



Customer Profile:

Financial services

Location:

Canada

Business Challenges:

- Commission overpayments
- Lengthy payment turnaround time
- Poor reporting transparency
- Complex manual processes to administer compensation
- Payment reconciliations and clawbacks

NICE Solution:

NICE Sales Performance Management

The Impact:

- Increased payment accuracy
- Commission payments made within two weeks
- Visibility and analysis of sales performance
- Single source of compensation data
- Efficient inquiry management and payment reconciliation

Making Financial Sector Sales Compensation Less Complex

About the Customer

The customer, one of Canada's largest banks, provides personal and commercial banking, wealth management, insurance, investor services, and capital markets products and services on a global basis.

The Challenge

Over 1,000 investment retirement planning agents at the bank sell mutual funds and GICs (Guaranteed Investment Certificates).

As is common in the financial sector, agents sell a large number of investment products, for which they are compensated according to complex formulas. Sales commissions are commonly shared among multiple team members or split amongst two individuals; they vary depending on the customer's tenure with organization, and are contingent on the continuous investments made by the customer. When a customer redeems investments, a commission recovery stream must be handled for the un-retained business.

With this complex compensation setting, the bank faced several challenges:

- **Inaccurate payments.** Sales activity was heavily based on self-reporting, which resulted in data inaccuracies, the need for payment reconciliations and, most of all, compensation payments leakage.
- **Compensation recoveries and clawbacks.** Recoveries of compensation for un-retained business was done retroactively a year later, leading to cash flow issues for a salesperson when the recovery amount was substantial.
- **Payment frequency.** Commission payments were slow due to the manual submissions and validation processes, resulting in a turnaround time that was two months behind.
- **Inefficient sales administration.** Manual processes used for administering sale operations were inefficient. For example, investigating and resolving disputes over compensation took very long, with cumbersome escalation processes to challenge any decision.



- **Limited insight into performance.** Due to the multiple systems used for compensation, management was limited in its analysis capabilities, even for the reconciliation of requests submitted related to sales versus payments made.

The Solution

In tackling the complex compensation management needs of the bank, one of the first steps introduced by NICE Sales Performance Management (SPM) was automating and verifying sales activity submissions. An automated workflow process pulls data from various source systems, allowing a sales rep to add additional information and attributes, and then submit the payment request. Submission is both easy and error-free, with the system pre-populating as many fields as possible so that a sales rep need only fill in 2-3 data attributes (rather than 10-15 separate fields).

The automatic workflow then allows sales operations teams to run confirmations and validations on the submitted payment request, with sales reps having full visibility into this process. NICE SPM runs intraday calculations and updates, ensuring that compensation data is always fresh and accurate.

Dispute resolution was also automated, via a configurable workflow. Throughout a payment period, a sales agent can view the commission they are going to receive and can easily raise an inquiry, pre-payroll, directly from within the electronic statement. The inquiry, along with all the relevant data, is sent to a pre-designated compensation analyst or manager, who can add notes, accept, reject, or pass the inquiry along for additional approvals. A complete audit trail is saved throughout the process, with full visibility to all involved.

SPM performance dashboards provide sales managers with full visibility into sales representatives' individual performance, as well as sophisticated analysis capabilities. Over 56 different KPI metrics related to compensation and sales data can be reviewed by managers, including products sold, source of business, sales volume under specific categories, and compensation payout at each sales production level. This data is also issued regularly to other systems within the bank, ensuring true alignment in reporting.

"NICE SPM has become the single definitive source of both compensation data and performance metrics for our business."

Director of Investment and Retirement Planning Business & Role Strategy

Overall, the NICE SPM implementation resulted in the following key benefits:

- **Improved payment accuracy.** By closing loopholes in the compensation process, the system reduced commission overpayment and delivered a rapid ROI.
- **Faster payments.** Sales reps get paid within two weeks, in the same period as the actual compensated sales activity.
- **Improved management reporting and insight.** Managers have real-time insight into where each sales person is sourcing business from and can proactively launch coaching to influence behavior.
- **Transparency and trust.** Throughout payment periods, sales reps can see the commission they are about to receive, easily raise issues, and view the status and progress of an inquiry.

About NICE

NICE (Nasdaq:NICE) is the worldwide leading provider of both cloud and on-premises enterprise software solutions that empower organizations to make smarter decisions based on advanced analytics of structured and unstructured data.

NICE helps organizations of all sizes deliver better customer service, ensure compliance, combat fraud and safeguard citizens.

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