

Gaston Russi

Greg Scortis

IBM Sales Performance & Incentive Compensation
Management ALPS (CH & AT)

EMEA Tech Sales Team Lead

IBM Sales Performance & Incentive Compensation Management



Does your Compensation Program drive the right Behavior?



Agenda

- **Business Pain & Drivers for Change**
- **IBM Solution overview & Value Proposition**
- **Customers**
- **Live Demo**

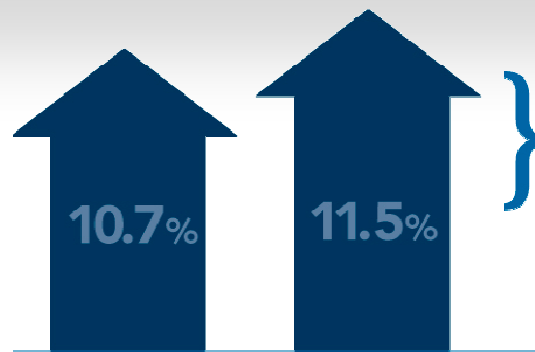
Today's priorities of sales organizations

Pressure in sales organizations to grow and become more efficient

2012 Most Important Sales Priorities



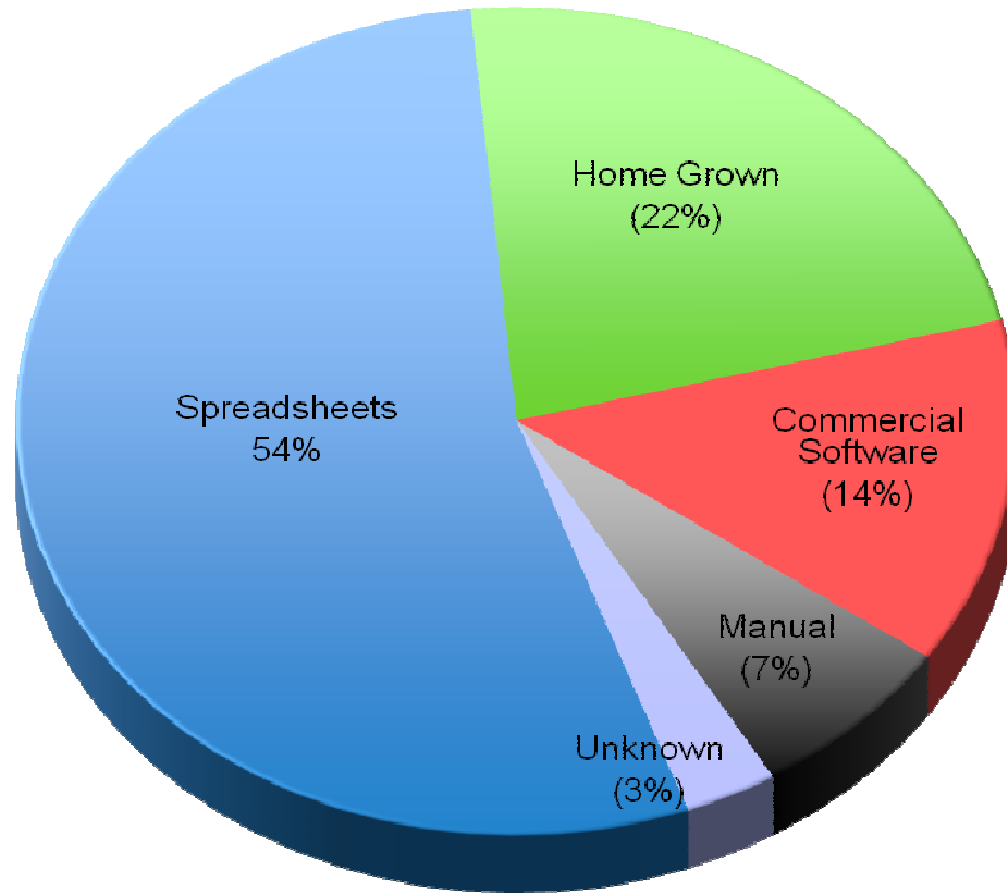
And finance leaders are recognizing the growing magnitude of compensation



