

Gaston Russi – Cognos SPM Territory Manager Switzerland & Austria

30th Mai 2013

Cognos SPM Sales Performance Management



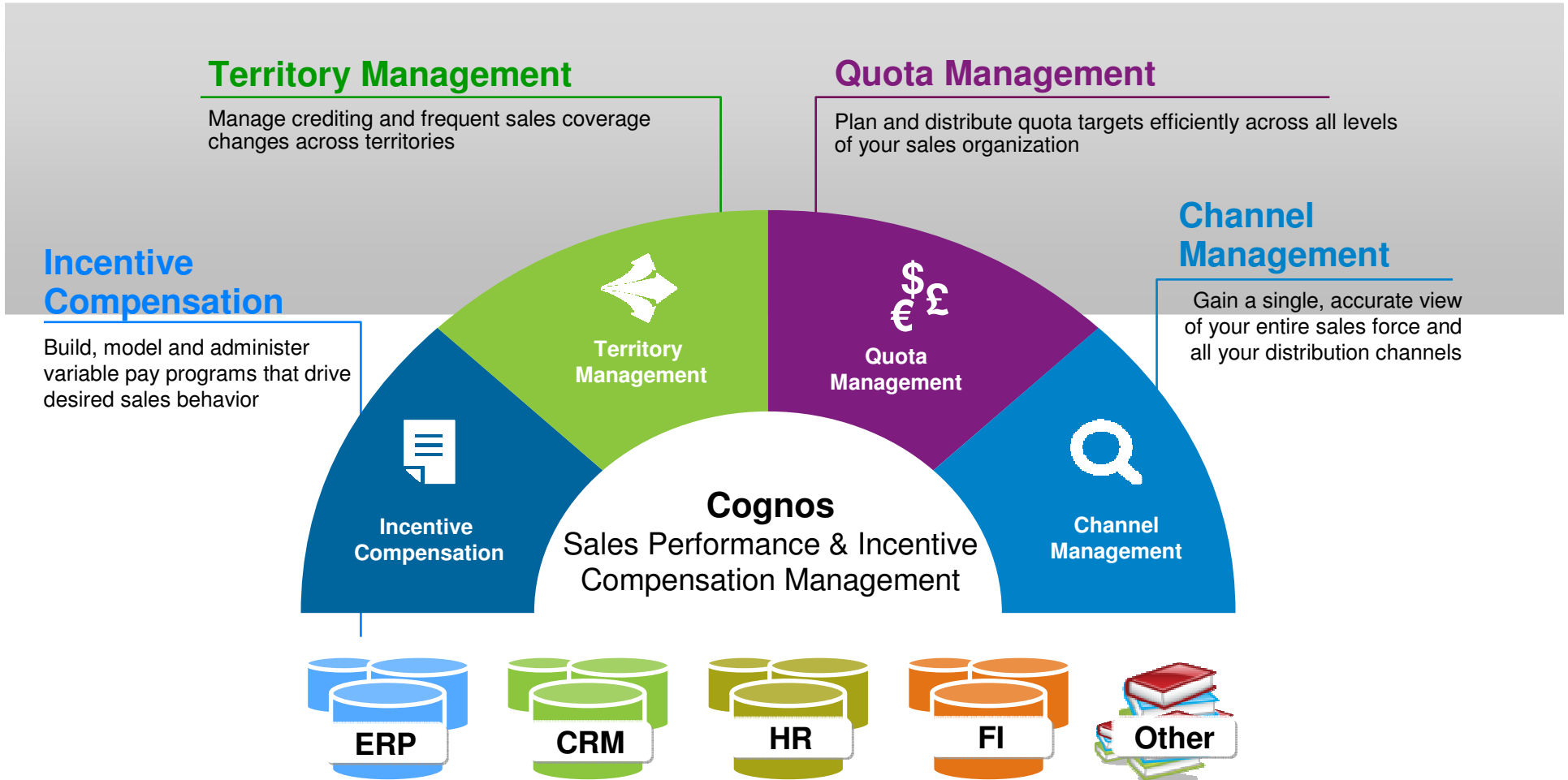
Agenda

Cognos SPM Value Proposition

Live Project @ Touring Club Schweiz

Live Demo

Cognos SPM solution overview



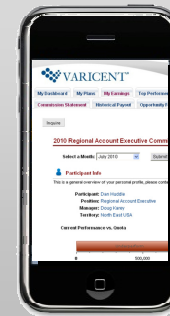
Example Out of the Box CRM Integration



- Single Sign-On to access SPM & CRM information from a single screen
- Data synchronization is automated
- Easy access to plan documents, team reports and quota & territory management tools

Mobile devices enabled

“With Varicent, over 1400 of our field sales rep can access their sales compensation system via their iPads along with the other tools they use on-site with customers. They don’t miss a beat when it comes to understanding the compensation implications of their selling activities.”



