

# Sales performance management

## The missing ingredient in corporate performance management solutions

Speaker: James Mulligan, Varicent, an IBM Company



## Four questions

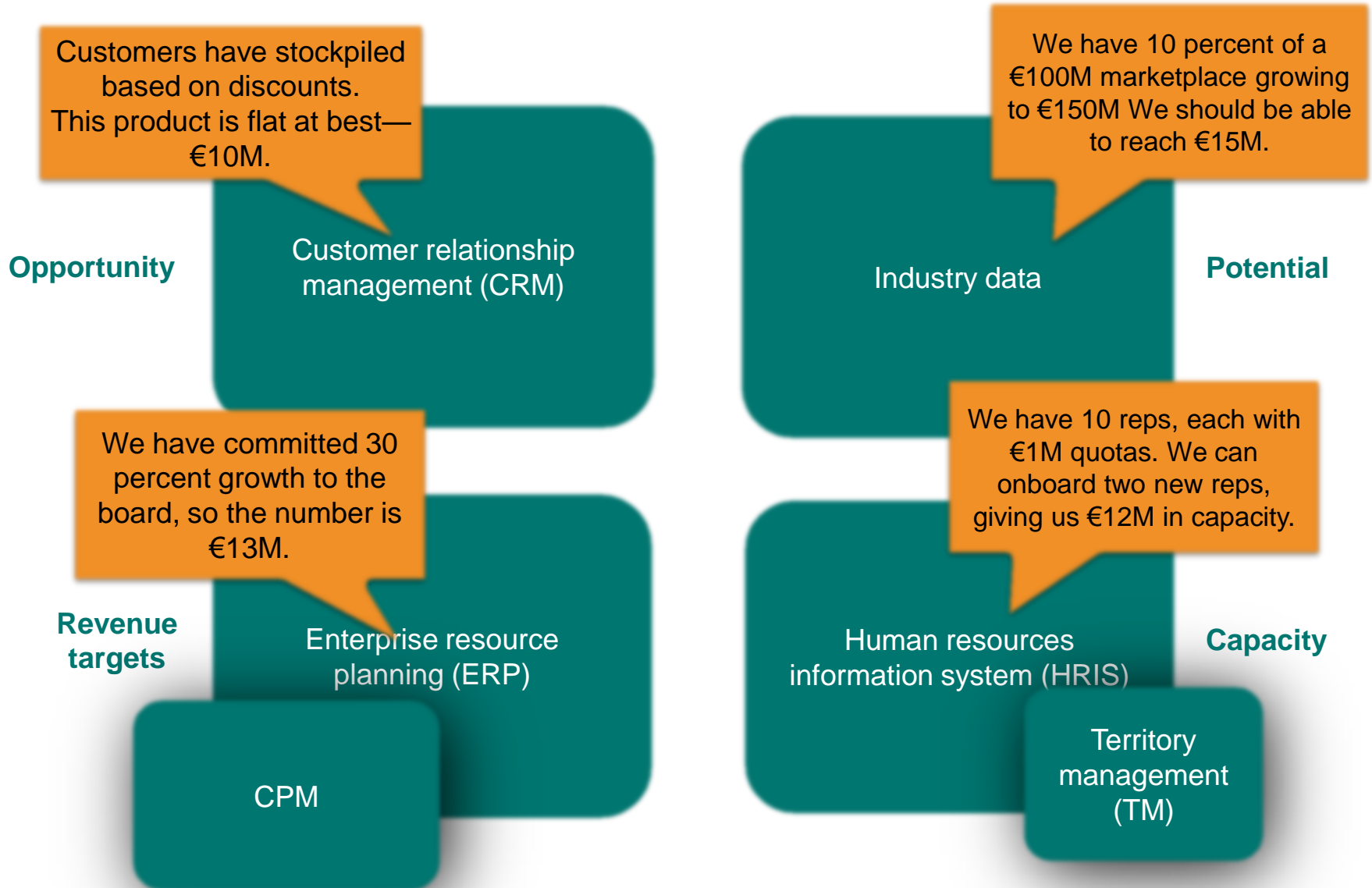
- What is corporate performance management (CPM)? What is sales performance management (SPM)?
- Why is this important now?
- What does the research say?
- How can IBM help solve your SPM issues?