Sales Compensation spend as a percentage of annual revenues is up to **11.5%** from **10.7%**

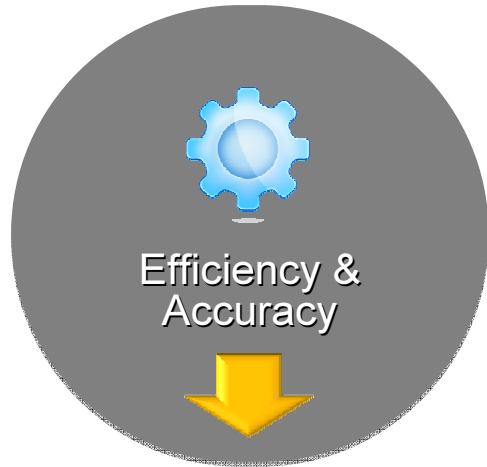


How Is Incentive Compensation Managed today?



CSO Insights - 2011 Sales Compensation & Performance Management, Key Trends Analysis

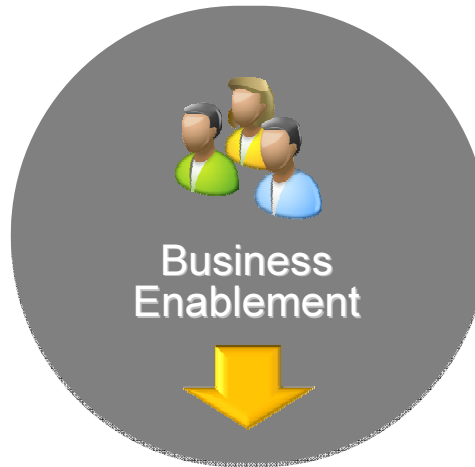
Drivers of Change summary



Reduce Errors

Shorten Cycle Times

Replace Technology



Mergers & Acquisitions

New Compensation Plans

Business Reorganizations



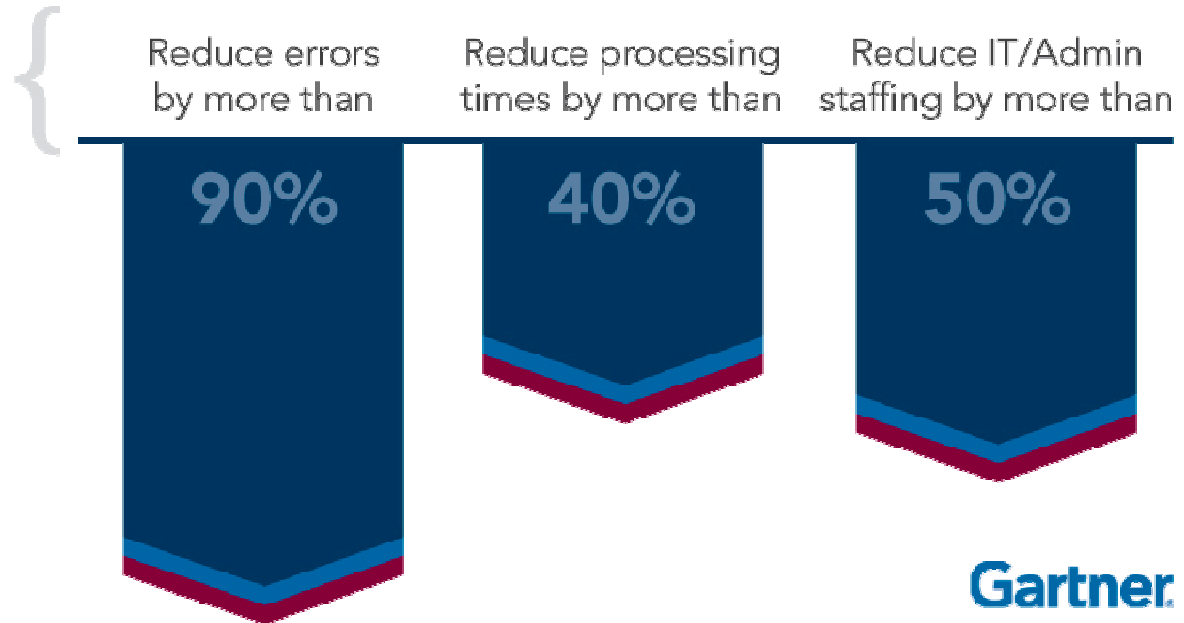
Internal Audit

FINMA

SIX Regulations

