PHAROS

How to Win Budget Approval for Your Salesforce Initiatives

A Guide for Salesforce IT Professionals

One of the hardest things for an IT professional to grapple with is advocating for budget. It's a chore often wrapped in office politics, endless meetings, painful proposal writing and other annoyances that seem distant from our core skills and interests.

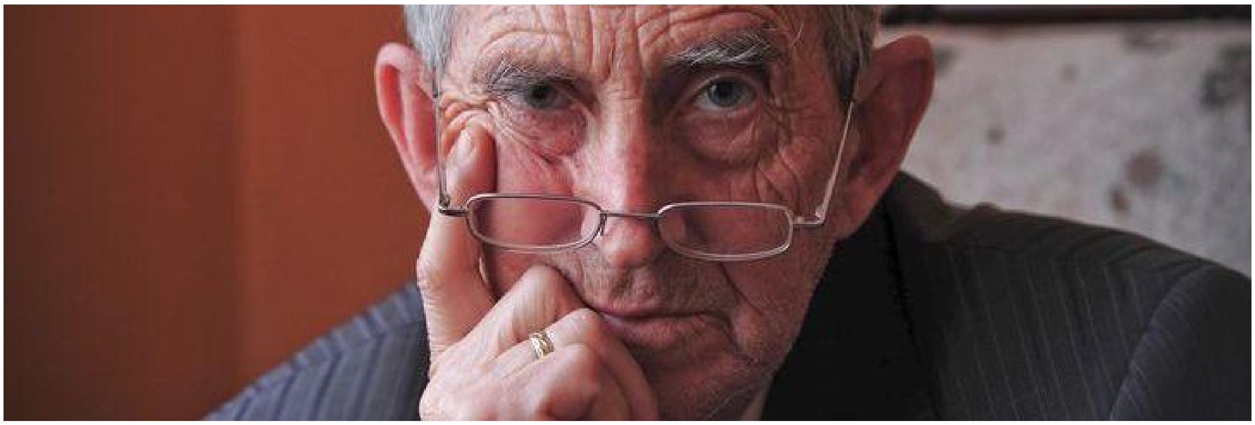
Often what makes the process more difficult is that our rationale for funding—which might seem obvious to a technical audience—fails to persuade the non-technical executives who hold the purse strings.

For Salesforce initiatives, the bar is raised even higher. The platform is already a major investment for the company. If you're advocating for a new software solution to enhance your Salesforce installation, an executive might well ask, "Why do you need extra tools? For what we're paying, shouldn't the platform have those capabilities already?"

The good news is, there are ways to increase your odds for securing funding. Here are tips from those who have been in the budget trenches.

While there's lots of generic budget advice out there, here we'll home in specifically on the Salesforce ecosystem and show you how to position your request to increase your odds of success.

First, Know Your Audience



It's critical to take into account the mindset of those who are making the decisions about your budget requests.

Here's the harsh reality: senior executives, whether they be CFO or even CIO types, likely don't care or know much about the inner workings of Salesforce.

Finance people may look at Salesforce as a hefty chunk of overhead and want to see an appropriate return on investment.

Senior IT executives may see Salesforce as one component of the larger tech stack—and not the most important. Old school IT types may even have a bit of disdain for SaaS solutions in general.

Thus, if you're a Salesforce staffer, you may be making your pitch to an audience that is ambivalent, if not outright hostile. So if the gist of your appeal is, "deploying this solution will make my team's job easier and save us time," the conversation may die right there.

Senior executives are concerned about big picture problems and the overall health of the company. Your request may be competing with other proposals that might seem to have a more direct impact on revenue. There may also be a general attitude of, "we're spending too much on Salesforce already."

So speak their language and frame your proposal around the two criteria they care about most: ***risk*** and ***business impact***.

Fortunately, Salesforce is tied to those concerns in ways that can work to your advantage.

Salesforce Is Now Business Critical – Why This Matters

To win approval from non-technical executives, you'll need to elevate your need so that it has some connection to ***business outcomes***.

Early on, companies deployed Salesforce to enhance their sales or marketing—not surprisingly, the departments that drive revenue.

But the platform has grown beyond those first use cases.

Think about how your organization uses Salesforce today. Most companies have creatively expanded their use of Salesforce to include other complex and critical functions: issuing purchase orders, tracking customer issues, onboarding new members.

At least one state government uses the platform to process requests for drivers licenses and other DMV "products." Many nonprofits take donations and track member engagement with it. Several major universities now use Salesforce to enroll and onboard students. The list is endless.

What these use cases have in common is that they all drive ***critical business outcomes***.

A "business outcome" is the result of actions taken by a company to achieve a business goal. They are measurable proof that the company is moving in the direction it desires. If you can show how your proposal contributes to these efforts, your chances for success improve dramatically.

