current engagements with Microsoft and the customer. This is not an indepth ROI exercise, but a re-emphasis of the benefit the customer is getting from their Microsoft investment.	**Below Expectation:** Non-tangible value statements (i.e. lacking quantifiable or qualitative measures or evidence) **Meet Expectation:** Tangible value statements (quantifiable or qualitative) tied to current customer initiatives or priorities. the AM own contacts. COS agreements in place for the key decision makers. Touch plan in place for CSEE accounts. **Exceed Expectation:** Tangible value statements tied to historic & current customer objectives	

- Pre-customer meeting quality review
- ATU manager or CS lead scores
- Quality score averaged across all reviews & divided by # of MAL accounts

- Green = xx
- Yellow = yy
- Red = zz

Field Readiness Index

- SMSG mandated courses +
- 1 Academy Live training session
- 1 Area level mandated training
  - EBR quality workshop or ???

- Green = 90 – 100%
- Yellow = 80 – 89%
- Red = 1 – 79%