

Value added reseller streamlines SPIF management with no-code application development



250 unique SPIF programs running at any given time



One SPIF application to automate the process



Increased process efficiency with access for partner vendors

SITUATION

A value added reseller (VAR) of computer hardware and software has a sales team that includes both direct account managers and sales engineers. This team covers the commercial segments, as well as the federal, state, and local government ones. At the same time, the organization’s product management department is responsible for promoting numerous product lines—servers, routers, printers—working directly with vendors to create SPIF programs to boost sales.

With such a large salesforce, the finance team needs to make sure that SPIFs are managed properly and salespeople are paid correctly.

CHALLENGES

The SPIF programs were broad and complex with up to 250 different programs running at any given time. However, the finance team handling the SPIF payments was small, consisting of three people, and managed the entire process manually. They collected information about SPIF programs from product managers to calculate payouts for sales reps. Product managers entered SPIF program details into a Microsoft Word® template, sometimes printing the document and completing it by hand.

As a result, the finance team spent many hours reading and deciphering paper forms, going back and forth with product managers and vendors for clarification. There was no feasible way to provide more than very basic reports, so no-one could determine which programs were successful.

In addition, the process of calculating the incentive compensation lacked clarity and transparency. Salespeople had no visibility to their SPIF status during the program. Paychecks only reflected a dollar amount, not the payee’s performance in the particular SPIF program.

In short, the SPIFs were not effective in achieving the desired sales behavior and the tools the organization used were simply not equipped to offer any insight or drive business strategy:

- no way to aggregate results of approximately 250 unique SPIF programs running at any given time;
- no centralized access to data and metrics of active programs to analyze their effectiveness;
- no visibility for sales into contest rankings or individual payout, leading to uncertainty and lower participation;
- all data was managed via spreadsheets and paper forms, making it almost impossible for sales operations to keep up with the administrative workload.

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SOLUTION

Using the Optimize unified, no-code platform, the organization created an application to streamline SPIF management.

This application automates a large set of complex programs and is integrated into the organization’s sales commission management solution that was also configured using the same platform. Product managers enter SPIF program details into a form with embedded business logic. This eliminates inaccuracies and ensures a standard process is followed.

The application includes a workflow to require the right program approvals, and also gives salespeople on-demand access to all relevant information:

- their rank in a team or individual contest;
- eligibility for SPIF programs; and
- exact compensation amount.

OUTCOMES

Optimize has enabled the customer to create a complete, standardized, no-code application that has improved the efficiency, quality, and effectiveness of the business on many levels. All the departments involved in the SPIF management process – finance, product management, and sales – benefit from it in many ways:

- for product managers it is easier now to work with vendors to create effective, easy-to-understand SPIF programs;
- the finance team is better equipped to manage SPIF programs in less time and with fewer errors;
- the sales team is more motivated and engaged due to visibility into SPIF status and anticipated payout, with a greater level of detail; and
- SPIF programs are now effective in driving the desired sales behaviors.

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