Why Companies Adopt Sales Performance Management Technology

Organizations adopting SPM technologies

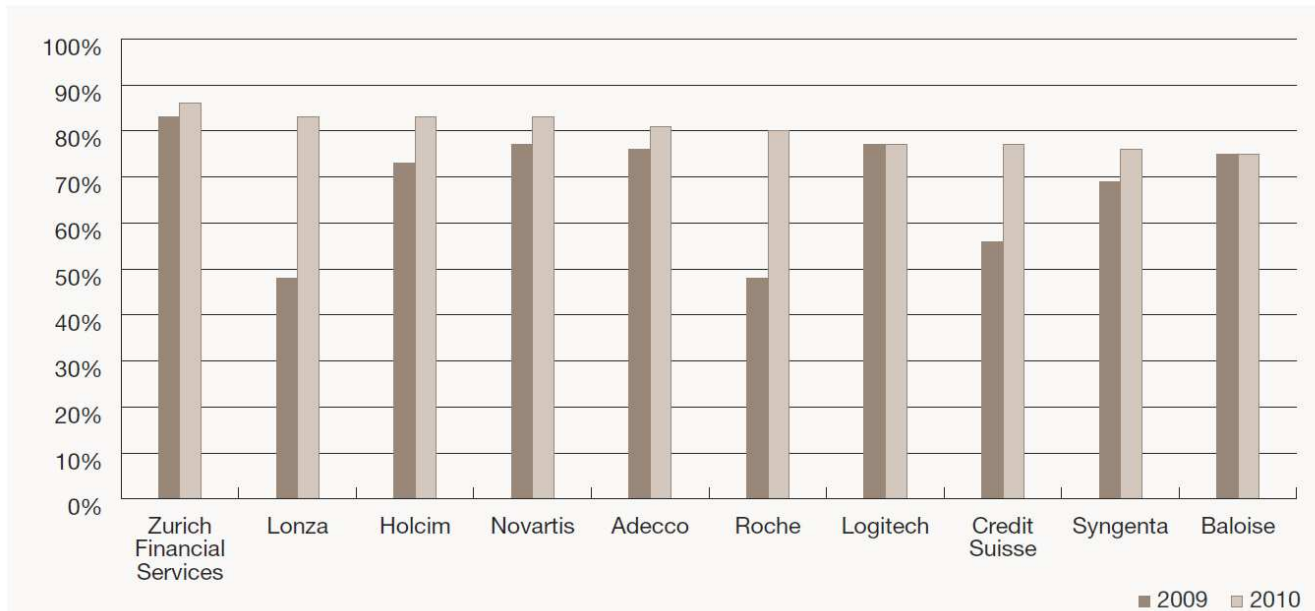


Bonus Overpayment estimates:

- Accenture: 3-5 %
- Deloitte: 4-7%
- Gartner: 2-8%

Compliance with SIX Regulations

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)



Companies surveyed

SMI companies

- ABB
- Actelion
- Adecco
- Credit Suisse
- Holcim
- Julius Bär
- Lonza
- Nestlé
- Novartis
- Richemont
- Roche
- SGS
- Swatch
- Swiss Re
- Swisscom
- Syngenta
- Synthes
- Transocean
- UBS
- ZFS