Why Companies Adopt Sales Performance Management Technology

Organizations adopting SPM technologies

Reduce errors by more than

90%

Reduce processing times by more than

40%

Reduce IT/Admin staffing by more than

50%

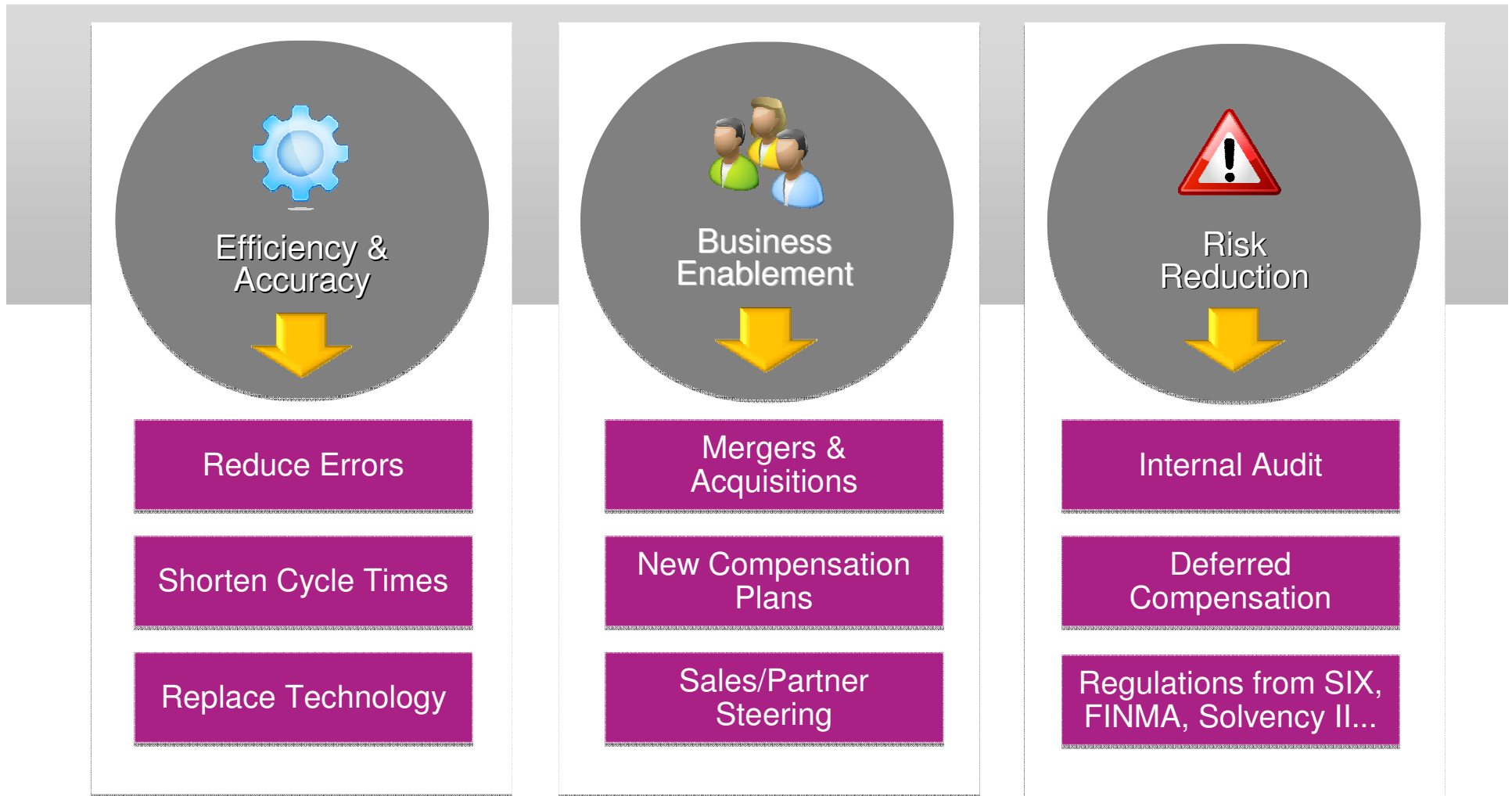
Bonus overpayment estimates:

