



The Value of Automating Sales Compensation

Effectively using sales compensation management can add to the success of the entire organization - to revenue, customer growth, product and services profitability. Sales, Finance, Operations, and Human Resources require information about Sales for their own planning. All are affected by it in efforts to achieve their own goals, whether that is optimizing cash flow, streamlining the supply chain or retaining valuable talent. Moreover, all of them understand the important role that managing sales plays in improving the performance of the organization as a whole. Automating sales compensation processes and systems enable the sales organization to operate independently while aligning it with the overall organization's goals.

So why haven't more companies done it?

What challenges do companies face?

- 58% of sales organizations cite the top impediment in sales organizations motivating new investments is scattered information.
- Over two thirds (67%) use spreadsheets to manage and track sales in areas like sales compensation and incentives.
- Almost half (49%) say that relying on spreadsheets makes it difficult for sales professionals to manage efficiently.

What are the priorities for improving sales compensation management?

- 78% of sales organizations indicate it is very important to improve sales and sales operations.
- 72% of sales organizations say that increasing revenue is their most important sales management priority in the next year.
- Improving sales commission and compensation are 2 of the top 5 priorities for sales.
- A majority of organizations (60%) indicate it is very important to improve sales-specific information related to operations and finance teams.

The whole organization is reaping the rewards.

- The #1 benefit derived from adopting software for sales compensation is providing access to information for improving financial performance.
- 89% indicated aligning the workforce to business strategy and goals was rated most highly among organizational benefits of deploying compensation management.¹
- 54% of sales organizations indicate that investments in sales compensation management help to make sales performance more strategic.

¹ Source: Ventana Research Sales on the Cutting Edge Benchmark. Total Compensation Management Benchmark.



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IBM Corporation
Software Group
Route 100
Somers, NY 10589

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