So let's say you want to purchase a new software solution that will dramatically improve your ability to deliver on the promise of Salesforce. How do you make the case?

Think About Revenue, Risk, and Reputation

To align your proposal with what your executives care about most, think about how the software tool you want to acquire enhances one or more of these "Three R's" and then build your case around your strongest arguments.

> **Revenue** – Does your proposal help your company's drive revenue? For example, does it speed up the opportunity pipeline by shortening processes for sales people? Will your proposal take friction out of the customer experience and help reduce churn? Will your software help marketers identify potential new customers? Or provide data-driven insights your executives can use to make smarter decisions? If you're genuinely contributing to a revenue boost, call it out logically and loudly.
>
> **Risk** – Will your proposal reduce or eliminate risk in business critical operations? This can be a very powerful argument. Companies are often so dependent on their Salesforce infrastructure that even small problems can cascade into major disruptions,

possibly impacting revenue and reputation. That said, executives sometimes don't see the linkages between a smoothly functioning Salesforce environment and stable operations. You'll need to make the connection explicitly. Risk isn't always about finances either. Disruptions can include issues like staff turnover and recruiting, lack of time for innovation, and risk of a low Salesforce adoption rate.

Reputation – Errors that shut down some part of a company's operations can harm its reputation, internally and externally. If your sales team doesn't trust Salesforce because it keeps crashing on them, they'll stop using it. If customers don't get a timely quote because some custom element of CPQ breaks, that business might go elsewhere and never return. Think about the downstream consequences of problems when putting together your software proposal—and how your plan protects against them.

Of course, revenue, risk and reputation are intertwined. If a risk materializes, then it's likely to affect a company's reputation. If a company removes friction from a customer's experience, it may increase revenue *and* improve its reputation as well. By demonstrating how your proposal touches these areas, you can strengthen your argument substantially.

Finally, make sure you articulate ***the risks of doing nothing***. We measure risks in our daily lives and even if the risk is low, we get protection—just in case. Nobody expects to be in a car accident, yet we carry insurance. Nobody expects to be hacked, yet we fortify our IT with everything from virus protection software to full-on infosec teams. As you think about your software proposal, consider what your plan helps to prevent (or quickly resolve) as much as the progress it drives.

Understanding the CFO Perspective

Because they are charged with monitoring the financial condition and health of the company, CFOs like to focus on hard metrics like return on investment (ROI), cost savings, risk management, and overall financial stability. Take a moment to think through how your proposal speaks to these concerns:

1. **ROI and Cost-Benefit Analysis**: CFOs want to know how an investment will generate returns. This could be in the form of increased revenue, reduced costs, or improved efficiency and productivity.

2. **Risk Management**: CFOs are cautious about risks associated with new investments. They want to know about potential pitfalls and how these can be mitigated. Be prepared to speak to these concerns.

3. **Strategic Alignment**: Ensure that your proposal aligns with the company's top-level strategic goals. If your software investment supports broader business objectives, it will be easier to gain approval.

4. **Financial Metrics**: Be prepared to discuss key financial metrics such as payback period, indirect benefits (like staff retention, customer satisfaction, user adoption), and quantifiable direct benefits (like how improving efficiency can drive more revenue or lower costs). Make sure your estimates are credible.

Even if you aren't talking to finance directly, your sponsor may have to make your case there. Build your proposal with business outcomes on the assumption that your plan will be reviewed by finance or procurement at some point.

How to Build Your Case

To lay a solid foundation for your plan, take a tip from top college debaters. They are trained to advance their arguments by proving three points: "Need. Plan. Plan meets need."

To win a college debate, the team proposing change must prove:

1) there is a ***need*** for the change;

2) they have a ***compelling plan*** to **meet that need**; and,

3) the proposed plan is the ***best of any option*** available.

To defeat these arguments, the opposing team simply needs to show that any *one* of these elements is not adequate. “There is no need. The plan is flawed. There are better options.”

In the real world, management uses these objections to kill weak ideas. Anticipate these counter arguments and answer them to make your request as airtight as possible.

Here are six steps to get you there, grouped by which part of your argument they support:

Prove the Need

1. Identify Business Pain Points

Start by identifying the current pain points within the business that your proposal will address. This could be inefficiencies in processes, high operational costs, compliance issues, or limitations in scalability. For instance, if the current system is causing delays in processing customer orders, this directly impacts customer satisfaction and revenue.

You may also need to explain why you need this software to get the most out of the company’s Salesforce investment. It’s a powerful platform, to be sure, but it does have shortcomings and limitations. Fortunately the platform has a very healthy ecosystem where a lot of innovation occurs. Top-rated third-party solutions have evolved to cover Salesforce blind spots and drastically improve its implementation.