Accenture: 3-5 %

Deloitte: 4-7%

Gartner: 2-8%

Drivers of Change



Realized Benefits

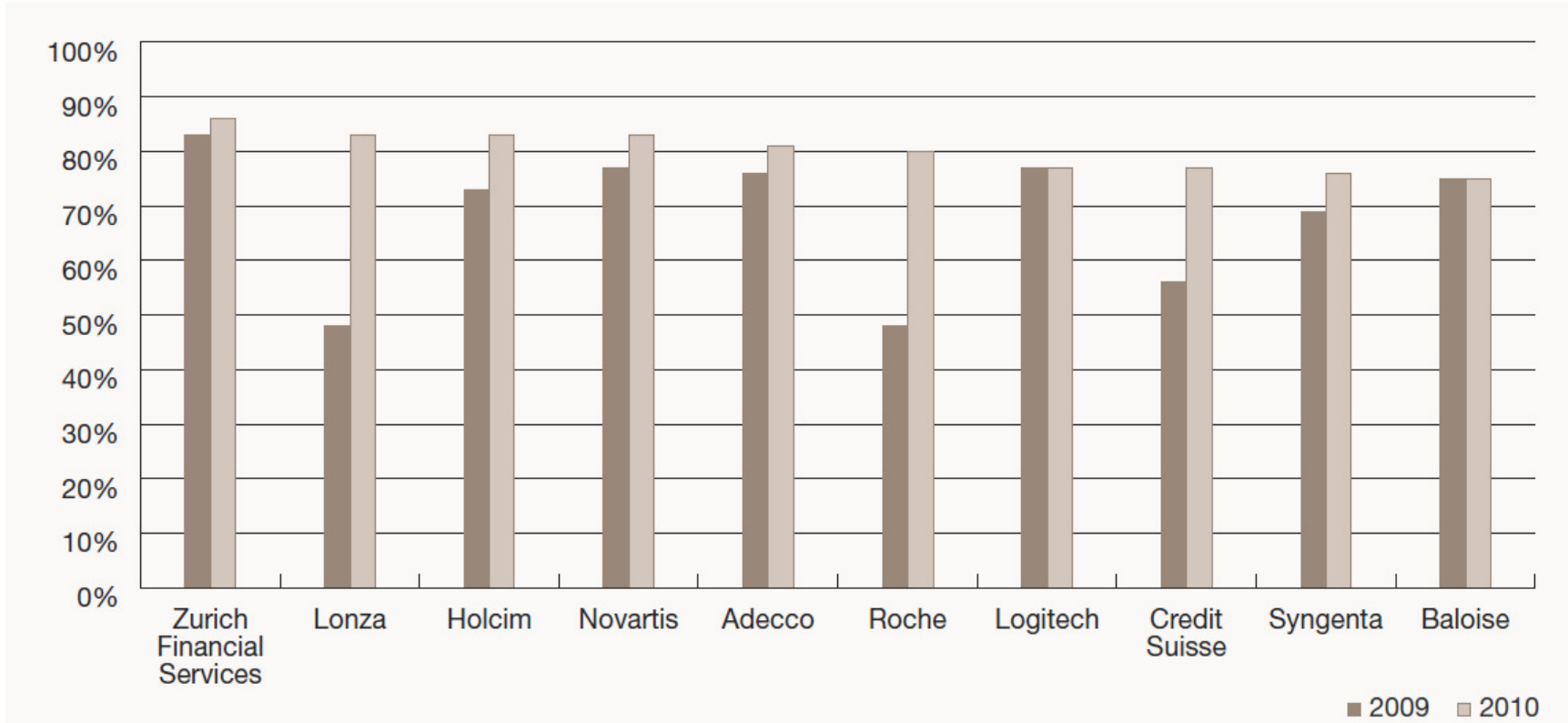
- Modeling allows **simulation of plan** changes prior to roll out => Improved plan management **increased profit margins by 25%**
- Increased **Cross-sell ratio** (products owned per customer) increased from 2 to 5.66
- Increased **partner productivity**
- **Payout process** reduced from 2 months to 2 days
- Went from hundreds of spreadsheets with manually entered data to **one simple system => 80% cost decrease** on existing Systems/Services
- Reduced **time to set up new plans** by 50 days annually
- Over \$4 million in **reduced commission overpayments** lead to system payback in 1st year
- **Reduced number of questions** and disputes by 90%