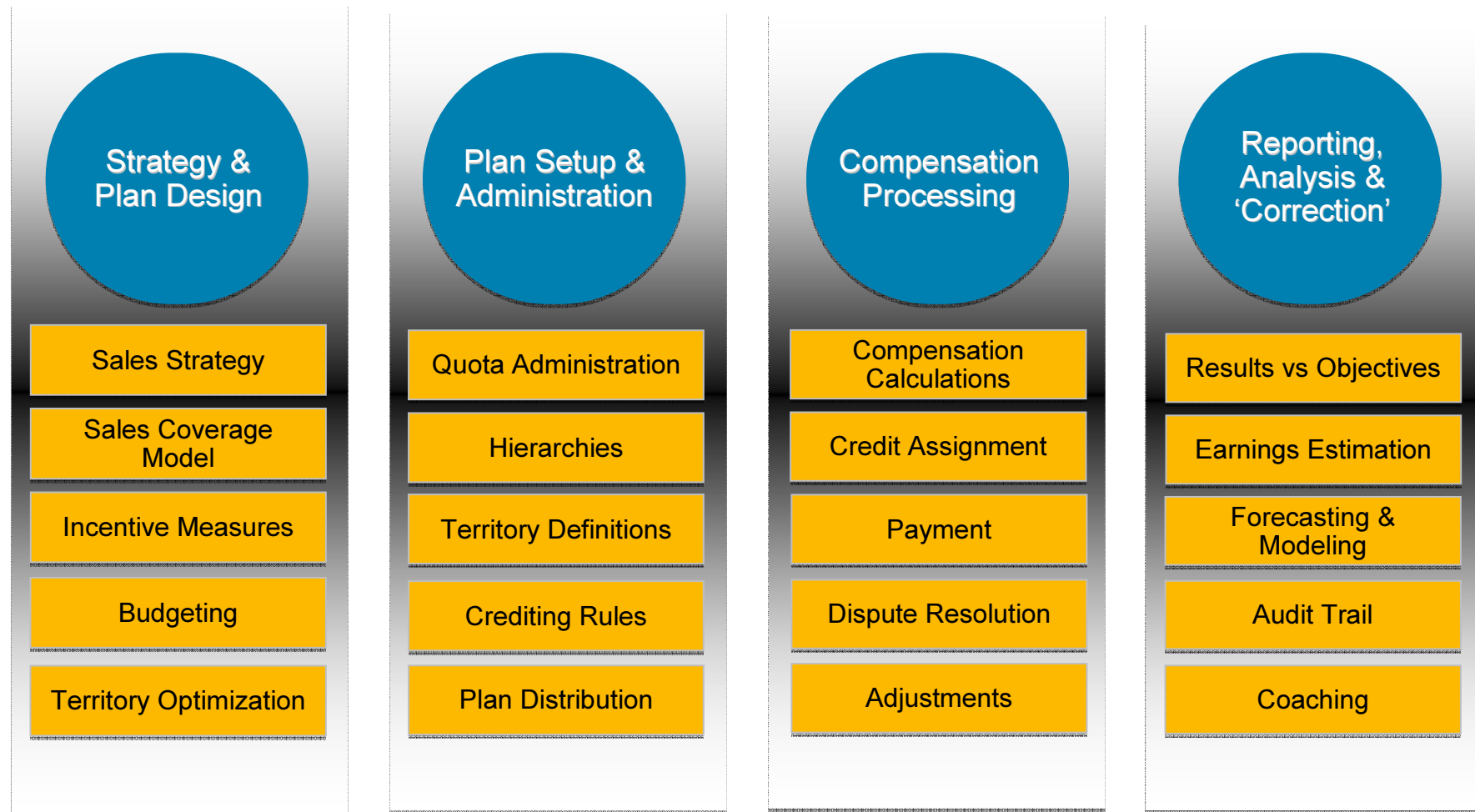
SMIM companies

- Arzysa
- Baloise
- Barry Callebaut
- Clariant
- Galenica
- GAM
- Geberit
- Georg Fischer
- Givaudan
- Helvetia
- Kühne & Nagel
- Lindt
- Logitech
- Meyer Burger
- Nobel Biocare
- Panalpina
- Pargesa
- Petroplus
- PSP
- Schindler
- Sika
- Sonova
- Straumann
- Sulzer
- Swiss Life
- Swiss Prime Site
- Temenos
- Valiant

