NICE ®

Customer Profile:
Banking

Location:
USA

Business Needs:
- Accurate sales commissions for a 15K sales force
- Quota setting and reporting to handle dynamic sales hierarchies
- Automation of manual sales processes
- Faster processing of data and crediting calculations for accurate payment and reporting

NICE Solution:
- NICE Sales Performance Management (SPM)

The Impact:
- Accurate quota and reporting reflecting role changes within pay periods
- Detailed sales performance analysis at individual and branch levels
- Automation of data management, dispute resolution and authorizations

Large American Bank Improves Complex Compensation Accuracy and Speed

About the Customer

The customer is one of the 20 largest retail banks in the US. With nationwide branches, this bank provides retail lending and commercial banking services and products, including treasury services, specialty finance, foreign exchange, capital markets and debt syndication.

The Challenge

As a large financial institution with branches nationwide, the bank's variable compensation workforce includes 15,000 payees belonging to two groups. One group focuses on home lending (home mortgages, refinancing, and lines of credit) and the other on retail banking (checking and savings accounts, credit cards, etc.). Each line of business has its own compensation plans, performance rules and reporting requirements.

In addition, the bank has a deep sales hierarchy of payees, with over eight levels from local branch to nationwide market. Employees often move between locations and branches within a single quarter, which affects compensation management and reporting.

The bank's structural compensation complexity created challenges related to quota setting, rollup, and reporting. With payees often moving between roles and positions, the changing compensation rules had to be taken into account and quotas had to be pro-rated. The related performance reports had to also be made available to the right people along the correct hierarchy chains, and while the employees were still in their relevant roles.

The compensation system used by the bank was unable to accurately account for the bank's payment and hierarchy complications, including the aggregation of commission credits across roles. The result was improperly processed data, miscalculations, and ineffective reporting.

The Solution

The bank decided to implement NICE Sales Performance Management (SPM) to address the complexity of its compensation program, due to the comprehensiveness of the solution and NICE's recognized success in the financial sector. With the solution's scalability, it was determined to be effective in managing the compensation of 15,000 individual payees and 150 different sales compensation plans.

NICE

Both of the bank's lines of business, home lending and retail banking, are managed by the same NICE SPM system. While each of the lines of business has its own unique compensation plans, schedules and reports, the single, unified system provides operational consistency and enterprise-wide coherence for higher level strategic decisions.

Managing Dynamic Pay Hierarchies

The bank used NICE SPM to establish different crediting and reporting processes to reflect the two separate hierarchies of its retail banking and home lending lines of business. The system manages the two parallel employee groups simultaneously, providing appropriate compensation and performance data to the relevant supervisors at all times.

Combining job title designations, hierarchy nodes and historical data, the solution identifies and can track an employee's movement across multiple job titles and branches, at different periods of time, including within a single quarter. With this data, NICE SPM applies different compensation rules and plans for the same payee, reflecting the time spent in each position and branch, while managing an accurate rollup of branch results.

With the comprehensive insights and centralization of the NICE solution, the bank is now also able to track and manage relative branch performance. For example, payees with Assistant Branch Manager status or higher can be compensated based on their branch performance, as well as their individual contributions.

Easier Planning, Administration and Data Management

NICE SPM's automated authorization workflows quickly and easily capture data needed for compensation calculations. This has allowed compensation administrators to rely heavily on the solution in planning data changes, in splitting credits, and for resolving crediting discrepancies. They also have accurate data and rapid insight regarding the effects of compensation programs as they are rolled out.

The bank uses NICE SPM to schedule automatic nightly inbound data feeds and outbound reporting, including employee performance metrics. This automation minimizes the manual labor of such routine processes, as well as dramatically increasing report accuracy. Currently, the process is typically completed within 2-6 hours, without the need for manual validation or corrections.

Rapidly Resolving Disputes with Greater Visibility

The bank's employees have been given greater visibility into their own compensation, with detailed reports. They have been further empowered with an automated inquiry process. Payees can now file compensation disputes directly from line items on their personalized activity reports.

The accuracy and precision of inquiries has increased, while dispute resolution times have been reduced from weeks to days.

Reporting and data availability

NICE SPM provides real-time employee performance reports, as well as relative rankings, which the bank generates daily and on demand. Targeted data, presented in role-appropriate reporting, is provided to all levels of sales personnel, managers and administrators. The bank uses this flexibility in NICE SPM to design and produce reports for motivating specific behaviors in the sales force.

With tailored reconciliation reports, the bank's compensation administrators can analyze performance in relation to a given event, team, plan or program. They can also get insights into, for example, the type and timing of credit queries, the results of sales plans, the frequency of disputes, and more. Furthermore, broader systemic and service level adherence can be tracked and audited with significant accuracy and consistency.

The enhanced transparency made possible by NICE SPM, for both employees and administrators, helps to motivate sales staff and optimize planning.