FINMA minimum standards for remuneration schemes

V.	Principles	margin nos.	16-74
	Principle 1: The board of directors is responsible for design and implementation of the financial institution's remuneration policy and shall issue the remuneration regulations	margin nos.	16-22
	Principle 2: The remuneration scheme is designed to be simple, transparent and implement-able as well as focused on the long term	margin nos.	23-26
	Principle 3: Independent control functions and specialists are to be involved in the design and application of the remuneration scheme	margin nos.	27-29
	Principle 4: The structure and size of the overall remuneration are commensurate with the financial institution's risk policy and encourage risk awareness	margin nos.	30-38
	Principle 5: Variable remuneration is dependent upon the long-term economic results of the financial institution	margin nos.	39-43
	Principle 6: The allocation of variable remuneration occurs on the basis of sustainable criteria	margin nos.	44-47
	Principle 7: Deferred remuneration binds remuneration to the financial institution's future results and risks	margin nos.	48-56
	Principle 8: Remuneration of control functions must not cause any conflicts of interest	margin nos.	57-60
	Principle 9: The board of directors reports every year on the implementation of the remuneration policy	margin nos.	61-71
	Principle 10: Deviations from these principles are only allowed in justified cases. Such deviations must be disclosed	margin nos.	72-74
VI.	Implementation	margin nos.	75-80
VII.	Transitional provisions	margin nos.	81-83

Compliance with SIX regulations on compensation disclosure rules

Figure 12: Degree of compliance with SIX Exchange Regulation compensation disclosure rules
Top 10 companies 2010, out of the SMI and SMIM sample (based on a scorecard developed by PwC)



Touring Club Schweiz

Project DYNAMO Phase II
Partner Management Stream



Project Objectives

TYPE	OBJECTIVES
Financial	<ul style="list-style-type: none">▪ Remain within the project budget▪ Focus on key benefit areas delivering most value▪ Fulfill the business case expectations
Time & Implementation Approach	<ul style="list-style-type: none">▪ Stay aligned with Dynamo 2 Planning as far as necessary, go-Live date must match with Dynamo 2 launch date▪ Apply best practice & OOTB setup▪ TCS to actively participate as much as possible in the configuration as it would be done after the Go Live date (build & test new commission plans)
Quality	<ul style="list-style-type: none">▪ Automated flows with no mistakes▪ Transparent and user friendly view for Manager & Users (online report, dashboard and statement)▪ Strongly reduced number of inquiries/complaints from the partners▪ Self-Sufficiency: Partner Mgmt Admin to be able to create independently commission plans without requiring ext. or int. IT support

