



Incent*Viz*

SMART COMMISSION MANAGEMENT:

PLANS, PEOPLE, AND OPERATIONAL PROCESSES



SINGLE SOURCE
SYSTEMS, inc.

- **Money motivates.** In many organizations financial incentives are used to compel sales agents to dig deeper and push harder to achieve sales goals. But how to best execute an incentive plan isn't always obvious—or easy. Smart commission management requires clearly documented processes and consistent execution.
- **Technology enables** smooth processes for bringing multiple stakeholders together and focused on one outcome: Accurate commission checks issued on time.

Part 1: PLANS

Why is Commission Management so Important Today?

Although omnichannel sales, direct to consumer buying clubs, and online platforms are revolutionizing commerce, direct sales are still highly relevant. In the face of fierce global competition and ultra-thin margins, sales teams are more important than ever. Commissions help reward efforts and give sales agents the recognition they deserve.

Specialized and highly trained

Because many products today are highly specialized with technical components, sales agents must be well-trained in the features and benefits of the product. This sales training represents a major investment in resources. Many industries report a shortage of skilled sales agents with seasoned veterans in high demand. Commissions help your organization attract and retain a trained sales force.

Business-to-Business

Already maxed on their marketing investment, for many companies the next path to growth is through higher

sales closure rates. Leadership teams look to the sales department to become highly efficient and productive, upping sales, while shortening the sales cycle and reducing cost-of-sales. Repeat sales, add-on sales, and net new customers are all important in industrial/commercial and business-to-business sales.

Business-to-Consumer

Commissions are equally important in consumer and retail sales for large ticket items, service-intensive industries, or ones where a sales agent is involved in a lengthy sales cycle. As consumers today are highly fickle and demanding, salespeople who face buying customers daily especially appreciate and benefit from rewards. Positive reinforcements, like bonuses, help avoid employee burn-out.

- **No matter the type of industry or business, sales teams today feel the pressure to up-level their performance. Commissions reinforce behaviors and recognize achievements.**

Challenges and opportunities

Managing commission programs are no easy task. Everyone knows that manual systems can be tedious and time-consuming, plus prone to errors. While each organization faces its own unique set of obstacles, there are some common challenges and opportunities. This chart highlights the distinctions.

- The behind-the-scenes calculations and administrative tasks of commission management are time-intensive, but also critical.

Manual systems

Complexity. Some plans are complex, with multiple tiers, sliding scales, and product-specific promotions and limited-time sales contests. Plans can address individual quotas as well as goals for a team. Complexities can make calculations difficult and time consuming.

Administrative burden. The accounting team often carries the weight of collecting input and calculating the commissions. A myriad of other administrative tasks are typically involved, from communicating the status of commissions due to answering team questions and ensuring the payroll checks are accurate.

Multiple sources. Calculating commissions begins with collecting the data on qualified sales. This can be time-consuming. Numerous reports may need to be generated and gathered, with multiple managers signing off on totals. If reports were issued on different days, data discrepancies can plague the reports requiring hours of tracking down the source of confusion.

VS.

Commission management software

Flexibility. A highly flexible software solution can accommodate a wide variety of types of commissions plans and reward structures. The right solution turns complexity into streamlined processes.

VS.

Streamlined. Accounting teams are often stretched beyond capacity. They need the help of technology to streamline and automate commission processes, replacing manual data entry and speeding tedious calculations.

- Reducing tedious tasks frees teams to focus on more strategic items.

VS.

One source of truth. When the commission management solution is directly tied to your ERP solution, there are no integration issues or discrepancies about sales amounts that qualify for a commission. Everyone operates from the same set of facts, making alignment easier.



Manual systems

Spreadsheet limitations. An organization that relies on spreadsheets for managing commissions must contend with limitations. As soon as a report is generated it is out of date. Spreadsheets don't have the ability to right-click and drill into source details or quickly search for details.

Accuracy. Commissions must be accurate. Unfortunately, manual processes that involve calculations and data entry are prone to errors. When teams are working under time pressure and with multiple priorities, workforce errors are possible. Whether it's entering the wrong number or missing an email authorizing a customer credit, simple mistakes can cascade into larger ones.

Low confidence. Questions about process reliability and limited visibility into data can generate doubt. Once sales agents begin questioning the reliability of the system, they tend to become hyper vigilant and question every tabulation. Dispute resolution with the sales team can be time consuming and frustrating.

Time consuming. Calculating commissions can also be a roadblock to closing the monthly financial ledger. Without the commissions due and payroll report, the month can't be reconciled, moving goods sold into available revenue. Such delays interfere with cashflow.

VS.

Commission management software

Real-time data. A software solution for commission management will provide data in real-time with the ability to drill into details and search reports by date, products, and customers. Tied to the ERP solution, the solution reflects sales and checks due in real-time.

VS.

