

Opportunity Assessment and Forecast Accuracy Guide

Opportunity assessments are often overly complicated. Normally, an Individual Contributor shares his or her position and perspective in the format of a forecasted transaction. This process examines what the Rep knows to improve their position, with oversight from their Manager, and usually includes electronic or other documentation. A major drawback to this approach is that sales professionals only complete the forms under duress, in other words, when they have to. They receive little to no return for this effort and consistently don't use the information to inspect and gain insight into their opportunities that fall below the threshold. The ValuePrompter/QP Formula approach is one that analyzes opportunities and ensures pipeline accuracy and it has a direct correlation to the process the customer follows to make buying decisions. Companies do not buy products or services, people in the company make those decisions. Thus, we need to assess our opportunities from the customer's perspective in terms of what is important to them. The primary objective is to uncover weaknesses by exposing what we don't know in order to determine, collectively, how to address the gap and increase our odds of winning. The Qualified Prospect Formula® is a summary of the ValuePrompter. It identifies and tests four key components to determine if the opportunity is truly qualified – a VisionMatch that is differentiated, Value, Power, and Plan.

Overview

The Opportunity Assessment process analyzes four key components of an opportunity in order to determine the likelihood that the customer will invest in your solution. If one component is determined to be lacking or undeveloped (a “zero”), the prospect is considered unqualified until that component can be validated. The Qualified Prospect Formula® shown below illustrates the qualification process.

$$QP = \text{VisionMatch}_D \times \text{Value} \times \text{Power} \times \text{Plan}^{\circledR}$$

Definitions

- **VisionMatch_D:** In the prospect's words, how do our solutions resolve problems linked to a legitimate Business Issue. We must have unique problems that we solve. This answers the question, “Should they buy from us?”
 - **Business Issue:** What the customer needs to address and resolve in order to achieve their business objectives of growing profits – these are items such as decreasing costs, increasing revenue, time to market, etc. Time bound and measurable.
 - **Problem:** The difficulties that prevent the prospect from satisfactorily resolving their business issues. This usually involves people, process, and/or technology.
 - **Solution:** The capabilities any vendor needs to supply in order to enable the prospect to properly address their business issues.
- **Value:** The *customer's perception* of the impact of being able to resolve their business issues. This is always a combination of tangible and intangible components. Business Value and Personal Value. This answers the question, “Is it worth it?”
- **Power:** The individual(s) within the prospect's organization who has/have the power to say yes and no. This answers the question, “Can the customer buy?”
- **Plan:** The steps necessary to mitigate risk in the mind of the buyer in order to proceed to the resolution of their business issue, to be confirmed in writing. This answers the question, “Am I convinced?”

Conducting an Opportunity Assessment

Short Form – Page 3 (two minutes)

Medium Form – Page 4 (10 minutes)

Long Form – Page 5 (30 minutes)

Opportunity Action Plan Worksheet – Page 7

Set the Tone

- ☐ Positive
- ☐ Constructive
- ☐ Candid

Objective

- ☐ Collaboratively review the opportunity and triage in order to increase our probability of winning
- ☐ Create a mutual understanding of the current state - what data do we know and what data do we not know
- ☐ Consider a course of action, including strategies to improve the odds and gain confidence in the forecast

Take-Away

- ☐ Strategy and action plan for what to do next – who is doing what, by when

Conducting the Interview Guidelines (Short, Medium, or Long form)

Step 1

- ☐ I will ask you a series of questions.
- ☐ Simplify your answers.
- ☐ It is **ABSOLUTELY** okay to not know an answer to a given question. DO NOT feel compelled to give a “best guess” answer. “I don’t know” is a valid answer.

Step 2

I will ask you for your assessment of where we are.

Step 3

I will give you my (the manager's) assessment of strengths and weaknesses.

Step 4

Together we will identify and prioritize next steps.

Short Form Assessment (2 Minutes)

Background Information:

- ☐ Name of opportunity:
- ☐ What does the forecast say? Time, \$\$\$, Probability?
- ☐ How long have we been working with on this opportunity?
- ☐ What is the company's revenue or # of employees? (Size helps determine signing authority)
- ☐ Who is our primary contact – Name and Title?
- ☐ Who is the competition (alternative options)?
- ☐ Who is the highest-ranking person with whom you've had a meeting – Name and Title? Are the answers theirs? If not, tell me.

(Two-minute assessment for the following questions in the chart or those listed below)

Inspection Questions	Notes	Sanity Check	✓
What is their Business Issue? (timebound & measurable)		Is it a Business Issue vs. a problem or technical issue?	
What are the unique PROBLEMS they agree we solve? VM _D		Is there a confirmed Differentiated VisionMatch vs. the alternatives/competition?	
What is the Value? V	BV	Is the Business Value quantified?	
	PV	Have we uncovered Personal Value for the key players?	
What level of access do we have? Po		Does the signoff authority for the PowerPerson match the total investment for the Project?	
Is the Plan in writing? PI		Is the Plan mutual and does it go beyond contract?	



Medium Form Assessment (10 Minutes)

QP= VisionMatch_D x Value x Power x Plan

Background

- ☐ Name of opportunity:
- ☐ What does the forecast say? Time, \$\$\$, Probability?
- ☐ How long have we been on this opportunity?
- ☐ What is the company's revenue or # of employees? (Size helps determine signing authority)
- ☐ Who is our primary contact – Name and Title?
- ☐ Who is the highest-ranking person with whom you've had a meeting – Name and Title? Are the answers theirs? If not, tell me from whom.