2. Quantify the Impact

Translate these pain points into quantifiable metrics. Use data to show the current impact on the business. For example, if inefficiencies are causing a 10% delay in order processing, calculate the revenue loss associated with these delays. This will help you build a concrete case for the need for change. Note how the pain point is keeping the company from achieving its desired business outcomes.

Reveal the Plan

3. Define Clear Objectives

Outline the specific objectives that your plan will achieve and how. These should be aligned with the business’s strategic goals. Objectives might include reducing operational costs, increasing productivity, enhancing customer satisfaction, or ensuring compliance with regulatory requirements. Be credible.Don’t exaggerate.

4. Develop a Cost-Benefit Analysis

Create a credible cost-benefit analysis. This should include:

- **Initial Costs**: Include the cost of software, implementation, training, and any hardware upgrades.

- **Ongoing Costs**: Include maintenance, support, and any subscription fees.
- **Benefits**: Quantify the benefits in terms of cost savings, increased revenue, improved efficiency, and reduced risk.

Use relevant financial metrics such as ROI to present a compelling financial argument. For example, if the new software is expected to reduce operational costs by 20% annually, calculate the ROI over a five-year period. Make sure your assumptions are defensible.

5. Mitigate Risks

Address potential risks associated with the new software you are proposing. This could include implementation challenges, user adoption issues, or potential downtime. Describe how you will address these challenges. This will demonstrate to senior executives that you have considered all aspects of the proposal and are prepared to manage potential risks. Your software vendor may be able to help with this step, as they no doubt have encountered this question with other clients.

Show How the Plan Best Fits the Need

6. Compare with alternatives

Explain why your proposal is the best path forward. Show how your plan solves the need. Then show how your plan is better than any other option.

If the software you're proposing has competitors, show off your due diligence. Summarize how you evaluated other options and considered the pros and cons of each. This includes the option of “doing nothing,” which has its own set of pros and cons, including the risks of employee or customer frustration, lost revenue, inefficiencies, difficulty of retaining staff, etc.

Bolster Your Case with Style and Substance

Now that you’ve organized your logic, let’s look at the tone and style of your content. How your proposal is presented is as important as its structure. Here are tips on how to make your argument compelling.

Speak the CFO’s Language

Avoid technical jargon and focus on *business* terms. Use language that resonates with the CFO’s priorities, such as cost savings, efficiency, ROI, and risk management. For example, instead of saying, “This software will improve our data processing speed,” say “This software will reduce our data processing time by 30%, leading to an estimated annual savings of $400,000. Here's how we arrived at this number…"

Again, even if you're presenting to an IT executive, at some point this will reach the finance people. Having this information embedded will make it easier for your sponsor to address finance office concerns.

Be Concise and Clear

CxOs are busy professionals, so make your presentation concise. **Use an executive summary** at the beginning of your proposal to highlight key benefits and financial metrics. Use visual aids such as charts and graphs to illustrate your points clearly.

Align with Strategic Goals

Emphasize how the software investment you are proposing aligns with the company's strategic goals. For example, if the company is focused on digital transformation, highlight how your plan contributes to this initiative.

Also think about your company's strategy for deploying Salesforce. No doubt it was a big bet for the company. Your executive management is likely keeping tabs on points of friction with the platform—slow user adoption, long learning curves, interruptions to business operations, incomplete data throwing off reports, quality of support, etc. Show how your proposed solution alleviates friction or accelerates progress towards the goals.

Provide Case Studies

If possible, illustrate your arguments with case studies or examples of how other companies have successfully implemented similar plans and achieved significant benefits. This can add credibility to your proposal and show that the investment is a proven solution. Again, your vendor may be able to help here.

Prepare for Questions

Anticipate questions that your executive may have and be prepared with data-driven answers. Common questions might include:

- What is the payback period for this investment?
- How will this plan affect our bottom line?
- What are the potential risks, and how do you plan on mitigating them?
- How does this investment compare to other options? Other priorities?

It’s a Team Effort

Assuming there isn’t a true emergency, securing budget for new initiatives requires a thoughtful strategy—supported by data—that speaks to the priorities of your CFO or CIO.

But there’s no need to undertake this alone. Research shows that there are typically seven or more people directly involved in the decision-making process for IT purchases. Embrace that. Get input from others and sign up allies. Will your VP of Sales support your cause? Can you quantify the impact on the business operations team and get buy in there? Will your solution make financial reporting more accurate or easier?

If you’re proposing a third-party solution, your vendor likely has valuable information you can incorporate into your proposal—case studies, research, industry benchmarks, even slides and charts. Take advantage of these.

With careful preparation and a focus on business value, you can successfully navigate the budget conversation and secure the investment you need to drive your IT initiatives forward.

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