Market Changes Seen Throughout the Manufacturing Industry

For the first time in history, supply, demand, and the workforce have been hit all at the same time.

- Manufacturing sites shut down, resulting in eliminating future output.
- Ports around the world closed—crippling the supply chain of goods that were manufactured prior to the shut-down.
- The global economy was hit hard, which meant businesses could no longer purchase materials as they were unsure how long this situation would last.

When all three components of the global supply chain were halted, it resulted in the most significant hit to the United States manufacturing industry seen in the last one hundred years (Federal Reserve).

Unfortunately, this is not a problem seen only in the American market. Modern-day manufacturing and the industry it operates in is a global network of producers, buyers, and sellers focused on the fabrication, processing, and preparation of products and commodities. A perfect representation of this new-aged manufacturer is Flowserve, an Xactly customer. Flowserve operates in over 50 countries, generating revenue on every continent besides Antarctica.

What Was the Issue for Flowserve?

PRIOR TO DISRUPTION

Flowserve is a global manufacturer and service provider of fluid control devices operating in over 50 countries with 17,500+ employees worldwide. Flowserve heritage dates back 230 years ago to 1790. The organization is responsible for supplying necessary materials for projects all over the world, such as the creation of the largest man-made river on Earth and artificial snow production for the 2018 Winter Olympics.

David Lowe, a Flowserve veteran of 27 years and current Global Director of Sales Operations, spoke at our first virtual user conference about how Xactly assisted his organization through these challenging times.

Flowserv Corp. is one of the world’s leading providers of fluid motion and control products and services. Operating in more than 55 countries, the company produces engineered and industrial pumps, seals, and valves, as well as a range of related flow management services.

We’ve seen that COVID came on in these geographical phases. So as a multinational company, we had a trial run in Asia Pacific, and then it moved into Europe, and we iterated a bit and got a little bit better, and then it came into the Americas.”

- David Lowe
  Global Director of Sales Operations, Flowserve
Like most global organizations, Lowe began to see the impacts of disruptions in waves. Through visibility and actionable data provided by Xactly solutions, he was able to respond with agility and deal with change.

**DEALING WITH DISRUPTION**

With real-time visibility into their global markets, Lowe was able to pivot sales plans with actionable data insights to arm his team with the knowledge and information they needed to carry on their day-to-day activities with minimal interruption. But this isn’t the first time Lowe has experienced market turbulence like this under Flowserve’s employment. He was working for them as a Sales Engineer during the recession of 2008, which has now allowed him to take the sales knowledge from that experience and apply it to the global economic crisis we are currently going through.

Lowe understands Flowserve and its operations like the back of his hand, but having the additional tools and vendor support available to him now has proved to be an invaluable resource for the organization as a whole. Xactly was able to assist him in guiding Flowserve’s operational teams to uncover previously unseen insights that could only be achieved through partnership with a world-class SPM organization.

While working remotely, businesses rely on data to tell where individuals or teams need to improve. Flowserve was able to monitor market threats emerging in their APAC locations and quickly react by setting up new plans and solutions. They incorporated video conference tools for touch and coaching points, to help speed up the rate of adoption—something Lowe called a "psychological safety net."

Enterprise incentive compensation plan design needs to include components to hit important objectives which are brought to life by analyzing performance and understanding exactly where the organization is falling short. Doing this with spreadsheets is tedious and wastes valuable time that can otherwise be spent on more necessary strategic initiatives. When it came to Flowserve's reaction time to current threats in the market, Xactly’s performance dashboards were able to provide Lowe and his team with a snapshot of performance in real-time, allowing them to drill down into potential problem areas.

In times of adversity and accelerated change, Lowe and his team were able to pivot and increase operational agility when Flowserve needed to most. With access to intuitive and real-time solutions, his teams were able to rise to the occasion and

“I’ve been with Flowserve 27 years. I know our customer base, our products, and our organization. What I don’t know is if what we’re doing is the most effective thing. That’s why I rely on experts, and through solution workshops and assessments, Xactly helps us travel that path. They can inform our choices as a true partner in a relationship.” - David Lowe, Global Director of Sales Operations

What I’ve seen through this [COVID] process with Xactly is people on my team step up through that crisis and achieve the expectations that sometimes they didn’t even know were there for themselves. It’s been personally rewarding for me to equip and arm my team with the right set of solutions and skills to succeed in the middle of this chaos.” - David Lowe, Global Director of Sales Operations
prove that the organization as a whole could count on them to take control and navigate through uncertainty with confidence.

With the right set of tools built into their infrastructure, Lowe and his team were able to uncover insights they previously could not see, which created an environment of continued success to help their sales teams carry them into the upcoming fiscal year.

