

# How Three Global Fortune 500 Companies Optimized Their Sales Compensation

## About NICE systems

NICE (NASDAQ: NICE) is the worldwide leader of software solutions that deliver strategic insights by capturing and analyzing mass quantities of structured and unstructured data in real time from multiple sources, including, phone calls, mobile apps, emails, chat, social media, and video. NICE solutions enable organizations to take the Next-Best-Action to improve customer experience and business results, ensure compliance, fight financial crime, and safeguard people and assets. NICE solutions are used by over 25,000 organizations in more than 150 countries, including over 80 of the Fortune 100 companies.

# Introduction

Implementing a global sales compensation solution is always a challenge. But when your sales organization has thousands of payees, dozens of compensation plans and millions of daily sales transactions, the challenges increase.

This e-book examines three global Fortune 500 companies and how they optimized their compensation operations. You'll learn how these companies:

- Optimized the planning, distribution and acceptance of incentive plans.
- Automated sales processes.
- Accelerated data processing to provide real-time insight.
- Empowered sales reps with real-time data and mobile tools.

# Table of Content

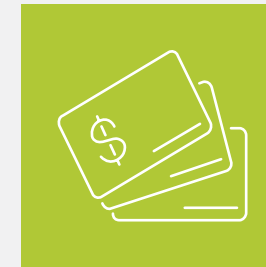
Large Canadian Bank.....	5
A Global Consumer Electronics Manufacturer.....	9
Nationwide.....	15
Key Takeaways.....	19





# Large Canadian Bank

The Financial Group at this bank operates in dozens of nations. It offers personal and commercial banking, wealth management, insurance, investor services, and capital markets products and services on a global basis.



## More Frequent and Timely Payouts

The bank's 3,500 sales representatives were paid on a monthly basis, but based on completed transactions that took six weeks to process. The bank wanted to close this gap and turn payment processing times from a liability into an asset.

By streamlining many of the manual tasks associated with variable compensation, the compensation team was able to make 26 biweekly payouts per year, instead of one per month. Moreover, making it easier to correct and approve records has enabled cutting a full month out of payment processing time.

Today, payment processing is on just a two-week lag. This significant reduction in wait time gives the sales staff rapid tangible recognition, making for happier representatives.

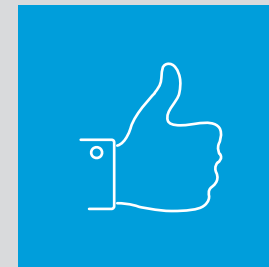


## Improved Reporting and Statements

As often happens at large enterprises managing multiple systems, compensation reporting was difficult to come by at the bank. Managers had a difficult time seeing how sales reps were performing against plan, and how effective SPIFFS were during the promotional period. Most reps only had their pay statements for guidance; however, even these statements did not clearly format all relevant performance information.

Now, NICE SPM delivers centralized sales performance reporting, from comprehensive data collected right at the source:

- Sales reps get daily updates and on-demand daily statements, which deliver a transparent view of all variable compensation elements, such as commission, bonus, and fees. Posted sales are reflected on statements as early as the next day.
- Sales executives see how reps are performing against SPIFFS, which in turn makes it easier to design future SPIFFS.



## Efficient Dispute Resolution

When a sales rep had comp plan questions or an exception request, he or she would open a direct inquiry with a compensation analyst. This tedious process kicked off resource-intensive investigations and took a long time to resolve. Worse, management had no reliable insight into the volume or severity of open disputes.

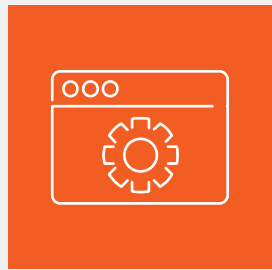
By implementing one of NICE SPM's sales automation workflows, representatives can instantly open a dispute from a compensation statement with a single click. Administrative overhead was eliminated and management can weigh in with approvals and comments, and have full visibility into the complete dispute resolution process.



# A Global Consumer Electronics Manufacturer

One of the world's largest consumer technology brands, this company serves residential, corporate and education customers with worldwide sales and distribution. It generates millions of transactions across multiple channels every day.

The corporation's sales compensation program has close to 6,000 payees in total, working in brand-owned retail locations, as well as third-party stores.