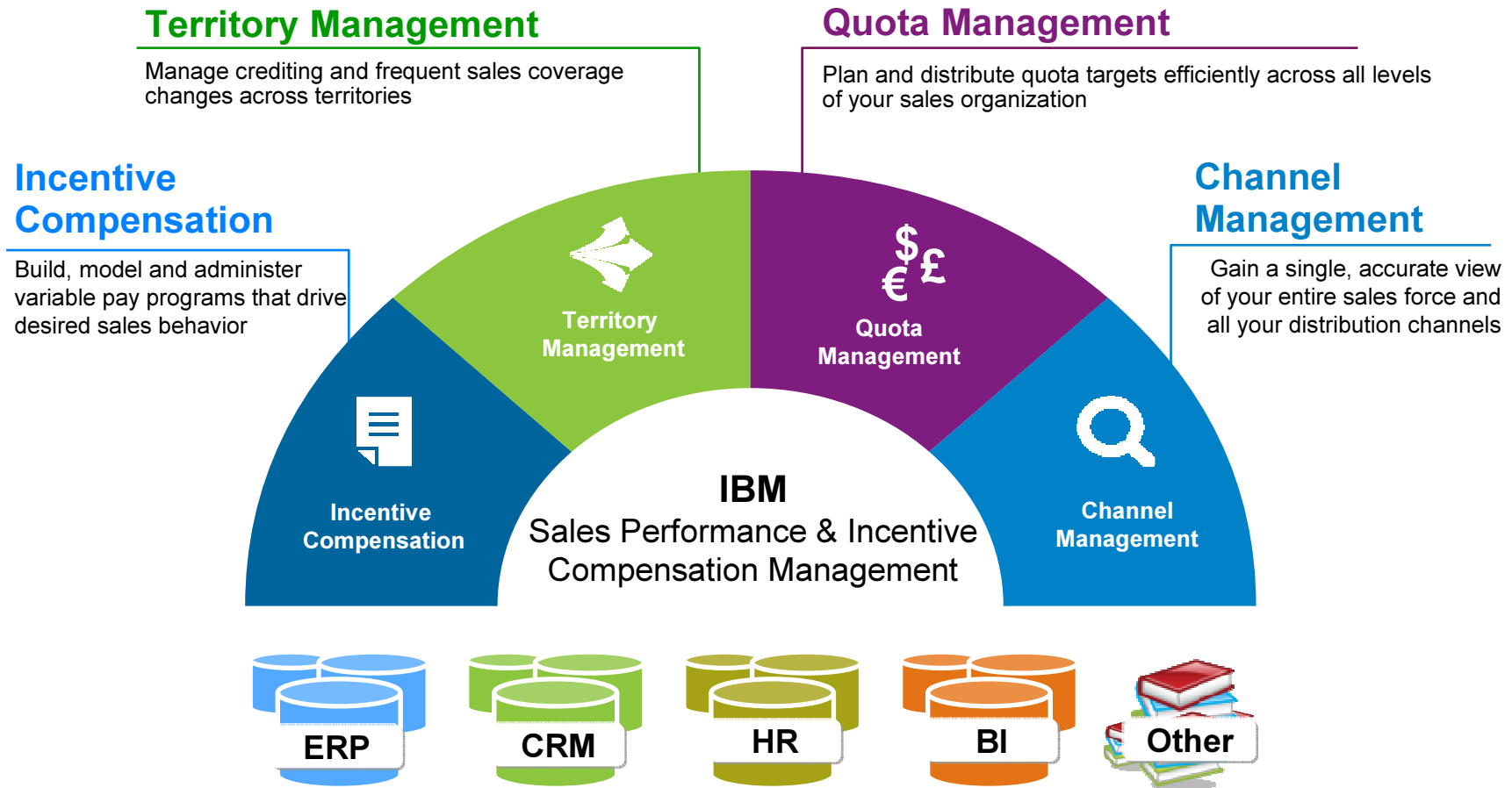


IBM Solution overview & Value Proposition

Key Sales Operations & Management Processes



IBM Sales Performance Management overview



Seamless 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

Example salesforce.com Integration

The screenshot shows a Salesforce.com dashboard for a user named Dan Huddle at Varicent. The dashboard is titled "Sales Representative Dashboard" and provides an overview of performance for the current pay period. It includes a gauge for YTD Sales, a performance summary table, a President's Club Scorecard, a pipeline summary funnel, and a table of top opportunities.