## Corporate performance management

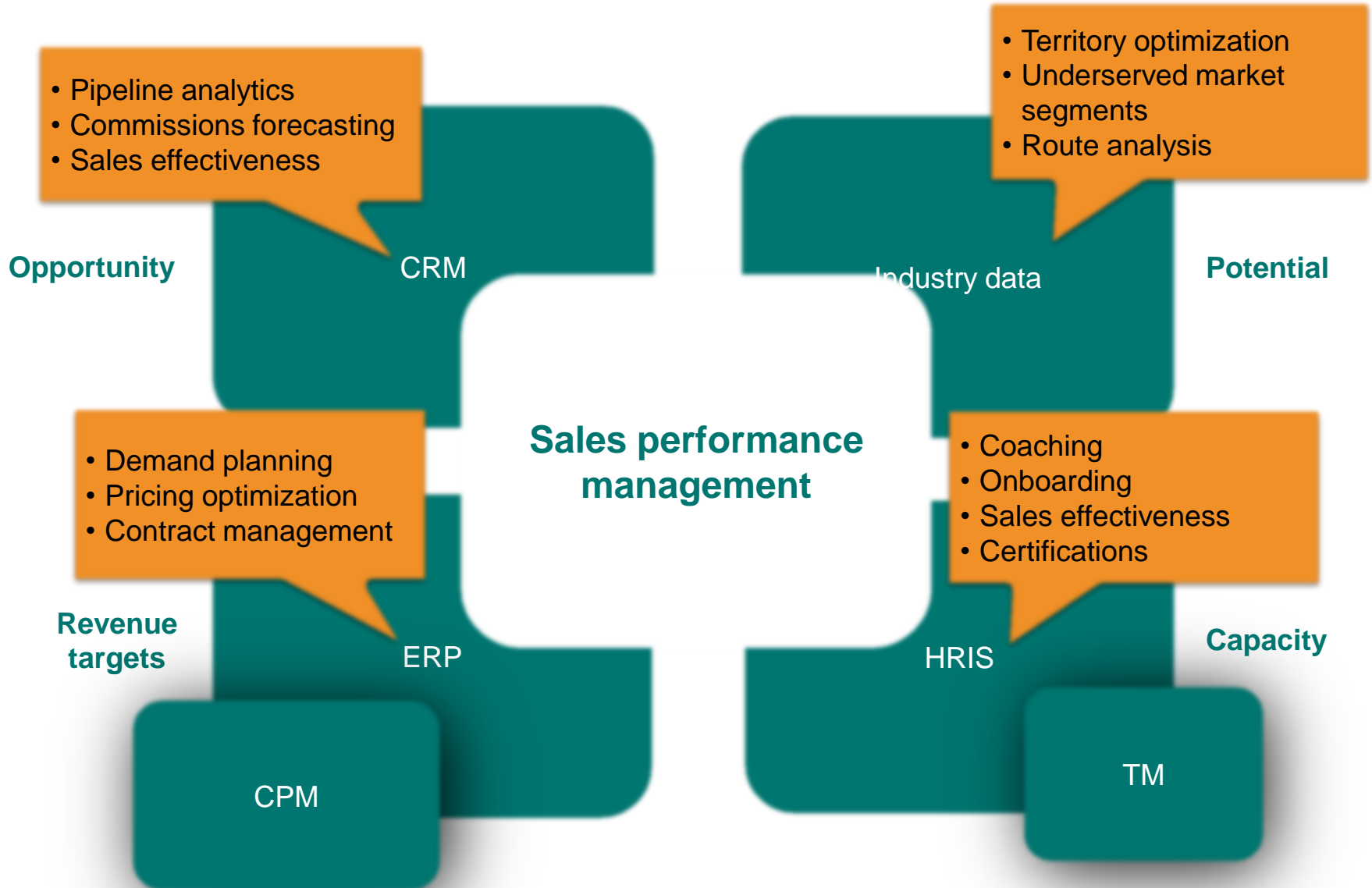
Corporate performance management consists of a set of management and analytics processes, supported by technology, that enable businesses to define strategic goals and then measure and manage performance against those goals.

Core corporate performance management processes include financial planning, operational planning, business modeling, consolidation and reporting, analysis, and monitoring of key performance indicators linked to strategy.

# Organizational alignment?



# Organizational alignment?



## Sales performance management

Sales performance management is defined as a comprehensive solution that helps organizations drive sales alignment from strategy through to execution while improving efficiency, accuracy and timeliness of the associated administrative processes.

SPM supports the business processes of territory management, quota planning, incentive compensation management and roster/channel management.