**Setting the Stage for the Future**

Xactly empowers every company to unleash top performance through the effective use of Sales Performance Management to drive focus and needed results from their sales organization. Flowserve was able to use their premium support to help pivot planning and gauge an accurate and realistic approach to new sales plans via Xactly’s Solution Workshops.

These workshops pair clients with seasoned Xactly experts to ensure their plan designs are right for their business. These designs focus sales teams on the most critical opportunities, correctly balance risk and upside in the plans, and deliver solid value for their sales compensation investment. Xactly is more than a vendor of SPM solutions; we are a strategic partner committed to helping our customers achieve continued success.

The days of attaching a fixed, variable percentage to a product are over. We live in a far too complex world for businesses to do that and remain profitable. Product, geography, and even individual sellers can all impact how a transaction is eventually recorded as revenue. This is why compensation targets must be set with complete accuracy and precision, and the only way this is possible is through actionable data and partnership with an organization that specializes in Sales Performance Management.

**Why Xactly?**

Xactly’s experts help enterprises simplify their complex Sales Performance Management processes. With over 15 years of experience, Xactly empowers companies to make strategic decisions, adjust sales plans with agility, and place teams on the best path possible to reach organizational goals.

There’s a new awareness that the “old ways” of doing work won’t cut it any longer. In this new environment, harnessing real-time insights to inform smart decision-making is an urgent need for sales organizations to maintain momentum, accelerate recovery, and ensure continued growth.

**CUSTOMIZING SUCCESS ON THE INDIVIDUAL LEVEL VIA OUT-OF-THE-BOX PLANNING CAPABILITIES.**

Xactly offers the ability to pivot, plan, and strategize with agility. In other words, we are not a “black box” organization. We are a purpose-built solution with out-of-the-box (OOTB) planning capabilities and customizable to handle the most complex use cases. For example:

- Xactly Incent provides OOTB use cases for planning, compensation design, and set up, and can handle individual use cases through the connect integration.

> Flowserve is a heavy iron industrial company, so it takes us a long time to turn the boat. We’ve just got to get more agile and more nimble in that decision-making process. And there is no one answer. So long selling cycle compensation should not be the same as transactional short-selling cycle compensation. By its very nature, it’s different. And we have to have the sophistication to be able to model both and handle both at the same time.”

- David Lowe  
  Global Director of Sales Operations
• Our planning use cases were built for sales, not a derivative of another planning solution meant for corporate or financial planning.
• Our data is sales-focused. AI only runs at its more effective level of production if it is grounded in purposeful data.

When you bundle these capabilities into an intuitive, real-time SPM solution, your organization runs like a well-oiled machine, even in difficult times. Translation? We can handle enterprise organizations with global streams of revenue, like Flowserve, who operates in over 50 countries with revenue coming in from every habitable continent.

We can handle enterprise-level complexity because we are one ourselves. Xactly is deployed in 130 countries, with 70 percent of the customer base being multinational. We are cloud-based, architected for the enterprise, elastic, and scalable, which means we are able to take on whatever needs each individual customer requires. We process 6B calculations per month, with large deployments of 20,000+ people and over 100 million calculations. We know sales because we are sales—this is all we do, day in and day out.

Sales Performance Management is the lifeline your organization needs in order to pivot and optimize current plans, gain invaluable and strategic insights based on real-time data, and empower your sellers to reach maximum performance in the face of uncertainty and unforeseen challenges.

**We Are More Than a Vendor.**
**We Are a Strategic Partner.**

Xactly is a purpose-built and purpose-driven Sales Performance Management organization. This is not just another area of our business or an application that we can achieve through workarounds—this is our space. While technology and solution assistance may be an immediate benefit of taking on a third-party vendor, it’s equally important to seek out a partner that is willing to provide the level of strategic support needed by their customers. Customers and analysts all acknowledge that our market understanding and vision is the strongest. That, paired with our focus on the SPM space and our top-tier support, ensures a successful partnership as our customers adopt additional SPM solutions.

As we look at this industry as a whole, there is no easy path forward. Manufacturers, in the short run, will have to develop GTM strategies as they try to keep cash on their books, while at the same time adjusting global supply chains to meet the eventual rise in demand once the market reemerges. If we look at this historically, Xactly was able to navigate the subprime mortgage crisis, and we will be able to navigate this crisis as well. Our dedicated teams of experts are devoted to uncovering viable solutions for sales organizations globally—it’s the reason why our customers, regardless of industry, say they wouldn’t work without Xactly’s Sales Performance Management solutions ever again.