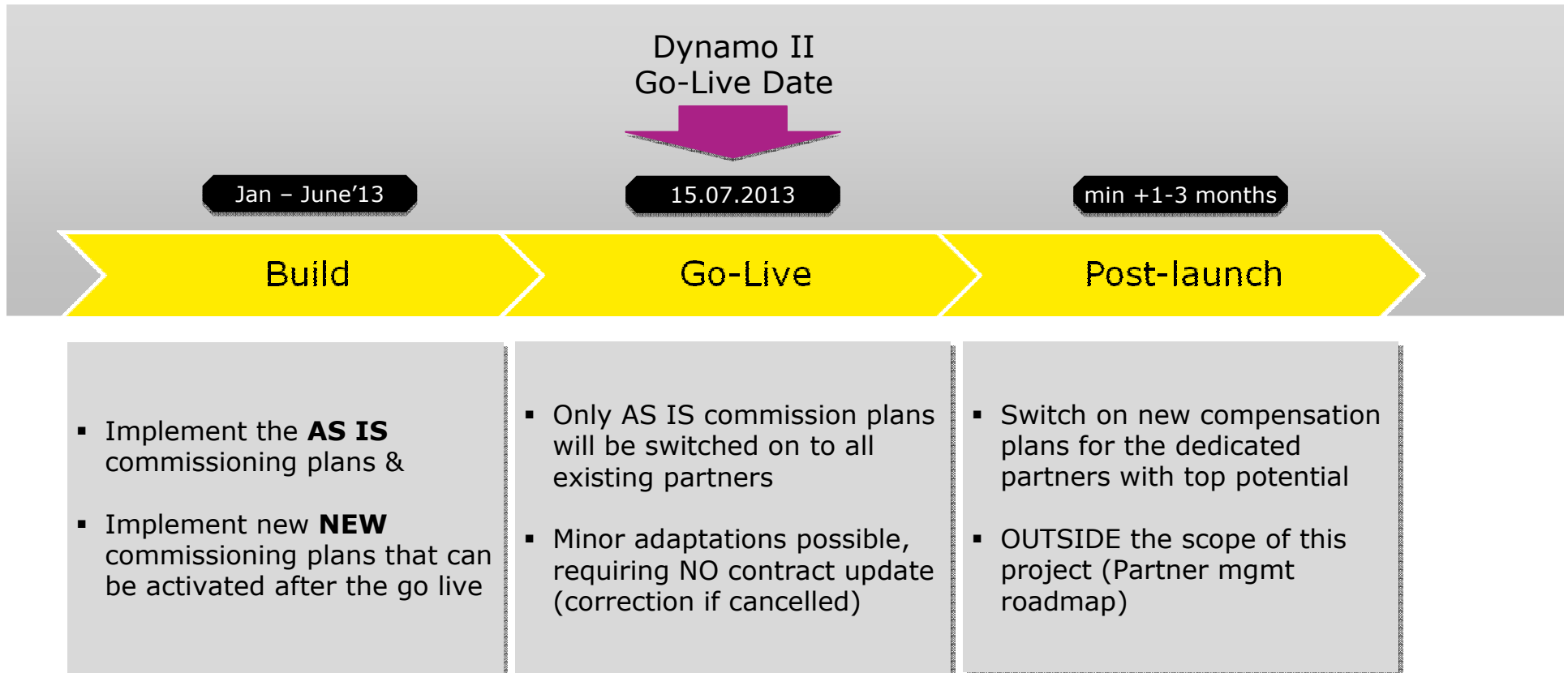
Current situation & Future benefits

DOMAIN	CURRENT	FUTURE
Model Design & Calculation	<ul style="list-style-type: none"> Manual, basic model based on reports due to high resource impact Limitation to create incentives to respond to market events No workflows supporting the decision process 	<ul style="list-style-type: none"> Automated & sales motivating models based on sales transactions Agile & flexible setup of new models to respond to market needs Workflows supporting the approval & decision making process
Payment	<ul style="list-style-type: none"> The time to pay commissions is long No clear & simple view of payment status 	<ul style="list-style-type: none"> Automated payments on both directions Ability to trace payments, clear identification Reduce the payment exchange frequency for low perform. partners
Reporting, Analytics & Statement	<ul style="list-style-type: none"> No detailed reporting possible No sales quota view Basic, non-transparent statements No analytics tool 	<ul style="list-style-type: none"> Clear overview for partners, their sales reps and their managers Exceptions report showing where to pay attention Analytics view allowing to increase the commissioning efficiency
Support, Control/Monitor	<ul style="list-style-type: none"> High number of partner inquiries High effort through different teams Difficult to provide a fast response No standard control mechanism 	<ul style="list-style-type: none"> Fast support response time Minimum number of partner inquiries Control mechanism to spot critical fraud cases

Integration & Interfacing

DOMAIN	CURRENT	FUTURE Interfacing & Integration
SF Integration & Data Interface	<ul style="list-style-type: none"> ▪ No live system --> the sales process will be live as of June'13 ▪ Limited parameters that can be used for commissioning plans 	<ul style="list-style-type: none"> ▪ Key interface inputs are available ▪ Desired commissioning plans can be setup independently ▪ The front end can be accessed through PRM, CRM and a separate online version
SAP Interface	<ul style="list-style-type: none"> ▪ TBC 	<ul style="list-style-type: none"> ▪ Automated payments ▪ Ability to trace payments ▪ Payment item containing full information (eg as attachment) ▪ SAP & Varicent data are matched

Commission Plans Roadmap





Live Demo

Cognos SPM Key Differentiators

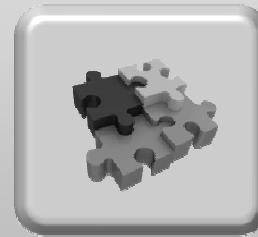


Business oriented

Configure vs. code

Visual comp design approach

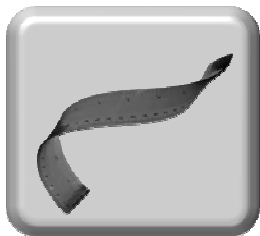
Management buy-in



Integrated Product

Calculation engine, ETL,
workflow, reporting, etc.

Flexible data model

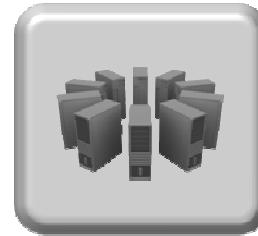


Business Flexibility

Meet changing needs

Speed to market

Commissions, MBOs, long
term incentives, non cash
benefits, etc.



Performance & Scalability

Built for high transaction
Volumes – Imports, calculations, etc.

Cloud and Enterprise deployments

Proven CRM & ERP integration