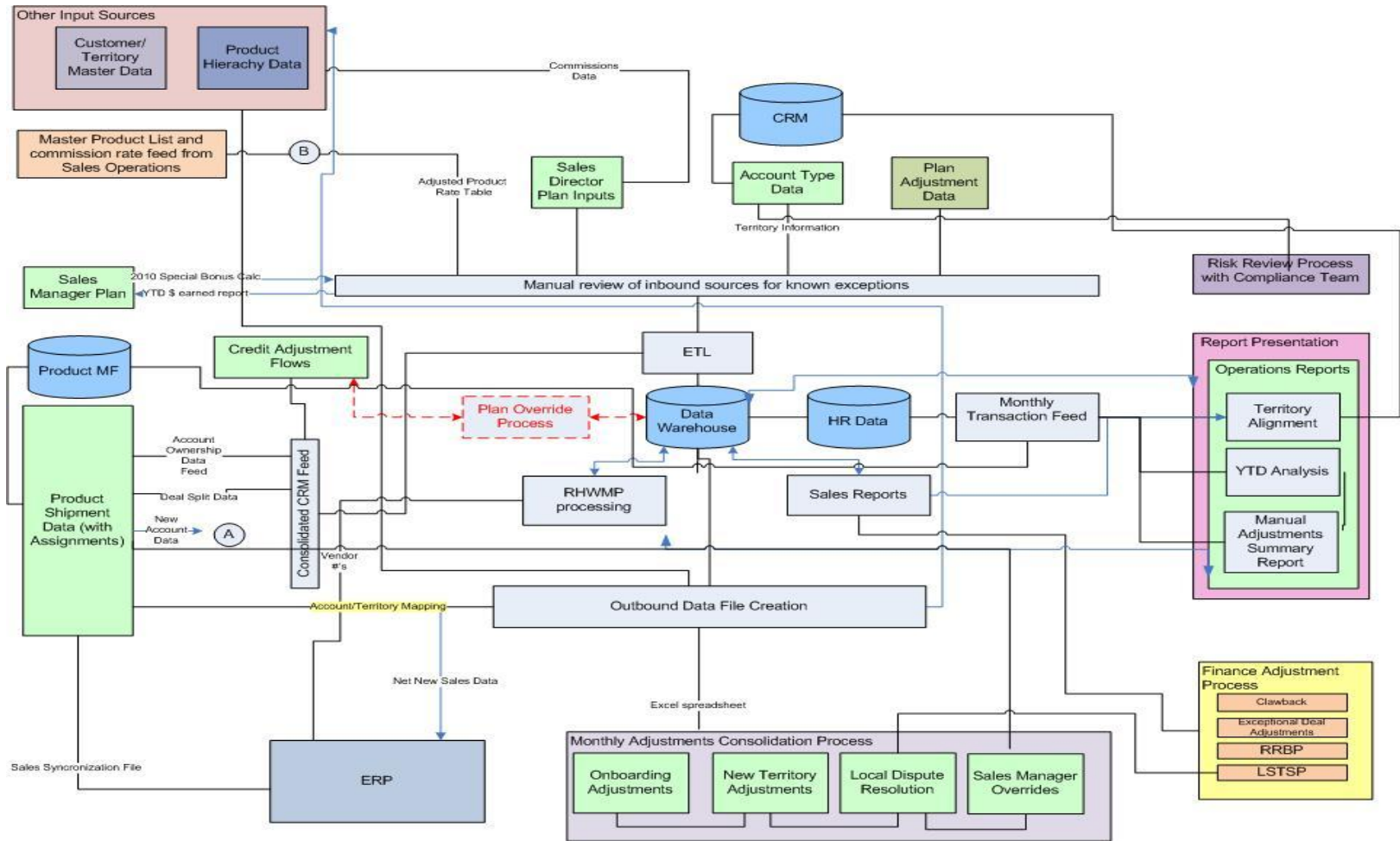
Implementing a sales performance management solution ultimately leads to better management and utilization of sales resources.

