

A PARTNER IN SALES COMPENSATION SCALABILITY: XACTLY SUPPORTS EXPANSION FOR HYPER-GROWTH STARTUP DATABRICKS

>>> About Databricks

Databricks is the data and AI company. Thousands of organizations worldwide — including Comcast, Condé Nast, Nationwide and H&M — rely on Databricks' open and unified platform for data engineering, machine learning and analytics. Databricks is venture-backed and headquartered in San Francisco, with offices around the globe. Founded by the original creators of Apache Spark™, Delta Lake and MLflow, Databricks is on a mission to help data teams solve the world's toughest problems. Databricks selected Xactly to scale its sales compensation program to match its rapid growth, and be better prepared for any and all sales compensation changes necessary to drive the business forward.

THE CHALLENGES

Back in 2017, Databricks began to grow quickly, and the administrators at the time knew that Excel would no longer suffice in managing the company's Sales Compensation. They foresaw the exponential growth to come and quickly transitioned to Xactly Express. "You get to a threshold where it's no longer an option not to automate. You can't scale without a solution to take you there," said Juli Spagnuolo, Senior Manager, Global Sales Compensation Manager, Databricks.

A lot of people make a great plan once a year, but then don't revisit it until the following planning season to see if it's helped reach the company's desired growth and revenue targets. Even before the pandemic, Databricks was feeling increased pressure to change plans frequently in order to keep up with company growth, goals, and needs. The endeavor to re-plan and become more nimble was already underway, but COVID-19 accelerated the need to have the right solutions and plan components in place.

THE SOLUTION

They began with 25 users in the system, but as Databricks' headcount and revenue both continued to increase, Xactly Express was no longer the right solution. To scale with their growth, Databricks transitioned to Xactly Incent in 2018, and now has hundreds of team members compensated through Xactly with plans to increase more than 50% in the next year.

In 2020, Databricks recognized the value in driving behavior through incentives for teams outside of direct sales roles— and brought its entire



Databricks solves the world's toughest data problems.

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If you didn't have a solution like Xactly you would be spending all your time doing calculations and just making payroll. With Xactly, you are freed up and can start to give insights to the business on top performers. You have access to more analytics versus just cranking a commission calculator. We are now able to provide the high-level data analytics our finance team needs to make critical decisions.”

- Juli Spagnuolo
Senior Manager, Global
Sales Compensation



Business Development, Go-to-Market, and Value teams onto Xactly Incent. These new groups were excited to get visibility into performance and see their incentive statements.

In addition to increasing Databrick's ability to scale its sales organization, Xactly has also helped the sales compensation team create a more productive and mutually beneficial working relationship with their finance department. Spagnuolo shared that, "Prior to Xactly, we used to have difficult reviews with our Finance leaders that lasted hours. We didn't have the system transparency to provide them all of the information they needed.

Now, we have that data at our fingertips, and those meetings only last 20 minutes. No subjectiveness, no questions, no uneasiness. A big part of that is using Xactly."

THE RESULTS

Databricks had the right solution in place to manage growth, scale, and pivot quickly. Given the circumstances that many companies are currently in, Databricks has managed to keep its positive momentum—while making changes that accelerate their business. In addition, they have been able to:

- Achieve better visibility into accruals, attainment, other data insights
- Decrease time spent on financial review meetings by 83%
- Be prepared to easily pivot plans when changes arise
- Align the business to the comp plans in a better way with Xactly
- Robustly improve the rules and calculations
- Be supported in their goals for IPO readiness
- Compensate a 2500% larger sales team (25 users to hundreds of users)

Data Visibility Continues to Create Efficiency

Using Xactly, the sales compensation team at Databricks has moved away from purely tactical administration, and elevated their roles to achieve a more strategic seat at the table. According to Cipriano, "Finance leadership comes to us to add context to the numbers. Commissions are the number one expense for most companies. Now, we're able to add context to those numbers and paint a picture for all of our executives."

Databricks has and will continue to use Xactly to scale its compensation programs as the company grows, while increasing the organization's ability to make timely plan pivots that react to changing needs and goals.

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This visibility increased motivation, and employees were less distracted. The concern of getting paid improperly can be a huge distraction. Now that there's less to worry about, our teams can focus on selling and the organizational goals at hand.”

- **Jan Cipriano**
Sr. Commissions Analyst,
Databricks



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