YTD Sales

Below is an overview of your performance of the current pay period including your sales summary and team ranking, incentive compensation and pipeline.

Performance Summary

Current Rank:	4
YTD Sales:	\$1,852,156
YTD Attainment:	91.1%
\$ to Target:	\$223,427
\$ to Rank 1:	\$424,520

YTD Commissions

YTD Commissions	\$15,852
-----------------	----------

President's Club Scorecard

You must fulfill all 3 categories in order to qualify for President's Club.

Category	Current	Need
New Customers:	12	3
Growth Product Sales:	\$112,500	\$87,500
Strategic Sales Count:	7	Done!

RTI Rewards

My Balance:	12,234 Points
-------------	---------------

Pipeline Summary

Here are your current pipeline overview and top opportunities. Please note that forecasted commissions are for reference only and are subject to change until the opportunities are confirmed closed.

Top Opportunities

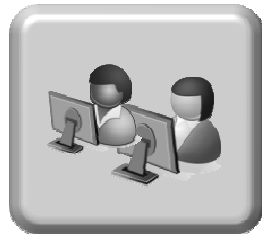
Oppty ID	Account	Stage	Amount	New Client?	Strategic Sale?	Growth Product?	Forecasted Commission
CAMA018	Grand Hotels Kitchen Generator	Commit	\$50,000	Y	Y	N	\$1,375
CAMA021	Express Logistics Standby Generators	Commit	\$75,000	N	N	N	\$1,742
CAMA013	Express Logistics SLA	Commit	\$540,000	N	N	Y	\$11,220
CAMB008	University of AZ Installations	Upside	\$125,000	Y	Y	Y	\$2,244
CAMAD43	United Oil Installations	Upside	\$60,000	N	Y	Y	\$1,421
CAMC015	United Oil Portable Generators	Upside	\$150,000	N	N	N	\$2,473
CAMF001	United Oil Standby Generators	Commit	\$10,000	N	N	N	\$286
CAMA035	United Oil Refinery Generators	Commit	\$270,000	N	N	N	\$4,655
CAMDAA3	GenePoint Lab Generators	Engaged	\$675,000	Y	N	N	\$13,956

Copyright 2010 RT International Ltd. Highly Confidential

IBM Value Proposition => Realized Benefits

- Added 5-6 hours of **selling time** per sales rep per month / more trust and enthusiasm
- 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
- **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 \$1 million in **reduced commission overpayments** lead to system payback in 1st year
- **Reduced number of questions** and disputes by 90%

Key Differentiators



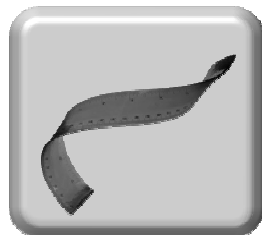
Business oriented

Configure vs. code

Visual comp design approach

Management buy-in

Mobile device enabled

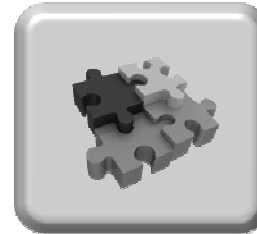


Business Flexibility

Meet changing needs

Speed to market

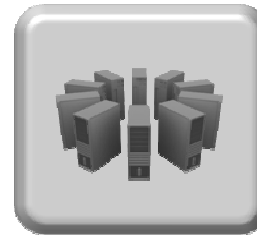
Commissions, MBOs, long term incentives, non cash benefits, etc.



Integrated Product

Calculation engine, ETL, workflow, reporting, etc.

Flexible data model



Performance & Scalability

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

Cloud and Enterprise deployments

Proven CRM & ERP integration



Live Demo