

IntraLinks® delivers greater transparency for complex plans, reducing payout inquiries by 60 percent

Automating compensation management with Varicent SPM improves efficiency for both sales and data management

CUSTOMER PROFILE:

IntraLinks provides enterprise-class solutions, which facilitate the secure, compliant and auditable exchange of critical information, collaboration and workflow management inside and outside the enterprise. IntraLinks' on-demand solutions help companies organize, manage, share and track information, enabling them to accelerate workflow, optimize business processes and realize new profit potential.

CHALLENGES:

- ▶ Email and spreadsheet-based compensation management process resulted in a high volume of inquiries from sales
- ▶ The process did not support the diversity and complexity of the sales plan adequately
- ▶ Sales was spending valuable selling time interacting with data management trying to understand payouts
- ▶ A lack of detailed information flow to sales made it difficult to articulate the reasoning behind payouts

OBJECTIVES:

- ▶ Reduce reliance on Excel by moving to a database system
- ▶ Enable sales more time to sell by eliminating the distraction of payout inquiries
- ▶ Bring commission management program back in-house
- ▶ Implement systems and processes to support sales team growth

RESULTS:

- ▶ Greater transparency in understanding the basis for incentive compensation
- ▶ Higher satisfaction from sales regarding information access and quality
- ▶ 60 percent reduction in payout inquiries
- ▶ Supporting complexity and variability within multiple sales plans

Manual process creates challenges in supporting complex sales plans

In calculating variable compensation, many of IntraLinks' compensation plan components extended beyond straight percentages because of the global, market-driven structure of the sales organization. IntraLinks needed to attribute and accrue incentives based on geography and different types of incentives per product per market, which created complexity within the sales plans.

There were also requirements to accommodate different compensation plans for sales representatives, sales managers, and regional and executive directors. In addition to sales-related compensation, IntraLinks pays out quarterly and annual bonuses based on total attainment as well as other incentives linked directly to specific business drivers including sales into new accounts.

"Our Excel-based process worked to a degree, but with our aggressive growth, the rise in compensation-related inquiries from the field was a definite indication that we had to make a change," says Mike Bruzik, VP Financial Information Systems, IntraLinks. "Based on the complexity of our plans, the sales team wasn't getting the information they needed to understand the details of their payouts. As a result, our data management staff was spending a lot of time responding to questions about compensation rather than focusing on the underlying compensation data."

Addressing the demand for detailed compensation information

With the complexity of its plans, IntraLinks was very specific about the solution capabilities required. Varicent delivered in its ability to build IntraLinks' most complex plans and model plan changes, improve reporting, and offer online access to sales information.

In preparation for implementing Varicent, IntraLinks undertook a sales data restructuring initiative to take advantage of the increased data segmentation and reporting capabilities available with Varicent.

"We had to clean up some data, and it turned out to be a significant benefit," says Bruzik. "Our data clean-up improved all of the information downstream from our sales force automation system, which helped us better understand the state of our pipeline and the potential to close new business."

In the first year of using Varicent SPM, IntraLinks focused on modeling its sales plan, getting the plan calculating accurately and increasing the amount of reporting out to sales. The first phase concentrated on reducing the growing number of compensation-related inquiries from sales.

SOLUTION OVERVIEW:

As a growing, global company, IntraLinks has a complex, multi-tiered sales plan. Compensation is calculated based on diverse criteria, including geographic, product and dollar components as well as quarterly and annual bonus components. The Excel-based, predominately manual compensation management process used previously resulted in high volumes of inquiries from sales to the data management team. By automating with Varicent SPM, IntraLinks improved transparency through modeling and calculating incentive compensation. Increased reporting to the sales organization based on that data resulted in a 60 percent reduction in compensation-related sales inquiries.



“We have complex plans, and they change every year. We wanted a solution that would give us an extensible platform to manage compensation while unchaining us from our reliance on Excel. We satisfied both requirements with Varicent.”

Mike Bruzik
*VP Financial Information Systems
 IntraLinks*

In its second year of implementation, IntraLinks implemented completely new commission plans and is now focusing on automating commission statement distribution using Varicent’s online sales portal.

Transparency drives greater efficiency in sales and data management

IntraLinks pursued significant plan changes in 2009 to support corporate growth objectives including implementing role-based compensation with corresponding sales objectives to drive specific behaviors within the sales organization. With Varicent’s automated modeling, calculating and reporting capabilities, IntraLinks was able to implement these changes efficiently and roll out to the sales organization on schedule.

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By using Varicent, IntraLinks has reduced payout inquiries by 60 percent, a significant productivity improvement for both sales and data managers. “Our sales people are much happier because they understand how they are being compensated and why,” says Bruzik. “Not having to ask questions every pay period gives them more time to sell and earn. Varicent also has enabled us to achieve critical efficiency improvements in data management because our people aren’t spending a large amount of their time dealing with sales.”

To build on its current successes with Varicent, IntraLinks is planning to pilot Varicent Mobile later in 2009.

ABOUT VARICENT: Varicent Software Incorporated delivers the most innovative sales performance management solution addressing the needs of business professionals across the entire enterprise. High performing companies relying on Varicent for better visibility and control of their complex variable compensation programs, automating the assignment of territories, the collection and approval of quotas, and reporting and analyzing sales performance include Sun Hung Kai Financial, Waste Management, Linksys by Cisco, Sherwin-Williams, Manpower, Autodesk, Getty Images, Starwood Hotels, Time Customer Service, and many others.

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