## How tough can it be?

- Get the checks out on time
- Make sure they're accurate

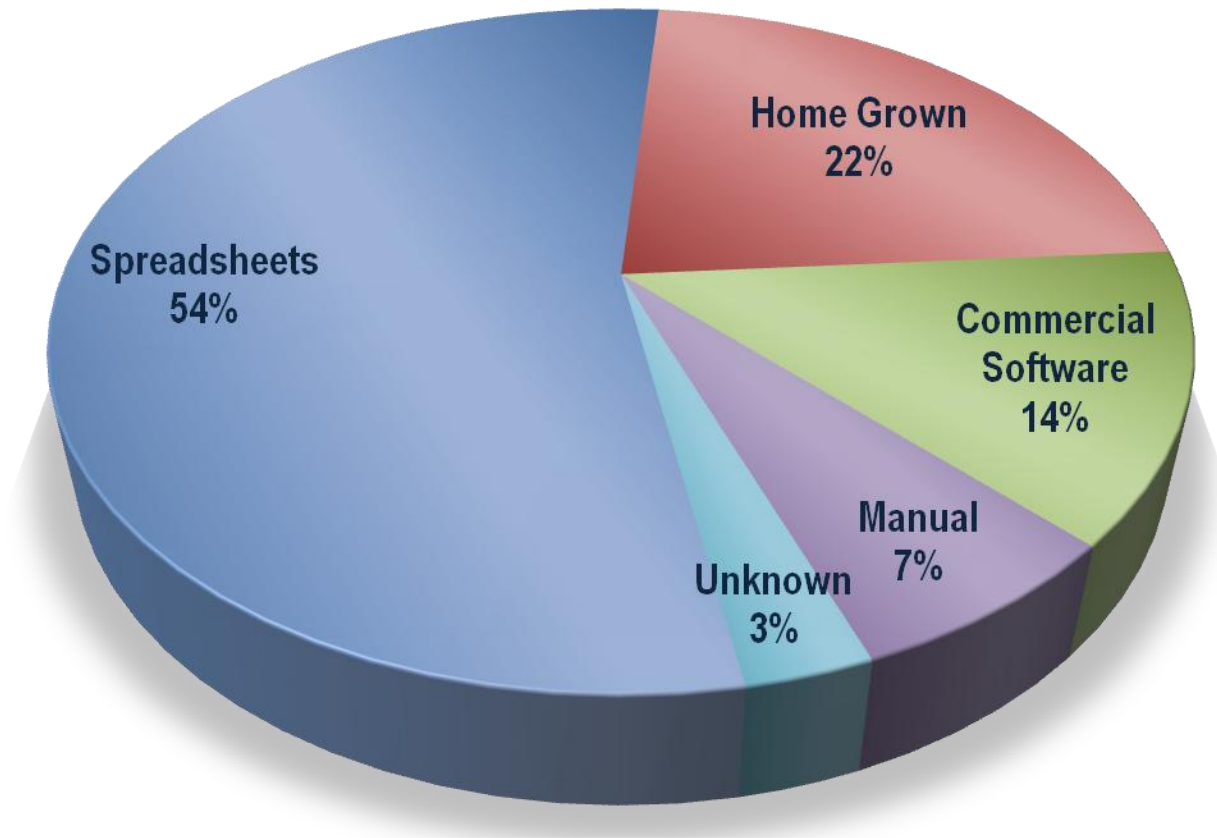


# An all-too-common scenario





## How are commissions being calculated?



CSO Insights, *2011 Sales Compensation & Performance Management*, 2011.

## How tough can it be?

- Get the checks out on time
- Make sure they're accurate
- And ...
  - Be flexible and nimble for changing priorities
  - Manage complex territories
  - Set accurate quotas
  - Generate enthusiasm
  - Deliver timely and insightful reports
  - Resolve questions and disputes
  - Do it with lower headcount
  - Analyze impact of new plans
  - Plan for reorganizations



## State of sales performance management

**Sales compensation spend as a percentage of annual revenues is up to 11.5 percent from 10.7 percent.**

CSO Insights, *Sales Compensation Key Trends Analysis*, 2011.

**Organizations adopting SPM technologies outperform those that don't—higher attainment of quota, more reps making quota, higher win rates, increased revenue.**

Aberdeen, *Sales Performance Management: Getting Everyone on the Same Page*, Peter Ostrow, August 31, 2010.

**Organizations adopting SPM technologies reduce errors by more than 90 percent, reduce processing times by more than 40 percent and reduce IT/admin staffing by more than 50 percent.**

Gartner, *Marketscope for Sales Incentive Compensation Management Software*, Michael Dunne, March 5, 2010.

# Sales performance management



# Adopters span industries and sizes



# Why Varicent is Faster to Value



## Business User Friendly

---

Configure vs. code

---

Visual flow approach

---



## Integrated Product

---

Calculation engine, ETL,  
workflow, reporting, etc.

---

Lower cost of ownership

---



## Flexibility

---

Commission, MBOs, etc.

---

Meet changing needs

---

Flexible data model

---



## Performance & Scalability

---

Built for high transaction  
volumes

---

Imports, calculations, etc.

---



## Trademarks and notes

### IBM Corporation 2012

- IBM, the IBM logo, ibm.com, and the planet icon, are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries, or both. If these and other IBM trademarked terms are marked on their first occurrence in this information with the appropriate symbol (® or ™), these symbols indicate US registered or common law trademarks owned by IBM at the time this information was published. Such trademarks may also be registered or common law trademarks in other countries. A current list of IBM trademarks is available on the Web at [“Copyright and trademark information”](http://www.ibm.com/legal/copytrade.shtml) at [www.ibm.com/legal/copytrade.shtml](http://www.ibm.com/legal/copytrade.shtml).
- Other company, product, and service names may be trademarks or service marks of others.
- References in this publication to IBM products or services do not imply that IBM intends to make them available in all countries in which IBM operates.
- IBM Global Financing offerings are provided through IBM Credit LLC in the United States and other IBM subsidiaries and divisions worldwide to qualified commercial and government clients. Rates and availability are based on a client’s credit rating, financing terms, offering type, equipment and product type and options, and may vary by country. Non-hardware items must be one-time, non-recurring charges and are financed by means of loans. Other restrictions may apply. Rates and offerings are subject to change, extension or withdrawal without notice and may not be available in all countries.