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Valuable Metrics to Determine Sales Engineers' ROI

The Must-Have
Sales Engineer ROI Checklist

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Introduction

Sales Engineers are said to have a direct impact on the outcome of a deal. But since they generally don't work the deal on their own and instead are a (vital) part of a multi-person sales team, how can you evaluate their performance independently and measure their ROI?

Aside from the challenge of separating an SE's revenue contribution from that of the rest of the sales team, in order to accurately assess SE performance, you'll also need to establish a specific set of criteria tailored to the unique characteristics of the job.

So, maybe you're a sales manager working on compensation plans or trying to determine if the cost of your SEs is worth the revenue they bring. Or perhaps you're an SE trying to assess your value to the company. Either way – you'll need to check the following must-have metrics.

The SE ROI Checklist

POC and presentation effectiveness

For a fairly accurate idea of the revenue achieved by an SE, you'll want to track the number of POCs conducted per quarter, and analyze what percentage of those POCs resulted in revenue.[3]

Number of demos per week

The number of opportunities SEs are assigned per week affects the attrition rate of your SE team, and a steady flow of fresh candidates is important to keeping your team upbeat. Another factor to consider here is whether a high volume of demos per week necessarily means an increase in revenue.[5] With some SEs conducting 10 demos a week and others reaching up to 20, it's tempting to assume that the latter SEs are performing better. But in fact, the standard for a "good" weekly demo rate highly depends on the solution an SE is presenting. Presentations and POCs requiring deeper, custom-tailored preparation naturally take longer – making it reasonable that an SE conducts as few as 5 demos per week. But if those 5 demos produce revenue, then that SE is performing better than those giving 20 non-revenue-producing demos per week.

Time to a closed deal

Good SEs should be able to save up to 50% of the time spent on a deal – at a minimum.[2] But it's not the whole sales cycle we're talking about here, it's the time spent on endless emails and numerous engagements with the customer, which often can be saved by a professional one-time SE presentation to cover all loose ends and answer every customer concern.

Number of SE engagements needed to close a deal

This is a great indicator of the time, effort and resources it takes to close a deal, and to assess the effectiveness of a SE's presentations and POCs. This criterion gives you a pretty good idea of the expenses for every SE's travel, time spent traveling, etc.[4]

Closing rates

This one is pretty straightforward – how many closed deals are attributed to an SE? And how many broken ones…?

Revenue influenced per SE

In order to determine how much total revenue was influenced by an SE, you should analyze the percentage of broken deals in assigned opportunities without the SE's involvement and compare that to the percentage of deals won with the SE's involvement.[1]

What's really in it for your organization?

A thoughtful analysis of your team's ROI should improve SE performance by providing and tracking relevant, insightful KPIs.

Additionally, this type of analysis allows you to make better decisions – about allocating resources, identifying SEs who might need more training, and knowing exactly how much your SEs accomplish for the company.

Worth it, don't you think?

Looking to captivate more prospects, speed up your sales cycle & empower your team?

Yes, I want to captivate more prospects & drive more sales

About CloudShare

CloudShare helps software organizations grow revenue, increase efficiency and improve the customer experience by making it easy to replicate complex on-premises IT environments in the cloud, with specialized solutions for training, PoCs, and sandboxing for support and testing.

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