

gettyimages®

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## Overview

### The need

A complex, manual compensation process made it difficult for Getty Images to incent sales on new products and services revenue. The company wanted to streamline the process with automation and gain strategic insight into compensation planning.

### The solution

By implementing IBM® Cognos® Incentive Compensation Management, Getty Images can create more strategic commission plans that help promote revenue streams from new product development and drive sales into bigger opportunities.

### The benefit

Improved modeling, providing executives with greater visibility into performance and costs. Realized rapid cost savings by eliminating spreadsheet inaccuracies.

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# Getty Images

*Building a foundation for strategic compensation planning*

Getty Images is a leading international provider of digital media, creating and distributing a range of assets – from stock photography and editorial images to footage, music and multimedia – that help communicators around the globe tell their stories.

## Complex, manual process a barrier to proactive compensation strategy

To protect its position of strength in the industry, Getty Images knew it had to get more strategic to overcome the cost-consciousness of certain companies and move into bigger and more profitable opportunities.

Brian Parker, Director Sales Operations at Getty Images, says: “We were having a hard time reconciling our goals with our processes. With the manual administration of a slow, complex process, it was difficult to target sales people in a way that kept pace with how our market was evolving.”

Getty Images’ compensation process was spreadsheet-based with complex formulas. There were a maximum of three components per plan in the spreadsheet, and each region had a say in which components appeared. Each region also had control over how it defined targets and calculated actuals over targets.

Each month and quarter, analysts in each regional office sourced data from a proprietary SQL data warehouse, manually adjusted the numbers and then input them into the spreadsheet. Approvals occurred through an elaborate, email-based process that was slow and cumbersome.

“We had a lot of obstacles in the manual process,” says Parker. “We couldn’t audit or model, so we had no idea how people arrived at numbers. Managing disputes with emails and spreadsheets meant potential delays in payouts. And our lack of reporting capabilities hindered our executive team’s visibility into payout-related performance.”



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## Solution components

### Software

- IBM® Cognos® Incentive Compensation Management
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## **Flexibility a key requirement in managing compensation**

In Parker's mind, flexibility was critical for several reasons. First, he wanted to keep elements of administration in the local offices. He continues: "Our main goal was to get more strategic, but we did not have a defined scope as to what that meant. So flexibility meant everything in enabling us to clarify that vision and execute on it."

IBM Cognos Incentive Compensation Management delivered the required flexibility through functionality including simple modifications to table structures, easier data imports/exports, workflow management for disputes/approvals, a user-friendly interface and simple data movement. According to Parker: "IBM Cognos Incentive Compensation Management can support every idea we have in terms of how we want to manage compensation."

Collaboration drove the solution process. The IBM team worked with Parker and his team to examine compensation plan components, calculation methods, team structures and geographic distinctions. The original intent was to automate virtually all analyst calculations, but that changed late in the project to retain regional attainment calculations. With that decision, IBM Cognos Incentive Compensation Management calculates commissions from those attainment numbers, provides workflow processes for approvals/disputes and generates online commission statements for the users.

"The IBM team was incredibly supportive and got everything done on time and on budget, even with the last-minute changes," says Parker. "It was a partnership discussion all the way through. We were always confident that the IBM team was committed 100 percent to the success of the project, which enabled us to launch with a cohesive product."

## **Cost savings and efficiency create foundation for strategic compensation plans**

Getty Images first ran IBM Cognos Incentive Compensation Management in parallel with its previous process. Cognos Incentive Compensation Management picked up spreadsheet errors right away, saving Getty Images the costs associated with those inaccuracies.

For Parker, it was the speed and simplicity in modeling that proved to be a huge advantage. "The process of updating our commission plans used to mean days of my time spent modeling. For example, making accelerator changes meant that I had to go into 16 different spreadsheets, get the data and make the changes manually. With IBM Cognos Incentive Compensation Management, I made changes to 2010 accelerators in 30 minutes, and had all the updated results and reports an hour later. Being able to model that quickly and efficiently is a huge improvement for our organization."

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— Brian Parker, Director Sales Operations,  
Getty Images

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The enhanced visibility is also a critical benefit. The COO and executives now have a customized report of anticipated performance and cost. As soon as analysts key in their numbers, the executive team can view the report. It has also become easier to audit as well as track approvals and disputes without having to rely on paper and email. Sales reps have gained more control and accountability because they can see anticipated results and raise disputes before payouts are finalized.

With the initial stages of automation and new sales insight, Parker is looking to the future. He concludes: “In order to grow our products and services revenue, we need to incent sales reps to step outside their comfort zone. IBM Cognos Incentive Compensation Management will help us accomplish that goal. While Cognos Incentive Compensation Management has delivered functional improvements to how we manage compensation, there are also significant strategic implications that we have just started to explore, enabling us to take our business to the next level.”

### **About IBM Business Analytics**

IBM Business Analytics software delivers data-driven insights that help organizations work smarter and outperform their peers. This comprehensive portfolio includes solutions for business intelligence, predictive analytics and decision management, performance management, and risk management.

Business Analytics solutions enable companies to identify and visualize trends and patterns in areas, such as customer analytics, that can have a profound effect on business performance. They can compare scenarios, anticipate potential threats and opportunities, better plan, budget and forecast resources, balance risks against expected returns and work to meet regulatory requirements. By making analytics widely available, organizations can align tactical and strategic decision-making to achieve business goals.

#### **For more information**

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