Business Issue

- ☐ What is their Business Issue? (Who's ValuePrompter are we analyzing?) The key for accurate qualification is to focus our efforts on the person who ultimately owns the P&L (Economic Buyer – "PowerPerson"). We should be reviewing this person's ValuePrompter. Do we know the metrics related to their Business Issue – by when and how much?

Problems

- ☐ What problems stand in the way of achieving or resolving their Business Issue? (Did you hear problems or re-branded solutions in the language of the customer?)
- ☐ Is it competitive? Who is the competition? Are we actively differentiating our solutions and capabilities?
- ☐ What problems do we uniquely solve? (Again, are you hearing solutions/benefits, or problems?)

Value (Business & Personal)

- ☐ What is the Business Value? Is it quantified? Is it confirmed with Power?
- ☐ What is the Personal Value for each individual listed above?

Power

- ☐ Power – Who signs off? Who is the ultimate signer?
- ☐ Who is the ultimate PowerPerson? (the P&L owner of the budget) What is their primary Business Issue, (if this was not who we reviewed above)?
- ☐ Is there anyone else who can say "Yes or No"? Do we have a ValuePrompter for them?

Plan

- ☐ Is there a written Mutual Plan – Where does it end? Does it go beyond contract?
- ☐ Is it mutual and confirmed from the prospect (PowerPerson)?
- ☐ Are there any missing key steps that might blindside us?
- ☐ Are there any steps we *should add* to increase our probability of winning?

Long Form Assessment (30 Minutes)

QP=VisionMatch_D x Value x Power x Plan

Background Information:

- ☐ Name of opportunity:
- ☐ What does the forecast say? Time, \$\$\$, Probability?
- ☐ How long have we been working on this opportunity?
- ☐ What is the company's revenue or # of employees? (Size helps determine signing authority)
- ☐ Who is our primary contact – Name and Title?
- ☐ Who is the highest-ranking person with whom you've had a meeting – Name and Title? Are the answers theirs? If not, tell me.

VisionMatch_D: Creating a VisionMatch, differentiated – (Should They Buy From Us?)

- ☐ What is their Business Issue? (Who's ValuePrompter are we analyzing?)
 - Is it a Business Issue (versus technical problem)?
 - Is it this individual's #1 priority?
- ☐ Has the prospect acknowledged the Business Issue? Can we contribute to this objective?
 - Does it have metrics and is it time bound?
- ☐ What are the problems or challenges making their Business Issue difficult to solve?
- ☐ Is there agreement on the underlying problems?
- ☐ Have we identified problems that only we can solve?
- ☐ Has our uniqueness been mapped to specific problems?
- ☐ Would the prospect say that any of the solution requirements are unique or differentiated?
- ☐ Who is the competition?
 - What unique problems do we solve? (Are these actual problems as stated or benefits?)
- ☐ Did the prospect confirm this information? In writing or verbally?

Value: Creating the Value of a VisionMatch_D – (Will they buy from us?)

- ☐ What is the Value?
- ☐ Was the Business Value uncovered and offered by the prospect? (versus being told to the prospect)
- ☐ Do they agree with the potential value to their business?
- ☐ Has a cost justification or ROI been completed, and how does its value rank with other potential investments they're considering? Does it meet their hurdle rate?
- ☐ Was any personal value uncovered and what is it?
- ☐ Do we understand the personal value of the ultimate decision maker/PowerPerson and what is it?
- ☐ How does this value rank with other personal priorities they have?
- ☐ Did it come from the customer, or is it simply assumed?
- ☐ Did the prospect confirm the business justification/value in writing and/or verbally?

Long Form Assessment (30 Minutes), continued

Power: Access to Power (Can They Buy From Us?)

- ☐ Who can say yes and who can say no?
- ☐ Who makes the final decision?
- ☐ Have they made this level of decision before?
- ☐ Do we have access to the PowerPerson (the P&L owner) and have we validated they have the ultimate decision-making authority?
- ☐ Does the purchase price, with all other required investments, logically meet the authority of this person?
- ☐ Does the PowerPerson have access to funds or a plan to obtain any additional funds required? Is this confirmed or assumed?
- ☐ Can we bargain for access based upon Plan requirements?
- ☐ Is this confirmed in writing and/or verbally?

Plan: Mitigating the Risk (Are they convinced to buy from us?)

- ☐ Has the PowerPerson agreed to a mutual plan of activities that convinces them and their subordinates to do business with us?
- ☐ If this plan is with a Sponsor, does it include access to the decision maker at some point in time?
- ☐ Are there logical checkpoints for a Decision Maker review? Is it planned access and/or conditional access?
- ☐ Does this plan have regular milestones or checkpoints, and has the client agreed to schedule meetings with us to review progress?
- ☐ Has the client agreed to a completion date for value realization that maps to their urgency to act?
- ☐ Has the Plan been mutually developed?
- ☐ Does the Plan include all of the steps necessary for the prospect to be successful? (or does it stop at the purchase order?)
- ☐ Is it a written, mutual plan and has it been confirmed in a communication (letter, e-mail, etc.)?

Opportunity Action Plan Worksheet

Qualified Prospect = VisionMatch_D x Value x Power x Plan®

Account _____

Rep _____

Date _____

Below, please list the activities/action items required to develop each of the four Qualified Prospect Formula components. Then prioritize the components in relation to their impact on your opportunity and sales cycle. Activities should be Specific, Measurable, Attainable, Realistic, and Time-bound (S.M.A.R.T.)

		Priority (1-4)
VisionMatch_D		
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
Value		
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
Power		
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
Plan		
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	

Notes Page