**APM Case Study**

To maximize SaaSafras' run rate revenue 12 months from now, we need to strategically allocate the 20 people across the New Business Acquisition, Account Management, and Support roles based on the context provided. I will break down the decision and reasoning for each role:

1. New Business Acquisition:

-Number of People: 6 people

-Why: Acquiring new customers is vital for revenue growth. With 1,000 customers and organic growth of 25 customers per month, focusing on new acquisitions will help expand the customer base and contribute to revenue.

-Plan: Each person acquires 5 new customers per month. Total new customers acquired per month: 6 people \* 5 customers/person = 30 customers.

2. Account Management:

-Number of People: 8 people

-Why: Account management is critical for increasing customer retention and revenue growth. The 5% relative decrease in churn and 25% increase in revenue per customer managed can have a significant positive impact.

-Plan: Each Account Manager can handle 25 customers. Total customers managed per month: 8 people \* 25 customers/person = 200 customers.

3. Support:

-Number of People: 6 people

-Why: Support plays a key role in improving customer satisfaction (CSAT) and reducing churn. A 1 percentage point increase in CSAT leads to a 15% relative decrease in churn, which directly impacts revenue retention.

-Plan: Each support agent increases CSAT by 1 percentage point. Since CSAT is currently 70%, the potential improvement is significant. Total CSAT improvement potential: 30 percentage points (6 people \* 1 point/person \* 12 months). This would lead to a relative churn reduction of 450% (30 points \* 15%).

Result: With 450% relative churn reduction, the churn rate effectively becomes -350%, meaning an expansion of the customer base.

**Resource Allocation Plan:**

New Business Acquisition: 6 people acquiring 30 new customers per month.

Account Management: 8 people managing 200 existing customers per month.

Support: 6 people increasing CSAT by 30 points over 12 months, resulting in a significant churn reduction.

**Reasoning:**

* Prioritizing new business acquisition allows for consistent growth of the customer base.
* Account management contributes to customer retention and revenue growth, with the potential to manage a sizable portion of the existing customer base.
* Support, while handling customer problems, directly impacts churn reduction through
* improved CSAT, leading to revenue retention and even potential expansion.

This allocation maximizes the strengths of each role to drive revenue growth and retention, capitalizing on the synergy between customer acquisition, management, and support. It addresses both short-term growth (acquisition) and long-term sustainability (retention), aligning with SaaSafras' goal of maximizing revenue.