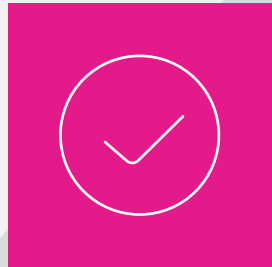


## Faster Data Processing with Daily Compensation Reports

Due to the extremely high volume of sales transactions (exceeding 140 million transactions in a typical week), data was processed in five batches lasting 10 hours each. The entire process took a full week, meaning that reporting was never up-to-date. Due to system limitations, data was aggregated prior to processing, which prevented sales reps and managers from viewing transaction-level details.

The NICE [big data distributed architecture](#) has cut down commission processing from one week to only three hours (during which 140 million transactions are processed).

Transactions are now evaluated on a rolling six-month window, with retroactive changes and reclassifications more likely to be processed automatically by the compensation program. This minimizes manual reprocessing and keeps sales reps informed and current. Creating retroactive transactions corrects oversights in a matter of minutes. 2000 payee reports are distributed daily, both online and to iOS mobile devices, with transaction-level details that provide complete insight.



## Systematic Quota Management

Quota management at the company was burdened by error-prone multi-step processes and handoffs. Sales managers submitted spreadsheets with quarter-by-quarter breakdowns, which were then reviewed by hand.

Because each was viewed in isolation, the big-picture was missing. There was no way to see how quota modifications in one team or location would affect rollup totals.

Today, NICE SPM provides a more systematic approach to quota review and validation:

- **Automatic quota validation.** Figures submitted by sales managers are automatically validated against defined and configurable business rules. Quotas can be defined at the component level and across various time periods, for example. Instead of working on a single quota spreadsheet, operations analysts see how any proposed change impacts system-wide quotas.
- **Progress monitoring.** During the sales period, sales managers and directors can track progress in real-time and see how mid-quarter changes will affect their markets. Because the numbers are constantly updated from a trusted source, all stakeholders know they are viewing an accurate, living document, not a stale spreadsheet.
- **Less errors.** Technological change and automation have significantly reduced manual errors and boosted confidence in the quota-setting process. There is also greater accountability, because quotas and the historical data are always up to date.

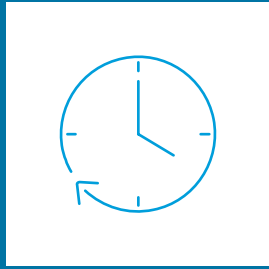




# Nationwide<sup>®</sup>

Nationwide is one of the largest and strongest diversified insurance and financial services organizations in the United States. The company provides a full range of insurance and financial services.

Over 10,000 in-house and independent agents are payees of Nationwide's compensation program.



## Reducing Compensation Plan Rollout Times

Nationwide had a complex, disparate network of 10 different compensation systems. Consequently, developing and implementing changes in compensation plans was time-consuming; it could take up to six months to launch a new compensation plan.

Standardizing on a modern SPM solution has allowed Nationwide to introduce new and adjusted variable compensation programs with as little as four weeks of preparation time.

Nationwide is taking full advantage of the freedom and flexibility to innovate, with tailor-made compensation plans. A Nationwide payee can be eligible for over 20 different bonuses, which can all be accounted for in a single SPM solution. In addition, Nationwide runs several commission processing schedules, including daily evaluation of agent commissions, and monthly calculations for agents, sales managers and sales associates.



## 'What-if' - Real-Time Commission Calculations

New financial service regulations require insurers like Nationwide to provide accurate, real-time commission estimates to payees whenever a quote is generated.

Nationwide acted quickly to become one of the first organizations to meet this requirement. Using NICE SPM, the complete compensation plan rules for an agent are polled in real-time. During the insurance proposal creation process, the system performs a “what-if” analysis, using the agent’s complete commission plan rules and the underlying financials of the proposed deal. This analysis is then returned to the agent and displayed in less than a second.

In addition to compliance with regulators, this has also improved sales productivity. The quote-to-policy time was actually substantially reduced, even with the new commission calculation, and agents are better informed about how to maximize their own incentive earnings.

# Key Takeaways

All three of these Global Fortune 500 companies grappled with large data volumes and complex crediting rules, which caused unwanted delays in key compensation processes.

They were ultimately able to optimize performance by:

- Improving processing speed.
- Providing planners, managers and payees up-to-date data.
- Automating time-consuming sales operation processes.
- Providing sales agents and managers with complete visibility (mobile).
- Maximizing flexibility in updating and launching incentive plans.



[Learn more about](#)

## NICE Sales Performance Management