Reliable. Software for calculating commissions is highly reliable. Because there is no manual data entry, there are far less chances for errors. Tasks are automated with best practices built in, so they are not forgotten or bypassed.

- **System reliability helps sales agents feel confident they're being treated fairly.**

VS.

Low risk. Software solutions for managing commissions take much of the risk out of the process. With built-in best practices and safeguards for calculation accuracy, managers can feel confident in the reports and the commission due. Salespeople will be confident in the report, too, reducing friction and time spent on questions.

VS.

Fast. A software solution for commission management can reduce the time needed to issue commission checks by days. With a simple click, reports are generated. This helps speed checks being issued and helps close the monthly reports.
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Part 2: PEOPLE

Multiple Roles Benefit from Smarter Commission Management

Stakeholders throughout the organization depend on smart commission management programs that are reliable, timely, and easy-to-use.

The C-Suite may see sales commission as a tactic for focusing growth and steering the organization in a certain direction. Top leaders can make their priorities known throughout the sales ranks by the way the sales incentives are structured. The C-suite appreciates a commission management program that offers concise reporting for monitoring progress toward goals and understanding of cashflow.

Sales managers can turn to incentive programs to help motivate and reward specific tactics, such as maintaining contact with a customer to encourage repeat sales. Incentives can also be structured to promote certain behaviors, like teamwork. Rewarding agents who assist colleagues with demos or presentations can help build team camaraderie and create new positive habits.

Product managers may suggest spiffs on certain products to help move slow-turning inventory or help sales teams focus on high-margin product lines or ones with a limited window of opportunity or a seasonal shelf-life.

Accounting resources must calculate commissions quickly, sending reports to sales for sign-off then to payroll for issuing checks to sales agents.

Sales teams want to access status reports to see their plans and when they can expect to receive checks. They want to see how a commission total was tallied and which sales contributed to the commission. By providing this visibility, many of the typical questions are answered, reducing the number of emails that can clog a commission cycle.

- **Increased sales drives growth. This impacts numerous departments as they respond to changes in product emphasis and new workflows to support greater sales volumes.**



Part 3: PROCESSES

Technology Transforms Processes, Simplifying and Streamlining

Modern technology, such as IncentViz from Single Source Systems, makes smart commission management possible. It can turn complexity into streamlined processes, saving time and improving reliability.

- **Let's take a closer look at IncentViz and how it helps support smarter commission management**

Integration is seamless. Your IT team will appreciate that IncentViz tightly interfaces with your ERP solution (Infor CloudSuite Industrial or Infor CloudSuite Distribution) and uses sales data to calculate commissions. Because Single Source is a long-time Infor Channel Partner, there are no issues with compatibility.

Easy set up. Sales leaders can enter goals for individuals and teams with the commission levels and any parameters to be followed. The highly flexible solution can be adapted for tiered incentive plans that offer a higher commission once milestones are achieved.



Adapt as needed. Executives can quickly adapt incentive compensation programs to meet shifts in the business, tap into emerging sales opportunities, and create sprint efforts to boost quarter-end results.

Consolidated input. Because IncentViz collects information from your ERP, there's no hunting for reports, tracking down multiple people, or waiting for input. This feature saves days of work for some teams.

One-click, error-free calculations. When you're ready to calculate commissions, it's as simple as one click. The algorithms are already set up to do the work for you.

Easily access status. Accounting and sales can easily access commissions due, view, enter comments, and provide reports to payroll.

Reporting. Meaningful reports on sales performance can help identify market trends, product strengths, or where there may be gaps in training or over-saturation in a sales region.

Visibility. Sales agents can turn to a convenient online portal for anytime-access to the status of their personal commission plans, progress toward goals, commissions paid and commissions due.

Adjustments. In case of a change, such as a customer canceling a sale, adjustments can be made easily or even put on hold until the discrepancy is resolved. Modifications to totals are clearly documented in reports with the reason for the change and how the commission is impacted.

Collaboration. Cross-department collaboration is easier because of IncentViz. The finance team, sales, HR, and business development can share data along with real-time insights.

Focus. Sales managers can set very clear goals for their sales agents through individual and team quotas/targets that make priorities very clear and reward individuals who focus on tasks.

Team building. HR and sales leaders can use data and benchmarks to focus discussion, reviews and larger discussion about compensation and long-term goals



Next steps for smarter execution of your commission program

If you are managing your commissions using spreadsheets and manual calculations, you may be spending more time on tedious steps than needed. Sales and accounting teams may both be frustrated by the time commitment and uncertain if they are getting the optimal results from their commission and incentive plans. It's time to consider IncentViz.

About us

IncentViz is a commission management solution that interfaces to Infor CloudSuite Industrial (SyteLine) and Infor CloudSuite Distribution. Single Source Systems is a longtime Infor channel partner with deep expertise in Infor solutions, ensuring smooth implementation. For more information visit the Single Source website. Singlesr.com/IncentViz



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